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The Levant Trade in the Middle Ages

John Day

The eastern and western Mediterranean formed part of a single commercial civilization in the Middle Ages, and the two regions were economically interdependent through trade (in varying degrees). This chapter focuses on this aspect of the question, essentially from the viewpoint of western merchants. The Levant trade, according to a Catalan text of 1453, was "the head and principal of all commerce."[1] It was certainly for centuries the most profitable whether with Byzantium or the Muslim Near East. The subject, on the traces of Wilhelm Heyd's masterly *Histoire du commerce du Levant au Moyen Age,*[2] is often treated as the opening chapter in European capitalism's march to dominate the world, a premise that has sometimes tended to obscure the basic mechanisms of that trade.

The key to economic relations between Europe and the East in the Middle Ages, and indeed since Roman times, was the permanent deficit in the West's balance of visible trade, the result, in the words of Fernand Braudel, of Europe's passion for oriental luxuries combined with the East's passion for silver.[3] Curiously, if classical and modern historians never seem to have questioned this simple fact, considering the steady flow of precious metal from West to East, the same cannot be said of many eminent medievalists, impressed by the West's growing superiority in the organization of commerce and shipping and by the penetration of eastern markets by western currencies such as the grosso, the florin, the ducat, and the carlino, and doubtless influenced as well by the canons of development economics.

The Levant trade revived in the tenth to eleventh centuries in Byzantine Italy "at the points," as Maurice Lombard once wrote, "where the flow of gold from the Muslim world encountered the flow of goods from Byzantium."[4] Amalfi, Naples, Bari, and Ven-

[1] Cited by M. Mollat, *Jacques Coeur, ou l'esprit d'entreprise au XVe siècle* (Paris, 1988), 168. The term "Levant" is here understood to mean the eastern Mediterranean and the Black Sea, that is, Greek as well as Muslim lands.

[2] W. Heyd, *Histoire du commerce du Levant au moyen age,* 2 vols. (Leipzig, 1885–86).

[3] F. Braudel, *Civilisation matérielle: Économie et capitalisme, XVe–XVIIIe siècles,* vol. 3, *Le temps du monde* (Paris, 1979), 423.

[4] M. Lombard, "Les bases monétaires d'une suprémate économique: L'or musulman du VIIe au XIe siècle," *AnnalesESC* 2 (1947): 143–60.

ice were joined at the time of the crusades by Genoa, Pisa, Ancona, Messina, Marseilles, Montpellier, Barcelona, and a host of lesser towns. The crusading period (1095–1291) was marked by the creation of numerous Latin trading colonies in the Near East with their own consuls, hostels, warehouses, marketplaces, and churches; by the creation of colonial dependencies by Venice and Genoa in former Byzantine lands; by the pursuit of mercantile profits well beyond the coastal cities in the direction of Persia, India, and China.[5] In the fourteenth to fifteenth centuries, important changes, produced by military events, occurred in the economic relations between Europe and the East. With the disappearance of the last Crusader states in the Holy Land and the papal embargo on trade with the Muslims (1291–1344), alternate spice markets developed on Rhodes and Cyprus, in Little Armenia, Constantinople, and the Black Sea ports.[6] The breakup of the Mongol empire closed the silk route to China, and the Turkish conquests undermined the Italians' commercial hegemony in the Black Sea. But western trade resumed meanwhile with the Mamluk sultanate, reaching its height in the second half of the fifteenth century.[7] For Wilhelm Heyd it was the arrival of the Portuguese in India and the occupation of Egypt by the Turks that constituted the "two final disasters."[8] In reality we know now, thanks to F. C. Lane and Fernand Braudel, that the traditional Levant trade enjoyed a vigorous revival in the second half of the sixteenth century. The coup de grâce was not delivered by Vasco da Gama but by the Dutch, well over a century later.

For a general picture of the balance of payments between Europe and the East, historians examine various elements concerning monetary movements, the merchandise trade, and commercial practices characteristic of that trade. As noted, the movement of capital (bullion and specie)—speculative movements apart—was always from West to East, proof that the Levant trade in the Middle Ages was a deficit trade. Latin merchants regularly imported expensive luxuries from the East: spices, dyes, sugar, silks, pearls, precious stones. But medieval Europe also depended on that region for basic raw materials. Silk was imported from Persia, the shores of the Caspian, and China. Alum, used in dyeing as a mordant, prior to the discovery of rich deposits at Tolfa in the Papal States in 1462, came from Anatolia, northern Syria, and upper Egypt; potash, used in the glass and soap industries, from Syria. Syria, Cyprus, and Little Armenia produced the cotton for the manufacture of Lombard and south German fustians. This list of eastern imports is far from complete; it fails to include, among others, typical products of the Black Sea region: wheat, furs, skins, pitch, wax, sturgeon, and caviar.

In exchange, to the middle of the twelfth century—based on the commercial contracts of the Genoese notary Giovanni Scriba—exports to the Levant consisted almost exclusively of gold and silver in different forms (Muslim gold pieces, silver ingots, gold

[5] R. S. Lopez, "L'extrême frontière du commerce de l'Europe médiévale," *Le Moyen Age* 69 (1963), and, in general, Heyd, *Commerce du Levant*.

[6] E. Ashtor, *Levant Trade in the Later Middle Ages* (Princeton, N.J., 1983), 3–64.

[7] Ibid., 433–512.

[8] Heyd, *Commerce du Levant,* 2:508–52.

thread, and silverware). But toward the close of the century, the Genoese notaries' deeds begin to mention certain luxuries: fine woolen and linen cloth, northern furs, Mediterranean coral, and even a spice (saffron).[9] The characteristic western exports, however, in the thirteenth to fourteenth centuries, were nonluxuries such as timber, metals, and foodstuffs (wine, olive oil, dried fruit, honey, cereals on occasion), which were sometimes transported on merchant galleys, a type of vessel ill-suited to bulk cargoes, for lack of more valuable merchandise.[10]

Because of the deficit in the balance of trade, which resulted in a permanent shortage of foreign exchange, a veritable money market failed to develop in the eastern Mediterranean. The exchange and arbitrage operations that marked the emergence of multilateral monetary relations in western Europe were limited in the East, where credit was so scarce that a six months' bill drawn on Venice or Genoa at Alexandria or Constantinople in the fourteenth to fifteenth centuries cost up to 12%.[11] This also helps to explain why most Latin merchants continued to practice "venturing," short-term partnerships involving a consignment of goods or cash to the active partner for sale or investment and dissolved on return from the East or at the conclusion of a single commercial operation abroad.[12]

In 1376/77, Genoese exports of goods to the Levant (Alexandria, Famagusta, Beyrouth, Rhodes) amounted to barely 248,500 lire (L.), plus L. 35,800 in specie and bullion, chiefly gold, compared to L. 626,200 in imports of goods and an insignificant L. 100 in gold. (There is no breakdown of exports and imports for "Romania." Based on the customs farm of the "carats of Pera" that same year, Genoese and other traffic through the straits in both directions amounted to about L. 500,000).[13]

The balance of trade with the Levantine markets was even more unfavorable than these figures suggest in earlier centuries. In the first commercial treaty between Venice and Byzantium, the Golden Bull of 992, Venetian ships in the Bosphoros were subject to an exit tax seven times the entry tax, reflecting in all likelihood a rough proportion of exports to imports.[14]

Two and a half centuries later, at the height of the "commercial revolution," Genoese ship charter contracts for "Oltremare" (Syria) provide for an inbound cargo seven times as voluminous as the outbound cargo.[15] It has been estimated that the overall

[9] E. H. Byrne, "Genoese Trade with Syria in the Twelfth Century," *AHR* 25 (1919–20): 191–219.

[10] J. Day, "Prix agricoles en Méditerranée à la fin du XIVe siècle (1382)," *AnnalesESC* 16 (1961): 629–56; F. Thiriet, *Régestes des délibérations du Sénat de Venise concernant la Romanie,* 3 vols. (Paris–The Hague, 1958–61), 1: no. 278.

[11] *Galearum marinariorum introitus et exitus,* 1382, Finanza dell'antico comune 724, Archivio di Stato, Genoa, fol. 114; Ashtor, *Levant Trade,* 376–77; *Il libro dei conti di Giacomo Badoer,* ed. U. Dorini and T. Bertelè (Rome, 1956). Cf. G. Luzzatto, *Storia economica di Venezia dall' XI al XVI secolo* (Venice, 1961), 172–79.

[12] G. Luzzatto, "La commenda nella vita economica dei secoli XIII e XIV," in *Studi di storia economica veneziana* (Padua, 1954), 59–81; *Galearum marinariorum,* fols. 97–111.

[13] J. Day, *Les douanes de Gênes, 1376–1377,* 2 vols. (Paris, 1963).

[14] Luzzatto, *Storia economica di Venezia,* 13.

[15] E. H. Byrne, *Genoese Shipping in the Twelfth and Thirteenth Centuries* (Cambridge, Mass., 1930), 85–88 (doc. dated 1250).

proportion of imports to exports in the fifteenth century was of the order of 2–2.5:1 (the same as for Genoa in 1376/77).[16] There was still not the slightest sign of the reversal of the situation in favor of the West, contrary to the thesis just cited. Thus R.-H. Bautier writes that "one can affirm that between the middle of the twelfth and the middle of the thirteenth century, the balance of trade shifted in favor of Europe, with, as a result, the enrichment of the West at the expense of the East."[17] E. Baratier, historian of the commerce of Marseilles in the Middle Ages, is of the same opinion: "The balance of payments beginning in the thirteenth century shifted in favor of the West, draining more and more Byzantine and Islamic gold to Europe, to a point where it seemed for a time that the countries of the Levant were economically exploited by the Italian merchants."[18] So, too, is Michele Luzzatti: "The balance of trade between the East and the West henceforth favored continental Europe, in a position, thanks in particular to the Italian intermediaries, to profit from the exchange, supplying raw materials and manufactured goods in great quantities and superior in value to those imported: timber, iron tools, Flemish, French and English woolens . . . German silver via Venice"(note, however, that German silver is here considered an export commodity rather than a balancing item).[19] It should be said in this connection that if the crisis in the artisan trades in the Muslim Near East in the late Middle Ages, as documented by Eliyahu Ashtor, invited the import of increasing quantities of manufactured goods from the West, the resulting improvement in Europe's current accounts was probably more than offset by a boom in the imports of spices, which seem to have doubled between 1400 and 1500.[20]

In fact, if one excludes speculative movements involving Mongol gold for German silver (via Constantinople and Venice) in the fourteenth century, the drain of precious metals to the East never stopped. In a Florentine merchant handbook of the early fourteenth century, silver ingots and Venetian silver *grossi* were regular exports to all the Near Eastern markets.[21] Francesco Pegolotti around 1340, Jacques Coeur in 1453, and Bartolomeo di Pasi at the close of the same century confirm the irreversible character of the flow from west to east, where it enjoyed a premium of 5–15%.[22]

[16] E. Ashtor, *Le métaux précieux et la balance des payements du Proche Orient à la basse époque* (Paris, 1971), 96.

[17] R.-H. Bautier, "Les relations économiques des Occidentaux avec les pays de l'Orient au moyen âge," in *Sociétés et compagnies de commerce en Orient et dans l'Océan indien,* ed. M. Mollat (Paris, 1970), 301–4.

[18] E. Baratier, "L'activité des Occidentaux en Orient au moyen âge," in *Société et compagnies de commerce en Orient et dans l'Océan indien,* ed. Mollat (as above, note 17), 341.

[19] M. Luzzatti, *Storia dell'economia italiana,* vol. 1, *Il medioevo dal crollo al trionfo* (Turin, 1990), 57.

[20] E. Ashtor, "The Volume of Levantine Trade in the Later Middle Ages," *Journal of European Economic History* 4 (1975): 573–612; C. H. Wake, "The Changing Pattern of Europe's Pepper and Spice Imports ca. 1400–1700," ibid. 8 (1979): 361–403.

[21] Bautier, "Les relations économiques," app., 311–20 (Constantinople and Pera, Tana, Kaffa, Theologos, Phokaia, Laias, Tripoli, Beyrouth and Damascus, Acre, Alexandria and Cairo, etc.).

[22] F. Balducci Pegolotti, *La pratica della mercatura,* ed. A. Evans (Cambridge, Mass., 1936), 219–20; Mollat, *Jacques Coeur,* 245; Bartolomeo di Pasi, *Tariffa de pesi e misure* (Venice, 1557), 149–50.

For the fifteenth century, Venice provides the best figures on the flight of precious metal to the Levant. Emmanuel Piloti, a Venetian from Crete, in 1420, and the doge Tommaso Mocenigo at about the same date, both insist on the fundamental importance for Venetian maritime commerce of the gold and silver from central Europe and the Balkans. Piloti, without providing figures, speaks of regular arrivals of gold by the "German Road" to the Fondaco dei Tedeschi and thence to the mint, where it was converted into ducats before taking ship for the East, especially Egypt. According to Mocenigo, Venetian silver money exported to the East, including the Venetian colonies, amounted to the equivalent of about three metric tons annually.[23] In 1433, a fleet of ten merchant galleys with goods worth one million ducats, plus 400,000 ducats in cash sailed from Venice for Alexandria and Beyrouth. In 1494, according to Marino Sanudo, Venetian merchants transported 220,000 ducats to Egypt and 120,000 to Syria. Finally, in 1512, the Venetian ambassador to the sultan noted that prior to the voyage of Vasco da Gama, Venice exported annually to Alexandria 3,000–4,000 tons of olive oil, 3,000–4,000 quintals of copper, 300,000 ducats worth of general merchandise, and the same sum in cash.[24]

These different estimates permit one to conclude that Venice alone in the fifteenth century shipped about 300,000 ducats, the equivalent of one metric ton of gold, to the Levant in normal years to settle its accounts with that region, which was, in effect, flooded with Venetian ducats in the late Middle Ages, just as Europe in our own day is flooded with dollars—or more precisely with dollar credits, or eurodollars—because of the chronic deficit in the United States' balance of payments.[25]

For the Italian, Provençal, or Catalan merchants engaged in trade with the Levant, the problem seems to have been to procure at almost any cost the oriental products demanded with insistence by a "seller's" market in Europe. The fact that it was often easier to obtain goods on credit or in consignment than to raise cash when the convoys were preparing to set sail for the East, a time of "tight" money, seems to have encouraged the systematic dumping of western products on the Levantine markets. The accounts of a Genoese merchant in 1382 show that he sold English woolens, Irish serges, and a large consignment of ermine pelts in Cyprus and Syria all at a loss, or bartered them for objects of lesser value. He had to await his return to Genoa and the sale of pearls from Damascus, cottons and silks from Tripoli, Laodikeia, and Alexandria to make good his losses and realize a profit (as in the expression "faire ses retours").[26] In the same way, the accounts of Andrea Barbarigo, a Venetian merchant in Syria in 1431–

[23] *Traité d'Emmanuel Piloti sur le passage en Terre Sainte, 1420,* ed. P. H. Dopp (Louvain–Paris, 1958), 149–50; F. C. Lane, "Exportations vénitiennes d'or et d'argent de 1200 à 1450," in *Etudes d'histoire monétaire, XIIe–XIXe siècle,* ed. J. Day (Lille, 1984), 29–48.

[24] F. C. Lane, *Andrea Barbarigo, Merchant of Venice:1418–1449* (Baltimore, Md., 1944), 76–77; Ashtor, *Les métaux précieux,* 66–67.

[25] The same was the case in the 13th and 14th centuries with respect to the Venetian silver grossi, and in the 11th and 12th centuries for the dinars and dirhams originating in the Maghreb. For the latter, see S. Goitein, "Le commerce méditerranéen avant les Croisades," *Diogène,* no. 59 (1967): 52–68.

[26] *Galearum marinariorum,* fols. 97–117.

36, show that he made his profits from the sale of cotton exported to Venice, while European goods were often disposed of in Syria at a loss, but served to procure the indispensable complement of cash for his purchases of cotton.[27] Dumping, in this instance, was doubtless encouraged by Venice's domination of the spice and cotton trade in the late Middle Ages, which enabled it to market these commodities in Europe at monopolistic prices.

With respect to the "invisibles" in the European balance of payments, the expenses of pilgrims and other western travelers certainly weighed heavily on the scales in the negative sense. Two Florentine pilgrims, for example, sailed from Venice in 1384 for Egypt and the Holy Land with the very considerable sum of 900 gold ducats in their purses.[28] Or again, in 1392, the English mayor of Bordeaux and six companions disbursed almost 500 ducats on the same pilgrimage, including the price of their round-trip fare but not counting "certain minor expenses for food and souvenirs."[29] In 1480 the expenses of ninety pilgrims in Felix Faber's company were reckoned at 100 florins per head, plus 50 florins in case of sickness or accident.[30] In the thirteenth century, the Hospitalers of St. John organized an annual pilgrimage from Marseilles of some three thousand persons, and in the fourteenth to fifteenth centuries two or three pilgrim galleys sailed from Venice every year for Jaffa, the port of Jerusalem.[31] This medieval tourist traffic was essentially one-way. With the exception of high-ranking diplomatic or ecclesiastical personalities, oriental visitors were practically unknown in Europe. Not only that, the Muslims of the Maghreb, Spain, and the western Sudan set out in the same direction on their pilgrimage to Mecca. The enormous quantity of Sudanese gold that the emperor of Mali, Musa Mansa, and his suite disbursed during his pilgrimage in 1324 depressed the price of gold in Cairo, it was said, for the next twelve years.[32]

A final source of unbalance were the military expenses occasioned by the crusades and the campaigns of western naval powers in the eastern Mediterranean. Only the ephemeral fruits of victory, particularly at the time of the First and the Fourth Crusades, helped to compensate for the enormous waste of resources in the cause of the True Faith and the quest for commercial advantage.[33] The situation worsened as time

[27] Lane, *Andrea Barbarigo,* 67ff, 101ff, 112.

[28] L. Frescobaldi and L. Sigoli, *Viaggi in Terrasanta,* ed. C. Angelini (Florence, 1944), 47.

[29] P. E. Riant, ed., "Voyage en Terre Sainte d'un maire de Bordeaux au XIVe siècle (1392)," *AOL* 2 (1884): 378–88.

[30] Felix Faber, *Le voyage de la saincte cyte de Hierusalem, 1480,* ed. C. Schefer (Paris, 1882), xxxiv–xxxvii.

[31] M. Mollat, "Problèmes navals de l'histoire des Croisades," *CahCM* 10 (1967); F. C. Lane, *Navires et constructeurs à Venise pendant la Renaissance* (Paris, 1965), 246.

[32] J. Couq, *Recueil des sources arabes concernant l'Afrique occidentale du VIIIème au XVIème siècle* (Paris, 1975), 278–79.

[33] It was once believed that the booty seized from the Muslims during the First Crusade provided the capital for the "takeoff" of the Levant trade. Mention was made, in particular, of the capture and sack of Caesarea in 1101 by 8,000 Genoese soldiers and sailors. After deducting 15% for the shipowners and premiums for the officers, each Crusader's share came to 48 Byzantine gold solidi and two pounds of pepper, a small fortune. Cf. V. Vitale, *Breviario della storia di Genova* (Genoa, 1955), 22–23; Heyd, *Commerce du Levant,* 1:137, 163ff; E. Perroy, *Les Croisades et l'Orient latin, 1095–1204* (Paris, n.d.),

went on. "The more the perils mounted against the Crusader states," writes Michel Mollat, "the more urgent it became to supply them by the cheapest and shortest route—the sea—with the aid the East refused: men, horses, war machines, provisions; the Frankish states depended on Roman Christendom for almost everything."[34]

In the case of other "invisibles," Europe was in a creditor position vis-à-vis the Near East. Western merchants and shippers by the end of the crusading period dominated maritime trade in the eastern Mediterranean and the Black Sea, also because the Muslims, if not the Greeks, "had lost the shipbuilding art" (Ibn Khaldun).[35] It was the Genoese who organized the slave trade from the Crimea to Mamluk Egypt, the trade in timber from Asia Minor to Egypt, the trade in Cypriot textiles in Turkey and Syria. The Venetians exported wine, olive oil, and dried fruits from Greece to Egypt and returned with wheat, beans, and sugar, but their biggest customer in intraregional trade was Constantinople itself. After 1261, the restored capital of what remained of the Byzantine Empire was supplied with grain by Genoese merchants trading in the Black Sea, the preserve of Italian commerce until the arrival of the Turks. It was Venice's successful insertion into this network of eastern exchange, thanks to a long series of treaties beginning in 1082 according unrestricted access to the markets of the empire, that made its fortune. In fact, it was not until the discovery of rich new silver mines at Kutna Hora in Bohemia in the closing years of the thirteenth century that it became possible to finance the essential needs of Venetian trade with the East from the Rialto.[36]

The Italians also exploited numerous economic concessions in former Greek lands including their own eastern colonies: the alum mines of Phokaia, the sugar plantations on Cyprus, the vineyards on Crete. On Chios the Genoese controlled the trade in mastic, most of which was destined for the Levantine markets. Latin merchants financed the soap and coral industries on Rhodes and the coral and camelot ("camelotti") industries on Cyprus. Insofar as the profits realized in these various enterprises were repatriated in the form of goods, by letter of exchange, or, rarely, in specie, they helped to redress the balance, but without ever reversing the situation in favor of the West.

To judge from the accounts of the Venetian merchant Giacomo Badoer, active at Constantinople in 1436–39, European trade with the Romania in the late Middle Ages was less out of balance than trade with the Mamluk sultanate, except perhaps during the papal embargo of the fourteenth century with the emergence of alternative non-Muslim spice markets in that region. Badoer imported expensive manufactured goods

206ff; C. Cahen, "Orient latin et commerce du Levant," *Bulletin de la Faculté de lettres de Strasbourg* (1951): 328–46.

[34] Mollat, "Problèmes navals."

[35] Cited by Ashtor, *Levant Trade,* 9; Cf. A. E. Laiou, "Byzantine Traders and Seafarers," in *The Greeks and the Sea,* ed. Sp. Vryonis, Jr. (New Rochelle, N.Y., 1993), 79–96.

[36] F. C. Lane, *Venice: A Maritime Republic* (Baltimore, Md., 1973), 69, 79, 134; A. E. Laiou, "The Byzantine Economy in the Mediterranean Trade System: Thirteenth–Fifteenth Centuries," in Laiou, *Gender, Society and Economic Life in Byzantium* (Hampshire, 1992), 177–223.

such as woolens, cottons, silks, and Venetian glassware, as well as bulk merchandise such as tin, lead, iron, copper, wine, and olive oil. He exported or reexported to the West nonluxuries from Greece, the Balkans, and the Black Sea. But exports also included raw silk and some spices (in 1395 alone, Venetian merchants exported 175,000 ducats worth of silk), and imports included small quantities of silver to balance accounts. Profits realized in intraregional trade, including trade with the Turks and the lands of the sultan, helped to finance his purchases for export to Venice. In Badoer's accounts, as one would expect in the light of the foregoing, it is more common to find bills of exchange drawn on Constantinople at Venice (at a cost of 7–10%) than bills drawn on Venice at Constantinople.[37]

One wonders if, in the last analysis, the colonial expansion of the Italian merchant republics in the eastern Mediterranean was not inspired above all by their eagerness to acquire the monetary means to participate in the lucrative import trade in oriental luxuries. This challenge to their initiative and daring would also help to explain the practical business sense or, if one prefers, "capitalist spirit" developed by the Latin merchants engaged in trade with the Levant, which inevitably left its mark on other sectors of medieval trade.[38]

[37] Luzzatto, *Storia economica di Venezia,* 172–79.

[38] The European balance of trade with the Levant remained passive, as noted, in the 15th century, notwithstanding the increase and diversification of western exports, and even in the 16th and 17th centuries, despite the opening of the cape route to the riches of the East. Cf. U. Tucci, "Entre Orient et Occident: L'age vénitien des épices," in *L'histoire à Nice* (Nice, 1980), 3:117–27.