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THE OTTOMAN MONETARY SYSTEM AND FRONTIER TERRITORIES IN EUROPE, 1500-1700

This short essay will examine the evolution of gold, silver and copper coinage and of currencies and monetary practices in general in the European frontier regions of the Ottoman Empire during the sixteenth and seventeenth centuries. As was emphasized in my recent book, the Ottomans were very careful about the political symbolism as well as the fiscal and economic consequences of their monetary practices.[1] They followed certain rules regarding the types of Ottoman coins that could be minted in territories with different political and administrative status. In the present study, I will review the details of Ottoman monetary practices in both the core regions and the frontier territories of the empire in Europe in order to bring into sharper focus the overall logic of the monetary system. Such a "big picture" perspective should also offer important insights into the history and evolution of Ottoman institutions and into the very concept of empire, the nature of the entity and how the Ottomans themselves viewed it.

Monetary Zones within the Empire

For a long time it has been assumed that the use of money in the Balkans and Anatolia was limited to long-distance trade and parts of the urban sector. Recent research has shown, however, that the urban population and some segments of the countryside were already part of the monetary economy by the end of the fifteenth century. Even more significant was a substantial increase in the use of money during the sixteenth century because of the greater availability of specie and the growing commercialization of the rural economy. The evidence for this important development comes from a number of sources. First, recent research has indicated that population growth and urbanization during the sixteenth century were accompanied by the growth of economic linkages between the urban and rural areas. As a result, there emerged in the Balkans and Anatolia an intensive pattern of periodic markets and market fairs where peasants and larger landholders sold parts of their produce to urban residents. These markets also provided an important opportunity for the nomads to come into contact with both peasants and the urban population. Large sectors of the rural population came to use coinage, especially the small denominations of silver *akçe* and copper *mangır*, through their participation in these markets.

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[1] Şevket Pamuk, *A Monetary History of the Ottoman Empire* (Cambridge, 2000), chapters 4 and 6.

Until the sixteenth century, Ottoman territories in Anatolia and the Balkans had a unified monetary system based on the gold *sultani* and the silver *akçe*. Beneath them, was the copper *mangır*, or *pul*, used for small transactions. As the Ottoman state territorially expanded to become a full-fledged empire, however, this simple system could not be continued. The newly conquered territories, each of which was subject to different economic forces and very different patterns of trade, already had well-established currency systems of their own. The Ottomans pursued a two-tiered approach to money and currency in these areas. They unified the gold coinage at the existing international standards but allowed the creation of multiple currency zones in silver according to the sharply different commercial relations and needs of the new provinces.

By the first quarter of the sixteenth century three distinct levels had emerged in the Ottoman monetary system, each characterized by a different economic function and a different type of coin. At the top were the gold coins used by merchants for making large payments, both internally and in international trade. Financiers, money changers, high-level government officials, and to some extent, owners of medium and large-scale manufacturing establishments also used gold coins. In addition, larger landholders in the more commercialized villages as well as the *sipahi*s, who collected a variety of taxes both in money and in kind from the rural population, were well acquainted with gold coinage.

In gold, the *sultani* became the only Ottoman coin across the empire during the sixteenth century, for both symbolic and economic reasons. With a single gold coin, the ultimate symbol of sovereignty, the Ottomans thus unified the empire from the Balkans to Egypt and the Maghrib. The standards of the *sultani*, its weight and fineness, were kept identical to those of the Venetian *ducat* that had become the accepted standard of payment in long-distance trade across the Mediterranean and beyond. The gold *sultani* was issued regularly in Egypt, Algiers and Tunis as well as in the core regions of the Balkans and Anatolia.

In silver, the coinage used in daily transactions and to some extent in long-distance trade, the central government chose to maintain the existing monetary units in the newly conquered territories, with or without modifications. The most important reason was to avoid economic disruption and possible popular unrest, but it was also not clear that the central government had the fiscal, administrative and economic resources to unify the silver coinage of the empire. In any case, while the silver coinage minted in the new territories began to bear the name of the sultan, their designs and standards as well as their names often adhered to the pre-Ottoman forms and usages. Just as the *akçe* was the silver coin and unit of account in Anatolia and the Balkans, the *medin* or *para* became the silver coin and unit of account in Ottoman Egypt and the surrounding areas. The *shahi*, a larger silver coin, served the same purpose in Ottoman Iraq and the square-shaped *nasri* in Tunis.

At the bottom of the Ottoman monetary hierarchy were the copper coins which did not exchange at or near their intrinsic values, but at nominal values fixed by the state in fractions of the local silver coinage. The copper coinage was widely used for small daily transactions. In the Balkans and Anatolia, it was referred to as *mangır* or *pul*.

As was the case with most other contemporary states, Ottoman governments allowed and even encouraged the circulation of foreign coinage. Welcoming foreign coinage added to the amount of specie in circulation in local markets. In addition, foreign coinage helped support long-distance trade, which was important for the Ottoman government both for fiscal and provisioning reasons. Until the rise of the *sultani* in the sixteenth century, foreign coins were the leading means of payment in long-distance trade throughout Ottoman lands.

The central government handled the task of establishing a monetary system for the expanding empire with a large degree of pragmatism and flexibility. This approach was quite similar to Ottoman administrative practices in other areas. With respect to land tenure systems, for example, the Ottoman central administration did not attempt to impose the *timar* regime in all of the conquered territories. In many of the more distant areas administered more loosely from the capital, such as Eastern Anatolia, Baghdad, Basra, Egypt, Yemen, Moldavia, Wallachia, Georgia or the Maghrib, the Ottomans were eager to collect taxes but altered the existing land regimes either to a limited extent or not at all. Similarly the legal codes (*kanunname*) the Ottomans issued in these provinces combined to varying degrees pre-Ottoman practices with the Ottoman.[2] As a result, in monetary as well as other matters, there emerged inside the empire different zones with different degrees of administrative control. At the core were the areas most closely administered by the capital with institutions most closely resembling those in the Istanbul region, but at increasing distance from the capital, the institutions and administrative practices reflected the power balances between the capital and the local structures and forces in the provinces.

Core and Frontier in Europe

The Balkans, together with western and central Anatolia including the capital city and its environs, constituted the core region of the Ottoman monetary system. The silver *akçe* was both the leading unit of account and the leading means of exchange there. For large transactions and hoarding purposes, the *sultani* was used together with European gold pieces. The mint at the capital city, or "Kostantaniyye" as it was called on Ottoman coinage until the eighteenth century, was the leading mint of the region for both the *akçe* and the *sultani*.

The number of mints producing silver *akçe*s was limited until the end of the fifteenth century. Of the fourteen mints producing *akçe*s during the thirty-one-year reign of Bayezid II (1481-1512), six were located in the Balkans, one in the capital and the rest in Anatolia. In addition, two mints, Kostantaniyye and Serez in Macedonia, produced gold *sultani*s. The number of active mints in the Balkans as well as other regions across the empire increased substantially during the sixteenth century, especially during the reign of Süleyman the Magnificent (1520-1566).

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[2] Ö. L. Barkan, *Zirai Ekonominin Mali ve Hukuki Temelleri, Kanunnameler*, Cilt 1 (Istanbul, 1942); and A. Akgündüz, *Osmanlı Kanunnameleri ve Hukuki Tahlilleri*, 8 vols. (Istanbul, 1990-94).

During the reign of Murad III (1574-1595) as many as thirty mints are known to have produced *akçes* including fifteen in the Balkans and the Aegean islands. At the same time, nine mints in the Balkans and Anatolia produced gold *sultanis*.[3]

With a minor exception, all of the Balkan mints were located south of the Danube and as far west as Banja Luka in Bosnia. The most active mints in the Balkans were close to the mines in Macedonia and Serbia. The only mint in Anatolia located near a silver mine was that of Canca near Gümüşhane in northeastern Anatolia. The bulk of silver coinage was thus produced in the Balkans and transported to Anatolia in one way or another. In contrast, copper coinage was produced mostly in Anatolia and the capital city and transported to the Balkans. The Venetian gold *ducat* remained the most important foreign coin circulating in the Balkans and Anatolia during the sixteenth century. In the second half of the century, large European silver coins called *groschen*, most importantly the Spanish eight-*real* piece and the Dutch lion *thaler*, also began to circulate in the Balkans and Anatolia.

Hungary

The Ottomans governed Hungary directly during the sixteenth and seventeenth centuries, but they did not mint *akçes* or *sultanis* in Hungary as they did in territories south of the Danube. There were no silver or gold deposits in the Ottoman regions of Hungary although major gold mines in other parts of Hungary had supplied large areas of Europe since the late medieval period. Evidence from coin hoards indicates that *akçes* and *sultanis* produced in the Balkans circulated in Hungary in limited volume. Payments by the Ottoman state to troops or suppliers were an important source of the *akçes* in Hungary. Circulating more widely was the silver coinage of neighboring states, chiefly the silver and gold coins of the independent Hungarian principalities; the small silver *groats*, *zweirs*, and *pfennings* from the Habsburg domains; small silver coins from Poland such as the half-*groats*, and increasingly from the second half of the sixteenth through the seventeenth century, the large *thalers*. Nonetheless, all taxes in Ottoman Hungary continued to be specified in *akçes*. In other words, while the *akçe* served as the unit of account, at least in governmental transactions, the coinage of the neighboring states served as the leading means of exchange and payments, including taxes.[4]

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[3] M. Erüreten, "Osmanlı Akçeleri Darp Yerleri," *The Turkish Numismatic Society Bülten* 17 (1985): 14-5; A. Schaendlinger, *Osmanische Numismatik* (Braunschweig, 1973), pp. 93-106 and S. Sreckovic, *Osmanlijski Novac Kovan na tlu Jugoslavije* (Ottoman Coins from Mints in Yugoslavia), (Belgrade, 1987), pp. 5-92.

[4] I. Gedai, "Turkish Coins in Hungary in the 16th and 17th Centuries," in *Turkish Numismatic Society, A Festschrift Presented to Ibrahim Artuk on the Occasion of the 20th Anniversary of the Turkish Numismatic Society* (Istanbul), pp. 102-19; P. Elemer, *Török Penzek a Hodoltsag Kori* (Turkish Coins Circulating in Hungary), (Budapest, 1986); and V. Zimanyi, *Economy and Society in Sixteenth and Seventeenth Century Hungary (1526-1650)* (Budapest, 1987), pp. 17-27.

The Danubian Principalities

Unlike the rest of the Balkans, the Danubian Principalities were never fully incorporated into the Ottoman Empire. Instead, in the late fifteenth century, Wallachia and, in the early sixteenth century, Moldavia became vassal states paying regular tribute. These principalities were mostly independent in their internal affairs and did not adopt Ottoman institutions such as the *timar* system of land tenure. The fact that neither the Ottomans nor the local governments minted any coins – gold, silver or copper – in Wallachia or Moldavia suggests both the extent and limits of their autonomy.

During the sixteenth century, the *akçe* was the leading unit of account in Wallachia but not in Moldavia. Evidence from coin hoards indicates that *akçe*s minted in the Balkans and Istanbul circulated widely in both principalities during the sixteenth century, much more so than in the Ottoman provinces of Hungary. *Akçe*s and *sultani*s accounted for more than 86 percent of the value of all coins found in Wallachia until the 1580s, but only for 38 percent during the remaining two decades of the sixteenth century. The corresponding percentages for Moldavia were 26 percent and 7 percent, respectively. In both cases, the balance was made up primarily by Hungarian coins in the earlier period and increasingly by the large silver coins from Central and Western Europe. In addition, Polish silver coins, especially the half-*groat*s, were significant in Moldavia by the end of the century. Circulation of gold coins remained limited.[5]

A short-lived episode towards the end of the sixteenth century provides important insights into the nature of payment flows across the empire, but particularly between the Danubian principalities and Istanbul. Large volumes of Ottoman *shahi*s minted in eastern Anatolia and Iraq during the war of 1578-90 with Iran were sent to the capital city as some form of payment. These *shahi*s then ended up in the principalities during the 1580s as payments for the exports of Wallachia and Moldavia. Because the official exchange rates overvalued the *shahi*s, however, they were promptly returned to Istanbul as part of the tribute payment. Istanbul returned the favor once again, and the flows of *shahi*s between the principalities and the capital continued until they were stopped by the central government.[6]

Crimea

It has long been debated to what extent the Crimean khan was a sovereign and heir to the political traditions of the steppe and to what extent he was a vassal of the

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[5] B. Murgescu, *Circulatia Monetara in Tarile Romane in Secolul al XVI-lea* (Bucharest, 1996), pp. 69-201; M. Maxim, "Considerations sur la Circulation Monetaire dans les pays Roumains et l'Empire Ottoman dans le seconde moitie du XVIe Siecle," *Revue des Etudes Sud-est Europeennes* 13 (1975): 407-15.

[6] M. Maxim, "O Lupta Monetara In Sec. Al XVI-Lea: Padişahi Contra Aspru," *Cercetari Numismatice* 5 (1983): 129-52; B. Murgescu, "The Shahis in Wallachia," *Revue des Etudes du Sud-est Europeennes* 32 (1994): 1-8.

Ottoman sultan. But clearly the Khanate enjoyed a unique status among the territories considered part of the Ottoman Empire. After the incorporation of Crimea into the Ottoman lands in 1478, Caffa and part of the Crimean shore simply became another Ottoman province. The rest of the peninsula, however, continued to be ruled by a hereditary family of khans who joined the Ottoman army as tributary, providing manpower during military campaigns. Although the Ottomans played a role in the choice of the khans, they usually accepted the selection made by the Crimean aristocracy.[7]

The Crimean khans continued to display one of the most important symbols of steppe sovereignty, the Cengiz seal (*tamga*). They also retained the right to maintain diplomatic relations with Muscovy and Poland, and until the end of the seventeenth century, the Khanate received tributes of varying amounts directly from Muscovy, Poland and the Danubian Principalities. The relationship between the Crimean coinage and the Ottoman monetary system was thus unique.

The Crimean khans minted their own silver coins bearing the seal of the Giray dynasty without the name of the Ottoman sultan. Yet, they were not sufficiently independent to mint their own gold coins, the ultimate symbol of sovereignty. The Ottoman gold *sultani* was never minted in Crimea either.[8] During the century following the Ottoman conquest, the khans discontinued the use of terms such as "sultan" and various earlier expressions of sovereignty and displayed only their names on coins, but they resumed the use of "sultan" and "khan" in the second half of the sixteenth century.[9] The Crimean coinage remained only loosely related to the Ottoman monetary system even though Crimea was considered part of the Ottoman Empire in some senses of the term. Like the Crimean Khanate, the principalities of Wallachia and Moldavia were also autonomous in their internal affairs, and they, too, did not issue gold coins, Ottoman or otherwise. Crimean autonomy in monetary affairs was greater, however, as the khans issued silver and copper coinage with their own name but the principalities did not.

The first known silver coin minted by the Crimean khans as far back as 1441-42, the basic coin and the leading unit of account in Crimea during the Ottoman period was still the small silver *akçe*. Ottoman sources called it *Kefevi akçe* (the *akçe* of Caffa) although *akçe*s were also minted elsewhere in Crimea, most notably in Eski Kırım, Kırım (Solgat) and Kırk Yer. The *Kefevi akçe* was widely used in commercial transactions. Court documents from Bursa in the 1480s, for example, cite commercial transactions and debt in *Kefevi akçe*s, two of which equaled one Ottoman *akçe*.[10] During the sixteenth century, the *Kefevi akçe* was smaller in

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[7] A.W. Fisher, *The Crimean Tatars* (Stanford, 1978), pp. 1-36; and H. İnalcık, "Yeni vesikalara göre Kırım Hanlığı'nın Osmanlı tabiliğine girmesi ve ahidname meselesi," *Belleten* 31 (1944): 185-229.

[8] Fisher, pp. 8-19.

[9] N. Agat, "Kırım hanlarının paralarının nitelikleri ve ışık tuttukları bazı tarihi gerçekler," reprints of three earlier articles, *The Turkish Numismatic Society Bülten* 7 (1982); 14-5.

[10] H. İnalcık, *The History of The Black Sea Trade: The Register of Customs of Caffa* (Cambridge, 1993), p. 151.

weight than the Ottoman *akçe*. Its official exchange rate against the *akçe* varied considerably, from two to five and as low as eleven for one, indicating increasing alloy and declining silver content. During the seventeenth century, however, the Crimean silver coinage fared better than the Ottoman *akçe* and its exchange rate against the *osmani* rose.

The small *akçe* remained the basic coin of the Khanate until 1774, bearing the name of the Crimean khan. Copper coins, in denominations of one *akçe* and its fractions, were also minted for daily use. Larger coins such as the six-*akçe* piece were minted in later periods but could not meet the demands of trade and the economy. The fact that the Khanate did not issue gold coinage is fully consistent with its less-than-independent status during the Ottoman period. In the absence of gold, however, domestic silver and copper coinage could not meet the demands of the economy and trade. As a result, large European silver coins such as the Polish *zloty*, the internationally more prominent Spanish eight-*real* piece and the Dutch *thaler*, circulated widely there during the seventeenth century.[11]

While the politically unique status and autonomy of the Crimean Khanate continued until the 1770s, Russian pressure on it grew steadily with the Ottoman military defeats of the eighteenth century.[12] The status of the Khanate changed in 1774 from autonomy within the empire to full independence, and it was annexed by Russia nine years later.[13] The special status of Crimea vis-à-vis the Ottoman monetary system, autonomous but not free of influence from Istanbul, also ended in 1774. The change in Crimean coinage and monetary practices during the nine-year period of independence consequently reveal much about the nature and symbolism of practices during the period of autonomy. In the early 1780s, Şahin Giray, the last of the Crimean khans, began to mint in Caffa large gold coins bearing his name, the first for any Crimean ruler.[14]

Conclusion

During the sixteenth century there emerged inside the Ottoman Empire different zones with varying degrees of administrative control. At the core were the areas most closely administered by the capital with institutions most closely resembling those in the Istanbul region. With increasing distance from the capital, institutions and administrative practices reflected the power balances between the capital and the local structures and forces in the provinces. In this context, the Ottomans approached the task of establishing and operating a monetary system across the large empire with a large degree of pragmatism and flexibility. They unified gold coinage at the existing international standards but allowed the creation of multiple currency zones in silver according to the sharply different commercial relations and needs of the different provinces. By the first quarter of the sixteenth

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[11] Agat, pp. 18-28.

[12] For the status of the Khanate vis-à-vis Istanbul, see Fisher, pp. 1-36.

[13] Ibid., pp. 58-69.

[14] Agat, p. 36.

century, there had resulted three distinct levels – gold, silver and copper – in the Ottoman monetary system, each characterized by a different economic function and a different type of coin.

In the European territories of the empire the Ottomans issued both the gold *sultani* and the silver *akçe* in the large numbers of mints they operated in the core areas of the Balkans. On the other hand, even though Hungary was governed directly by the Ottoman authorities, neither gold nor silver coins were minted there during the Ottoman period. Ottoman gold and silver coins were also not minted in the autonomous Danubian principalities of Wallachia and Moldavia. The Danubian Principalities did not issue their own coinage either. In contrast, the Crimean Khanate was able to issue its own silver coinage, but no gold coinage was minted there for either the khans or the Ottoman sultans, suggesting that Crimean autonomy in monetary affairs was greater than that experienced by the Danubian Principalities.

This survey of Ottoman monetary practices in both the core and frontier regions of Europe further indicates that while the Ottomans paid attention to the fiscal and economic needs of each territory, they were quite careful about the political symbolism of their actions. They followed specific rules regarding the types of Ottoman coins that could be minted in territories with certain administrative and political status. The issue of Ottoman gold or silver coinage in a given territory depended upon whether the territory was part of the empire proper or was considered a province with some degree of autonomy. One can only hope that scholars will continue to approach this problem from a comparative framework and establish with greater certainty the economic and administrative, as well as symbolic, reasons behind the differences in Ottoman monetary practices in these territories.

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