# OTTOMAN PRICE SYSTEM IN THE PERIOD OF 1800-1850: COMPARATIVE PRICE MOVEMENTS OF ISTANBUL AND KONYA CITIES

## Assist.Prof. Perihan Hazel KAYA

Selçuk University, perihaner@selcuk.edu.tr

#### **Abstract**

Ottoman Empire has constituted the economic politics within the framework of the principles of provisionalism, fiscalism and traditionalism which came from the classical economic view. Among the most important purposes of adopting these principles are to increase employment, production and welfare, to maintain price stability, to ensure justice, to meet public needs and to prevent exploitation. It is aimed that the produced goods and services are abundant, cheap and in the market in terms of meeting the needs of the people according to the principle of provisionism and in this direction price (narh) system was applied. The narh system constitutes the basis of the Ottoman price policy and it is determined according to supply and demand conditions. In the price system, the state ordered the sale of goods for a certain price and forbid selling it up or down from the specified price. The government has adopted in determining the prices the principle of ensuring the prosperity of the people and not damaging the tradesmen and producers.

Istanbul had importance for Ottoman Empire, both as a official and political capital and with its crowded population, its economic opportunities and trade center throughout the centuries. Konya was the pasha sanjak of Karaman province and an important settlement with an agricultural and husbandry, large artisan group, timar, fief and tax incomes among the provincial cities in Ottoman Empire. The aim of this study is to examine implementation of Ottoman price system in the centre (Istanbul) and province (Konya) comparatively within the frame of the basic economic principles of state. In this direction firstly, touched on the functioning of social and economic life in the Ottoman State in the first half of the 19th century then implementation of price system on the artisan group operating in Konya and Istanbul is evaluated.

Keywords: Ottoman Empire, Istanbul, Konya, Price System, 1800-1850 Period, Provisionism.

\*\* This paper has been presented at 4<sup>th</sup> International Conference on Business and Economics Studies held in Istanbul, Turkeyon December 8-10, 2017.

#### Introduction

Ottoman State, beginning from the period, when it was founded, especially in 15<sup>th</sup> and 16<sup>th</sup> Centuries, made a war to control the trade routes. In the direction of this aim, in 17<sup>th</sup> and 18<sup>th</sup> centuries, integrating into world economy, it became an empire importing industrial products and exporting raw material. In terms of world economy, due to the factors such as production boom, technological developments, and fast production tools industrial revolution leads to, 19<sup>th</sup> Century is a century, in which nations got their economic relationships climbed to

#### "ACADEMICA BRÂNCUŞI"PUBLISHER

the top levels. However, Ottoman State, traditionally preventing the capital from accumulating in certain hands in this period, did not want to allow for such an internal formation. Moreover, beginning from the first half of 19<sup>th</sup> Century, that trade routes became shorter due to construction of steam-ships made inroads on caravan routes passing through the Ottoman lands and Ottomans both fell into an idle state from commercial point of view and gradually became a good customer of the large states, which completed industrial revolution.

Traditional Ottoman policy of export was in a *provisionist* structure. According to the principle of provisionism, the aim of economic activities is to meet the needs of people. That the goods and services produced are abundant, high quality, and cheap as far as possible is the main target wanted to be achieved. As a requirement of provisionism policy carried out, Ottoman administrators signed, apart from applying mercantilist policies of Europe, the policies that are full opposite to mercantilist premises. For abundance of goods in the country, import was supported and export was generally impeded or forbidden. Therefore, as a requirement of the principle provisionism, government adopted interventionism strictly carried out on production and trade, in order to make abundant the supply of goods, raise quality, and keep the prices low.

In addition, state, with the method of monopoly, could impose monopoly on the purchase and sale of product. In the framework of this principle, first of all, the needs of town, in which production activities are carried out, are removed and, the remaining amount is allocated to the needs of the Istanbul capital and army. If the product again remains, after paying for the certain taxes, it is allowed for these products in the countries to be taken the regions and cities in the country, in which these products are needed.

Until Tanzimat, foreign trade was carried out with the provisionist and fiscalist concerns of the government and in the light of principles determined by capitalism. 1838 Baltalimani Treaty, an important stage of capitalism, is the most basic factor of that treasury of Ottoman State gets stuck and that the existing trade medium in Ottomans radically changes. Between 1838-1846, the other European countries, with which trade agreement is made, had the same privileges with those of England. The demand of Europe to Ottoman raw materials was always more due to the fact that some part of the products does not grow in Europe; that some part of them has high quality advantage, and that almost all of them is cheap. In pre-1838 period, since foreign merchants agree with paying more money for the goods than their domestic goods, there was also smuggling. However, following 1838 Treaty, foreign merchant had the same right with local merchant in the purchase and sale of every kind of goods. Together with this treaty, the subsistence structure of Ottoman agriculture was solved, classical provisionist Ottoman economic order became monetarist, self-sufficient Ottoman economies were opened to foreign market.

For providing social welfare, which is one of the main principles of Ottoman administration system, one of the necessary main conditions is price supervision. In Ottoman system, the most important element that provides price stability is monetary regime. For Ottoman trade activities, in which metallic currencies i.e. the gold and silver are used as medium of exchange, to actualize and market to run, that the currency is present in the market in such a way that it will respond to exchange need is a state always taken care by Ottoman administration.

Ottoman State, in order to provide price stability, determining the minimum and maximum price via narhs, tried to prevent the excessive price falls and rises. While Ottoman State, on the one hand, tried to provide price stability, via price control (narh system), on the other hand, with provisionism policy, among economic principles of government, took care of protecting social order; supplying goods and services that are used in meeting needs as abundant, high quality, and cheap and, in addition, continuation of production.

The aim of this study, generally evaluating Ottoman price system, on the one hand, is to deal with the effect of the events experienced in the first half of 19<sup>th</sup> century on the price and, on the other hand, the differences in the prices together with their reasons in the context of central and back country administration. In this direction, firstly, the general functioning of Ottoman price system was examined. After the state's determining ordinary and extraordinary price were evaluated, the price movements of Istanbul and Konya cities were evaluated in order. Finally, the differences in prices were explained together with their reasons and the study was ended.

# 1. The General Functioning of Ottoman Price (Narh) System

Ottoman State, in order to maintain the welfare of people, tried to keep under control every stage from production to consumption. Hence, narh is a result of this supervision chain. In other words, due to imperfect competition, in order to impede monopolist tendencies that form, the aim of Ottoman narh application, which takes main measurement the supply and demand conditions, is to protect the long term interests of both producers and consumers

Narh application in Ottoman State begins after Fatih conquers Istanbul in 1453 and continues until the end of 1860s. Liberalization movements, which began with the second half of 18<sup>th</sup> century, and especially in the period of Selim III., impeded narh application. The thoughts in the direction of liberalization led slowly to be solved in the prices and, while these prices solved prompted the consumer to uneasiness, they left the producer and merchant applying narh in difficult condition. In the face of this dilemma, in 1795, Cereal Treasury was implemented and in the same year, cereal prices and sales were released. These liberalization movements impeding narh application proceeded more with 1838 Baltalimanı Treaty (Öztürk, 1998:16).

In Ottoman State, determining price (setting narh) is the duty of local kadi (Muslim Judge). Kadi, before setting narh, takes the necessary information from Ottoman constabulary, who knows market prices the best and, while determining the prices, he interviews with the relevant group of craftsman. After this stage, bringing together chamberlains and yigitbası of craftsman associations, he determines the new prices after he identified the amount of raw material to be used in the product of interest and cost and added profit margin (10 -15%) (Kütükoğlu, 2006:390-391). After determining the price of goods, craftsman committed that he will not sell more or less this price and lists were recorded into registrations and new prices were announced. Controlling whether or not the prices announced was complied with Ottoman constabulary was performed by Ottoman constabulary (Sahillioğlu, 1979:38-39).

Ottoman State targeted to prevent unfair competition, unemployment, excessive production, and black market and to control goods distribution in domestic market. On the other hand, it was paid attention that prices have to be stable and goods, high quality and in

compliance with standards. For this aim, it is wanted the products first of all to be sold in the places, where they are produced. Forbidding that these products are taken to the other regions, where the prices are higher, the right to buy and sell the certain goods were recognized for certain group of craftsman (Tabakoğlu, 2005:139-149).

In Ottomans, narhs are set in two conditions as ordinary and extraordinary.

## 1.1.Ordinary Narhs

In the periods, in which economic activities are intensified, it was necessary to set narh. The period of slaughtering causes mobilization in meat market. Therefore, meat narh was set before a few days before slaughtering and, if necessary, price setting was again done (Öztürk, 1998:863).

Seasonal narhs pointed out the prices set on food products. The prices of meat, milk, and their products in the summer and winter months were different. The prices of vegetables and fruits were also set according to the seasons. While the product is in field, although narh can be set with intervals a few days or every day, after the product becomes abundant, until the season of early grown, any variation did not occur and again narh was again set in early grown product (Aydüz,1990:70-93).

After grain for threshing, when new product of wheat, bread price was again determined. Since the bread is the most important food product, its prices was determined according to the sort of flour in it. The amount and value of raw material used in the determination of the prices of such finished products were considered. Again, the values of valuable clothes was determined by the same method. In the month Ramazan, a regulation was done in the prices of the main food products. For, in Ramazan, month of religious fasting, the necessary actions were taken for the people to spend this month in peace. Intervening prices before Ramazan and keeping excessive price movement at a certain level had been the major target of government (Kütükoğlu,2006:390).

#### 1.2.Extraordinary Narhs

While the prices form, they are under the effect of a number of factors. Of these factors, the most determinatives ones are the amounts of supply and demand. However, production amount, production and transportation costs, trade policies, monetary system, economic conjuncture prevailing in the world, coin (sikke) adjustments, monopolist groups, custom regime, wars, embargos and blockades, smuggling activities, population movements, epidemics, famines, and meteorological events are counted the major factors affecting prices (Ülgener, 2006:90-103). Therefore, other than ordinary narhs, narh is applied in extraordinary i.e. non-natural conditions.

Customs applied in domestic and foreign trade is considered as a factor affecting the costs of goods. Ottomans, organizing the major trade centers in the forms of customs region, within the system "mukataa" and "tax farming", receive certain amount of tax through goods transported via land and sea route (Öztürk, 1996:224-226).

Money, which is inseparable part of prices in persistence of states has a crucial role in sustaining stability (Kütükoğlu, 1983:11-12). When the value of money rose, product prices were also lowered. But, in the periods of large devaluation, when setting of money falls into decay, since the prices also rise, in the narhs applied after coin adjustments, the fall

rates in the prices differed from goods to goods. Other than these, due to reasons of preventing black market and public interest, narh was set (Aydüz, 1990:73-74).

In Ottoman economy based on metallic currency system, debasements the government referred to as a financing method from time to time affect prices. For example, that the burden the reforms realized in the period of Mahmut II brought to government budget was attempted to be removed by debasement method, reducing silver content of money much more, beginning the first half of the century made an effect blowing inflation (Pamuk, 2007:16-17).

When reached the late 1830s, as a result of debasements carried out, that many coins different from each other are issued disturbs international trade with daily transactions. As a result of this case, a coin reform was needed. Thus, transition to a double -metal order consisting of gold lira and silver kurus was decided. After performing the necessary preparations, it was considered that new gold and silver coins were issued as constant value of 1 Lira = 100 Kurus. Finally, by fixing the rate of gold-silver of new coins in 15.09, gold coins started to be produced in 1843 and silver coins in 1844. Beginning from 1844, ending debasements, until 1922, all gold and silver coins issued by Ottoman State abided to standards determined in 1844 (Pamuk, 2005:225-26).

Amount of population is one of the most important variables determining demand, An immediate increase in population, due to the fact that the production, which cannot be increased in short term, remains insufficient, results in the rise in price in 19<sup>th</sup> Century, increase seen in Istanbul population largely results from that the trade becomes widespread. Depending on the area of economic activity becomes widespread, ten thousands of young men wanting to benefit from internal opportunities, arriving to the city from the near regions formed a service community (Karpat, 2003:214-15). Another factor playing important role in the increase of city population is the negative political developments in mid-19<sup>th</sup> century.

Natural disasters affect the production and transportation activities in the first stage. Drought reduces production amount and, intensive winters, being interrupted transportation works, hinder the supply of goods. Ottoman geography under the effect of Mediterranean climate often faces to the danger of drought. In case that the case of famine occurs, supply of goods, being abruptly interrupted, the prices rise (Öztürk, 1996:236-238).

Shortage of rain fall or that it rains more than normal used to cause significant falls in the quality and quantity of products. Again, in the winter season passing severe, since land and sea transportation hinder, this case used to lead stocks to expire or cost of goods to rise. In addition, it also used to result in the increase of financial pressure on the consumer i.e. consumption to be entrained to bottle neck from economic point of view and results of this used to reflect to the prices in the same way and a new regulation used to be carried out (Ülgener, 2006:87-89).

#### 2. Istanbul City and Price Movements

Among Ottoman cities, there were many features making Istanbul more different the other cities. The leading ones among these were that Istanbul was capital of the state; that it had a large population; and that it was important from economic and political point of view. For Istanbul that is important to government from many aspects, there were the economic priorities of government such as nutrition, sheltering, consumption, and etc.

(Pamuk,2000:3). Food products coming from agricultural production and raw material, first of all, was allocated to meet the need of craftsmen, organized in the form guild,, and of the town that produced and some part of the remaining production was used to meet the need of army and court, while the other part was sent to remove the need of Istanbul. Of course, here, how significant the provisionism of Istanbul is in terms of government is seen (Genç, 2009:47).

The most important factor determining the size of provisionism need of Istanbul is demographic structure. Istanbul was a city functioning as a consumption center rather than production due to its high population. The city, attempted to be rapidly populated after conquest, with its population of about 400.000 in the first half of 16<sup>th</sup> Century and about 600.000 in the second half, had become the largest city of Europe. Although there was a decrease in population in 17<sup>th</sup> and 18<sup>th</sup> Century, Istanbul, with its population of around 700.000 – 800.000 in 19<sup>th</sup> Century, was an important settlement center (Güran, 1998:16; İnalcık, 2003:150; Tabakoğlu: 96). This crowded population consisted of sultan's household troops, military troops, madrasah students, foreign merchants, crowded civic people, and immigrants that came to the city in the times, when land was lost. Together with the elements counted above, provided that the aids given by the waqfs and government, and losses are calculated, it can be estimated the amount of provisionism products the city needs (Güçer, 1952:397).

In the period of Selim III, the capital Istanbul maintained its feature to be privileged city of government. In this period, in order to provide the provisionism of the city, many new applications were implemented and, for meeting provisionism of the city, some regulations were made in artisan organizations. In the period of Selim III, a stable period was experienced, when any fluctuations not seen in price movements in Istanbul (Aynural, 2001:169-170).

Ottoman administration formed an integrated and systemic provisionism policy, which include a number of area such as artisan organization, narh institute, production and trade supervision mechanisms, export bans, and import liberation (Güran, 2004:321).

As a result of all of these developments, depending on that the increasing urban population does not meet the need for main goods gradually becomes difficult, food buyers were encouraged by allowing for them to receive more share from the profit and, beginning from the early 19<sup>th</sup> Century, a free market of goods developed in Istanbul (Karpat, 2003:170-171).

In 19<sup>th</sup> Century, here was wheat and meat shipping to Istanbul from largely Balkan provinces. In the past, since frequent interruptions was seen in the wheat supply, with Cereal Ministry, founded in 1793 and by building large storehouses around the city and enlarging the old storage capacities, tried to overcome this kind of bottle necks. Before founding Cereal Ministry, provisionism of Istanbul was met by kapan merchant. The regions, in which wheat, brought to Istanbul by Cereal Ministry between 1795 - 1835, was distributed the most, were Rumeli Region of Black Sea and Marmara Region. Mutton, one of the most important ones of the main food materials was supplied from Rumelian cities such as Plovdiv, Skopje, Monastery and rarely from around Diyarbakır. Every year, sheep more than 200.000 was brought to Istanbul (Tabakoğlu, 2014:126-136).

The original problem for Ottomans was that the cereal was transported from these

regions, in which they were produced, to the regions needed for it (Güçer, 1964:1). The most important problem in the production of cereal was transportation. Because the cost of transporting cereal, which shows a feature that is light in weight but heavy in value, through land route is high, the only alternative marine transportation (İnalcık, 1994:116).

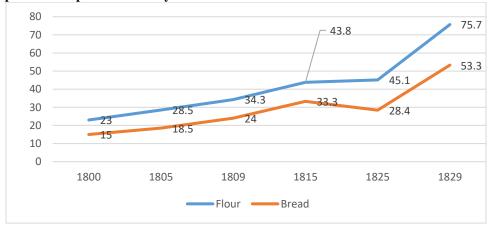
Table 1: Price Movements of Istanbul City in the First Half of 19th Century (Mite)

	El D 1 D' D "							- `		
	Flour	Bread	Rice	Butter	Mutton	Lamb	Honey	Chickpea	Onion	Soap
1799	23	13,5		117	40,5	45	87	16	6,5	
1800	23	15			42,8	45	75			84
1804	23	15	38,5	139,5	51	48,8	118,5	13	11	106,5
1805	28,5	18,5			57		132	12,5	14	116
1809	34,3	24	81		85,5	76,5			16,9	123
1815	43,8	33,3		232,5	106,5	93	157,9	62,6	23,1	171
1820		14,6			115,5	105,5	169,6	48		
1825	45,1	28,4		281,9	88,5	102			17	
1829	75,7	53,3	168	400,5	126	160,8	230,4	75	26,3	190,5
1835			240	723,8		265,5	330,9		34,5	348
1840						330	450	165	48,2	544,9

**Source:** Pamuk, Ş., İstanbul ve Diğer Kentlerde 500 Yıllık Fiyatlar ve Ücretler (1469-1998), 2000, pp.130-148 Price per okka; 1 okka (kıyye)=1282 g. 1kile (keyl)= 20 okka=24.576 g.

When assessed the data in the study by Pamuk (2000), although there is no regular data belonging to every year, when the mite per kıyye values are considered, the following points can be introduced:

**Graph 1: Development of Bakery Prices in Istanbul** 



- There are regular data in narh price of flour in terms of kiyye until 1830. While the value of flour in 1800 was mite 23, it rose to 43,8 mite in 1815 and 75,7 mite 1829.
- In parallel with the increase in flour price, the price of bread also differs. Bread prices in Istanbul was constant in terms of value. Price movements were on the weight. The weight of bread used to be reduced and, thus, its price used to be increased (Tabakoğlu, 2014:118). Between 1800-1810, the increases in the price of bread proceeded in normal course, after 1810, prices significantly increased. In 1833,

- narh price per kıyye, rising several times of that in the previous years, rose to 68,6 mite and some changes occurred in their weights.
- In the first half of 18<sup>th</sup> Century, although there was not significant data belonging to narh price of rice, there are regular data belonging to the palace and waqf prices. When these data are examined, it is seen that prices per keyl are high. For example, in 1805, while price per keyl for court was 660 mite, it was 1871,3 mite in 1840.
- The price of butter showed increase in years. Increases and decreases in the price of chickpea include irregularities. The price of honey that is an important food product also increased in years and rose to mite 450 in 1840.
- While the prices per kiyye of mutton and lamb were 45 and 75 mite in 1800, respectively, rose to 265,5 and 330,9 mite in 1835. While the price of lamb was near to each other with that of mutton in the first periods, it became more expensive than mutton in the next periods.
- When the price movements of soap, among main supply of provisions, important price increases are remarkable.

That Istanbul is one of the most crowded cities was the important reasons for the shortages experienced. In the periods of famine and war, the price of cereal was rising and wheat export was being forbidden (Tabakoğlu, 2014:114). For example, in 1801, while the price per keyl for waqf was 346,4 mite, toward the middle of century, it rose to 1975,3 mite (Pamuk, 2000:130-132). On this, there is effect of Ottoman-Russian War in 1811.

## 3. Konya City and Price Movements

In Ottoman Period, Konya was in the position of Pasha Sanjak of the state Karaman. Besides that it is Pasha Sanjak, it is an important settlement center with its manors, tax incomes, and developed craftsman organization. In the early 19<sup>th</sup> Century, the population of Konya was 23.620, in the second half of the century rose to 50.000 (Baykara, 1998:19).

Konya economy generally carries the features of Ottoman economic structure. In Ottomans, trade accompanying with the activities of handicraftsman is the most important activity areas. Konya economy is based on agriculture and breeding. Cereal and cotton form the most share in agricultural production of Konya. In terms of breeding, each family in the province Konya has more or less cow, ox, goat, and sheep (Öztürk, 2003:7).

In Konya, manufacturing in the form of Bedesten (cowered bazaar) centered work of tradesman and artisan was active in the structure of traditional Ottoman Craftsmen Organization. Although production is basic for the need of city and its vicinity, manufacturing was carried out towards long distanced trade on the products such as leather –trade products, weapons, swords, cotton –clothes, carpet, rug and mat. The organized craftsmen activity in Konya continued until the late 19<sup>th</sup> Century (Buluş, 2014:35).In Konya, among the most important products taking place in the economic production, there are mat, linen, harness, leather products, shoes, opium poppy, sesame etc. (Baykara, 1998:19-20). In 18<sup>th</sup> and 19<sup>th</sup> Centuries, together with the other Anatolian cities, the shoes and hides of sheep and goats from Konya was being sold to the regional and international market (McGowan, 2004).

In 19<sup>th</sup> century, one of the most important events affecting price movements in Konya

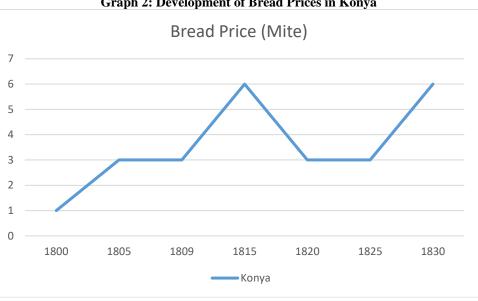
are the droughts experienced in the years of 1824, 1843, 1853, 1887 and 1898 (Arabacı, 1999:35).

Table 2: Price Movements of Konya City in the First Half of 19th Century

	Bread	Bagel	Rice	Butter	Mutton	Honey	Rough	Chickpea	Onion	Soap
1800	57 dirham 1 mite	47 dirham 1 mite		40 para	30 mite	32 para	Halva 16 para	3 para	2 para	60 para
1805	88 dirham 1 para	57 dirham 1 mite	20 para	44 para	10 para	40 para	20 para	6 para	2 para	88 para
1809	100 dirham 1 para	70 dirham 1 para	25 para	52 para	10 para	40 para	24 para	5 para	3 para	80 para
1815	120 dirham 2 para		34 para	60 para	20 para	80 para	50 para		4 para	120 para
1820	80 dirham 1 para	58 dirham 2 para	36 para		18 para	100 para				140 para
1825	50 dirham 1 para				20 para	72 para	40 para	8 para		112 para
1829	1 kıyye 8 para	1 kıyye 12 para	54 para	120 para	28 para	84 para	62 para		4 para	144 para
1835	1 kıyye 20 para					160 para	132 para		12 para	280 para
1840	1 kıyye 20 para			240 para	60 para	180 para	120 para	26 para	12 para	280 para
1843	1 kıyye 16 para	1 kıyye 28 para	72 para		60 para		120 para	16 para	8 para	280 para
1847	1 kıyye 12 para		76 para		60 para	4 kurus 12 para	3.5 kurus			5 kurus
C	L			L	0 1 40 1		51 - 50 -	50 1 54 5	56 - 57 1-	1

**Source:** Konya Fourth Court Records 2-b, 28-a, 30-b,40-b, 48-b, 49-b, 50-a, 51-a, 52-a, 52-b, 54-a, 56-a, 57-b \*1 kurus=120 mite and 40 para; 1 para=3 mite (see. Özkaya, 1985:269; Pakalın, 1983:34).

When the document showing the prices of the main supply of provisions and food products are examined, in Konya, para is mostly used as a currency unit and mite but in a little amount. In the direction of the table above, the following points can be introduced:



Graph 2: Development of Bread Prices in Konya

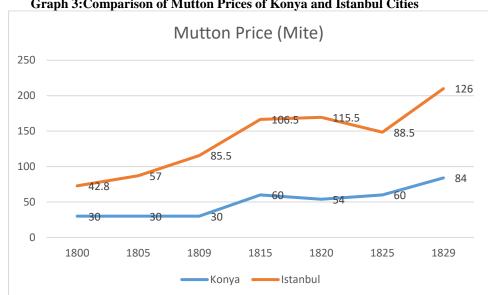
- When bread prices are examined, in 1800, while bread of 57 dirhem is 1 para (3) mites). Between the years of 1805 – 1815 years, the weight of bread increased and its price remained constant. In other words, we can say that the price of bread decreases. After the year 1815, until 1840s, while the price of bread increases, in the period of 1840-1847, while its weight was constant, a decrease in its price was experienced. Drought in 1824 and 1843 is effective in price increases
- In the direction of data reached in the period of 1840-1847, the increase of the price per kıyye of rice is observed. While in 1800, the price per kıyye of rice was 20 para (60 mite), in 1847, it rose to 76 para.
- In the price of butter, magnificent increases were experienced. While its price per kıyye 40 para, in 1829, it rose to 120 para in 1829 and 240 para in 1840 (720 mite).
- While the price per kyye of mutton ranged between 10 -20 para between 1800-1840, in the period of 1840 – 1847, it was sold for 60 para. The reason for the stability in the period of 1800 -1840 may be the intensity of breeding activities in Konya.
- Among food products, the price of honey and rough halvah significantly increased in the period of 1840-1847.
- While the price of soap, among cleaning products, was 60 para in 1800, in 1847, it rose to 200 para. Due to the fact that the production of soap is difficult and that it comes from the different regions, it is estimated that its price is so high.

# 4. Comparison of Price Movements in Konya and Istanbul Cities

Until here, the prices of the main food products and supply of provisions were dealt with. In this part of the study, the comparison of the prices of Istanbul and Konya were studied together with their reasons. First of all, among the prices evaluated, those being

for Istanbul are in terms of mite and those being Konya are in terms of para. Here, the value of 1 para=3 mite should be considered.

In general, the prices of flour products are higher in Istanbul compared to Konya. Since Konya city is cereal storehouse, that the piece of flour products is lower so it is normal. The price of rice is near to each other in both cities and in some years, while it is higher in Konya and in some years in Istanbul. In the first half of 19<sup>th</sup> century, although the increases in the prices of the butter are high in both cities, in Istanbul, it is higher compared to Konya.



Graph 3: Comparison of Mutton Prices of Konya and Istanbul Cities

The price of mutton, along the period dealt with, is much lower compared to Istanbul. The cause of this is that sheep grows in city and present in abundant amount. Since sheep and lamb come to Istanbul from the different regions, when transportation and population of city is considered, price rises. However, price difference is relatively high compared to the other goods. In some years, the prices are fifty-fifty.

When the price of honey is examined, it is seen that the price in Konya is higher compared to Istanbul. The price of chickpea is cheaper in Konva.



Graph 4: Comparison of Soap Prices of Konya and Istanbul Cities

The price of soap among the main supply of provisions is more expensive in Konya. The cost of soap to come to Konya may be higher compared to Istanbul. Soap is generally produced around Midilli, Girit, İzmir, Ayvalık, Edremit etc.

We can generally summarize the causes of price differences as follows:

- First of all, also in both cities, in the prices after 1838, there is significant increases compared to the previous years. The most important cause of this is Baltalimani Treaty signed in that date. With this treaty in domestic trade, English citizens had a voice as much as Ottoman citizens. In trade, the concept competition emerged. Classical Ottoman economic order, based on the principle of provisionism became monetary.
- In determining, the cereals brought to Istanbul, the abundance and scarcity of the product and size of population are important elements (Aynural, 2001:25). As a result of population increase, since the price increases and supply is lower, there is an increase in the prices. On the other hand, in scarcity case, due to the decrease in the production amount, an increase occurs in prices.
- Since the cereal coming to Istanbul is sold by adding transportation fee and profit margin to the price, which is determined in the regions it comes, the price of food coming to Konya is higher (Güçer, 1952:403). Thus, since Konya produces its cereal on its own, the prices are more convenient.
- 41). Cereal black market and smuggling is another important element affecting prices. The most important reason of cereal smuggling carried out at home is that surplus of production in production region is first of all sent to Istanbul. This case increases cereal demand and price in some Anatolian cities (Aynural, 2001:40-41).
- There is effect of Ottoman –Russian War, made in the first half of the century, on the prices. In the war periods, that government demands material and tax from

the people; that the individuals taking place in the production includes in war led industrial production to regress and domestic trade to become narrow. Especially in Istanbul, this case was more felt. An increase occurred in the prices.

- For meeting the monetary demand the wards led to and strengthening central government, debasement application was referred to. This case led monetary value to decrease and prices of goods in market to rise (Açıkgöz, 2010:377).
- Industrial revolution occurring in the last periods of 18<sup>th</sup> century, negatively affected Ottoman production structure and increased monetary demand of Ottomans.

#### Conclusion

19<sup>th</sup> Century is an important period, when the economic, administrative, and social change began in Ottoman State. Economic ideas emerging in the economic thought of Western Europe began to affect Ottoman economic structure. With this way, the principle of provisionism, which take place in the ground of Ottoman economic policies, began to be solved.

As a requirement of the principle provisionism, the main economic mission of Ottoman State is to meet the provision of the people and court. As a requirement of this principle narh system was adopted and every area from production to consumption was intervened. In the direction of narh system, in order to provide price stability, some regulations in metallic currency regime and price supervision actualized and it was aimed to transport the goods from producer to consumer through the shortest way.

In the study, the effect of those experienced in the first periods of 19<sup>th</sup> century on the prices was evaluated through Istanbul and Konya cities. Especially in this period, as a result of privileges given to Western Europe merchants and trade agreements made with them, it was seen that production abilities of local producers weakened and that important increases were experienced in the prices of goods. In the most of main food producers and supply of provisions, the prices in Istanbul are higher compared to Konya. Among the most basic reasons, the size of population, transportation fees in transporting goods to Istanbul, the fact that the production made in the city cannot meet consumption, etc. take place. In return to this, due to the fact that Konya is cereal storehouse and that especially cereal prices and breeding is in a developed position, it was seen that meat prices were very convenient.

If we generally summarize, also in both cities, there are important increases in the prices compared to the previous periods. The most important reasons for this are industrial revolution realized in the West; the changes occurring in the Ottoman production and trade structure as a result of 1838 Baltalimani Treaty, and following this, the other treaties made with the countries in other than England; debasement application frequently referred to due to the increase of monetary demand; and access to process, in which the principle of provisionism is not fully applied.

#### References

Açıkgöz, Ö.(2010), Osmanlı Para Politikasında Reform Çabaları:1840-1844 Dönemi Üzerine Bir Değerlendirme, ZKÜ Sosyal Bilimler Dergisi, V.6

Akyılıdz, A.(1996), Osmanlı Finans Sisteminde Dönüm Noktası: Kağıt Para ve Sosyo-Ekonomik Etkileri, Eren Yayıncılık, İstanbul

Arabacı, C.(1999), *Geçmişten Günümüze Konya Ticaret Odası 1882-1999*, Konya Ticaret Odası Yayınları, Konya

Aydüz, D.(1990), İslam İktisadında Narh, Nil Yayınları

Aynural, S.(2001), İstanbul De**ğ**irmenleri ve Fırınları Zahire Ticareti (1740-1840). Tarih Vakfı Yurt Yayınları, İstanbul

Baykara, T.(1998), *Konya'nın Selçuklu ve Osmanlı Tarihi*. Gönüllerin Bahçesi Konya. Konya Büyükşehir Belediyesi Yay: 24. (Ed.Ahmet Köseoğlu-İhsan Toy). İstanbul

Buluş, A.(2014). Konya Sanayi Tarihi. Konya Sanayi Odası. Servet Ofset Matbaacı-lık. Konya

Genç.M. (2009), Osmanlı İmparatorluğu'nda Devlet ve Ekonomi, Ötüken Yayınları, İstanbul

Güçer, L.(1952), 18. Yüzyıl Ortalarında İstanbul'un İaşesi İçin Lüzumlu Hububatı Temini Meselesi, İ.Ü. İktisat Fakültesi Mecmuası, V.11

Güçer, L.(1964), XVI-XVII. Asırlarda Osmanlı İmparatorluğunda Hububat Meselesi ve Hububattan Alınan Vergiler, İ.Ü. İktisat Fakültesi Mecmuası, İstanbul Güran, T.(1998), 19. Yüzyıl Osmanlı Tarımı Üzerine Araştırmalar, Eren Yayıncılık, İstanbul

Güran, T.(2004), İstanbul'un İaşesi, İstanbul Şehir ve Medeniyet, Klasik Yayınları, İstanbul

İnalcık, H. (1994), *İâşe Osmanlı Dönemi*, Dünden Bugüne İstanbul Ansiklopedisi, Kültür Bakanlığı, Ankara

İnalcık, H. And D. Quataert (2000), Osmanlı İmparatorluğu'nun Ekonomik ve Sosyal Tarihi: 1600-1914, Eren Yayıncılık, İstanbul

İnalcık, H. (2003), Osmanlı İmparatorluğu Klasik Çağ (1300-1600), (Trn:Ruşen Sezer), Yapı Kredi Yayınları, İstanbul

Karpat, K.H.(2003), Osmanlı Nüfusu 1830-1914: Demografik ve Sosyal Özellikleri, (Trn:Bahar Tırnakçı), Tarih Vakfı Yurt Yayınları, İstanbul

Konya Dördüncü Şeriye Sicili, 1212-1274/1797-1857

Kütükoğlu, M.(1983), Osmanlılarda Narh Müessesesi ve 1640 Tarihli Narh Defteri, Enderun Kitabevi, İstanbul

Kütükoğlu, M.(2006), Osmanlılar'da Kadı, *DİA*, V.32, Türkiye Diyanet Vakfı, İstanbul McGowan, B. (2004)., Âyanlar Çağı 1699-1812, Osmanlı İmparatorluğu'nun Sosyal Ve Ekonomik Tarihi, (Ed.: H.İnalcık, D.Quataert). Eren Yayıncılık, İstanbul

Özkaya, Y.(1985). XVIII. Yüzyılda Osmanlı Kurumları ve Osmanlı Toplum Yaşantısı. Kültür Bakanlığı Yayınları. Ankara

Öztürk, M.(1991), Osmanlı Dönemi Fiyat Politikası ve Fiyatların Tahlili, *Belleten*, V.55 Öztürk, M.(1996), Osmanlı İktisadında Fiyatları Etkileyen Unsurlar, *Prof.Dr. Şerafettin Turan Armağanı*, Kültür Basım Yayın, Elazığ

#### "ACADEMICA BRÂNCUŞI"PUBLISHER

Öztürk, S.(2003), Osmanlı Döneminde Konya Ekonomisine Dair Gözlemler, *Ulusal I. Konya Ekonomisi Sempozyumu*, Konya

Öztürk, T.(1998), 18. Yüzyılın İlk Yarısında Trabzon ve Kastamonu'da Fiyatlar, Yayınlanmamı Yüksek Lisans Tezi, Trabzon

Pakalın, M.Z.(1983). Osmanlı Tarih Deyimleri ve Terimleri Sözlüğü. C.I-II-III, İstanbul Pamuk, Ş.(2000), İstanbul ve Diğer Kentlerde 500 Yıllık Fiyatlar ve Ücretler (1469-1998), T.C. Başbakanlık Devlet İstatistik Enstitüsü, Ankara

Pamuk, Ş. (2005), *Osmanlı-Türkiye İktisadi Tarihi (1500–1914)*. İletişim Yayınları, İstanbul

Pamuk, Ş. (2007), Osmanlı Ekonomisi ve Kurumları. (Trn. Gökhan Asay.), Türkiye İş Bankası Yayınları, İstanbul

Sahillioğlu, H.(1979), Osmanlılarda Narh Müessesesi ve 1525 Yılı Sonunda İstanbul'da Fiyatlar, *Belgelerle Türk Tarihi Dergisi*, V. 1, İstanbul

Tabakoğlu, A.(1987), Osmanlı Ekonomisinde Fiyat Denetimi, İ.Ü.İktisat Fakültesi Mecmuası, V.43, İstanbul

Tabakoğlu, A.(2005), *Osmanlı Devleti'nin Kuruluşunun İçtimai ve İktisadi Dinamikleri*, İktisat Tarihi Toplu Makaleler I, İstanbul, Kitabevi

Tabakoğlu, A. (2014), Osmanlı Döneminde İstanbul'un İaşesi, Uluslar arası Osmanlı İstanbulu Sempozyumu

Tezel, Y.(1982), Cumhuriyet Döneminin İktisadi Tarihi (1923-1950), Yurt Yayınları, Ankara

Uzun, A. (2006), İstanbul'un İaşesinde Devletin Rolü: Ondalık Ağnam Uygulaması, Türk Tarih Kurumu Yayınları, Ankara

Ülgener, S. (2006), Darlık Buhranları ve İslam İktisat Siyaseti, Mayaş Yayınları, Ankara.