CHAPTER-V

THE PARTICULARS OF AN ENTREPÔT ECONOMY: TRADE AND COMMERCE IN OMAN AT THE END OF THE AGE OF ORIENTAL GLOBALISATION
CHAPTER-V

THE PARTICULARS OF AN ENTREPÔT ECONOMY: TRADE AND COMMERCE IN OMAN AT THE END OF THE AGE OF ORIENTAL GLOBALISATION

Introduction
Only by looking at Oman's economy during the whole period of Al Bu Saidi rule can we understand the major trends and changes that have occurred since the mid-eighteenth century and the very different situation of the second half of the nineteenth century. There have already been detailed studies on Oman's economy under the Al Bu Saidis and therefore there is no meaning in providing a detailed chronology on Oman's maritime trade through the length of the chapter. The attempt will be to identify the major themes relating to Oman's economy like the nature of the economy, the location of the core of Oman's economic activities be it in the interior or on the coast and the respective roles of the state and private merchants in Oman's economy. The economic activities of the independent maritime networks of Oman will be looked at before we go into the debate on Oman's economy particularly that of Muscat during the late nineteenth century. Most importantly, the effort will be to understand Oman's place in the world economic system or the modern world-system and find out the roles of the Sultanate state, the Indian merchants, the British and the non-state maritime trade networks of Sur and Sharqiya.

The Nature of Oman's Maritime Trade
While there have been studies on the nature of the world economic system before, it was Immanuel Wallerstein's seminal series on the modern world-system that started off the world system debate. According to him, Europe in the sixteenth century saw the beginning of modern capitalism with unique characteristics like independent private capital as opposed to state capital, free labour rather than slavery, the existence of money, and advanced practices like credit and pooling of capital for sharing risk. Wallerstein's concept has been critiqued by others like Andre Gunder Frank, Barry Gills and Janet Abu Lughod as too Eurocentric and they instead have argued in favour of Asia's prominence.
before the rise of Europe with it having most of the characteristics that Wallerstein considered as unique to the modern world-system. But the similarity between Wallerstein’s critics ends here as they have differences among them on the nature of the world system and the time-span of their respective systems. Andre Gunder Frank and Barry K. Gills has put forward the theory that there has been only one world system (without a hyphen) since the past five thousand years. Abu Lughod believes that there were many world-systems but the thirteenth century world-system centered in Asia not just had all the characteristics that Wallerstein solely attributed to the one that existed in Europe but was also different from previous world-systems.¹

With regard to the concept of world-systems or a world system, world empires and consequently their large areas are less relevant than the large to small urban centres within these empires or outside which are interlinked and act as nodes in a global economic network. Some of these urban centres are entrepôts which link major production centres with each other. Abu Lughod has mentioned the critical importance of these link points especially in the context of West Asia. Major imperial centres like Cairo and Baghdad were more connected to secondary trading centres and entrepôts which provided them access to major maritime and overland trade routes than to the vast internal out pockets in their own territories involved in agrarian activities and subsistence production.² The ports along the Omani coast were entrepôts located close to the entrance to the Gulf making them vital stop-over points for trading ships or vessels coming in and out of the Gulf. Entrepôts have their own kind of dynamism different in nature from the major production centres which are usually the capitals or major cities of extensive land based empires. An entrepôt is a trans-shipment location where goods are transferred from one vessel to the other for onward journey. According to Abu Lughod, it is also a location where merchants can safely meet and conduct transactions which means that there should be political stability, low protection rent, low costs in transportation and the existence of

middlemen, either local or foreign who gain more from the use the of the particular entrepôt rather than going to a different location.³

The entrepôt can easily prosper from a general increase in trade in the region even if the products involved are not its own or are not produced in its hinterland. The ports of Muscat and to a certain extent Sur benefitted from the diversion of Yemeni Moccha coffee trade from the Red Sea route to the Gulf in the 1740s. While the major trading centre in the coffee trade was Muscat, the coffee was mostly transported by Suri native vessels.⁴ An entrepôt can also benefit from the decline of a port within the same region as transactions can be easily shifted within a limited period of time. Muscat benefitted from the political instability that Bandar Abbas suffered from in the second half of the eighteenth century.⁵ Entrepôts need not be big cities in a major land based empire. Entrepôts along the maritime routes are mostly port cities which have very less territory under their direct control. Large empires or states need extensive territories under their control to draw labour and raw materials for sustaining surplus production in their major economic centres. They also need large standing armies to protect their territories. Entrepôts in comparison can be economically sustained by a much lesser population as their economic transactions usually involve commodity and currency exchange and transportation in comparison to labour-intensive mass production activities of the production centres. These centres also cannot raise a large army as they simply do not have the means to do so.

In the case of Muscat, some of the characteristics of an entrepôt became more pronounced only in the second of the nineteenth century, more than hundred years after the Al Bu Saidi dynasty came to power. Muscat was in the beginning of Al Bu Saidi rule a prominent port in an Imamate which had territories in the Omani interior under its control. Imam Ahmed bin Said had the capability to raise a large tribal force to meet a threat to his rule in the interior. Rustaq in the inland was the capital of the Imamate during the time of Ahmad and his son, Imam Said bin Ahmad. While half of Said bin

---

³ Ibid, p. 129.
⁴ Patricia Risso, Oman & Muscat: An Early Modern History, (Kent, Croom Helm Ltd., 1986), pp. 77-78.
⁵ Ibid, p. 83.
Ahmad’s revenues in 1786 were from maritime trade, the other half was from the interior both amounting to two lakh rupees each. The establishment of an independent political unit at Muscat by Hamad bin Said was the beginning of a movement towards increasing divergence between the interior and coastal economies. The increased reliance on the entrepôt trade of Muscat would engender a type of economic system on the coast known as rent capitalism the characteristics of which will be discussed later on. It should be noted here that divergence did not mean total separation a theme that will be repeatedly referred to in this chapter. But the process of divergence between the two regions was gradual as most of the interior came under the control of the Sultanate when the Imamate shrank and finally disappeared with no one to replace Said after his death. The Sultanate began to lose control of the interior mostly after Said bin Sultan shifted his administrative centre to Zanzibar. In the second half of the nineteenth century, Sultan Thuwaini bin Said and Imam Azzan bin Qays were the last rulers of Muscat who did have influence in the interior. The direct control of Turki bin Said and Faisal bin Turki was mostly limited to Muscat and its environs and the Batina coast.

As we have already seen, Muscat and Muttrah during the time of Turki and Faisal were defended by mercenaries and tribal levies and not a large organised military force. From the time of Salim bin Thuwaini onwards the amount of battles fought in the interior by the Sultans of Muscat rapidly declined while they increasingly became engaged in defending Muscat from tribes in the interior. Mostly entrepôts have been avoided by large invading land armies because of their secondary importance in comparison to the major capitals. A counter argument that can be raised especially with regard to Oman is that during the Islamic period, the Omani coast was mostly occupied by foreign powers like the Abbasid Caliphate, Carmathians, Hormuz (the dynasty of which originated from Qalhat port near Sur) and the Portuguese until the Yaariba dynasty came to power in 1650. This was also the case during the pre-Islamic period when the Persians occupied the coast. J. C. Wilkinson has explained the occupation of the coast by foreign powers at least during the Islamic period in relation to what he terms the Imamate Cycle in which a civil war in the interior following a succession dispute of the Imamate led to the

---

occupation of the coast by a foreign power. This condition continued until a strong Imamate state was established and reasserted its authority on the coast. The presently ruling Al Bu Saidi dynasty came to power in 1744 after driving out the Persians towards the end of the civil war which began at the eclipse of the Yaariba dynasty. As far as trade is concerned, it would have been important for the foreign powers to secure the maritime trade route when the Omani ports were embroiled in a civil war and were not able to maintain stability on the coast. Control of the Omani ports would also give command over the traffic to the Gulf. Fleets or individual ships would then have to pay fees for the usage of the waterway to the Gulf.

Often various powers active in a particular region have got common interests in protecting the trade of an entrepôt because of their own commercial interests. This was most obvious during the late nineteenth century when the British defended Muscat and ports of the Batina coast from tribal attacks because of the presence of British Indian traders. The Political Agent of Muscat in 1898, Major Fagan even warned Faisal against attacking Sur to put down a rebellion because of the presence of British Indians in the port. This decision was taken despite the fact that the tribal leaders of Sur were acting against British interests in concert with France. While describing the nature of entrepôt economies there is no intention to leave the impression that such economies do not lead to the creation of strong states with the capability to expand territorially. While having less territories on the landward side, states depending on an entrepôt economy have the capability to emerge as strong maritime powers as they pour most of their resources into building strong navies. This is initially done to protect merchant fleets but later on to expand the coastlines under their control to maximise trade benefits. In this manner a large extent of the ocean, an amount of area which most land-based empires cannot dream of, can be brought under the sway of such a maritime state.

After driving out the Portuguese from Muscat, the Yaariba dynasty managed to unseat them from the Swahili coast in East Africa and even attack Portuguese bases on the western Indian coast. Oman's emergence as a maritime power has a parallel in the prominence of the Aceh Sultanate on Sumatra Island from the mid-sixteenth to the mid-seventeenth centuries whose mainstay was also an entrepôt economy. Both Muscat and Aceh sultanates commercially prospered even when there was strong European presence in the Indian Ocean. Their geographical advantage does not make an entrepôt immune from decline. The factors which enable the flow of trade along the routes on which an entrepôt is located is beyond the control of the entrepôt itself. If the entrepôt cannot ensure political stability, security to persons and property or other conditions which attract merchants from different locations to it then it can also decline like what happened to the port of Malacca in the Straits of Malacca in South-East Asia.

Locating the Core of Omani Maritime Trade under the Al Bu Saidis
In the case of Oman there has been a natural progression through which the Al Bu Saidi dynasty and Oman's maritime economy passed in a period of more than one hundred and fifty years from 1744 the year in which Ahmed bin Said drove out the Persians from Oman. During this progression, the Al Bu Saidi dynasty, or at least the ruling branch, shifted its base from the interior to Muscat on the coast and from there to a different part of its empire in Zanzibar. Likewise, the economy that the Al Bu Saidis controlled changed from that of a combination of an interior and maritime economy to one that was mainly involved in regional maritime trade. It then became a maritime economy which was linked to the global trade network. This situation would not change much even after the partition of 1861 as Muscat's economy would resemble that of Zanzibar in which it would be linked to the international market. The only difference was that in the case of Zanzibar, cloves planted on the islands would make it more valuable to the international market than the commodities from the interior like slaves and ivory while at Muscat it was the trade in dates from the interior with America that would link it globally.

---

9 Risso, n. 4, p. 13.
The only difference between the earliest period of the Al Bu Saidi rule and the middle of the nineteenth century where the trade with the interior was equally important in both cases was that during the latter period, the dynasty would have less control in the interior. By core of maritime trade what is meant is the location where all the trade and commercial activities were centered on which the Al Bu Saidis concentrated their economic efforts. This core was Muscat from 1744 to 1829. From 1829 to 1856 the core was Zanzibar and after 1856 it once again became Muscat as far as Oman was concerned.

This explanation does not wish to confer the idea that interior trade and maritime trade were completely separate at any point of time. Rather it is to show the shifting focus of the Al Bu Saidi dynasty from the interior to the coast. In fact the 1880s and 1890s would show how vital the trade with the interior was.

While Omani ports have been active in the trade of the Gulf since the earliest times, it was only for a comparatively short period of time that Omani states have been able to control the trade in Omani ports. Sohar was the main port on the Omani coast during the ninth century when it fully benefitted from the trade of the Abbasid Caliphate. It remained prominent till the twelfth century. The tales of Sindbad had its origin in Sohar. Qalhat succeeded Sohar and was the main port of the dynasty based in Hormuz. It remained active till the mid-fourteenth century when it was struck by an earthquake and never recovered. In the sixteenth century Muscat gradually emerged as a favoured port. It was the Portuguese who made Muscat their main base on the Gulf coast during the sixteenth century and built the Jalali and Mirani on the two sides of Muscat harbour. The succession of ports on the coast of Oman attests Edward Alpers’s argument that only one or two major ports dominated trade in an Indian Ocean sub-region at any one time.12

Only when the Yaariba dynasty drove out the Portuguese in 1650 that an Omani dynasty from the interior managed to effectively control the coast for the first time.13 But the Yaariba could not develop the maritime trade of Muscat or other Omani ports to its

---

full extent as they were deeply involved in interior politics from their capital Rustaq located away from the coast. Being Ibadi Imams, it was not appropriate for them to be seen involving in mercantile activities and closely interacting with non-believers or even Muslims who were not Ibadis. As it was a necessity according to Ibadi strictures that the Imam should lead the Friday prayers at the capital, the Yaariba could not relocate to Muscat and concentrate on developing the trade there. Instead of personally administering the ports, they appointed agents and officials to attend to commerce.14

These factors did not prevent Yaariba rulers from partaking of trade for their personal benefits. This period also saw the beginning of many trends which would become important aspects of Oman’s politics and economy in the future. The Yaariba managed to occupy most of the Swahili coast in East Africa as a part of eliminating Portuguese presence in that part of the world. Omanis have had political and cultural relations with this region even before this period. East Africa was mainly important because of the ivory trade. The quality of ivory from Africa was better than that of Indian ivory as the tusks of African elephants were both larger and malleable then the brittle ivory of Indian elephants.15 But most of the Yaariba dynasty’s energies were consumed in the politics of the interior. It was with the decline of the Yaariba and the emergence of the Al Bu Saidis during the mid-eighteenth century that a new chapter with regard to Omani politics and economy began. The Al Bu Saidis were not a prominent tribe among the Omani tribes in the interior. Ahmed’s family was of a merchant background and his father was a coffee merchant. Ahmed himself was a merchant and won the trust of the Yaariba dynasty because of the success of a trading mission that the ruler had sent him on and in turn was made the governor of Sohar.16 Because of their background, the ruling Al Bu Saidis would have recognised the importance of the maritime trade of Oman.

Even then, Ahmed had limitations with regard to a maximum exploitation of Muscat’s trade as he was an elected Imam. He had to divide his focus between keeping the interior

14 Risso, n. 4, p. 13.
stable and also protect Oman’s position of strength in the Gulf from new competitors like the Utbis in the northern Gulf and the Qawasim or Qasimis of Ras al-Khaima. At the same time, changes in the region during this time benefitted Omani trade, some of which have been already mentioned. These included Omani control of the Moccha coffee trade from Yemen to the Persian coast and Basra, and the diversion of trade from Bandar Abbas and later Basra to Muscat because of political instability and increased trade with Western India. In the western coast of India, Oman traded with Mangalore, the port of the Mysorean kingdom of Haidar Ali and Tipu Sultan and it also had access to Dutch products of Batavia on the Java Island through the Dutch factory in Cochin. During this time, Ahmed bin Said faced a revolt from his sons Sultan and Sayf who captured Muscat in 1781 for a short period before they were forced to surrender. This revolt in a way was a sign of the manner in which things would be in the future. For the first time, it was proved that Muscat could be base of support for anyone who wanted to create a separate power centre. After the death of Ahmed, his son Said became the Imam.

Said had more success than his father in maritime trade and also managed to subjugate most of the ports in East Africa which had not accepted Ahmed’s authority when he had become Imam. The trade in slavery from East Africa had become vital in Oman’s overall trading activities during this period. Unlike the Portuguese who were not involved in the plantation economy, the French needed a large number of slaves for their coffee and sugar plantations for their island colonies like Ile de France (Mauritius) and Bourbon (Reunion). What is of concern here is a decision of Said’s son, Hamad bin Said which completely altered the political and economic situation in Oman and affected the status of Muscat. Hamad bin Said created a rival political centre at Muscat in 1789 and adopted the title of sayyid or lord. Supposedly this was done because of differences with Said and also Hamad’s desire to improve the trade prospects of Muscat. Scholars like Patricia Risso and Reda Bhacker believe that this was done through mutual understanding between Said and Hamad. Said continued to be Imam located in his capital at Rustaq while Hamad was the ruler at Muscat. In this way Hamad was freed from the politics of

---

17 Risso, n. 4, p. 77.
the interior as it was a sign that he did not wish to be a contender for the position of Imam.\textsuperscript{18}

This development increased the political and economic divergence between the coast and the interior though it was not a complete separation. The Imamate system would become less important for the successors of Hamad at Muscat and they would gradually assume the title of Sultan. While Muscat was always important, from 1789 onwards the rulers would mostly focus on developing the entrepôt trade of Muscat. That the future Sultans of Muscat distanced themselves from the Imamate of the interior increased their dependence on the maritime entrepôt trade of Muscat as not being Imams they did not have the right to collect taxes in the interior which was the sole right of the Imam.\textsuperscript{19} The interior was important so far as to prevent any threats against the Al Bu Saidi dynasty or Muscat emerging from that direction. This also included mediation by the Sultans to prevent a total collapse of the political order due to the possibility of local clashes or disputes turning into a major civil war. Except for the major centres in the interior, independent tribal chiefs were not really interfered with. The Sultans also took measures to secure the major passes and trade routes from the interior to Muscat pointing out to not just their strategic importance but also the continuing relevance of primary products of export like dates. Hamad bin Said lived for only three years after he took this momentous decision but its consequences reverberated to the twentieth century.

Hamad was succeeded in Muscat by his uncle Sultan bin Ahmed, one of Ahmed’s sons who had rebelled against him. Sultan handled a much larger and diverse volume of entrepôt trade than previous rulers at Muscat. According to Risso,

The ‘Umânîs shipped Yamanî coffee to Başra and some to Persia and purchased at the former port dates, copper and horses. From Persia they exported copperware, drugs, brimstone, carpets, "camalines" (luxury items), dried fruits, some grain and salt. The copper from Başra and Persia, ivory and cowries from Africa and dates from Başra and ‘Umân itself were sold mainly in India, where in turn grain and cloth were

\textsuperscript{18} Risso, n. 4, pp. 104-05; Bhacker, n. 16, p. 25.
\textsuperscript{19} Risso, n. 4, p. 106.
purchased, destined for Africa, Masqat, and Persian and Ottoman markets. African slaves were sold to the French in the Sawâhil, and also at the Masqat slave market to various buyers.\textsuperscript{20}

It was during Sultan’s time that the customs at Muscat began to be farmed by prominent Hindu \textit{banian} merchants.

Sultan bin Ahmed and later his son Said bin Sultan continued in their attempts to eliminate competition in the Gulf. Said in the first half of the nineteenth century faced a more complex situation than his father. During the brief interlude following the killing of Sultan bin Ahmed in 1804 near Qishm island during a clash with the Qawasim rivals, Muscat was ruled by Badr bin Sayf, who was Ahmed bin Said’s grandson and Sayf bin Ahmed’s son. Sayf bin Ahmed was the other son who along with Sultan had rebelled against Ahmed and occupied Muscat. Said bin Sultan assumed power after murdering his cousin Badr in 1806. The period when Muscat was going through these changes was enough for the Utbis and the Qawasim to gain an advantage by attracting a large portion of the carrying trade in the Gulf and thereby increasing their political power. From the landward side Oman was increasingly threatened by the Saudi state inspired by the Wahhabi ideology which formed an alliance with the Qawasim, Oman’s foremost enemy in the Gulf waters. This was also the time of increasing influence of Britain which had an empire in India having come off a long way from the days when its presence was felt as a mere trading company.

Despite these setbacks, Said did his utmost to reassert the authority of Muscat in the Gulf. At this time the British decided to move against the Qawasim for their attacks against ships moving between the Gulf and India. Said thought that this was a good opportunity to weaken the Qawasim and win their submission. Said joined the British expedition which resulted in the crushing of the power of the Qawasim in 1819. But while the expedition was a success, the end result did not work in favour of Oman as the British signed treaties with the maritime tribes including the Qawasim according to which the tribes promised to desist from piracy while Britain provided them with recognition.

\textsuperscript{20} Ibid, pp. 198-99.
Britain also signed a treaty with Bahrain, Oman's other rival in the Gulf. Britain warned Said from attacking any of these parties. Said was left in an untenable position where he could no more attempt to assert his supremacy in the Gulf. It was in such a situation that he decided to shift to Zanzibar in 1829 returning only periodically to Muscat. This shift was not merely a political one as it was also in the interests of the Indian merchants of Muscat who had begun to lose the trade of India and the Gulf to the British East India Company. They were interested in gaining access to the burgeoning trade of East Africa. Said led a naval force financed by these merchants to East Africa and captured most of important mainland ports and islands, which had mostly broken off their allegiance after the last time that the Al Bu Saidis had been able to subjugate them under Imam Said bin Ahmad. Said established his administrative centre at Zanzibar island which was the most important port in East Africa.

A great volume of trade passed through Zanzibar during this period and it attracted merchants from as far away as America. As a part of its annual trade, nearly fifty per cent of its imports consisted of clothes from Surat in addition to fifty tons of iron bar, sugar, rice, chinaware and other goods from Bombay, Surat and Muscat, the total value of the imports coming to MT$ 1,100,00. Zanzibar was a source of ivory, slaves, coconuts, coir and copal, wax, cowries, turtle shells, and rhinoceros hides and horns. Greater coordination had developed between the trade caravans from interior Africa and the seaborne dhow trade which led to the centralisation of trade at Zanzibar in East Africa connecting it to not just the Indian Ocean but even further to the markets of the North Atlantic. The decline of French demand for slaves during the early decades of the nineteenth century on account of the Napoleonic Wars, led to most of the slaves being used at the earliest clove plantations of Zanzibar. When the British imposed restrictions on the slave trade, the excess labour was put to use for cultivating cloves and Zanzibar and Pemba island attained a monopoly on cloves in the world market. Said bin Sultan

---

22 Bhacker, n. 16, p. 118.
23 Ibid, p. 67.
24 Ibid, p. 120.
was personally instrumental in introducing the cultivation in cloves on a vast level in Zanzibar and Pemba.\textsuperscript{25}

This development signalled a shift in the economic activities of Said bin Sultan in Zanzibar from entrepôt trading activities and distribution like in Muscat to large scale clove production.\textsuperscript{26} While Zanzibar was benefitting from the competition between the European powers and America for a share of its trade it was at the same time becoming a part of a global economic system with its core in Europe the political consequences of which would be known only later on. The shift in the administrative centre from Muscat to Zanzibar did not mean that the former port lost importance completely. Zanzibar and Muscat became part of the same regional trade network with commodities being sent to Muscat from Zanzibar.

The major economic activities of Oman during the nineteenth century were date cultivation and handicrafts industries. Muttrah was the major cloth-weaving centre which produced articles like \textit{musar} (square woollen or cotton piece of cloth used by Omanis as turbans), \textit{wizar} (rectangular cotton piece of cloth worn to cover the lower part of the body), \textit{aba'ah} (black cotton or woollen cloak-like wrap used by women) and \textit{bisht} (woollen outer cloak worn by men). Another important item that was manufactured was the embroidered cap or \textit{qohfiya} which was widely worn by Omanis and Zanzibaris. The major centres of the indigo dyeing industry in Oman were I bri, Bahla, Firq and Sur, and to a lesser extent Nizwa, Hamra, I bra and Rustaq. Two types of dates were exported from Oman. These were the \textit{busur} or yellow dates picked in June and the wet dates or \textit{tamr} which were collected two months later in August. Dates from Oman were exported to India, Java, Mocca, East Africa, the Mascerene Islands and the United States.\textsuperscript{27} America would become the most important importer of dates in the late nineteenth century.

\textsuperscript{25} Ibid, pp. 126-27.
\textsuperscript{27} Bhacker, n. 16, pp. 134-36.
Mark Speece has suggested that there was a dual economic system that was prevailing in Oman during the late nineteenth. This system was in confirmation with the politico-social-cultural separation between the interior and the coast. The economic system on the coast was that of rent capitalism. Rent capitalism can be described as occupying the space between feudal economic organisation and industrial capitalism. This form of system was mostly prevalent in the cities of West Asia. According to the theory of rent capitalism which had been developed by German geographers, the ties between the cities of this region and their hinterlands were not of a feudal type nor can the cities themselves be described as characteristic of industrial capitalism. While accumulation of capital is the primary goal, this capital is used for personal consumption or hoarded and is not reinvested to improve production. The continuous process of reinvesting capital is an important characteristic of an advanced form of capitalism. However, unlike the feudal economic system, the different activities and factors of production like land, water, seed, animal power and labour are divided and commercialised in the system of rent capitalism. Each of these elements is treated as an item that can be owned, exchanged, sold, or rented separately.

As landowners mostly lived in the cities, there was a flow of wealth from the city into the rural areas. A characteristic of this system is the relationship that is developed between farmers and merchants of the bazaar. In the season just before harvest when the farmer’s stored crops or money from the sale of the previous harvest has been exhausted, the farmer must approach the merchant for credit. Credit is provided on the basis of existing prices which are high because of widespread shortages. Repayment is taken on the basis of prevailing prices at the time of repayment. As the repayment is made just after harvest, prices are low and a substantial portion of the crop goes to the merchant, leaving the farmer with lesser income each year. This cycle is continued until the farmer becomes deeply indebted to the merchant and might lose his land through default and the merchant becomes a landlord. 28 This is how Indian merchants of Muscat and Muttrah, whose role shall be explored in greater detail shortly, became prominent landlords. While

cities in this manner absorbed the surplus production from the hinterland, the Indian merchants also provided credit for handicrafts industries. Before the flooding of cheaply manufactured Western goods, such credits helped small farmer households to earn supplementary income and avoid the cycle of indebtedness which resulted in the loss of land. With influx of western goods, farmers lost a source of income and the level of indebtedness increased. The city landlord merchant in the rent capitalist system also initiated the reclaiming of land, invested in irrigation systems and provided new trees for orchard plantings and many such services.29

While the concept of rent capitalist system is significant for our understanding of the economic situation prevailing in urban centres in West Asia during the nineteenth century it is important to understand the context in which it was developed. The economic system of rent capitalism can be described as having developed in the coastal region of Oman because of the specific nature of Oman's maritime trade that is the entrepôt trade system. As we have already seen, unlike mass production centres entrepôt centres are mainly involved in the trans-shipment of goods and need not have manufacturing industries of their own. It is in such a situation that capital was used for personal consumption or hoarded and not reinvested to improve production. The system of rent capitalism would not have existed in the mass production centres like Cairo and Baghdad of the West Asia of the thirteenth century world-system. This system would have become commonplace in these centres once their production capabilities declined either at the end of world-system during the mid-fourteenth century or even later. On the other hand, the system of rent capitalism would have had much longer presence in the entrepôts of the Persian coast and the littoral of the Arabian Peninsula including the successive ports of Oman as their roles did not change much from the thirteenth century till the end of the first half of the twentieth century.

According to Speece, the economic system in the interior was tribal and egalitarian in nature. Land and water rights were organised into small holdings and owned jointly by a group of influential families. Whatever private ownership that was developed reverted to

joint ownership when the domination of the coastal system weakened. There was little relationship between the coastal and interior types of economic systems. In Speece’s explanation on the nature of the trade networks of the two systems, Muscat was the international trade centre for the coastal system, while distribution and collection functions for domestic trade were turned over to Muttrah. In accordance with their roles, Muscat was an international steamer port while Muttrah was a coasting harbour suitable for native vessels. Trade with the part of Oman connected to the coastal system was channelled from Muttrah to a set of subordinate ports. From these subordinate ports the routes went up a wadi. In a few areas on these routes which had sufficient hinterland populations markets developed inland.

The market system of the interior did not have a coherent overall structure. The bazaars of the interior usually functioned as the centre of a small, distinct system without substantial trade relations to other interior bazaars. International commerce was not important for the interior. Whatever links that the interior system had with Indian Ocean trade supposedly passed through the coastal system to the ports of Muttrah or Sohar. Speece does suggest that the interior’s international trade bypassed the coastal system entirely and went through Sur which was more or less independent of the sultanate. But he then does not dwell further on the role of Sur. We shall look at the vital role of Sur in the last section of this chapter. While it is true that two different economic systems prevailed in the interior and the coast, the only weakness in the argument is to stress, even if not in totality, on the separation of the two systems or the insignificance of Indian Ocean trade to the interior economy. This hinders our understanding of the politico-socio-economic situation of nineteenth century Oman. The relevance of Indian Ocean trade to the interior economy and the tribes will be looked into in the section on the economic activities of the non-state trade networks. The evidence shows that the trade with the interior had become very important for Muscat and Muttrah by the 1880s and the 1890s. This was mainly because of the trade in dates with America. When the raiding of

31 Ibid, p. 497.
33 Speece, n. 28, pp. 497-98.
trade caravans led to the closing of the trade routes linking Sharqiya to the coast through the Samayil Gap for several months in November 1890, trade came to a standstill at Muscat and Muttrah. It was the dates from the Samayil region that was particularly favoured by the Indian merchants for export to America.

State Controlled Economic Activities versus Independent Merchant Wealth

In contravention of the classic definition of capitalism, Wallerstein has argued that the modern world-system is not characterised by the total non-involvement of the state in economic affairs. Rather it is the non-participation of the state in the major profit-making economic activities and the channelizing of profit to capitalists that mark the nature of the modern world-system. When the state takes over major production activities the expansion of the capitalist system is curtailed. What made the modern-world system different from the previous world-economies is that it managed to survive for five hundred years as no singular political system or state was able to subjugate or bring under its control the economic activities of the entire system. Janet Abu-Lughod cited the taking over of the industrial production activities by the Mamluk state as one of the causes, though not the main one, that led to the economic decline of Egypt and thereby the end of the thirteenth century world-system. State control led to poor management and resultant lack of technological innovation to improve modes of production.

When it comes to entrepôt economies the relationship between the state and the economy is quite different. Smaller states are adept at managing such economies as there being no mass production activities there is no need to constantly upgrade technology to sustain surplus production. In many such cases where trade is the major revenue generating activity, there is no clear distinction between the state and private capital if the


\[36\] Wallerstein explains that before the modern world-system began in sixteenth century Europe, there were only two varieties of world-systems, world-empires in which there is a single political system in much of its area and world-economies in which there was a multitude of political systems. In time world-economies were either converted to world-empires or disintegrated.

state is controlled by the merchants themselves. The only need is to create favourable conditions to attract merchants from different localities to a geographical setting that is already advantageous with the entrepôt being located along trade routes. But of course entrepôts cannot prosper in isolation as they are dependent on the vitality of the mass production urban centres which are the real drivers of a world-system and ensure the flow of trade along the routes in which the former are located. In the case of Oman, the sultans who ruled Muscat until Said bin Sultan were merchant princes having a direct interest in the trade of Muscat, which was their main source of revenue, and tried to attract foreign traders by offering attractive customs tariffs to beat competition from rival commercial centres in the Gulf. They were also like other merchants in the port involved in trading commodities but often used their positions as heads of the state to get personal trading privileges while negotiating with other powers as was the usual practice of dynasties involved in maritime trade like the previous Yaariba dynasty. Sultan bin Ahmed’s personal quota to import salt into Bengal was raised by the British from 1,000 to 5,000 maunds in 1799 after the treaty of 1798. Omani trade to Batavia, a Dutch colony on Java Island became a monopoly of Sultan during his rule. 38

But there was clear distinction between the ruling dynasty and the Indian merchants in Muscat unlike the Italian city states of Venice and Genoa of medieval Europe. In the Omani case, it is only possible to identify periods when there was more state involvement in trade and phases when it stayed away from such activities and it is not fruitful to make a connection between greater state intervention and decline of trade. A further classification that has to be made in the Omani case is the time when Al Bu Saidi rulers managed trade in both the interior and the coast and the later period when they were concerned mostly with managing the trading activities at Muscat and other ports on the Batina coast. The first Al Bu Saidi rulers Imam Ahmed bin Said and Imam Said bin Ahmed because of their status as Imams with greater influence in the interior belonged to the first category. Said when he was the governor of Nizwa under his father had got into a dispute with the inhabitants of Nizwa because of his attempts to monopolise the dyeing

38 Risso, n. 4, p. 197-98.
industry based in that town. From Hamad bin Said to Said bin Sultan in 1829, Al Bu Saidi rulers tried to extend Muscat's maritime trading activities to the maximum extent possible. The Al Bu Saidis from then on distanced themselves from the interior economy which included whatever remained of Oman's handicraft industries and did not control vast tracts of date groves like the previous Yaariba dynasty. They instead focussed most of the resources of the state on maritime trade.

In his efforts to achieve a monopoly over Gulf trade, Hamad bin Said established direct contacts with Afghanistan through the Indus river bypassing the Sindhi Bhattia traders, the main merchant community at Muscat who were going through a phase of decline. Hamad's policy further contributed to their decline and replacement by a new trading community, the Bhattias from Kutch in Gujarat. Sultan bin Ahmed's period was one of maximum efforts by the state to facilitate trade. He developed a system of administration which was suited for the conduct of trade. He had several agents to facilitate trade which included customs officials, nakhudas or sea captains who functioned also as envoys and wakils or commercial agents in several ports. In his attempts to control Gulf trade, Sultan also imposed licensing, where similar to the earlier Portuguese cartaz system implemented at Muscat and other Indian Ocean regions, all shipping entering and leaving the Gulf had to pay duties at Muscat. Said also employed pirates like Nasir al-Suwaidi to enforce this policy as his navy was not big enough to patrol the entire area. It was during the time of Sultan that the Muscat customs began to be farmed by a banian Hindu Bhattia merchant from Kutch named Gopal Mowjee Bhimani. The Hindu banian merchants by the time of nineteenth century were in a position to dominate trade not just in the Gulf but also in the wider Indian Ocean region. The rise to commercial prominence of Hindu merchants in the western Indian Ocean began when the Portuguese began expelling Muslim merchants from major ports and instead preferred dealing with

39 Ibid, p. 98.
40 Allen, n. 26, pp. 42-43.
41 Risso, n. 4, p. 191.
43 Risso, n. 4, p. 71.
Hindus. The joint family structure of the banians helped in their commercial expansion in the Indian Ocean region as members of the family settled in different ports acted as agents handling the business transactions of the core kin group located in India.

Under Said bin Sultan, the trend of Indian merchants taking over the trade of Muscat was strengthened with Kutchi merchants being responsible for farming the Muscat customs on a regular basis. Said also transferred the control of Zanzibar customs in 1818 from his wali to Ebji Shivji another prominent Kutchi Bhattia businessmen. These merchants were responsible for introducing an element of capitalism in the Indian Ocean region by providing credit in the form of advance finance to date plantation farmers and manufacturing centres of handicrafts industries in Oman, Arab plantation owners in Zanzibar and cotton growers in Mandvi in the Kutch region of western India. This resulted in the creation of a financial network controlled by Kutchi merchants connecting Oman, East Africa and western India. They were also involved in the re-export of East African goods to India using Muscat as an entrepôt.

When Said shifted the administrative centre to Zanzibar in 1829, he left the trade of the port and control of the customs in the hands of the Kutchi Bhattias. This was the beginning of the control of Muscat’s maritime trade by private merchant groups with little or no involvement by the state. The partitioning of the empire into East Africa and Oman in 1861 led to a situation where the mother country could no more gain access to Zanzibar’s revenue which was more than that of Muscat’s. Thuwaini bin Said then engaged in campaigns in the interior to make up for the loss of East Africa and did not involve in matters of trade. Recognising that Muscat’s trade was in the hands of merchants of Indian origin like the Hindu Kutchi Bahttias and the Luwattiyya or Khoja Muslims, the British tried to and succeeded in getting them declared as British Indian subjects. This was done not just to ensure that Britain had influence over Muscat’s economy through the British Indian merchants but also to make sure that they did not

44 Alpers, n. 12, p. 32.
45 Bhacker, n. 16, p. 70.
46 Ibid, p. 72.
associate with trading activities that the British opposed like slavery. The benefits of British protection for the Indian merchants included exemption from search of private property, exemption from local taxes, right of full discharge from creditors if bankrupt, British assistance in recovering debts, British official representation in any local trial and exemption from direct interference by local authorities. The Indian merchants could also obtain British assistance to recover compensation for losses due to attacks by the local population. But British protection led to the merchants being seen by the tribes as British agents and targeted during raids. 48

Among the Indian merchants there was a difference in settlement patterns between the Hindus and the Khoja Muslims. While the Hindus who were mostly involved in international trade lived in Muscat, the Khoja Muslims who were responsible for domestic trade lived in Muttrah. This settlement pattern was in accordance with the roles of Muscat and Muttrah in international trade and domestic trade respectively. The two communities also divided the control of trade in the subordinate ports on the Batina coast. 49 There were also some Hindu merchants in the port of Sur which was autonomous from the control of the Sultanate. 50 There very few prominent Khoja merchants in comparison to the Hindus. 51

The only interruption to the control of Muscat’s trade by merchants after 1829 was the Imamate of Azzan bin Qays that came to power in 1868. Said bin Khalfan al-Khalili removed the Indian merchants from the control of the customs and the state managed it directly. The regime also targeted the diverse sections of the population of Muscat imposed many social restrictions which led to an exodus of Indian merchants and their

48 Allen, n. 26, p. 52
49 Speece, n. 28, p. 504; Landen, n. 32, p. 108.
51 Allen, n. 42, p. 122.
families from the port. Trade declined as Muscat also became affected by the general
depression of the 1860s. Very soon Khalili realised the practical difficulties associated
with directly managing the trade and customs of the port and asked the Indian firm
Gopaldas Manjee to take control of it. On the advice of the British Political Agent, the
firm refused to comply. Khalili then induced a Khoja merchant to take up the
responsibility for certain sum on the promise of concessions. When the time to make the
concession arrived, Khalili refused to provide any and forced the merchant to continue
managing the customs on the threat of force. The collapse of the Imamate led to the
return of the former economic practice and the merchants reassumed control of Muscat’s
trade.

A new generation of Indian merchants emerged in Muscat like Ratansi Purshottam,
Dowlagitirji Manrupgirji, Virji Ratansi and Damodar Dharamsi who linked Muscat to
global trade networks leading to what Calvin Allen has termed the ‘internationalisation’
of trade at Muscat. Muscat once again became a major entrepôt during the 1880s and
1890s with increased date exports to America and the burgeoning arms trade. We shall
return to the status of Muscat in relation to the global economy in the next section. Turki
bin Said and Faisal bin Turki mostly followed the practice of Thuwaini and Salim by
leaving the trade of Muscat in the hands of merchants. However in 1899 Faisal bin Turki
took direct control of the customs, rearranged it and made a profit signalling an attempt at
greater state intervention in economic affairs. But nothing came of these efforts in the
twentieth century and after enjoying prosperity for some of the early years Muscat, like
ports in many other parts of the world, declined during the First World War.

52 Disbrowe to Agent in Muscat of the Firm of Gopaldas Mowjee, 21 May, MSA, PD, Vol. 89, #952, p. 67.
53 Landen, n. 32, p. 259.
55 Part II, “Administration Report of the Mascat Political Agency and Consulate for the Year 1900-1901”,
"Selections from the Records of the Government of India Foreign Dept.: No. CCCLXXXV: Foreign
Dept. Serial No. 121: Administration Report of the Persian Gulf Political Residency and Mascat
Political Agency for 1900-1901", in The Persian Gulf Administration Reports: 1873-1947: Volume V:
The Economic Activities of Non-State Maritime Networks of Sharqiya and Sur during the Late Nineteenth Century

In the first chapter mention was made about how the curtailment of the slave trade hurt the commercial interests of the Bani Hirth and led to their revolt against the pro-British Sultan Majid of Zanzibar. In spite of the restrictions, the trade in slaves continued in East Africa and through the Indian Ocean to the Gulf before and after 1873. The difference between the pre-1873 and post-1873 situations is that in the former period, the British anti-slaving enforcing mechanisms, including searches by British Navy patrol boats of native vessels and legal proceedings were not organised while they began to be properly implemented from 1873 onwards. This was despite the fact that there were at least three anti-slaving agreements before 1873. These included the Morseby Treaty of 1822, and the agreements of 1839 and 1845. The Morseby Treaty prohibited the sale of slaves from Zanzibar to Christian countries or colonies which mainly affected the trade to the French island colonies of Mauritius and Bourbon. The 1845 agreement prohibited the trade in slaves from East Africa to Arabia.

Until 1873, the Sultans and Indian merchants were involved in the slave trade. The Sultanate derived revenue from the slave trade as a tax of one dollar was levied on every slave landed in Zanzibar and half a dollar on every slave landed at Muscat. Importers of slaves in Gulf realised profits of twenty per cent at Muscat and fifty per cent at Basra on slaves from Africa. The Indian merchants were mainly involved in the financing of the slave trade caravans that went into interior Africa. The 1873 agreement brought about an end to the participation of Sultanates or Indian merchants in the slave trade. Hereafter, the trade became an exclusive preserve of the maritime tribal networks based at Sur albeit in a clandestine manner. The arms trade was added along with the trade in slaves as the major economic activities of these networks.

56 Bhacker, n. 16, p. 103.
58 Landen, n. 32, p. 119.
While political and strategic motives were inherent in the non-state networks attempts the draw French support, it was the economic imperative that was more important. Before going in to the French factor it is vital to see the significance of these trading activities to the non-state tribal networks. Whenever opportunity arose the tribal networks involved in the slave trade made use of a favourable political environment to carry on their trade. Such an opportunity came up during the Imamate of Azzan bin Qays when a large number of slaves were sold in Muscat.\textsuperscript{59} It was Turki bin Said who signed the anti-slave agreement of 1873. Turki even warned his all governors in the Batina including Badr bin Sayf in Sohar to prohibit the trade.\textsuperscript{60} Native vessels were frequently inspected by the British navy and if found carrying slaves were impounded. But even then the trade in slaves continued in a clandestine manner. Even after 1873, slavery persisted in East Africa, with most of the slaves being brought to the mainland coast from the interior than to Zanzibar island where the government apparatus was stronger. Almost 300,000 to 500,000 slaves were raided in the interior including in Nyasaland, which was part of the territorial possessions of Zanzibar, but only sixteen per cent reached the coast alive.\textsuperscript{61} In Oman, slaves were landed on the coast secretly away from the vicinity of Muscat.\textsuperscript{62}

It was during the time of Turki that maritime trade networks first realised the benefits of smuggling slaves into the Gulf in native vessels with French flags and papers. The French policy in support of slavery was already well known. Even during the mid-nineteenth century when the British convinced Said bin Sultan to prohibit slavery, the French persisted in attempts to gain slaves from Zanzibar and other parts of the East African coast for their island colonies.\textsuperscript{63} From the mid-1870s onwards, slaves began to

\textsuperscript{59} Disbrowe to Gonne, 15 Oct., 1869, Muscat, MSA, PD, Vol. 89-IV, # 1494, 1869, p. 112.


\textsuperscript{61} Wilkinson, n. 7, p. 239.


\textsuperscript{63} Captain C. P. Rigby, Agent at Zanzibar, to H. L. Anderson, Secretary to Bombay Government, 20 August, 1858, Zanzibar, MSA, PD, Vol. 148, # 336, 1858, p. 23.
be imported into Oman in native vessels with French flags. In 1876 a cargo of eighty Abyssinian slaves were landed in Oman. During the last years of Turki's rule there was a revival of the slave trade because of certain developments in the wider region. In 1884 there were several rumours among the Arabs that the British were not as opposed to the slave trade as before. These rumours came about because of the break up of a British warship at Zanzibar and the removal of the naval establishment that was responsible for curbing the slave trade from that location. General Charles Gordon's proclamation permitting domestic slavery at Khartoum had also helped in the spread of the rumours.

This helped in the intensification of the slave trade as compared to the previous ten years when the naval force effectively patrolled the East African coast. A large number of slaves were landed on the coast of Oman in 1884 at Sur, al-Khadrah on the Batina coast and Suwaiq. A dhow was captured off Ras al-Hadd with 154 slaves on board while another dhow was caught off Masirah islands with 51 slaves. Most of the slaves were landed on the Batina coast and brought in small boats to ports in the Gulf like Ras al-Khaima and Dubai. When the British informed Turki of these activities he stated that he was not in a position to coerce the Yal Sad tribe who were the chief importers of slaves on the Batina without British help. The resurgence of the slave trade resulted in the fall in prices by 1885.

---


By the time of Faisal, he faced a situation in which the slave trade under French protection had completely revived. This was besides the fact that Faisal himself had a lenient attitude towards the slave trade and tried to acquire slaves for his own use. He therefore did not try to enforce the ban on the importation of slaves in the same manner as his father. 68 Faisal enquired from the Political Agent at Muscat in 1891 if the Germans had provided permission to the Arabs to bring slaves to their territory on the East African coast and sell them there. 69 Faisal's attitude towards the slave trade was also a part of his attempt to distance himself from the British as we have already seen in the previous chapter. On his part, Salih bin Ali continued to show his opposition to the enforcement of anti-slavery measures. Salih protested the release of certain African slaves in September 1891. By 1890 most of the Suris had obtained French flags and papers for their vessels which they used to transport slaves to the Gulf. 70 Some of the tribal leaders of the Jenaba obtained French flags and papers from the French Consul at Aden and not at Madagascar as they used to do formerly. The vessels began transporting slaves to the Persian coast. 71

By the 1890s, Sur had become the largest slave depot in the Arabian Sea. The 2,500 mile voyage from Zanzibar to Sur took sixteen to twenty-five days and the journey from East Africa was conducted just before or just after the height of the south-west monsoon. There was a demand for just over one thousand slaves during each season. 72 Most of the slaves were first brought to Sur from East Africa and from there were transported to ports on the Batina coast. From the Batina, the slaves were then taken to other Gulf ports and

72 Philips, p. 70, p. 152.
Many of the slaves were also taken to a slave market in Basra which Europeans were never allowed to see and was reported to be active in January 1892. The slaves were brought in dhows with French flags and landed in some of the numerous creeks of the Shatt al-Arab except a few who were landed at Kuwait and driven overland.

Even the British began to realise the practical difficulties in trying to curb the slave trade in Oman completely. The Sultan of Zanzibar issued a proclamation against slavery in 1890 and took measures which brought slavery to a complete end at least on the island of Zanzibar if not on the mainland. The British officers in the Gulf recognised that they could not force Faisal to adopt similar measures as the conditions in Oman were completely different from that of Zanzibar. In East Africa the area of the territories under the control of the Zanzibar sultanate was much lesser than that of Oman. Moreover the subjects of the state were not divided into separate tribes with their own chiefs like in Oman. The Zanzibar Sultan also had a standing army of 1,200 men. Oman's revenues were also much lesser than that of Zanzibar. The Sultan of Muscat was dependent on the support of the tribes and therefore could not force any unpopular decree like the complete stopping of the slave trade on them. A decree issued by the Sultan would have no meaning as he would not be able to enforce it beyond Muscat and Muttrah.

The British Political Agent and Consul at Muscat also had limitations with regard to curbing of the slave due to the stipulations of the treaty of 1873. The Agent had jurisdiction over only those slaves who managed to escape from their masters in the interior or coastal towns and gained asylum at the British Consulate. They could be set free only after an investigation by the Agent proved that they came under the provisions
of the treaty of 1873. According to these provisions, only those slaves who were brought
to the country after 1873 could be set free.\textsuperscript{76} During investigations at the consulate, the
cases of slaves who were brought into Oman before 1873 were dismissed with the slaves
not being set free.\textsuperscript{77} Most of the slaves who were freed were ones who escaped from their
masters and found refuge at the Consulate or ones who were found on dhow which were
towed to the harbour by a British naval cruiser. The slave dealers were willing to suffer
such minor losses and did not contest the decisions of the Political Agent. They sold their
slaves secretly rather than in the open market.\textsuperscript{78} During the late nineteenth century most
of the slaves landed in Oman were disembarked at Sur to await re-export. Among these,
an average of one thousand slaves a year remained in Oman itself. Private markets inside
the houses of slave brokers existed in the larger towns of Oman. Almost 15,000 to 50,000
slaves lived in Oman during this period. There was more demand for slaves in the Batina
where irrigation wells required constant upkeep in comparison to Ja‘alan and Sharqiya. In
1900 slave prices were high with children costing MT$120, male adults MT$150, girls
$MT200 to MT$300. Prices in Africa were only £3 for one slave.\textsuperscript{79}

Because of such practical difficulties the British decided not to press Faisal to issue an
anti-slavery decree like the one that was issued by the Sultan of Zanzibar in 1890.\textsuperscript{80} It is
noticeable here that the Yal Sad tribe of the Batina played an important part in the
clandestine slave trade of the late nineteenth century along with the networks of Sharqiya
and Sur. While the Bani Hirth and the Suris were involved in the buying of slaves from
East Africa and transporting them to Oman including the ports of the Batina coast, the


\textsuperscript{79} Landen, n. 32, p. 121.

Yal Sad were responsible for transferring these slaves from the Batina to markets further north in the Gulf itself, Persia and Basra. This perhaps points to an economic motive behind the alliance between the Sharqiya Hinawis and the Yal Sad who formed the majority of the muttawiah during the Imamate of Azzan bin Qays.

Another important clandestine economic activity of the non-state maritime networks was the arms trade. While looking at the arms trade earlier in this chapter we have only touched on the major aspects of the trade as it figured in the argument of Calvin Allen on the resurgence of the Muscat economy. Here we will look at the trends and the wider impact of the arms trade without merely focussing on it as an economic activity of the non-state networks. As has been already seen, the arms trade was quite huge in East Africa before it shifted to Muscat in 1892. Each year 80,000 to 100,000 firearms entered the ports of East Africa which not only shows the amount of arms that were involved in the trade in that region but also helps explain why Muscat managed to become a major arms entrepôt when the trade was shifted to the Gulf.\(^\text{81}\) The interesting aspect of the arms trade is the links that were forged between the Suris and the Indian merchants based at Muscat. The Suris managed to transport the arms on vessels with French flags to Oman which were then traded by the Indian merchants at Muscat to Persian and Afghan buyers.

Modern firearms came to be very valued by the tribes of Oman and owning a rifle became a symbol of pride and came to be associated with manhood. A large number of weapons came to be circulated among the tribes and was one of the reasons for the revolt of 1895. Many of the tribes in the interior profited through the arms trade. The arming of the tribes during the late nineteenth century would have a bigger impact during the beginning of the twentieth century when the tribes of the interior managed to establish an Imamate. Any attempt to curtail the arms trade by either the Sultan or the British were seen by the tribes as an attempt to subjugate them and were vehemently opposed. The arms trade was very important for the economy of Muscat. In certain years during this

---

period, the arms imports accounted for over a quarter of Muscat’s import trade. The British who were worried about the flow of arms from Muscat to the Pathan tribes of the North-West Frontier regions of India began to put pressure on Faisal to curtail the arms trade. In May 1891 the British Political Agent issued an order prohibiting the import of arms into Gwadur which was the port through which arms entered Persia and then transferred to Afghanistan. The British managed to convince Faisal to sign a treaty restricting the arms trade in 1898.

Such measures had little success as after a brief low the value of the arms traffic doubled in 1900 and returned to the same figure as it was in 1897-98. There were direct steamers bringing arms from Europe to Muscat. The number of arms for domestic consumption was lesser than the number of arms which were exported. The importing of arms into Muscat was mostly in the hands of British Indian traders. Ratansi Purshottam was one of the two leading arms merchants in the Gulf. The treaty of 1898 restricting the arms trade made it compulsory for all British subjects and protected persons in Muscat to register all arms transactions. The Indians circumvented the order by conducting their arms business through Arab agents. This provided an opportunity for French, Armenian and other foreign dealers who started to locate in Muscat to benefit from the restrictions imposed on the British Indians which did not pertain to them. British officials on the ground who wished to maintain the status quo in favour of British Indian traders did not administer the regulations strictly. The British finally forced the Sultan to abandon the arms trade in 1912 in return for a new subsidy which increased the

---

82 Landen, n. 32, p. 123; Philips, n. 70, p. 157.
84 Lorimer, n. 34, p. 552.
85 Landen, n. 32, p. 109.
86 Landen, n. 32, p. 109.
87 Allen, n. 42, p. 165.
financial dependence of Oman on Britain. A controlled arms warehouse was established at Muscat with strict governmental regulations on the trade. A ban was placed on the export of arms which led to increased tribal opposition. By 1912 most British Indian merchants had already got out of the arms trade.

Before the banning of the arms trade in 1912, the Omani non-state networks had already suffered a crippling blow to their other major clandestine economic activity, the slave trade. The Portuguese in 1902 captured 114 Suri Arab slave traders, 12 ships and 725 slaves at a slave base set up in a cove at Samuco Bay on the coast of Mozambique. The slavers were sentenced to twenty-five years prison in Angola and the news devastated the community at Sur. The banning of the arms trade in 1912 and the capture of Suri slave traders at Mozambique ended the major clandestine economic activities of the non-state networks extending from Sharqiya to Sur with connections to East Africa. But unlike as stated by Landen Sur’s importance as a port did not end. Landen stated that coasting voyages were the only legitimate commercial activity left for the Suri networks in which goods were collected at numerous tiny ports on the Omani coast and brought to the major steamer port of Muscat. But studies show that Sur was involved in the vibrant dhow trade between East Africa and the Gulf till 1950s. By 1927, Sur had become the most flourishing port of Oman and produced almost as much revenue as Muscat. The wali of Sur appointed by the Sultan had no influence and like the situation that prevailed during the late nineteenth century, the most powerful leader who controlled the port and Ja'alan district was the sheikh of the Bani Bu Ali who called himself the Amir-al-Jaalan. The latter even wrote to the British Indian government protesting against receiving letters from the Political Agent at Muscat and insisted on communicating directly with the government as an independent sovereign.

88 Allen, n. 13, p. 56.
90 Allen, n. 42, p. 166.
92 Landen, n. 32, p. 100.
During the 1930’s Sur rivalled even Kuwait which was the most prosperous port in the Gulf. Sur’s continuing importance was because of the large number of dhows which operated from there. There was regular dhow traffic between Sur and East Africa till the 1950s just before the beginning of the oil era in Oman which shows that it was not just slaves and arms that were being traded. Landen had attributed Muscat’s decline to the introduction of steamers and its negative impact on the dhow trade. But dhows had certain qualities which made it very suitable for the trading practices of the western Indian Ocean and allowed them to survive till the beginning of the oil era. This includes the advantage that the dhow owner had in being able to warehouse his goods in the vessel itself until the market was ready to absorb them. This would not be the case with steamers which would unload all the goods in a day or two and flood the market.  

Studies until now have described that the tribes in the Omani interior opposed the banning of the slave trade because of ideological reasons. The banning of the slave trade along with the loss of East African territories have been cited as the factors that led to increased resentment of the tribes and the Ibadi ulama against the ruling dynasty at Muscat during the late nineteenth century. But we see here that the Bani Hirth had not just an ideological but an economic reason for leading the tribal opposition against Muscat. The banning of the slave trade and the loss of East Africa hurt the commercial interests of the Bani Hirth. This view helps us to place the domestic politics of Oman in the wider context of Indian Ocean maritime trade. Even after the death of Salih bin Ali in 1896, the leaders of the non-state maritime trade networks of Sharqiya and Sur continued in their attempts to persuade the Sultan to desist the curbing of the slave trade. Salih’s son and successor, Isa bin Salih warned Faisal against prevention of the slave trade. The biggest impact of the clandestine arms trade was felt in interior Oman where a large number of tribes became linked to and profited from the trade apart from the Bani Hirth and the Suris who initiated it in the first place. This would have its political impact when

the end of the slave trade and arms trade by 1912 led to the alienation of the powerful Ghafiri Bani Riyam tribe under Himyar bin Nasir al-Nabhani, the formation of an opposition alliance against Muscat and the election of a new Imam. While leaders like Isa bin Salih would play important roles in the Imamate that lasted till the 1950s, the Imamate of the twentieth century was based on a balance of power between Hinawi and Ghafiri tribes unlike the opposition movement of the late nineteenth century which was dominated by the Sharqiya Hinawis. The Imamate of the twentieth century would also be mostly based in the interior with little or no connections to East Africa and for that matter to Indian Ocean trade. It is now time to understand Oman’s relationship with the modern world-system and see how elements like the Sultanate state, the Indian merchants and Omani non-state maritime trade networks can be placed within the system.

**Oman at the End of the Age of Oriental Globalisation**

There are two major streams of thought with regard to the economic condition of Oman and its position in the world economic system during the late nineteenth century. J. B. Kelly and Robert Geran Landen are holders of the view that Oman economically and politically declined in the late nineteenth century due to changes that were taking place in the Gulf and the wider Indian Ocean region. Landen has put forward the major arguments explaining the reasons for the decline. He traced the decline of Oman from 1862 onwards when the introduction of steamships badly hurt native shipping which had been involved in the carrying trade between the Gulf on the one side and India and East Africa on the other. The opening of the Suez Canal in 1869 further strengthened these trends when steamers from Europe began to bypass Muscat. Among other reasons cited by Landen is the currency crisis that developed during the last decades of the nineteenth century.

Calvin Allen put forward the counter-argument according to which Muscat under the early Al Bu Saidi rulers like Hamad bin Said, Sultan bin Ahmed and Said bin Sultan was not as prosperous as described by most scholars. After many years of trying to fight

---

97 Landen, n. 32, pp. 76-77.
98 Ibid, p. 115.
commercial competition from the Qawasim and the Utbis in the Gulf by these rulers they failed and Muscat lost much of its trade by the time of the 1820s. Said’s decision to shift the capital to Zanzibar further hurt the economy of Muscat. The decline of Muscat’s economy had therefore begun even before 1861 and was not as a result of the partition of Oman’s maritime empire. A resurgence of the economy of Muscat was brought by the Indian merchants who controlled the trade of the port during the late nineteenth century. They brought about this change by linking Muscat’s trade with international commerce through the sale of dates to the United States and the arms trade. As a huge workforce was required at Muttrah in the sorting and packing factories, transportation, weighing and loading at the steamers, a larger portion of the local population benefitted due to the date trade with America in contrast to previous activities related to the maritime trade of Muscat.

When the arms trade became banned in Zanzibar in 1892, Muscat became an entrepôt for the arms trade in the Gulf because of the fact that that the Kutchi Bhattia merchants were the main mercantile community in Zanzibar and had relations with Kutchis in Muscat. During the ban most of the weapons stocks located at Zanzibar were shifted to Muscat instead of to any of the other ports in the Gulf where Sindhi Bhattias were dominant. Because of their contacts with Afghanistan, the Kutchis sold weapons to the Pushtoon tribes of that country who needed weapons to fight the British. Allen has questioned Landen’s argument that the introduction of steamships led to the decline of Muscat’s economy as steamships brought arms from Europe and carried dates to America which helped in the resurgence of Muscat’s economy during this period. According to Allen the decline in Oman was political, which was that of the Al Bu Saidi dynasty and not economic. We have already discussed the importance of the dates produced in the interior for Muscat’s economy. But an evaluation of Oman’s true economic condition cannot be made without studying Oman’s position in the world economic system.

99 Allen, n. 42, 38.
100 Ibid, p. 186.
101 Ibid, p. 156.
Immanuel Wallerstein’s theory of the modern world-system has been developed from the earlier understandings of the nature of the world capitalist system by Raul Prebisch and others in Latin America and later by the dependency theorists led by Andre Gunder Frank. The Latin American scholars geographically divided the world capitalist system into a core and periphery which shared a highly unequal relationship of economic exchange. The periphery provided raw materials and primary products to the industrialised core located in Europe which later included America. The core in return flooded the markets in the periphery with goods manufactured in its industries which led to the destruction of the local manufacturing economy in the periphery. In time the economies in the periphery were structured to meet the demand for raw materials by the industries in the core. By combining Braudel’s concept of a world economy and the ideas of the Latin American scholars, Wallerstein developed his conceptualisation of the modern world-system which was much more elaborate than the earlier views as it included the differences in the political systems within the world-system, the division of labour and processes of production between the core and periphery, the differences between the nature of states in the core and periphery and class structures within these different zones. Wallerstein added one more geographical zone that is the semi-periphery which is vital to understand the nature of the relationship between the core and the periphery.

For the purpose of this study, it is only enough to understand that Oman was certainly in the periphery of the modern world-system during this period providing primary products to the industrialised core encompassing Europe and America. Oman’s traditional handicrafts industries, which though not of a large scale but important for its economy, were ruined by the large scale importing of cheaply manufactured western goods most importantly textiles. The true dynamism of the modern world-system can be understood only in conjunction with its temporal dimensions like cyclical rhythms, contradictions and crisis which means that the world-system is not static. As a part of

---

106 Ibid, p. 17.
cyclical rhythms, the world-system goes through periods of expansion and subsequent contraction. While there was certainly prosperity for Muscat, it soon ended with the outbreak of the First World War when the modern world-system contracted. Economies in the periphery which are dependent on the dominant core do not have the capability to regenerate themselves during such a stage. The revenues gained from maritime trade allowed the Al Bu Saidi dynasty to improve its navy and acquire territories in East Africa and the Makran coast during the eighteenth century. The profits that private Indian merchants gained during the late nineteenth and early twentieth century did not benefit the ruling dynasty as they did not control the trade and Oman ceased to be a maritime power in the region. This meant that the political decline of Oman was apparent in the late nineteenth century itself while the consequences of being linked to the periphery of the modern-world system would be known only in the beginning of the twentieth century.

The modern world-system according to Wallerstein incorporated the Indian Ocean area into its fold only the nineteenth century. This could have explained Oman’s rise as a maritime power during the second half of the eighteenth century. But Wallerstein does not give any primacy to the role of Asia during this period and merely describes the Indian Ocean as an area that had not yet been incorporated into the modern world-system. The best explanation for the prominence of Asia before European hegemony has been provided by John M. Hobson who put forward the idea that the East dominated global trade from 500 to 1800 and the major trading centres of Asia and Africa were linked through commercial and cultural networks which created what he termed as an age of oriental globalisation. Hobson has used Abu Lughod’s earlier view on the economic prominence of urban centres in West Asia during the thirteenth and fourteenth centuries as a part of his overall argument. The only variation is that he has focused more on the technological advancements and global connectivity of Asian powers rather than trying to find out if there advanced financial institutions and practices signalling the presence of

capitalism. This has allowed him to stretch his time frame to a much larger period than that of Abu Lughod with the geographical expanse being more or less the same.

Hobson has not mentioned the role of Oman in the maritime trade of the Gulf in comparison to Abu Lughod who has dwelt significantly on entrepôts like Sohar on the Omani coast and Siraf on the Persian coast. This is strange because Oman became a maritime power in the western Indian Ocean particularly during the second half of the eighteenth century. But what is significant here is Hobson’s periodisation which very much tallies with the way the situation developed in the Gulf. During the second half the eighteenth century, the British were one of the many competitors in the Gulf which included European powers like the French and the Dutch and regional powers in the Gulf like the Qawasim, the Utbis and the Omanis. Oman was a part of the Indian Ocean world system which had no hegemonic core having an exploitative relationship with a large periphery. In such a system Oman could take measures to meet political and economic exigencies by even shifting the core of its economy from Muscat to Zanzibar or diversifying its economy like when Said bin Sultan initiated clove cultivation. The end of the eighteenth century is very much crucial for the Gulf as that was the time from which the process of British domination of the Gulf began to develop. It was in 1798 that the first agreement between Oman and Britain was signed. The defeat of the Qawasim in the 1819 British naval campaign conducted jointly with the Omanis and the signing of the maritime agreement of 1820 ensured British domination of the Gulf. The British imperial domination of the Gulf was matched by the growing encroachment of the European dominated world system on the Indian Ocean.

Because of its better links with the international trade, it was Zanzibar that first effectively became part of the modern world system. Zanzibar had forged commercial links with America through export of ivory and copal to the latter destination. This resulted in the signing of a commercial agreement between Oman and America in 1833. Britain then intensified its involvement in the affairs of the Swahili coast and competition increased among European traders including the Germans who tried to get a share of the

Zanzibari market. European competition in East Africa was a part of the wider phenomenon of the ‘scramble for Africa’. As a part of the Zanzibar–Heligoland agreement, the different parts of the Zanzibar Sultanate were divided among the European powers. A British company took over the customs of Zanzibar displacing the Kutchi Bhattias. It was this phenomenon that resulted in the shifting of the trading activities of the Kutchis to Muscat during the late nineteenth century. While these Indian traders were responsible for the ‘internationalisation’ of trade at Muscat because of their trading links with countries of the North Atlantic as described by Allen, Muscat was also like Zanzibar becoming a part of the modern world system.

How can we place the British Empire, the Indian merchants and the Omani non-state maritime trade in the modern world-system? While the rise of British imperialism in the western Indian Ocean helped link places like Zanzibar and Muscat to the modern world-system, the empire and the world-system should not be seen as one and the same. We have already seen that one of the major characteristics of the modern world-system is that no one political system could dominate the entire system which would result in the reverting of the world-system to the status of a world-empire. Nevertheless, strong core states like Britain where a necessity in a world-system in comparison to a situation where all the political entities within a system are equally strong. In the latter situation, all these strong political entities would be in a position to block the effective operation of transnational economic entities whose locus where in another state. The world division of labour would be impeded, the world-economy would decline leading to the fall of the world-system.¹⁰ There many instances when the interests of the British Empire and that of the modern world-system did not coincide. The manner in which the world system functioned did not always coincide with British interests. British traders in Zanzibar complained to the British authorities about the monopolistic influence of the American Consul in the port along with the ruler and the Indian merchant who controlled the customs.¹¹

¹⁰ Wallerstein, n. 35, pp. 354-55.
¹¹ Bhacker, n. 16, p. 162.
There were situations in Oman where the interests of British Indian subjects like the Kutchi Bhattias who had international trading connections did not coincide with that of the other British Indian subjects and thereby the British themselves. Faisal’s decision to terminate the weighing of dates at Muttrah created problems for the Khoja merchants mostly involved in domestic trade as they had to bring their consignments to Muscat for the weighing process. The decision favoured the Hindu Kutchi Bhattias who traded in dates with America through the port of Muscat. The Sultan withdrew the measure in order to end the difficulties of the Khojas who were also British Indian subjects. The arms trade at Muscat which was the outcome of Muscat’s linking to the modern world-system was brought to an end by Faisal in 1912 due to British pressure as the arms were flowing to the Pushtoon tribes of the North-West Frontier Province who were fighting the British.

While this might give the impression that Britain opposed this particular trade because of its political and strategic implications, Fred Lawson has mentioned how free trade in the Gulf was not supported by Britain because of economic considerations. Small markets like Muscat were not big enough to absorb British manufactured goods. Muscat carried on its principal commercial transactions with India rather than with Europe during the nineteenth century. The major trades of the late nineteenth century that is dates to America and guns from Europe where added only later on. Most of the remaining trade continued to be with India. Britain had little incentive to allow unrestricted trade to grow in the region. Local markets could be easily saturated by even the weakest of Britain’s trading rivals, thus hurting not British but rather the less competitive Indian manufacturing concerns. Furthermore, any locally produced goods that might have been diverted away from Indian markets as a result of European competition would have required the British to open up new markets and sources of raw materials in order to keep the economic affairs in the subcontinent under their own control. It was in the interests of Britain to keep Muscat as a British-Indian preserve than to allow open competition. Britain with its huge resources could dominate only a large market despite competition.

112 Lorimer, n. 34, p. 554.
113 Bannerman, n. 8, p. 190.
but not small markets like Muscat.\textsuperscript{114} It has to be noted here that both Britain and British-India were important components of the modern world-system, the former as a strong core-state and the latter belonging to the peripheral area. Lawson has disproven, at least in the context of Arabia in the nineteenth century, the views of Wallerstein and others that hegemonic powers were needed for the prevalence of free trade in the periphery while protected trade was practiced in the core area.\textsuperscript{115} But unlike what Lawson has argued, free trade in Oman was not brought to an end because of British influence over the ruler and the signing of the treaty of 1891\textsuperscript{116}. It came to an end at the outbreak of the First World War because of the very nature of the modern world-system with its cyclical rhythms which included phases of expansion and contraction. Wallerstein has pointed out that technological advancements help in expanding the boundary of the world-system.\textsuperscript{117} The introduction of the telegraph and steamship service to the Gulf by Britain actually helped to link Oman to the modern world-system and not exactly entrench it in Britain’s imperial hold which was the view of Landen. Britain’s paramount position in the Gulf was already well established by the middle of the nineteenth century and therefore these technological developments only helped in increasing the strategic importance of the Gulf.

Before looking at the roles of the Indian merchants and the traders of the non-state networks it is important to make a distinction between the two. In his article on Swahili merchants, John Middleton has described traders as often mobile, travelling to find markets, but merchants were located at the markets provided intermediary services for those who visited them. Merchants are commercial and cultural middlemen who enabled strangers to exchange commodities and services by acting as their intermediaries.\textsuperscript{118} The Sharqiya and Sur traders kept moving between East Africa and the Gulf bringing slaves and guns to the latter region whereas the Indian merchants were settled in Muscat, Muttrah, Sur and smaller towns on the Batina coast. The traders of the Omani non-state networks

\textsuperscript{116} Lawson, n. 114, p. 324.
\textsuperscript{117} Wallerstein, n. 35, p. 350.
networks brought arms to the Indian merchants who in turn sold them to customers like the Afghans. The arms trade that took place in Zanzibar before 1892 and a portion of this trade at Muscat from that period onwards can be described as a part of the overall economic exchanges linking these locations to the modern world-system. A large number of arms were brought directly by steamer from Europe to the Muscat arms market. But the arms trade that the non-state entities in Oman were involved cannot be described as linking them to the world-system as they were not formally part of the system. The large number of arms that were stockpiled in East Africa was clandestinely channelized to Oman using the same routes that were used to bring in slaves. Apparently the Muscat arms market had the capacity to absorb the arms brought in these two different routes. This also means that the Indian Ocean trade networks continued operating well into the late nineteenth century when the entire region was supposed to have been part of the modern world-system.

While the earlier slave trade involved only a limited number of tribes of the Sharqiya and Sur, the arms trade involved almost all of the major tribes of interior Oman which led to unified opposition and the establishment of an Imamate when the arms trade was completely stopped at Muscat due to British pressure in 1912. Along with Mark Speece’s dual economic system of Oman, an alternative system will have to be drawn to explain the nature of the parallel non-state networks which connected both coastal and interior Oman. For that to happen, points along the coast apart from Sur and Wudam where slaves and arms were landed will have to be identified. The routes that went into the interior and connected most of the tribes to either one or both of the clandestine trades involving slaves and arms will have to be traced. Muscat would be identified as linked to both the modern world-system and the remnant trade networks of the Indian Ocean system. But the non-state networks stood little chance against an increasingly entrenched modern world-system in the Indian Ocean region. The sources of supply and markets of these networks were abruptly terminated at the beginning of the twentieth century.

The Indian merchants of Muscat and Muttrah have important roles as agents who linked Muscat to the modern world-system and to a certain extent to the Indian Ocean non-state
networks. The Indian merchants were also subjects of the British Empire. Wallerstein has pointed out that empires like that of the British existed within the world-system. Both Britain and France were involved in Omani politics. The difference between the Sultanate state-British relationship and the Sur-French alliance was that the former drew Muscat into a situation of economic dependence on British India and thereby linked it to the modern world-system whereas the latter was of a temporary nature for attaining certain objectives in which France could not draw the non-state networks into a situation of economic dependency.

Finally, how can one best describe the existence of Sur as a rival to Muscat during this period when the modern world-system is supposed to have encompassed the Indian Ocean region? In the concept of the modern-world system the economy of an area was not part of a system if it belonged to two categories. It was either a small, highly autonomous economy of a subsistence nature or it was an economy located in an external area not yet incorporated into the system. Sur was neither. It did not have a small economy of a subsistence nature and was linked to Indian Ocean trade. It was also located in the Indian Ocean littoral region which was supposed to have become a part of the modern world-system by the late nineteenth century. To explain Sur's position as a rival to Muscat one has to go back to the dependency theory, the further development of which led to the concept of the modern world-system. Andre Gunder Frank, one of the foremost scholars who propounded the theory of dependency has used the metropolis-satellite model to describe the economic situation that existed in Latin America from the sixteenth century onwards. The underdevelopment of a region is because of the nature of the exploitive relationship between the satellite underdeveloped region and developed metropolitan countries. This type of relationship is an essential part of the structure and development of the capitalist system in the world.\footnote{Andre Gunder Frank, "The Development of Underdevelopment", \textit{Monthly Review}, (1970), p. 5.} This metropolis-satellite relationship is not limited to the international level but operates even at the regional level. The national metropolis connects its provincial satellites to the international metropolis. The provincial satellites in turn connect their many local satellites to the larger constellation.
of metropoles and satellites. Each satellite sucked capital or economic surplus out of its own satellites and channeled part of this surplus to the world metropolis.\textsuperscript{120} According to Gunder Frank satellites experience their greatest economic development if and when their ties to the metropolis are the weakest.\textsuperscript{121}

Sur which was autonomous from the Sultanate state for most of the nineteenth century was a satellite which had weak ties to the national metropolis Muscat. This allowed the non-state maritime networks to operate out of Sur till the beginning of the twentieth century. The non-state networks were disrupted as they began to depend on sources of supply and markets like Muscat which was a part of the modern world-system. Sur as a port continued to retain weak ties to the modern world-system which allowed it to remain vibrant until the 1950s just before the beginning of the oil boom in Oman. By 1927 Sur had become the most flourishing port of Oman and produced almost as much revenue as Muscat. During the 1930s, Sur rivalled even Kuwait which was most important port in the Gulf. Sur's continuing prosperity was because of its involvement in the \textit{dhow} trade that plied between East Africa and the Gulf and was not linked to the modern world-system.

\textbf{Conclusion}

The Omani maritime trade was basically of an entrepôt type. As the ports of Oman were located close to the entrance to the Gulf it profited from the trade that was conducted from the Gulf to other parts of the Indian Ocean littoral. There was a natural progression through which the Omani economy passed. It changed from a combined interior/maritime economy to one which was involved in regional maritime trade and finally became linked to international trade networks. Accordingly, the entrepôt characteristics of Muscat's economy became stronger as the shift took place from the interior to the coast. Unlike the situation in mass-production centres, greater state intervention in an entrepôt economy did not naturally lead to decline of trade. In the case of Oman the period of greatest state involvement in trade was from the time of Hamad bin Said onwards which continued

\textsuperscript{120} Ibid, p. 7.
\textsuperscript{121} Ibid, p. 10.
under Sultan bin Ahmad and Said bin Sultan. When the administrative centre was shifted to Zanzibar from Muscat in 1829, Said left the trade of Muscat in the hands of private Indian merchants. This situation continued until the very end of the nineteenth century when Sultan Faisal bin Turki tried to ensure greater state control of trade by taking into direct control the Muscat customs and making a profit. But this step was too late in stemming the flow of the tide towards Muscat’s political and economic dependence on Britain. The non-state maritime networks of Sharqiya and Sur sought French protection in order to conduct their clandestine economic activities mainly slavery and the arms trade. Both these activities were completely curtailed in the early twentieth centuries.

R. G. Landen put forward the argument that the economy of Muscat declined because of the introduction of new communication and transportation technologies like the telegraph and steamers which weakened the traditional economy of Muscat. Calvin Allen questioned this understanding by explaining how Muscat’s economy went through a period of resurgence during the late nineteenth and early twentieth centuries due to it becoming linked to the international economy. This happened mainly because of the Indian merchants who were involved in the sale of dates to America and the arms trade. While it is true that there was a resurgence of Muscat’s economy, it was also becoming linked to the European-dominated capitalist modern world-system in which Muscat was becoming the periphery providing primary products to the industrialised core located in Europe and America. This essentially meant that Muscat’s economy was dependent on the fluctuations that took place in the international market and that the Omani state could not translate profits derived from this trade to build up its resources including the navy and assert its influence in the western Indian Ocean region in the manner in which it did during the late eighteenth and early nineteenth century. The clandestine trades of the non-state networks came to an end as they began to seek sources of supply and markets in locations which had been effectively incorporated into the modern world-system. On the other hand, Sur continued to prosper and be a major port till the 1950s as it was a satellite that had weak links with the metropolis of Muscat and thereby did not enter into the exploitive relationship that exists between a metropolis and a satellite.