Chapter – 4

CONDITIONS OF TRADE IN THE RED SEA AND THE GULF

[A] Bills of Exchange, Draft and Currency Rates in the Red Sea

Considerable flow of treasure in India from the Red Sea continued even during the 18th and 19th centuries. The flow was either in form of silver bullion or liquid assets sent to India as remittances through bills of exchange, also known as hundis. The hundi system as a means of money remittance to India from abroad during the early medieval period must have been prevalent as evidence tends to suggest the presence of Indian sarrafs and money changers at various commercial centres like Mokha, Constantinople and Malacca. For our period we have various records of the English East India Company which contain much information on hundis particularly at Mokha.

To begin with we have evidence from 1752. The Mokha factor says of having signed twenty sets of “Bills of Exchange” (Friday 7 August 1752).¹ His definition of a set is “two bills

¹ Mokha, 7 August 1752, Mokha Factory, No. 75. pp 69-71.
each". The total bills were of 20 sets and amounted to Rs. 47,300. The bills were drawn on the Chief and Council at Surat payable at thirty days sight after stated dates. The rate of exchange on that day at Mokha was Rs. 200 to S.P. $100 (Spanish Dollars). The names of persons from whom the amount was procured and those in whose favour the bills were drawn are given in the attached table (on pp. 94 & 96).

A letter of 10 September 1800 addressed to the Secretary of State by the Resident at Baghdad, Harford Jones, mentions that the Pasha of Baghdad on the Vazir's solicitation sent the Resident a sum of Rs. 25,000 in bills of exchange drawn on Damascus and Aleppo.\(^1\) However no further details are provided. We have a substance of a letter (9 May 1832) from Meeya Kurreem Bhaee Ibrahimjee, acting native agent at Mokha addressed to R. Money, acting Persian Secretary to Government. The letter refers to having previously sent a bill issued on 27 April 1832 drawn on the Governor in Council, payable 1 to 30 days sight of an amount of 1500 German Crowns. On that particular date the exchange rate was Rs. 215 to 100 Crowns. The total amount remitted in favour of Meeya Chandabhaee Allee Bhai was Rs. 32,250.\(^2\) The same native

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1. *Secret and Political Department Diary*, No. 101 of 1800, pp. 6636, 6648
agent in another letter of 9 August 1832 to the Acting Persian Secretary speaks of having sent a “hoondi” of 10,000 German Crowns issued on 17 July 1832 in favour of Chandabhaee. The bill was drawn on the Governor at Bombay.1 Abdool Rasool, a native agent of the East India Company at Mokha and also a merchant issued bill drawn on the Bombay Government in favour of one Hajee Mahmud Ali who had also advanced the former a sum of Rs. 4956, 4 (as?) in 1840. But the Bombay Government refused to honour the bill saying that the said native agent had no authority to draw bills on the Bombay Government. Abdool Rasool says by way of complaint that the agent of Hajee Mahomed Ali Saffer now charges him interest on the amount for time on account of the non-payment of the bill. Abdool Rasool further says that he was not made aware of the Government Regulations.2 But in another dispatch dated 23 November 1840, addressed to the Governor, Abdool Rasool, the Government Agent at Mokha, conveys to the Governor of having received from the Vakeel of Hajee Mahomed Ali Saffer the sum of Rs. 2284 German Crowns (Furansa Rials) at the rate of exchange of Rs. 217 to 100 per Furansa rials, making in all Rs. 4956¼. Abdool Rasool therefore requests the Governor to

1. Political Department, vol.57/500 of 1831/32/33, op.cit., p. 5; also ibid., (3 Sep., 1833), p.45.
pay the same to Hajee Mahomed Ali Saffer in Bombay 31 days after sight. The bill was drawn in duplicate.¹

Exchange rate constantly varied in the money market. For the bills of exchange drawn on the Governor in Council (Bombay) the German Crowns began to be exchanged for rupees. In 1831 German Crowns 15000 exchanged to Rs. 32,250 and the rate of exchange was 100 Crowns for 215 rupees.² This was the rupee-crown rate at Mokha market in May 1832. Then in November 1840 the rate was Rs. 217 for 100 German rial ("per Furansa Rial") which probably may mean 100 German Crowns.³ At Jeddah, in November 1868 the rupee was quoted at 2 shillings. The pound according to the current exchange rate equalled 137½ piastres and the rupees 2½ piastres only.⁴ At Baghdad the indigenous currency was Kerases (Kerans?). H.C. Rawlinson writing from Baghdad dated 31 May 1849 says the exchange rate between kerans and the Company's rupees was 209:100.⁵

¹ Translation of a bill of exchange drawn by Abdool Rasool, British agent at Mokha on the Governor at Bombay, 28 October and received 23 November 1840, Political and Secret Department Diary, Vol. 1260 of 1841-42.
² Political Department, Vol. 57/500 of years 1831/32/33, pp. 1-2.
³ Political and Secret Department Diary, Vol. 1260 of 1841 & 42, pp.24-25.
⁴ Political Department, Vol. 32 of 1869, p. 47.
⁵ Ibid, Vol 192/2360 of 1849, p 293
The exchange of silver (bullion) with Spanish Dollars (current Dollars) was not uncommon sight during the 18th century. Mokha Factor writing to the President and Governor at Bombay says of having exchanged 28464 ounces of the Company's silver for a similar weight of current dollars on the same terms as mentioned in previous certificates.¹

Table

<table>
<thead>
<tr>
<th>Name of Changer</th>
<th>Exchanged with</th>
<th>Quantity of Silver (oz)</th>
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<tbody>
<tr>
<td>Mokha Factor</td>
<td>Iwah, broker to Richard</td>
<td>1433</td>
</tr>
<tr>
<td>Mokha Factor</td>
<td>Bouchier</td>
<td>45337</td>
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<tr>
<td>Mokha Factor</td>
<td>Mahmudboy Jafferboy</td>
<td>4447½</td>
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<tr>
<td>Mokha Factor</td>
<td>Esubahoy Aloojee</td>
<td>4447½</td>
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<td></td>
<td>Mootaboy Rasboy</td>
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Note: The list continues till the total weight is 28464 oz

Source: *Mokha Factor 1752*, No. 75. pp. 52-55

The borker, Iwah again appears (Sunday, 12 July 1752) proposing to the Mokha Factor to exchange silver for Spanish Dollars $1600. Finley agreed thereto and exchanged 14232 oz. for two certificates to be transmitted to Bombay. Since two of the ships of Esabhoy Aloojee and Moosaboy Rasboy had fixed their sailing schedule to Bombay, this induced three merchants namely Mahmudboy Jafferboy, to exchange silver for dollars. Mahmud Jafferboy exchanged 5337 oz. of silver for $6000 the

others 4447½ oz. for $5000 each. The factors strongly hoped that their entire stock would be exhausted. The ships *Dadabhoy* and *Speedwell* had both put silver as treasure freight. Iwah was directed to acquaint the merchants and to convey to them that the silver purchased by them would be received at the same rate. The schedule date of sailing of the ship was August 1752. The *Stretham*’s freight according to the above arrangement, therefore, would be reduced as little as possible by those two ships sailing at earlier date, owing to the Mokha factor’s offer aforesaid.¹

The flow of a large amount of treasure to Surat and Bombay was a continuous process. Its variation however was subject to the circumstance. During 1804-05 there was considerable flow of treasure from Mokha and Jedda. The *Wahabi* depredation during this period had become unmanageable and therefore the Indian merchants began to transfer their liquid assets to Bombay.²

The returns for Indian goods were made in dollars and sequins with which the Indian fleet returned to India. This

sometimes caused an acute scarcity of silver in the Egyptian market.¹ There seems to have been considerable trade between Bombay Presidency and the Red Sea between 1816-18 as shown by the flow of amount of treasure to Bombay and Surat in the statement of Bombay Customs House of 25 June 1818.²

<table>
<thead>
<tr>
<th>SETS OF BILLS OF EXCHANGE</th>
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<tr>
<td><strong>DRAWN IN FAVOUR OF</strong></td>
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<tr>
<td>Xeriph Ally;</td>
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<tr>
<td>Abdel Rahim Meah</td>
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<tr>
<td>Jamaluddin Abdul Cadir Esub</td>
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<td>Jivandass Govindjee</td>
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<td>Jivandass Govindjee</td>
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<td>Venmo Uidass Gerderass</td>
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<td>Measaudella Mahmud;</td>
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<tr>
<td>Bochajee Tiebyjee</td>
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<tr>
<td>Luttioboy Hitherboy</td>
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<td>Hiaboy Nungboy</td>
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<td>Ibrahim Hossein</td>
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<td>Malickjee Doosaboy</td>
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<td>Togboy Hossenboy</td>
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<td>Jafferboy Shaikhboy</td>
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<td>Mahomud Cassem</td>
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<td>Mereboy Todgboy</td>
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<td>Shaikh Ally Buckus Shaikh, Ally</td>
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<td>Total Sets 19</td>
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<td>Tiebcaun Sulimanjee</td>
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**Note:** The list continues till the total amounts to Rs. 47,3000

**Source:** Mokha 7 August, 1752, Mokha Factory 1752, pp. 69-71

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² Secret and Political Department Diary, No. 307 of 1818, p. 719. For the above statement see the table given in chapter V(A) entitled 'Mohammaad Ali and the Trade with India', p. 151.
(B) PORT CUSTOMS IN THE RED SEA (1800-1830)

Customs on all imports and exports was the major source of income for the Imam of Sanaa, a tributary of the Ottomans. The data available from the 18th and the early 19th centuries on the nature and mode of customs charged at various ports of the Red Sea are of some relevance in studying the conduct of India's trade with the Arab world.

During 18th century the chief source of the income of the Imam of Yemen was Mokha customs. The customs varied in rates. In 1730 the Europeans paid a uniform duty of 3% on all descriptions of goods whereas the Muslim and Hindu merchants were subjected to customs payment ranging from 5 to 7.5%.¹

The Imam of Sanaa granted an exclusive privilege in 1737 to the East India Company to buy 600 bales of coffee as duty-free against an annual payment of goods worth Rs. 400 to the Daulah of Mokha² which the Company further strove to cut down to a sum of Rs. 300 in 1793.³

The Memorandum of customs paid at Mokha on imports in 1810 clearly shows that there was no uniformity in the customs

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rates payable by merchants of different origins. For instance the English East India Company and other British merchants still paid at the rate of 3% advalorem on all kinds of goods.

Ali Beg, a traveller of Aleppo, on his visit to the Red Sea in 1807, observed that the Sherif of Mecca, Sherif Ghalif, himself a merchant and shipowner, increased the rate of customs at Jedda resulting in resistance from the merchants.¹ Sometimes customs levied on East India Company or other British subjects in the Red Sea ports under the Egyptian rulers and within the control of the Sherif of Mecca led to retaliation from the East India Company. This is borne out by the evidence contained in the minute of the proceeding of the East India Company of 11 May 1826:

"Instances have occurred where the Sherif of Judda has exacted heavy duties on the company's woolens and we have retaliated by directing the same duties to be levied on the Judda vessels trading to Bombay and Surat"².

The variation in customs rates often depended on the quality of goods or the nationality of the men involved.

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². Mokha Residency, Minutes by W. Warden, Political Department, Vol. 238 of 1826, pp. 68-69. The Minute further stipulates that should the charges at Jeddah be at all extravagant and in case the Sherif of Mecca refuses to grant concessions to the Company's cruisers he could be brought to the observance of a reasonable conciliatory conduct, by refusing all indulgences to the shipping from the port resorting to a British one. Ibid.
Customs at 5% on Surat piece goods were levied on imports at Mokha by the East India Company or by British merchants. The customs were paid by the purchaser not by the importer. On the other hand, Musalman natives paid 7½% customs on piece goods at Mokha whereas Hindu merchants had to pay at the rate of 8¾%. The medium of payment was either Spanish Dollars or German Crown, "With the Exchange between the Dollars and Crown added".

The situation at Jedda was different from that of Mokha. On piece goods, for instance, the native Arab merchants were charged at the rate of 16% advalorum. Customs on items like drugs, cotton, sugar candy and soft sugar and those articles calculated by weight had to be paid at the rate of 11% advalorum. But the East India Company and other European merchants paid only 8% advalorum on all description of goods. The commercial treaty between the British Government in India and Mohammed Ali Pasha of Egypt in 1810 in clause 8 says that any English merchant or for that matter any English subjects passing through Egypt or on their way from India to Europe or vice-versa along with his baggage or travel

1. Secret and Political Department Diary, No. 366 of the year 1810, p. 6807.
2. Ibid.
3. Ibid.
equipages (which had its particular definition by the Customs House) will not be subject to customs duty. The Pasha himself gave his assurance on this issue. The 14th Clause of the treaty stipulates that Indian raw material or Indian manufactured goods that came from India and were imported into Egypt were subject to payment of a duty of 3% advalorem either in "kind or coin", depending on convenience of the receiver. The customs duty was to be paid on arrival of goods at Cairo. However, the customs incharge under the employment of Mohammad Ali was empowered to check goods that had been unloaded from British ships or belonged to British subjects. Those ships, as a rule, were expected to carry exact note or invoice of goods. But if the goods thus carried sustained any damage the Egyptian Government was liable for payment of such damage (Clause 15). In Clause 16 of the treaty, the Pasha agreed to grant British subjects more concessions than the native merchants. The clause stipulates that goods originally imported from Yemen or Abyssinia by English subjects would be charged 15% less than the native merchants. This meant that British subjects had to pay a mere 3% as they were charged

earlier.\textsuperscript{1} It would also seem that the final decision was left in the hand of the East India Company. On the other hands those goods of Egyptian origin which were consigned in British ships or otherwise imported to India on account of British subjects had to pay in reciprocal terms a customs of 3\% advalorum.

The 18\textsuperscript{th} clause of the treaty of 1810 takes note of goods the British merchants exported from India, Abyssinia or the states of Yemen to Europe or Turkey via Alexandria or Damietta. The duty was payable on the re-exports of the items. On the other hand a "Terchit receipt" had to be obtained for the goods being exported to Turkey, "that no further Duty may be exacted which is conformable to our capitulations"\textsuperscript{2}.

Capitulations (the 19\textsuperscript{th} Clause) and other usages stressed that European articles of trade would pay 3\% whether meant for consumption within Egypt or for re-export. Similarly the export quality of vine of "Indies" would pay 3\% advalorum.\textsuperscript{3}

Clause 20 of the treaty lays down certain conditions on the shippings of the subjects of the sublime Porte and the

\textsuperscript{1} Ibid., p. 6763-4.  
\textsuperscript{2} Secret and Political Department Diary., No. 366 of the year 1810, p. 6765.  
\textsuperscript{3} Ibid., op cit., p. 6766
natives of Egypt. These shippers could not carry on trade with India in British ships without the proper approval of the relevant authority of the East India Company in India. As such the merchants had to fully abide by the rates of duties imposed on foreigners by the East India Company. The treaty also stipulated that ships under Turkish colours and with a Turkish crew shall be at liberty to carry on traffic with the subjects of the “Indies” paying duties at the rates of the Company.\(^1\) The treaty also acceded to the demand that Mohammad Ali be allowed to receive duty-free products of India, valued up to Rs. 1,000,000.\(^2\)

Burkhardt (1814) observed that after establishing himself as the ruler of Egypt Mohammad Ali assumed the title of “Waly” or governor of Jedda, Suakin and Habesh as well and had customs officers appointed at the customs houses of those ports. Earlier those officers were subordinate to the Sherif of Mecca.\(^3\)

Before Mohammed Ali’s appearance on the scene, Jedda was under the jurisdiction of the Sherif of Mecca and its

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\(^1\) *Secret and Political Department Diary*, No 366 of the year 1810, p 6766.

\(^2\) *Ibid.*, p 6766-67. In faith the treaty was signed and sealed Cairo 28 May 1810 by John Benzoni, Assistant to the British Mission in Arabia

\(^3\) Burkhardt, *op cit*, Vol I, pp 87-88
customs constituted main source of his income. But theoretically the town was under the jurisdiction of a Turkish Pasha. Initially, the Sherif's share of the income of Jedda was \( \frac{1}{3} \), which was subsequently enhanced to \( \frac{1}{2} \). But gradually the Sherif assumed jurisdiction over Jedda and the Pasha was consequently reduced to the position of dependence on the Sherif. This was a clear manifestation of the weakness of the Turks.\(^1\)

The customs at Jedda were known as "ashour" and accordingly levied at the rate of 10% on all goods of import. Malpractices sometime led to over-valuation and sometime under-valuation.\(^2\) Customs on coffee, for instance, in the period of the Sherif was at $5 the quintal which could be computed at 15-20% while spices paid at lower rates. The customs levy on Indian piece goods was at higher rate, besides there being many abuses in the mode of collection of customs.\(^3\)

The Wahabis had become so powerful by this time that the Sherif could no longer force them to pay customs. In the face of the terror unleashed by them, the Indian merchants felt their property insecure and began to transfer their treasure to

\(^1\) *Burkhardt*, Vol I, pp. 88-89
\(^2\) *Burkhardt*, op cit., Vol I, pp 88-89.
\(^3\) *Ibid*. Vol I, pp 93-94
India. In spite of these conditions, which must have adversely affected realization of the customs, the aggregate figure of customs collection in 1814 was $400,000 which was equal to 8,000 purses or 4 million piastres.\(^1\) Thus, according to Burkhardt’s estimate, it gave an annual importation of about 4 millions of dollars, “a sum certainly below rather than above the truth”.\(^2\) Customs were also levied on domestic produce entering the town from the interior of the country.\(^3\)

The proceeds of customs of Jedda was shared between the Sherif of Mecca and the Pasha of Jedda. Later on it was entirely appropriated by the Sherifs. But at the turn of the 19\(^{th}\) century Mohammad Ali asserted his authority and took over the entire administration and utilized the amount for his own purpose.\(^4\) In the given conditions it is quite possible that Indian goods were over-charged at Jedda.\(^5\)

In a second treaty, formally ratified with the merchants of Jedda, Mohammad Ali first demanded payment of joint-customs by ships, both of Suez and Jedda at the customs house of Suez. The rate of customs was initially fixed at 12% but was later

\(^2\) Ibid., p. 94.
\(^3\) Ibid., p. 95.
\(^5\) Ibid., op. cit., pp. 93-94.
reduced to 9% upon all imports into Suez from India, which was 6% more than the usual customs charge levied on European merchants in the ports of the Turkish sultan. It was expected that this arrangement would lead to the opening up of an active trade.

Our evidence clearly indicate that the Imam of Sanaa was keenly interested in maintaining friendship with the English. The officials of the East India Company, on the other hand, were aware that the financial position of the Imam was not sound. Basing his estimate on statement of Niebhour, Robert Finlay, an assistant surgeon in the service of the East India Company, concludes that the total income of the Imam was 500,000 crowns per month. But according to his own estimate, "the figure did not exceed that sum annually". He further says that after an examination of statements of different persons, he found the estimate of revenues contradictory and variant. Therefore, the estimate that he has advanced is based on his personal calculation. Irregularities in form of bargain and bribes in collection of customs also precluded opportunities of enhancing his income.

1. Journal of Journey to Sanaa from Mokha by Assistant Surgeon Robert Finlay in the Months of August, September and October, 1823”. Political Department, 22/166 of 1820. (pp. 1-36), p.32.
The income derived by the Government of Sanaa from manufacturers during 2nd decade of the 19th century was very small. The Jews and banyas were the main traders in gold and silver. The Imam struck no coin but a “comasee” 200 to a German Crown and a “hisf”, 5 to a “comasee”. These coins were made by the Jews. Manufacture of coarse woollen cloth was basically for carpetting but sometimes it was worn by the poorer classes as well. The only resource worth mention was the coffee whose export value was very high. Raisin, walnuts, almonds, aloes and Sanaa leaf were also exported in small quantities.¹

We have the translation of a grant (in Arabic) from the Imam of Sanaa addressed to captain Bruce, Government agent, received at Mokha, 14 January 1821. The Imam agrees in principle to all the demands made through his vakeel, Fathullah El Mohee. The duty was fixed at 2 2/4 in lieu of 3½, the same as charged from the French (written in the month of Rabiussani 1236 A.H. or January 1821).²

¹ Political Department, Vol. 22/168 of 1824, p. 130.
² Translation of a letter from Imam of Sanaa to Captain Bruce, Government Agent Received 14 January 1821, with seal and signature of the Imam, Political Department, Vol 14/34 of 1820-21, p. 220
The Grant stated that: "It is hereby agreed and directed that the British duties shall hereafter be in lieu of $3\frac{3}{4}$% to $2\frac{3}{4}$% to the English and all their merchants on Exports and that the Imports shall be the same $2\frac{3}{4}$%".¹

We have another copy of a literal translation from the Arabic concerning the 7th article of the treaty of Mokha.

In a direction from the Bombay Castle to the Deputy Secretary and transfer in charge of the office of country correspondence on other points of argument was made for the reply to the letter from the Daulah of Mokha to the Governor at Bombay. In response to the letter of the Daulah some follow up action and explanations were undertaken by Captain Bruce during his visit there on the 9 January 1821. But in spite of all the exercise the terms of the Treaty remained ambiguous. The Governor in Council readily consents to give the Imam the benefit of the most favourable construction by admitting that the reduction of duty to $2\frac{3}{4}$ in imports and exports applies only to English merchants. This communication is dated 28 June 1821.²

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A copy of the letter of Governor of Bombay, Mountstuart Elphinstone to the Daulah of Mokha dated 29 June 1821 is available. It says *inter alia*:

"I have had the pleasure to receive your letter informing me that in answer to the claim of the people of Suart to pay 2¼ per cent duty the same as is stipulated to be paid by English merchants, you told them that the duty in reference to them remained unaltered and that no mention was made of them in the article reducing the duty to 2¼ per cent.

In reply I have to acquaint you that not withstanding it was my intention to have stipulated for the reduction of duties in from of the native merchants trading to Mokha under the protection of the British flag, equally with the English, as explained by Captain Bruce to you on the visit to you on the 9th, January yet the terms of the treaty are ambiguous, I readily can consult to give the Imam the benefit of the most favourable construction by admitting that the reduction of duty to 2¼ per cent imports and exports applies exclusively to English merchants".¹

Further, the chief secretary to the Government, Bombay Castle, writing to John Elphinstone, chief at Surat on 28 June 1821 (No. 820 of 1821) says that:

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¹ *Political Department*, Vol. 14/34 of 1820-21, p. 393.
"I am directed to communicate to you for the information of the traders from Surat to Mocha that as the terms of the Treaty are ambiguous the Governor in council has afforded to the Imam the benefit of the most favourable construction by admitting that the reduction of duty to 2½ per cent on imports and exports applies exclusively to English merchants".

On a careful examination of the evidence available in this regard it would appear that the English themselves were perhaps not very clear about the statement made by the Imam's vakeel. In practice, however, the duty remained 2¼% on all imports and exports of the Company's goods as well as the merchandise of the traders operating under the English Flag as contained in article 7. Other articles of the Treaty of Mokha are needed to be carefully considered. The first article empowers the English Resident at Mokha to retain 30 soldiers, same as the Residents at Basra, Baghdad and Bushire. The next article binds the Imam to respect and honour the dignity of the English Resident (vakeel). The third article concerns the arrangements upon death of Englishmen. As regards the English merchants' ships, they used to pay 400 rials as anchorage but in terms of this Treaty, the duty was abolished forthwith and these vessels
were put at par with those of the Government vessels (i.e. the English East India Company's) and the war ships (i.e. men of war of Royal Navy). They were to enjoy this privilege even if their cargo was brought on shore. This was discussed and settled without reference to Sanaa on the condition that hostilities should cease and that the entrance to the port should not be closed during the season. Article 6 takes into consideration the shippings of the merchants carrying trade under the British flag. According to it all merchants who are dependent on the English government for protection and carry on trade under their flag, may continue to transact their trade at Mokha, especially the Muslim merchants of Surat. In case of any dispute arising among them, the decision should be made in accordance with the Mohammedan law.

This article also stipulates that in case any dispute between the people, the English Resident, and the subjects of the Imam belonging to the port of Mokha, the Resident may depute a representative to the court of the Hakim of Mokha to observe the proceedings. If a native of the country is found to be in the wrong, the Hakim of Mokha would furnish him, but in case the wrong has been committed by an English soldier, then
the punishment will be meted out to the guilty by the Resident.¹
This article was referred to the Imam for his consideration.

Article 7 concerns customs affairs at Mokha. The rates for both imports and exports at the port of Mokha for the English Government i.e. the English East India Company and the English merchants were to be the same, i.e. 2½%.² It was dated Rabiussani 1236 A.H. (1821 A.D.)³ and signed by William Bruce, the Government agent, 15 January 1821 with seal of Ameer Fathullah Mehdi (vakeel); and others.

Another document reveals that there was still some flaw in the arrangement which needed to be corrected. It perhaps refers to the omission of the paragraph in the 6th article of the Treaty of January 1821.⁴

The Imam of Sanaa writing a letter to Mountstuart Elphinstone in July 1821 A.D./Shaban 1236 A.H. expresses satisfaction over the conclusion of the treaty. At the same time he explains about certain "departure" from the terms of the agreement. The Imam sent his representative, Haji Mohammad

¹ Political Department, Vol. 14/34 of 1820-21, op cit. p 393
² Ibid
³ Ibid
⁴ Political Department, Vol 14/34 of 1820-21, p 436
Wallee Saffar to explain his viewpoint with the hope that the Governor would pay due attention to him. As a mark of friendship a gift of two Arab horses was also dispatched for the Governor.¹

The statement of the envoy from Mokha reveals that the merchants trading with the ports of the Imam were required to make certain contributions annually to meet the exigencies of the state. This was an old custom. The money thus collected in advance was deducted from the customs levied on the merchant. This was agreed upon between the Musalman and banya merchants and the Sanaa Government. No objection was ever raised against the practice. But now, Bheemjee, a broker to the company, refused to agree to the Government of Mokha's demand. The Government was forced to take some harsh measure against the defaulter. Unfortunately, Robinson took it upon himself to defend him which resulted in an exchange of harsh words. The envoy expressed apprehension that it may lead to serious misunderstanding between the two states. Bheemjee also acted as broker to all visiting shippers at Mokha, refused to pay the brokerage tax due from him saying

¹ Translation of a letter from Imam Mehdee of Sanaa to Mountstuart, the month of Shahan 1236 Hijra. (July 1821), Political Department, Vol. 14/34 of 1820-21, pp. 454-58.
he was the servant of the English Government. Americans purchased coffee through Bheemjee. For this they had to pay one dollar a Frazil. Bheemjee again declined to pay brokerage tax on coffee. He would also not allow the Imam's agent to directly sell it to the Americans. Bheemjee had large assets and extensive dealings in the Mokha territories. The Imam, extremely annoyed with his behaviour, desired through his envoy to get him replaced. In protest against the charges and the recommendation, Dongesey Iadowjee, the chief manager of Nanjee Seaskaran at Bombay (Bombay, 10 October 1821) addressed a petition to Elphinstone, President and Governor in the Council. In this petition he denounced all the charges against the firm of Seaskaran stemmed from ill-intention and deliberate attempts made at the persuasion of others to malign the character of Nanjee Seaskaran, who enjoys protection of the President and Governor in Council. Iadowjee therefore prayed that no action should be taken against Bheemjee because of his usefulness for the Company as he not only acts as broker on its behalf but also runs a Broker's House for the use of the East India Company.

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1 Political Department, Vol. 14/34 of 1820-21, p. 463-65.
2 Political Department, Vol 14/34 of 1820-21, p. 463
The petition of the chief manager was followed by another petition of Seaskaran Heerji, the broker to the English East India Company at Mokha, to Mountstuart Elphisteone, Governor of Bombay dated 21 July 1822. In this petition he justifies non-payment of the requisites of the Imam on the ground that the Sanaa Government owed a sum of $30,000 to Bheemji up to 1820. He was, therefore, not required to advance any cash on account of customs\(^1\). He further argues that the practice prevailing in Sanaa is that the brokers and other banya merchants pay the customs demanded from them by the ruler of Sanaa after deducting duty on their own demands. The Sanaa authorities could not borrow from Muslim merchants nor could they be subjected to any substantial demand. They were also not in a position to make significant advances to the Sanaa Government. Whereas the demand upon Seaskaran was more than on other individuals. The amount of customs liable to be paid by the broker was so small that there could hardly be any adjustment against them.

It would seem that the Sanaa authorities demanded from him more than was due. Consequently he was weary of

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1. Seaskaran Heerji, the English East India Company’s broker at Mokha to Mount-stuart Elphinstone, Governor of Bombay, 21 July 1822, *Political Department*, 22/84 of 1822.
advancing any cash. The matter was amicably settled. The Diwan gave a written statement that $28,300 was due to the Imam and it would have to be paid during the monsoon of 1820. The sum will be liquidated against the customs payable by the broker. Afterward the broker would advance only an annual loan of $4,000 to the Sanaa Government. Seaskaran further says that the amount of the customs liable on him was $700 and was likely to be paid by the Americans. The matter was reported to the Resident and as desired by him, it was paid by the broker. Seaskaran also having received reports of $20,000 on account of the demands of last year and the present year which would be shown on adjustment account.

A commercial treaty concluded between Hutchinson, the British Resident at Aden and the Sultan of Aden (Lohaj in 1822) stipulates fixation of uniform customs rate of 2½% on all imports and exports on all British subjects, European or Indian. The British ships were exempted from payment of anchorage duty as well. Commercially Aden had declined and

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1 From the information available it is evident that the Americans had been frequenting the Red Sea since last 25 or 26 years. Soon after the arrival of their ships they reported to the Residency office and inquired of the particulars of customs Political Department, 22/84 of 1822, pp 104 - 8.
2 Ibid., p 108
3 Political Department. Vol 22/84 of 1822, p. 79.
4 Ibid., The treaty also stipulates of exemption of duty on merchandise brought for re-exportation.
in 1830 a uniform customs rate of 2½% on all imports and exports was fixed with a further addition of nominal harbour dues. Besides this, the Imam (Sultan?) also levied a tax on pilgrims and thereby made an annual income of $ 12,00,000 as is borne out by the petition of Maodass Ransordass to Charles Colville, acting Governor in Council dated 4 April 1821.

Makalla, another port of the Red Sea under the jurisdiction of Mohammad Ali Pasha, Governor of Egypt, charged a uniform rate of 10% as customs in 1834. On the other hand, the adjacent ports also continued with a rate of 10%. Mohammad Ali who himself was an active participant in shipping and also owned several ships of his own, lowered the duty at Makalla from 10% to 5%. As a result ships bound for other ports began to anchor at Makalla.

Wellsted has provided a comparative assessment of the customs charged at Yembo and Jedda. He says that both the Red Sea ports derive their revenue from the customs fixed at 10%. He is critical of the irregularities prevailing in customs collection. Customs charges were fixed by over-rating and

2 Political Department, Vol 23/33 of the Year (1821°), pp 70-71
3 J R Wellested, Vol 2, *op cit*, p 397
under-rating the cost of the articles. No customs was charged at Yembo if goods from Jedda were imported to that port under the certificate of customs payment by the Customs Master of Jedda.¹

British hegemony seems to have reached its culmination during 1850s in the Red Sea. Following the conclusion of a treaty between the British and the Turkish Government in 1856, the Court of Directors expressed satisfaction on learning that the terms of the treaty were effectively put into practice. According to the Treaty, the British commerce of the Red Sea was now exempted from all charges except the regular customs duties.²

Indian trade of the Red Sea was subject to various import and export duties. Details of such duties levied on ports of the Red Sea during the 1850s are available. For instance there was “Sambookia”, a tax levied on landing of merchandise boat. It was levied on Indian merchants in Yemen as well as Jedda. Later on it was repealed by Namick Pasha through an order to the Governor of Yemen.³ Now the merchants were subject to

² Secretary to Government to the Acting Vice-Consul, Bombay Castle, 7 April 1856, Political Department, Vol. 34 of 1856/57, p. 79.
³ British Consulate, Jedda, 28 October, 1857, Stephen Page, Acting Vice-Consul and Acting Agent at Jedda to Anderson, Secretary to Government, Political Department, Vol. 34 of 1856-57, pp. 153-156
only one kind of tax known as “Majaba” but it was also included into the Treaty of Commerce of 1854.\footnote{Political Department, vol. 34 of 1856-57, pp. 153-56. op.cit.} The English seem to have believed that Namick Pasha expected only just and reasonable amount of customs from the English commerce. Moreover extortion on English goods and “fiscal abasses” (fiscal abuses?) such as “Ittasibiah” were abolished by the order of the Sublime Porte in 1855.\footnote{Political Department, Vol. 34 of 1856-57, p. 131.} Certain abuses also seem to have been practised in Yemen. Authorities of Yemen, for example, levied such cesses as $0.50 a bale as town dues; $1.50 a camel load of tobacco as transit dues and $1.00 a bale of goods as boat hire. The East India Company’s agent at Jedda strongly felt that such petty cesses needed to be withdrawn. In a dispatch to the British ambassador at Constantinople, the company’s agent at Jedda made a request to persuade the Bombay authorities to help remove these anomalies.\footnote{Office of Commissioner of Customs, Salt & Opium, 18 May 1856 to the Secretary to Government. Bombay. Political Department, Vol. 34 of 1856-57. pp 337-38.} But the reports of office of commissioner of customs clearly indicate that the cesses levied on import goods on the Ports of Mokha, Hodaida, Jedda were exactly on the same pattern as levied by the English at Bombay on goods from those ports. Further more there was no complaint regarding these anomalies by the
merchants of Bombay and Surat. The Bombay Government however, found no substance in the complaint of the agent and therefore the matter was dropped. However, goods arriving at Jedda with the exception of those from India, were accompanied with "Raftias" or Government Permits; the duties having been paid in some of the ports lower down the sea, and therefore no further duty was levied at Jedda. Similarly no duty was charged on the merchandise transhipped at Mokha. The "Raftias" or "Teskeret" (perhaps exit duty) on arrival at Jedda being refused and the merchants ordered to recover the former duties from the Government of Yemen since Mokha and Hodaida were under the Pashalik of Yemen, and so under the Turkish Government. There was vizirial order from Constantinople to customs authorities that duty on all goods arriving from Tecca (under the Viceroy of Egypt) at Suakin for which merchants had the requisite raftias, was to be refunded. Apprehension was expressed by the agent at Jedda that second attempt might be made to levy duties on goods for which customs have already been charged in Yemen at the ports of Hodaida and Mokha. The illegal exactions in the Yemen were

1. Bombay, 1 May 1856, Office of Commissioner of Customs, Salt and Opium, to the Secretary to Government, Political Department, Vol. 34 of 1856-57, pp. 337-38.
2. Ibid., op. cit., Vol. 34 of 1856-57, pp. 337-38.
3. Statements of the imports and exports at the port of Jedda during the year 1855 as also the return of British trade in vessels under the British flag during the same period from the authorities of Jedda port. Political Department, Vol. 34 of 1856-57, pp. 107-08.
those of "majaba", and "sombokia". "Majaba", levied exclusively for the Sublime Porte, affected every trader.¹

Appointment to Daulahship was based on payment of a certain amount of money to the Imam of Sanaa. The Daulah had under him subordinate officers as assistants. These assistants were "Bash Katib", Qazi, and in case of a seaport town an Inspector of shipping known as "Amir Bahr". Appointments to these officers also were made on payment of sums of money.²

A close scrutiny of the evidence would suggest that the management of ports and collection of duties was marked by many malpractices. The assistant surgeon, Robert Finlay, in the service of the East India Company noted that there was no regularity in collecting the duties. Often there was bargain on payment of duties and bribe and it was so prevalent that it was used, "to let more pass than he pays duty for".³

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¹ Stephen Page at Jedda to British Ambassador at Constantinople, 10 July 1857, Political Department, Vol. 34 of 1856-57, pp. 351-56. Both the terms, 'Raftias' and 'Teskeret' appear to be synonymous; while the first one has its Persian origin, the second one has its Arabic origin. Both the terms may apply to export permit as well. The term Tazkrat during the medieval times has been used in the sense of travel document. For detail see Bayazid Beyat, Tazkirai-i Humayun-w-Akbar, (ed.) H. Husain, Calcutta, 1941. p.355.

² Journal of Journey to Sanaa from Mokha by Assistant Surgeon Robert Finlay in the month of August, September and October 1823, Political Department, Vol. 22/166 of 1824 (pp 1-36). p 32

³ Ibid.
EXTORTION

Complaints against extortion of money by the customs authorities of the ports of Yemen are frequent. One form of extortion was to extract money on promise to allow "credit" (concessions) in customs. This fact was brought out in the petition of Seaskaran Heerji submitted to the chief Secretary to the Government. He complains of extortion of money by the Daulah of Mokha, with a promise to allow him a credit in the customs. Daulah's excesses had reached such an extent that he put a chain around the neck of Seaskaran in spite of the fact that he was the Company's broker. The Daulah also extorted money by exacting fine on the petitioner's men who were on their way to Mokha on business. Seaskaran expresses apprehension of further harm to his cargo sent in several vessels from Bombay, Cutch, Porebunder, Veravul and Mangalore to Mokha. While seeking protection for his cargo and vessels by the officers of the East India Company he also requests the Secretary to the Government to instruct the authority of the Company at Mokha for reimbursement of the extortion money from the Daulah and measures against further molestation.1

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1. Petition to Francis Warden, Chief Secretary to Government by Seaskaran Heerjee, the East India Company's broker at Mokha, Bombay, 23 August 1820, Political Department, Vol. 28/33 of 1820-21.
Complaints of extortion contain much information regarding the treatment of merchants and the mode of customs. Writing to the Secretary to the Government the Resident at Mokha says that he was under the impression that the Indian subjects would be brought at par with the Arab traders for the purpose of customs duties. In this connection, he refers to the articles of the treaty concluded between Captain Bruce on the English East India Company's behalf and the Imam of Sanaa on payment of customs. But in practice the situation was different; while Arabs paid 15% the Indians had to pay more. By 1827 the financial condition of the Mokha Government had deteriorated. Consequently it decided to meet the expenses by raising a compulsory loan on the merchants and leaving them to be repaid through customs. This practice was quite common. But the Resident was determined not to allow such a levy on merchants under the Company's protection. He suggested that if prompt steps were not taken against such conduct in future, there would be no end of the matter. M.E. Bagnold writing to Davidas Runsordas, a merchant of Bombay, says the Daulah at

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1. *Political Department*, Vol. 23/278 of 1827, p. 235. What Captain Bruce says is that the Arab merchants exercised considerable influence in the Red Sea and there was measure in continuation to oust the other traders as well, particularly the European traders from the Red Sea. The influence of Arab merchants increased with the passage of time.


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Aden had obtained forced loans from all the banyas, treated them with great cruelty and even put one of them to death. Davidass Runsordass also had agents in the Red Sea for his business. Merchants were ill-treated at Lohaj as Bagnold has reported and the claims of Davidass Runsordass could not be satisfied owing to the non-payment of the Sanaa Government.\footnote{Mokha, 30 August 1826, \textit{Ibid.} p.342.}

Forcible exaction of 2500 \textit{Rials} is reported in a letter from Shaikh Tyab Ibrahimji, native agent at Mokha to Watson, the Persian Secretary, dated 21 February (received 2 April) 1833. The exaction (avania?)\footnote{Avanias and extortions from merchants by the Turkish marauders by no means were new during the 19th century. It was practiced even during the 18th century and merchants were made to pay the money. See Hamilton Gibb and Harold Bowen, \textit{Islamic Society and the West.} Oxford, 1957, Vol. I, p.303} was made from Meeya Kurreem Bhaee Ibrahimjee by two Turks, namely Juneen Agha and Mohomed Bilmas and their \textit{Vakil}, Syeed Mohomed Bar. The demand for refund had been made but it was yet to be paid.\footnote{Political Department, Vol. 57/500 of 1831/32/33} Again there is reported exaction of 3000 \textit{Rials} from merchants of Mokha by the Turks. This is contained in the translation of the accounts of events which took place at Mokha and other places. It is dated February 1833. In this Juneen Agha is reported to have been instigated by Syeed Mohomed Bar. Merchants were plundered and 2500 \textit{Rials} were exacted from Meeya Kurreem
Bhaee. However, on this occasion he was given a receipt with the seal of Agha Mahomed Bilmas affixed to it. Again there was extortion of 1500 Rials from the merchants by Mahomed Bilmas, on 22 February 1833. Much pressure was applied to collect extortion money. A merchant of Muscat, Khalaf Ilmas, was imprisoned on his refusal to pay the extortion money. One Syed Abdullah Akeel was sent to jail for the same reason. Pressure continued to be applied on these persons even after ten-day imprisonment. Even then they refused compliance.

Consequently one eye of each was taken out. This harassment ultimately led Syed Abdullah to pay 500 Rials but had nothing to meet the demand. Finally, he was ordered to be killed, other merchants took pity on his condition, collected from among themselves 1000 Rials and gave them to Bilmas and got the victim released. The Turkish marauders, being independent terrorised the inhabitants in many ways. Ibrahimjee, the native agent at Mokha further says that Bilmas took 2500 Rials from Skaikh Tayab Ibrahimjee by floating a false report that he was going to Jedda and Mecca. He promised repayments of all extortions, present and future, to all the

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1 Political Department, vol. 57/500 of 1831/32/33.
2 Political Department, Vol 57/500 of 1831/32/33
merchants. Syeed Mahomed Bar stood surity for the payment on behalf of Bilmas who had extorted Shaikh Tyeb Ibrahimjee. But the marauders constantly posed a threat to the merchants and refused to pay back the amount of 2500 *Rials* that they had exacted from Shaikh Tyeb Ibrahimjee. Syeed Mahomed, however, stuck to his promise of paying the Surat merchants the exacted amount at the opening of the season (April). The native agent deplored the great oppression and dreadful harassment carried on at Mokha. The Turkish marauders acted treacherously on the directions by Mahomed Bilmas. The native agent at Mokha informs the Persian Secretary dated 1 April (received June 1833) of the plight of the merchants at Mokha. The letter was tabled for discussion on which the minute was drawn by the President in council at Bombay dated 9 July 1832. It contains the decision that before the opening of the fair season (i.e. trading season at Mokha) the state of insecurity of that part of Arabia (i.e. Mokha and the adjacent ports) should be known to the traders at Bombay and Surat.

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1 *Political Department*, vol. 57/500 of 1831/32/33
2 Ibid.
3 *Political Department*, Vol. 57 500 of 1831 32 33.
Situated at the confluence of the twin rivers of Tigris and Euphrates on the Shatt-al-Arab and an outlet for Iraq, Basra is a principal port of the Persian Gulf. In 1786 Basra was protected with 11 Turkish ships of war and two small ones.\(^1\)

The dispatch of a pinnace to Basra in 1635 marked the first contacts of the East India Company (hereafter EIC) to Turkish Arabia. In anticipation of its regular trade with Turkish Arabia/Turkish Iraq EIC first sent experimental cargo to Basra in 1640, then the principal port of the Persian Gulf region. The EIC then opened its factory at Basra in 1643 and with the outbreak of hostilities between the Dutch and the Persians in 1645 the Company removed its property at Bandar Abbas to Basra. For some reason the Company withdrew its Basra factory in 1657 and a permanent factory, subordinate to Bandar Abbas, was opened only in or about 1723-4. The Company’s Gulf trade during all this period seems to have been carried on from Bandar Abbas and Surat.\(^2\)

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1. Abdul Qadir, *Waqa-i Manazil-i Rum* (ed.) Mohibbul Hasan, Calcutta, 1968, p. 53. The Bank from Basra to Lebanon in the east known as Shatt-al-Arab, grew finest dates in the world. The plantations stretched some 50 kms. in length upon both sides of the old bed of the Euphrates above and below Hillah.

In two different Capitulations between the British Ambassador and the Turkish Sultan in 1661 and 1675 the British were assured commercial rights and trade concessions in Turkish dominions besides concessions in customs duty and right to “consulage” over which difference arose from time to time between the Resident and the customs authorities at Basra. The “consulage”, however, was apportioned out between the Company’s servants at Basra and the government of Bombay. Of this “consulage” called customs, 50% had to be credited directly to the Company from 1784. The 1730s and 1740s was difficult time for EIC’s servants at Basra as Nadir Shah took them to task for their assistance in the city’s defence during the conflicts between the Turks and the Persians. Similarly in 1743 their neutrality led to the factors’ imprisonment by the Turks. Relations of the Residency’s servants with the Mutasallim of Basra were sometimes cordial and sometimes cool and it was this discord that ultimately led to the Basra episode of 1820.

The East India Company’s Records of the Persian Gulf speak of cordial relations between the Residency and the tribes of the Persian Gulf. Mail services for the Company was maintained by some of these tribes to Bombay and Aleppo on behalf of EIC. Under the circumstances if any trouble arose, joint Anglo-Turkish campaigns were undertaken to put down
the recalcitrant tribes. Such measures against them were taken between 1762 and 1768. Occasional differences between the Pasha and the Residency posed problems for the latter and to defuse such problems the Resident had to go to Baghdad in order to meet the Pasha. In 1758 Khojah Raphel, an Armenian merchant represented the Resident. From 1781 Khojah Marcar represented the Company’s interest at Baghdad and his appointment was recognized by the Court of Directors and he was granted a salary. In 1798 he was succeeded by another Armenian named Khojah Petrus. In 1798 a political residency was established at Baghdad.¹

The East India Company lost its Basra trade during 1773-9 on account of an outbreak of plague and the occupation of the town by the Persians. In 1793 under Samuel Manesty the Residency was moved to Kuwait. The Company’s position of the Persian Gulf trade thus has been described by Al-Qasimi as under:

“On the whole, the trade in the Arabian Gulf during the last quarter of the eighteenth century was shared by the East India Company, with its establishments

¹ It is interesting to note that the Agency during the 18th century enjoyed privilege over the Residency but the reversal of the posts from commercial to political enhanced the Residency’s prestige over the Agency. Factory Records: Persia and Persian Gulf, G29, Op. cit.
of Basra and Bushire Residencies, and the Agency at Muscat, and Persian, Armenian, but mostly Arab and Indian, merchants and shipowners. Merchandise was carried between India and the Gulf by very few vessels belonging to the East India Company, and by more vessels belonging to the Arabs. However, the increasing share of the East India Company was at the expense of both the Indians and the Arabs”¹.

Following the suspension of Manesty and Harford Johnes, the joint factor, Nathaniel Crow, a new Resident to Basra, was sent with the joint deliberation and consent of the Government of Bombay and the Governor General of India, but in the meantime the Pasha agreed to Manesty’s terms for the return of the Residency to Basra which was accordingly done in 1795.

During the sojourn of the celebrated Indian traveller Abu Taleb “Londoni” in 1803 at Basra, the Mutasallim of Basra was Abdullah Agha and the British consulate functioned for the purposes of EIC and to protect merchants who sent their cargo under the Company’s protection. With the exception of some differences the relations of Samuel Manesty, the Resident at

Makul, were cordial with the *Pasha* of Baghdad and the *Mutasallim* of Basra.¹

Changes in the political situation of the Arab provinces of Turkish Arabia seem to have taken an abrupt turn with Muhammad Ali’s coming to power in Egypt in 1805. The penetration of Capitalism into the non-capitalist market with the supply of manufactured goods to Asian markets changed the entire outlook of the Middle Eastern markets. The concept of free trade, purely a western idea to the traditional world of Asia, was alien to the Asian rulers and the middle class. But the Ottoman Sultan had to agree to all the demands of the English that they made in the Treaty of Dardanelles, concluded on 5 January 1809 (the treaty contains in all 76 clauses). The above treaty marked the conclusion of peace between the English and the Porte on one side and the Porte and Russia on the other.² The Treaty of Dardanelles allowed the English to establish consulates in the ports of Aleppo, Alexandria, Tripoli,

¹ Abu Talib Khan, *Travels of Mirza Abu Taleb Khan*, (tr.) Charles Stewart, Delhi, 1972, p. 319. Makul, where the EIC had a small factory, was a little distant from Basra. Manesty, above all his official position and sensitive disposition, had very close acquaintance with Aga Mohammed Abdal Nubby, the leading merchant of Basra, *Ibid.*, pp. 317-18.
Barbary, Tunis, Tripoli in Syria and Scio, Smyrna and Egypt. Mohammad Ali like the Turkish monarch also had to agree to various terms of a treaty which he signed with the East India Company in 1810.

There was no love lost between the British and Abdullah Pasha at Baghdad till the year 1810. But the Company’s trade since the end of the 18th century seems to have been at a low ebb partly because of the internal troubles in Persia and the Turkish Arabia and partly owing to decline of profit as a result of competition between the costly English woolen and the cheaper French goods. French ambitions in the Middle East and the Company’s continued interest in the Persian Gulf took new political turn. But the 1810 witnessed the final cessation of the French threat in the Middle East. Upon Manesty’s dismissal as Resident at Baghdad both the Residencies of Basra and Baghdad were brought under Claudius James Rich, the Baghdad Resident. The new Resident’s relations with Abdullah Pasha between 1810 and 1813 were quite cordial. As a gesture of friendship the Pasha in 1812 (May or June) issued decrees

1. Secret and Political Department Diary, No. 372 of the year 1811, Maharashtra Archive, Bombay.
2. Ibid.
ordering the *Mutasallim* of Basra to surrender the British renegades and to desist from enslavement of British Indian subjects. With the takeover of the *Pashaliq* of Baghdad by Daud *Pasha* (1813?) the relationship between James Rich and the new *Pasha* remained cordial for sometime. Exchange of new complimentary letters between Daud *Pasha* and Evan Napear, the Governor of Bombay, took place through the Resident. Rich worked as Resident at Baghdad whereas his assistant remained at Basra when in 1812 the designation of the Residency was changed to “Political Agency in Turkish Arabia”, empowering the Resident to stay at his leisure either at Baghdad or at Basra with a European Assistant to act on his behalf during his absence at either place.1

By the middle of 1819 the relations between Daud and Rich seem to have changed. In an attack on a mounted messenger of the Political Agency the culprits were suspected to be *Pasha*’s men. But this apart, Captain Taylor, the Political Assistant, had strict order from the Government of Bombay to observe neutrality in the conflict between the Turks and the *Najdi* Arabs at Basra, except to afford help to British Indian

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subjects. Orders were also given to Captain Taylor to shift the Political Agency from Basra to Bushihr or to the island of Qishm in case of danger.¹ As 1820 drew near allegations of Pasha's show of near disregard for European treaty rights and his violation of various terms of trade were made by the political Agent. In 1820 the Resident at Baghdad directed his assistant at Basra, to strike the factory flag in view of the seizure of goods of the Company's merchant Svoboda at the Basra Customs House. Svoboda, according to Lorimer, was a European merchant who since long had traded at Baghdad.² But EIC's other documents carefully corroborated show that the person under consideration is 'Anton Savoboda' and was in the employment of the Company.³ The quarrel arose between Savoboda and the Pasha of Baghdad over the payment of double duty on his goods—once in Aleppo and on arrival at Baghdad. He further alleged in his statement to the Political Agent dated 6 December 1821 that the Pasha had asked him to leave the country under threats and ultimately he was constrained to bind himself by promising the latter to pay the duty at Baghdad and not at Aleppo⁴.

2. Ibid., p. 1325.
3. Political Department 871 of 1822, p. 50. Ibid., pp. 73-75.
4. Ibid., pp. 50, 73-75.
In continuation, as Lorimer says, Captain Taylor had further instruction from Rich in November 1820 to suspend all communication with the Basra Government and to prohibit commercial and other intercourse between vessels under British colours and the natives of the country. Following seizure of goods of Savoboda, Captain Taylor responded by withdrawing his staff from Basra to Muhammareh. The differences between Rich and the Pasha at Baghdad further intensified and Rich withdrew in 1821.

The main sufferers from the quarrel between the Political Agent, Claudius Rich, and the Governor, Daud Pasha were the Indian shippers at Basra. It is by and large evident from the two documents submitted as petition to Mount Stuart Elphinstone, Governor in Council at Bombay, by two prominent merchants of Bombay, Nurseydass Purshotamdass on 19 May 1821 and Shaikh Aboo Bucker 30 May 1821. Both these merchants were shipowners and had lucrative trade with Basra and other ports of the Persian Gulf. The nature of both the documents relating to the Basra incidents pertain to the effects of the gunboat policy of EIC in the Gulf.

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Nurseydass Purshotamdass in his petition to the Governor in Council at Bombay declares himself as the owner of the vessel *Elizabeth*. The cargo consisted articles to the value of more than Rs. 34,000. These articles according to the general manifest were as under:¹

<table>
<thead>
<tr>
<th>Quantity</th>
<th>Packages</th>
<th>Item</th>
</tr>
</thead>
<tbody>
<tr>
<td>2616</td>
<td>Bags</td>
<td>rice</td>
</tr>
<tr>
<td>509</td>
<td>bars</td>
<td>iron</td>
</tr>
<tr>
<td>325</td>
<td>tubs</td>
<td>sugar candy</td>
</tr>
<tr>
<td>10</td>
<td>chests</td>
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<td>3</td>
<td>bundles</td>
<td>piece goods</td>
</tr>
<tr>
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<td>bundle</td>
<td>broad cloth</td>
</tr>
<tr>
<td>1</td>
<td>chest</td>
<td>sugarwood</td>
</tr>
<tr>
<td>14</td>
<td>boxes</td>
<td>sugar</td>
</tr>
<tr>
<td>25</td>
<td>tubs</td>
<td>steel</td>
</tr>
</tbody>
</table>

The ship sailed from Bombay for Basra on 9 July 1820 and arrived there on 7 November 1820, presumably after visiting other ports of the Arabian Gulf as well. The captain of the ship was an Englishman, Joseph Keys. Having arrived at Basra he made arrangements to purchase dates for the return cargo to the values of 2000 German Crowns which he converted into *aine Piastres*, the currency current at Basra. For that purpose he threw away the Ship's ballast and prepared to take on board about 80 *Curras* of dates. Before any of the return cargo was shipped, EIC's official at Basra (name not

¹ *Political Department of 1820-21*. Vol. 28/33, p. 86.
mentioned) put an embargo on the Indian shippers. There were
to be no trade relations with any subjects of Turkey and the
ship had to leave the Basra Port with immediate effect on a
short notice. Complaint of the loss thereby incurred was made
by Joseph Keys to the Resident of Basra, Captain Taylor.
Joseph Keys’ request to allow him to purchase the dates at
Basra was turned down by the Assistant Political Agent.¹
Instead, he was asked to take on ballast from a distant place,
which the ship’s crew had to do with much difficulty. The
captain of Elizabeth, however, failed to get permission to
unload the goods on board the ship, which were destined for
Basra. The captain then applied to sail for Bushire but was
refused permission. He was informed through the commander
of EIC’s Cruiser Aurora that he would not be allowed to quit
the anchorage. On this order Captain Joseph Keys sought
permission to purchase dates at Basra in exchange, the payment
to be made in Piastres. The permission was granted after much
difficulty.

¹ It is quite evident that EIC discouraged Indian merchants from trading at
Basra but the possibility as well cannot be ruled out that the motive of EIC
was to have exclusive monopoly of the trade of Arabia, particularly in the
situation when the competition had begun intensifying.
The petitioner, Nurseydass Purshotamdas, presented claims of compensation for loss involved in the absence of return cargo and non-sale of the petitioner's goods, he sustained a loss, he claimed, of upward of Rs. 6,000. The petitioner appealed to the Governor in council at Bombay for indemnification for the loss sustained in consequence of the orders of the Resident or office of the Company at Basra.

Details of Elizabeth's cargo that remained unsold:

<table>
<thead>
<tr>
<th>No</th>
<th>Packages</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>bundle</td>
<td>3 pieces broad cloth</td>
</tr>
<tr>
<td>13</td>
<td>boxes</td>
<td>China soft sugar</td>
</tr>
<tr>
<td>1</td>
<td>small bundle</td>
<td>silk piece goods containing 20 pieces</td>
</tr>
</tbody>
</table>

The other petition submitted to the Governor in Council at Bombay was that of Shaikh Aboo Bucker Abdullah, merchant and a Mohammedan inhabitant of Bombay and dates to 30 May 1820. He was the owner of the ship Fazel Karim. The ship left Bombay for Basra on 22 November 1820. The cargo consisted of several articles and freight goods and carried the property of the petitioner worth Rs. 2,000. The vessel, on account of prolonged detention by EIC's men at Basra, could not deliver.
the cargo, owing to which the owner incurred heavy expenses and demurrage and lost profit on return cargo.¹

Aboo Bucker in his petition asserts that he expected the return of Fazel Karim at the scheduled time so that he could transport and load the dates the ship was to bring from Basra on another ship Futta Alvadowd and make her departure for Siam in time. The delay caused to Fazel Karim and Futta Alvadowd there was a loss of Rs. 7,625. The petitioner, therefore, was constrained to purchase dates at the enhanced rate of Rs. 27 a Candy while the dates Fazel Karim brought from Basra after a considerable delay could only be sold at the rate of Rs. 13 a Candy in the Bombay market. By this difference in price the petitioner lost a sum of Rs. 5670 and as a consequence of detention of the Fazel Karim another sum of Rs. 22,655.

Aboo Bucker, therefore, prays in the petition submitted on 30 May 1821 for compensation against the losses that he had suffered wholly in consequence of the detention of his cargo ships by the Company's servants at Basra.² The petitioner in addition furnishes other information to support his claim of

1. Political Department of 1820-21, vol. 28/33, op. cit. p. 11.
2. Political Department of 1820-21, pp. 118-19

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losses. He supplies the letter of Daniel Kitchner, the captain of the ship addressed to R. Taylor, the assistant Political Agent at Basra. The letter was written aboard the ship *Fazel Karim* dated 19 January 1821, off the Haffer Creek. He informs the assistant political agent of the detention and manifest of cargo aboard the ship. He further alleged on behalf of the ship's owner that no official intimation of embargo was given at the Port of Basra prior to the departure of the ship from Bushire, and in consequence of the detention the expenses incurred on the ship amounted to Rs.130 a day (a dirm?). Daniel Kitchner further stated that his main interest was to deliver the freight on board his ship for which bills of lading had been signed for consignment to Basra. On 29 January 1820, after a delay of 9 days, he received a letter from Captain Macllard, the Commander of EIC's Cruizer Aurora, prohibiting *Fazel Karim* from proceeding further. Macllard in his letter reminded Kitchner of the latter's silence over his verbal communication to him.

Many more facts can be culled from the contents of the declaration of protest that Daniel Kitchner made in accordance

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with the public instrument of Protest on 22 May 1821 by personally appearing before Frederick Ayrton, a Notary Public, at Bombay. Kitchner declares himself as master of the ship *Fazel Karim*, burthen between 348 tons or 300, anchored in the Bombay harbour and belonging to the port of Bombay. The ship had set sail on 22 November 1820 from the Bombay port on a voyage to Basra in the Persian Gulf and arrived off Mohammareh on the River Euphrates on 19 January 1821. As the ship was proceeding up the Euphrates it was detained by John Macllard and brought to anchor. This was done under the proclamation of the British Resident. The appearant (Daniel Kitchner) further declared that he was informed by John Macllard that embargo had been laid on all vessels sailing under British flag to the port of Basra.

The crew of *Fazel Karim* were further directed not to have any communication with the natives of Basra or places to the northward of the anchorage of the vessel. However, Daniel Kitchner, insisted on transmitting on 21 January 1821 a letter to R. Taylor, the Company's assistant political agent at Basra protesting against the detention. With indignation Kitchner says that the behaviour of Macllard and his men aboard the
Company’s *Cruizer Aurora* was irresponsible and they acted at the instigation of the assistant Political Agent at Basra and brought so much loss to the ship’s owner.

It is quite evident from the examination of the two documents noted above that coercive measures were used by the Company’s men unmindful of the interests of Indian shipping. This could be compared with the reaction of Claudius Rich, the Political Agent at Baghdad, when the Company’s European inmate Savoboda (Suabada) was asked to make declaration to pay customs at Baghdad and not at Aleppo.\(^1\) Compared to the severity of restrictions imposed on the Indian shipping, Savoboda’s highly magnified grievance had hardly any basis.

One cannot avoid inferring that the Company’s officials were not happy with the Indian ships’ share of the trade between Turkish Arabia and India. Indian ships made modest profits by tapping into this prosperous commerce; but even this did not receive protection or consideration from the British authorities. The Indian merchants who suffered losses at Basra by the Company officials’ embargo were just left to fend for themselves.

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