How Ten Trade Goods Moved World History:
An Analysis of the Global Trades in Silk, Porcelain, Spices, Cotton, Guns, Slaves, Sugar, Silver, Tea, and Opium from the Fifteenth Century to the Nineteenth Century

Yasuhiro Makimura
22 December 2016
Global History Seminar
Osaka University

This paper explains the history of the world from 1500 to 1900 in a systemic manner through the movement of ten trade goods. These goods are spices, cotton, silk, porcelain, guns, slaves, sugar, silver, tea, and opium. Two triangle trades form the “book ends” of this story, the Atlantic Triangular Trade and the Asian Triangular Trade. The Atlantic Triangular Trade linked Europe, Africa, and the Americas through the movement of cotton, guns, slaves, sugar, and silver. The Asian Triangular Trade linked Britain, India, and China through the movement of cotton, opium, and tea. In between the two triangle trades lie the stories of European imperialism, of import substitutions in various parts of the world, the of transformation of Islamic trade, of Ottoman economic decline, of Chinese commercialization, and of Japanese sakoku. In short, a truly global history is told by following the movement of these ten trade goods.

Since this seminar’s explicit purpose is to seek a better global history, this paper will skip what I would normally do. Normally I explain why a new way to understand and explain global history is important, but that is a topic that this seminar is familiar with so I shall leave that part
The Old-World Trade System: Spices, Cotton, Silk, Porcelain

Before we examine the Atlantic Triangular Trade let us first layout the trade pattern that existed before the sixteenth century. Long distance trade has existed in human history from the

After teaching various survey courses over the past twelve years, I have sought to present an integrated global history. But this has been difficult. Initially I taught global history by taking each region of the world and explaining its history from the beginning to the present and then followed that with another region. So, I would first teach Western history from the beginning to the present and then cover Middle Eastern history, then African history, then Indian history, then Southeast Asian history, and finally East Asian history. This method is similar to the Japanese education system which divides history into Japanese history, Eastern history, and Western history. This method demonstrates the continuities and changes within each region but unfortunately deemphasizes cross regional links.

To emphasize the cross regional links, I then broke the history of the world into various time periods and then covered each region within each period. So, I would first teach the ancient history of the Middle East, India, China, and Greece and Rome, then cover the medieval history of various places, which would next be followed by the early modern period, and then finish with the modern period. This method obviously can highlight some of the cross regional connections, but it also tends to break up the narratives of each locale. This seems to be the way most world history textbooks are written in the United States.

Another way to understand global history is to place it within a certain ideological framework. Many historians still use a Marxist framework to explain global history, namely the stages of development theory: from slavery to feudalism to capitalism to socialism. This framework may apply to the West, and many historians of other places have tried to force it upon their locales. But as I studied other parts of the world it became clear that this framework is not applicable to all human societies across the globe. Thus, I was left at a very unhappy place with no way to tell an integrated global history.

Recently, however, I have been teaching a history of the world from the 1500s to the present. The 1500s is the start of a truly global history, for it is from this time that one can say that trade connects all parts of the globe. This course has forced me to rethink seriously the cross-cultural connections between various places and also reexamine the possibility for an integrated global history.

For me, the breakthrough came in the autumn of 2013 when I gave a presentation on the Opium War. It was at this moment that I realized that the Opium War was intimately connected to the ending of the Atlantic Triangular Trade. The result was a series of lectures in which I used trade to show how the world was interconnected. From these lectures, I created an integrated global history narrative based on trade goods. The materials covered in this paper is comparable to roughly six weeks of my latest lectures.
dawn of history. One of the oldest is the famous Silk Road that connected Ancient China with Ancient Rome. At the western end of the Silk Road, a trade network that linked the Mediterranean world with the northern European world emerged during the Middle Ages. At the eastern end of the Silk Road, a trade network that connected the East Asian countries across the East China Sea emerged. After the rise of the Abbasid Caliphate, Muslim traders created a large trade network that crossed the Sahara Desert, spanned the Indian Ocean, and reached into Southeast Asia. The Mongols played a critical role in uniting much of the previously existing trade routes under a single political entity. In other words, they created a grand circuit. One could take a route that traversed from Persia to China by land, and then a maritime route that journeyed from southern China to Southeast Asia to India, and back to the Persian Gulf. Marco Polo took the Silk Road to get to China, but he used the maritime route to return to Europe. Thus, by the sixteenth century, what I call the Old-World Trade emerged.

Let us go from East to West to cover the geographic span. This trade linked Japan and China by sea. China was in turn linked by land across Central Asia along the old Silk Road routes, and here the main traders were the steppe nomads of Mongolia, Central Asian merchants, and the Iranian and Armenian merchants (later the Russian merchants would join this trade). The East Asian countries were also linked by sea to Southeast Asia, with merchants from China, Ryūkyū Kingdom, and various Southeast Asian countries plying the seas. Southeast Asia in turn conducted the eastern part of the Old-World Trade with merchants from India and the Middle

---

2 Philip D. Curtin, *Cross-Cultural Trade in World History* (Cambridge: Cambridge University Press, 1984) is a good primer for the old trades.
East. This is how Southeast Asia became the center of the world. All the important trade goods gathered in port cities like Malacca and these places became the most cosmopolitan cities in the world. Peoples from East Asia, Southeast Asia, South Asia, the Middle East, and East Africa all gathered in various Southeast Asian port cities. Most of the merchants coming from further west were Muslims and they brought their goods back home to India, the Middle East, and to East Africa. The Arab merchants from the Middle East also played a crucial part in relaying the goods from Asia to Europe and from Asia to West Africa. The goods that went to Eastern Europe were transshipped via the Byzantine Empire, and the goods that went to Western Europe were transshipped via Venice. The goods going to West Africa had to cross the Sahara Desert with Arab and African traders carrying the cargo on camels. A robust trade network that spanned the Old World emerged by the fifteenth century.5

The four main products of this vast network were the silk products (silk cloth and raw silk) from China, porcelain from China, cotton cloth from India, and spices from India and Southeast Asia. This pattern holds true for most of the time under our consideration. However, by the start of the seventeenth century, the Chinese began to produce their own cotton cloths in the Yangtze River region so they were less dependent on imports from India. This is why Chinese merchants mainly went to Southeast Asia. The Chinese only needed to obtain the spices. It was the merchants from other places that had to go to China to obtain Chinese goods. In India, the Bengal region in the northeast, began to produce its own silk products. Thus, India also became less dependent on Chinese imports. As for spices, although the cultivation of black pepper spread from the southwestern coast of India, true cinnamon remained confined to Sri

---

5 Kawakatsu Heita argues that there was another triangle trade that linked the Spice Islands, India, and the Middle East. This triangle trade was connected to Europe. However, he does not connect it to East Asia and Africa. Kawakatsu Heita, *Bunmei no kaiyō shikan* (Tokyo: Chūōkōronsha, 1997), 28-47.
Lanka, and three other spices (nutmeg, mace, and cloves) could only be cultivated in the Spice Islands of Indonesia until the early nineteenth century. This natural monopoly attracted merchants from all over the world to Southeast Asia.

Other peoples all over the world sold whatever they could to obtain these four goods (silk, porcelain, cotton, spices). Until the Japanese discovered major silver mines and adopted cupellation, they sold copper, sulfur, and swords to buy these things. The Manchus and Koreans sold ginseng, a medicinal herb, and conducted tribute trades with the Chinese. The Mongols and Tibetans sold their horses to the Chinese. The Russians sold fur. The Muslims in the Middle East conducted a middle man trade so they did not need specialty goods to enter this trade. Nevertheless, the Arabs had Arabian coffee (coffee was also sold by Ethiopians), the Persians produced their own silk along the Caspian Sea, and they gathered pearls from the Persian Gulf. The Africans sold gold, ivory, and slaves. And the British, Flemish, and French sold wool, while the Germans mined silver, and eastern Europeans sold fur. The Crimean Khanate, a Muslim kingdom, also periodically raided eastern Europe to capture slaves so that they could sell them to the Middle East.

---

6 K. N. Chaudhuri, *Trade and Civilisation in the Indian Ocean: An Economic History from the Rise of Islam to 1750* (Cambridge: Cambridge University Press, 1985) is a great book that covers much of this history. For cotton see, Sven Beckert, *Empire of Cotton: A Global History* (USA: Vintage Books, 2014). For porcelain see, Misugi Takatoshi, *Yakimono bunkashi* (Tokyo: Iwanami, 1989). A popular book on pepper is Marjorie Shaffer, *Pepper: A History of the World’s Most Influential Spice* (New York: Thomas Dunne Books, 2013). I have yet to find a good popular book on the maritime history of the silk trade. Most books focus on the Silk Road. 7 The story of coffee was a candidate to be included as a trade good. But its cultivation spread quickly (unlike tea) to the Caribbean, to South America, and to Java. For coffee see Usui Ryūichirō, *Kōhī ga mawari sekaishi ga mawaru: Kindai shimin shakai no kuroi ketsueki* (Tokyo: Chūōkōronsha, 1992). There is no simple definition of what constitutes a global trade good, but I have selected these ten based on their persistence as a trade good. However, there are two items that I chose to include despite the rapid spread of its manufacturing known-how, namely guns and opium.
The Atlantic Triangular Trade: Cotton, Guns, Slaves, Silver, Sugar

For roughly 300 years from the 1500s to the 1800s, the Atlantic Triangular Trade connected Europe with Africa and the Americas. Manufactured goods, such as guns and cotton cloth, were shipped from Europe to Africa, and then slaves were shipped from Africa to the Americas, and finally sugar and silver were shipped from the Americas to Europe completing the loop. Initially it was the Portuguese and the Spaniards that ran this trade but the Dutch, the French and the British entered this trade in the seventeenth century. By the eighteenth century, the British came to dominate this trade, and then they ended it (which is a major topic of importance).

Why was the Atlantic Triangular Trade created? There are multiple reasons, but the most important reason is that it was created to seize the wealth of the Americas in order to buy Asian goods. This reason needs to be emphasized. Before the Atlantic Triangular Trade, Europe was an economic backwater, cut off from direct trade with Asia. But the Europeans, like everyone else, wanted these goods from Asia. Among these goods, spices were in huge demand because spices not only made food taste better, but also because spices were also considered to be medicine. The only problem was that the Muslim rulers in the Middle East blocked Christian traders from travelling through their land.

This is why the Byzantine Empire which imported goods from the Middle East and then re-exported them to the rest of eastern Europe was rich, despite their shrinking size. (They also succeeded in making their own silk, starting in the 500s. Sericulture became a state secret in the Byzantine Empire.) This is also why Venice, which had a special exemption from the Papal ban

---

8 The Roman Empire had a direct route to Asia. As long as it controlled Egypt, it could send ships down the Red Sea to obtain goods from India directly. St. Thomas the Apostle is said to have used this route to spread Christianity on the west coast of India. The Mongol conquest of the Middle East temporarily broke this Muslim blockade.
on Catholics trading with Muslims, became extremely rich. Venice imported goods from the Middle East and then re-exported them to the rest of western Europe. When Italian city-states learned the secret of sericulture and produced their own silk cloths, these cities (such as Lucca, Genoa, Florence, Milan) also became wealthy in the 1400s as well. This flow of wealth into Italy supported the flowering of culture known as the Italian Renaissance.

Unfortunately for Spain and Portugal, their people did not have a major specialty product that they could sell to pay for the spices and other Asian goods. Instead the main goal of the Christian kingdoms of the Iberian Peninsula was to finish the Reconquista, a war to recover the lands lost to the Muslim Moors in 718 AD. The Portuguese, who had finished the re-conquest first, began to ply the oceans in the 1400s searching for gold in Africa and a possible maritime route to Asia so that they could directly buy the spices without paying for its inflated prices. The kingdoms of Castile and Aragon united to form Spain, and they finished their re-conquest on 1 January 1492. Later in the same year they subsidized an expedition to the Atlantic, seeking an alternate maritime route to Asia under Christopher Columbus.

The Iberians took to the seas to avoid the Muslim middle man because they had to. They did not want to spend their wealth to pay for the middle man in Venice or the Middle East and they hated the Muslims after fighting the Reconquista for over 700 years. Not surprisingly, when the Portuguese first arrived in the Indian Ocean, they came as pirates attacking Muslim ships and robbing their cargo. Eventually the Portuguese settled into the existing maritime trade network and connected Europe with Asia by rounding Africa. In effect, they extended the Old-World Trade by sea to Europe. Columbus after “discovering” the Americas, created a link between Europe and the America. The two most important ports were Cadiz, Spain and Veracruz, Mexico. This was an important route that connected a previously unconnected
continent to the Old-World Trade. Then in 1565, Spain created a path across the Pacific between Acapulco, Mexico and Manila, Philippines. Finally, the entire globe was linked through trade and globalization began.

This narrative explains why it was the Portuguese and the Spaniards that led the European Age of Discovery. And if the Italian Renaissance was partly supported by medieval Venetian trade, the Spanish and Portuguese Renaissance coincides with their hundred year dominance of maritime access to Asia and America.

The Atlantic Triangular Trade’s importance does not end with the Iberian Peninsula. In terms of Western history, it helps to explain the rise of capitalism, the spread of Protestantism, the emergence of racism, the shift in power from the Iberians to the Dutch and the British, and the importance of joint-stock companies. However, because this paper is on global history, I will not dwell long on all the above-mentioned topics. Instead we shall focus on trade.

One major impact of the Atlantic Triangular Trade was the Columbian exchange. Many Old World plants (such as wheat and rice) and animals (such as horses and cattle) were brought to the New World along with the people and disease. Also many of the foods domesticated in

---

10 For a long time it was mystery to me why the Italians or the British or the Scandinavians (peoples I associated with seafaring) did not led the Age of Discovery in Europe.
11 One broad definition of capitalism that I have stumbled upon comes from the treasury officials of the Tokugawa bakufu. “Western societies base their fundamental principles on profit and design their societies according to the laws of commerce, ultimately leading to the dismantling of the difference between the ruler and the ruled.” Tokyo daigaku shiryō hensanjo (ed.), *Dainihon komonjo: Bakumatsu gaikoku kankei monjo* (Tokyo: Tokyo University Press, 1930), vol. 15, no. 158. In other words, capitalism is “money-ism” where the most important thing is greed. The idea that greed is good was revolutionary. Medieval Europe, which was a Christian society, rejected that idea. The Islamic world, the Hindu world, the Confucian world, and the Buddhist world, all also rejected this idea that greed is good. In fact, every major world religion has argued its opposite and called for greed to be placed under restraint.
12 I will address racism within this section, but address the others in the section “Changes in Europe from 1500 to 1800.”
the Americas spread to the rest of the world. Potatoes, tomatoes, maize, paprika (hot peppers), pineapple, chocolate, rubber, etc. are all native to the Americas but are cultivated globally. This exchange of people, diseases, plants, and animals led to tragedy but also to rising agricultural production throughout the world. In countries like China for example, after the 1500s there was rapid population growth thanks to these new crops. The population of China almost tripled, going from an estimated population of around 100 million to around 300 million by 1800. In Europe, the Irish peasants became famous for cultivating potatoes because the English lords took their wheat as rent for export. And in the Americas, the introduction of horses led to the emergence of a new Native American horse riding culture.

Now let us turn to the specific goods traded. The first is silver. The Spanish conquerors discovered silver mines in their colonies (in central Mexico and at Potosi, Bolivia) and so shipping the silver back home became the most important goal of the Spanish colonial authorities. That silver flowed into Europe sparking further commercialization and causing inflation. Italian bankers working for the Spanish Crown also received this silver. Once that silver arrived in Italy, some was used to purchase goods from the Middle East. Thus, silver flowed from the Americas to Europe to the Middle East. As long as the Ottoman Empire received silver from Europe, it could conduct its traditional trade and import spices, cotton cloths, silk goods, and porcelain from further east. Some of the American silver went directly to Asia across the Pacific to Manila. At Manila, the Spaniards exchanged the silver with Asian goods brought over by mostly Chinese merchants. Other silver mined in Spanish America, fell into the hands of the Portuguese who had the rights to sell African slaves to the Spanish colonies (this right was called the Asiento), and the Portuguese used this silver to buy cotton cloth in India. This cloth was then shipped back to Portugal and from there reexported to Africa to purchase the slaves. In the end, a
significant portion, probably over a majority, of this American silver ended up in China and India. Thus, silver led to (re)commercialization in not only Europe but also India and China. Silver was the first global trade good that had a major impact on many societies across the face of the earth.

The next two trade goods are cotton cloth and guns. In the 1500s the Europeans did not make much cotton cloths (or silk cloths), instead they made linens and woolens. Thus the Portuguese who first arrived in Africa sold whatever they could in the early years to buy African gold: wheat, copper, horses, and other goods. Once the Portuguese traders realized that a large demand for slaves existed in the New World colonies, they sought to buy as many slaves as they could. However, the Africans did not demand woolens (obviously) and made their own linens. The West Africans did buy cotton cloth from India in large quantities from foreign merchants. Fortunately, the Portuguese had discovered a sea route to India in 1498, and became the first Europeans to have direct maritime access to India. The other Europeans established their direct maritime routes to India a hundred years later. This meant that for a hundred years the Portuguese merchants were the only people who could bring Indian cloths to Africa and buy African slaves, and then ship them to the Americas. The Portuguese also brought cowrie shells found in the Indian Ocean to West Africa and purchased slaves because the shells were considered money in West Africa. The rewards were immense. It also caused a massive inflation in shell denominated goods.¹⁴

After one hundred years of Portuguese maritime dominance, Dutch, English, and French traders plied the seas to compete against the Portuguese and buy slaves on the African coast from African sellers. When the Dutch, English, and French finally got access to the Indian Ocean and thus Indian cotton cloth, they too became slave traders. The English East India Company’s gradual conquest of India reverberated to Africa. Once Britain could buy more Indian cloth than the Portuguese or the Dutch or the French, they could sell that Indian cloth to the Africans and establish British dominance over the cotton trade and the slave trade in Africa. Perhaps more importantly, the British also began to undergo import substitution of cotton cloth in the eighteenth century. This transformed not only Britain but also the global economy as it directly led to the Industrial Revolution and the mass production of cotton cloth in Britain.

Another major product sold in Africa to buy the slaves was guns. However, the history of guns is important not just to the Atlantic Triangular Trade. Gunpowder traces its origin to China where it was employed as fireworks. The Mongols used gunpowder to make grenades and eventually the musket emerged in many places throughout the world with local variations. The Portuguese began exporting guns to Africa early and continued to do so, despite a Papal ban. The British exported to West Africa 283,000-394,000 guns per year from 1750 to 1807 in exchange for slaves.\footnote{Reader, 417.} Gun were important for at least two reasons. One, it ensured that the African kings would continue the slave trade. Any African king who refused the slave trade for whatever reason could not import as many guns as his slave-trading rival. Once kings recognized the importance of guns in maintaining their power, very few would end the slave trade. Two, the flood of guns into Africa meant that any potential European conqueror would not only face disease, but also heavily armed native resistance. I believe this factor has been
underplayed in explaining the lateness in the European colonial conquest of Africa. African kingdoms would maintain their independence longer than in other parts of the world.

If there was any hope for Africa to avoid the slave trade it lay with the possibility of manufacturing its own guns. Here the story of Japan is illustrative.16 Japan encountered guns for the first time in 1543. Unlike African kingdoms, Japan began to produce its own guns immediately thereafter. Considering that a gun is a hollow metal rod, as long as one had metallurgy, it must not have been that difficult. After all, the Chinese, the Southeast Asians, the Indians, the Middle Easterners, and Europeans could all make guns. So what prevented the Africans, who had metallurgy, from manufacturing their own guns? My tentative conclusion is gunpowder. The Africans probably did not have the ability to create their own gunpowder. Gunpowder is created by mixing sulfur, charcoal, and saltpeter. The first two is relatively easy to obtain but the last is difficult. Unless there are deposits of saltpeter (as they existed in India, China, and the Middle East), one must make saltpeter. This knowledge of making saltpeter from decaying organic matter (in other words manure) may not have existed in Africa or even if it had existed, the population density may have been too low to support the creation of saltpeter. (Japan was able to create its own gunpowder.) The story of guns is important because Africa was the only major locale where guns were imported in large quantities. Every other locale created their own guns, and presumably their own gunpowder, so that they did not have to import them. African kings’ dependency on imported guns prevented them from ending the slave trade.

The last two trade goods are slaves and sugar. The tragic story of slaves is relatively well known. Starting in the fifteenth century, Portuguese merchants began buying Africa slaves. The key word here is “buy.” The Africans sold slaves to the Portuguese. This is because slavery was

---

a common practice in Africa for hundreds of years. West Africa had been selling slaves to Muslim merchants crossing the Sahara. East Africa sold slaves to the Middle East and India. (One of these East African slaves is the famous Yasuke who served Oda Nobunaga.) When African kings went to war and defeated their enemies, often the prisoners of war were sold into slavery. If a person had committed a crime, the punishment could be slavery. Sometimes African raiders would raid nearby villages and capture people to sell into slavery. And if someone simply had debts, he could sell himself into slavery or sell his wife or children into slavery. In the African context, the redeeming feature was that once a slave was bought, he or she was integrated into the local community and rarely resold. This meant that if a slave had children the children were considered free.¹⁷ (In Islamic law a baby born as a Muslim cannot be enslaved so one of the first things African slaves did when they were sold to Muslim countries was to convert to Islam.)

The story of the Kingdom of Kongo is illustrative of the impact of the slave trade. The Kingdom of Kongo first encountered the Portuguese in 1483 and it was one of the first kingdoms to convert to Catholicism. However, by the time of King Afonso I of Kongo (1506-1542/43) some Portuguese merchants were kidnapping and tricking free Kongoleses and transporting them to the Americas to sell as slaves. King Afonso I immediately sent agents to buy back those he could and restored their freedom. He also wrote a letter to the King of Portugal asking to put an end to this but was ignored. The Kingdom of Kongo responded by intensifying its wars on the eastern frontier and selling more prisoners of war to satisfy the Portuguese. However, the local Portuguese merchants were not satisfied with this supply of slaves. This conflict between the Kongoleses who wanted to control the trade, and the Portuguese who simply wanted as many as

¹⁷ Reader, 291-297.
possible would result in many wars between two. Because the Kongolese had guns and more men, they had the upper hand, but they could not expel the Portuguese. In the seventeenth century, the Kongolese government could not resist the temptation of the lucrative slave trade and many crimes became punishable by enslavement to increase the number of slaves. When the King of Kongo died in combat against Portuguese forces in 1665, a civil war that lasted until 1709 broke out in the Kingdom of Kongo. This civil war fatefully weakened the King of Kongo and various lords continued to fight each other, selling their defeated rivals into slavery. The history of Kongo is a cautionary tale. After selling their enemies, the elites of Kongo then began to sell their own people, and finally they sold their own country. In 1857, the King of Kongo became a vassal of Portugal, and in 1885 most of the kingdom became part of Angola, a colony of Portugal.\(^\text{18}\)

The Atlantic Triangular Trade shipped the slaves to the Americas and there, there was no redeeming feature. The sugar plantations of the Caribbean and Brazil were places where the slaves were worked to death. Even if a slave survived, and had children, the children remained slaves. The Catholic Church had been against slavery for most of the Middle Ages. After all when Muslim raiders abducted Christians in the Mediterranean, the Catholic Order of Mercedarians went to North Africa to buy back Christian slaves. Thus this reintroduction of slavery into Western society was a jarring event. The story of Bartolomé de las Casas is illustrative.

Bartolomé de las Casas went to the island of Cuba to help conquer the island in 1502. There he saw how his fellow conquerors mistreated the native population; the natives were enslaved and cruelly tortured because the Spaniards at the time thought the natives did not have a

soul. By 1515 de las Casas had become a member of the clergy and had changed his mind. He returned to Spain to ask the king for an end to the cruelty. Eventually the Catholic Church and King Carlos I of Spain (also known as Charles V of the Holy Roman Empire) agreed, the natives were born free and should not be enslaved. Ironically, de las Casas argued that African slaves, baptized as Christians should be imported to the Americas because as fellow Christians they would be treated better than the non-Christian natives. However, once de las Casas saw the treatment of African slaves, he realized his mistake and began to call for the end of slavery itself.¹⁹ In others words, the moral voices within the Catholic Church knew that slavery itself was wrong, even as far back as the sixteenth century.

So then why did slavery continue in the West? To answer this question, we need to examine the fifth and last trade item in the Atlantic Triangular Trade, namely sugar. Sugar was the other major trade item that came from the Americas and enriched Europe. If silver flowed mostly to Asia, sugar was sent to Europe and mostly consumed there. The insatiable demand for sugar meant that the sugar plantations desperately needed laborers.

Initially the laborers came from Europe as indentured servants. But once Europeans realized that working at a sugar plantation meant that one would most likely die before the years of service was over, European immigration to the sugar plantations ceased. The shortfall was filled with African slaves for slaves had no choice in the where they would be sent. Thus, a total of around 11 million African slaves would arrive in the Americas. Of these, the vast majority ended up in Brazil and the Caribbean where the sugar plantations were. Only around 5% of the

slaves ended up in the British North American colonies and less than 2% ended up in Europe. These African slaves in the sugar plantations, like the European indentured servants, also died quickly from overwork. But the sugar plantations produced enough profits that could afford new slaves as a replacement. In short, the profits from sugar bought African slaves. In British North America (the future United States), the slaves were treated comparatively better and could multiply because they were expensive and their masters could not afford to overwork them. In other words, British North America succeeded in the “import substitution” of slaves.

Let us return to the moral question, was it ok for a Christian community to maintain slavery? Medieval Europe agreed that slavery for wrong for Christians. De las Casas argued that slavery itself was wrong. How can it be ok to maintain Christian slaves in the sugar plantations? To answer this question racism emerged: Black people by the virtue of their skin color are inferior and could be enslaved. This new form of bigotry was new and it grew stronger with many addendums until the twentieth century. “White people are not only superior to Black people, they are superior to all others: Brown people, Red people, Yellow people. Thus it is proper for White peoples to rule over other the Earth.” People invented pseudo-scientific reasons to support this claim. “Black people are genetically inferior.” And some people still believe in this bigotry to this day. To be fair, bigotry has always existed but they were bigotry based on culture (as in the ancient Greeks or the Chinese) or religion (as in the Medieval period) and could in theory be overcome. Racism was not only new, it was also a form of bigotry that could not be overcome by individual effort or a religious conversion.

---

The importance of the Atlantic Triangular Trade can be easily understood from the large impact it had on economies, societies, and ideologies in the West and Africa. However, from the overall perspective of global trade, we must not forget that it was a junior partner to the older and richer Old-World Trade.

Changes in Europe from 1500 to 1800

Massive changes overtook Europe during this period. In terms of religion, Protestantism emerged. In terms of economy, mercantilism and imperialism emerged. And in terms of politics, the center of power and culture shifted from northern Italy to Spain, and then from Spain to the Netherlands, and then to France and finally to Britain. Each of these ideas can be explained in the context of global trade.

The story of the Protestant Reformation usually starts with Martin Luther but in this paper, I would like to point out that the most dynamic and most popular form of Protestantism was not Lutheranism nor Anglicanism but rather Calvinism. Calvinism started with Jean Calvin and his adherents in France became known as Huguenots. In the Netherlands, they formed the Dutch Reformed Church. In England, they became known as the Puritans. In Scotland, they became the Presbyterians. And in America, the Baptists and the Evangelicals trace their religious lineage back to the Dutch Reformed Church. Thus, I believe it is more important to understand why Calvinism became so popular. My answer is that Calvinism provided a religious justification for its believers to work hard and accumulate wealth. In other words, the Calvinists wanted to know if they were selected by God to go to Heaven, and the only way for them to know was worldly success through hard work. This religious belief changed Jesus Christ’s original message, that it was the poor who were saved and that the rich would have extreme
difficulty in entering the Kingdom of God. As capitalism emerged, and a few individuals gained wealth from long distance trade, people wanted to join their ranks and also a religious assurance that devoting your life to earn wealth was not a sin. This is one of the reasons why I believe the Catholic Church was not able to defeat this “heresy.” To be fair, according to Calvinism this wealth should not be displayed ostentatiously and this wealth should be used for the betterment of the community. If Max Weber argued that the Protestant work ethic helped make capitalism, then I would argue the reverse, capitalism made people want to believe in the Protestant work ethic.

Along with the rise of capitalism and its mindset among the ordinary people, governments also began to think like capitalists and focused on garnering wealth. The Spaniards and the Portuguese were happy with the trading system as they had set it up. The Spaniards had their silver mines and the Portuguese had a monopoly control over the maritime trade with Asia and thus could charge other Europeans whatever the Venetians were charging (without paying for the inflated prices the Muslims were asking from the Venetians). However, the other European governments were unhappy. Even after the Dutch, the English (British), and the French broke into the Asia trade around 1600, they faced a serious problem. As mentioned earlier, the Asians (and Africans) did not want their main product, woolens. The main thing the Asians took was silver, but selling silver to Asia for Asian goods meant that the precious silver that they had would diminish over time. In an age when silver and gold was money, this was disastrous.

Thus, mercantilism was born; to buy as little as possible from overseas and to sell as much as possible overseas. The first European country to theorize and implement mercantilism

22 Especially if that hard work to earn wealth was the slave trade.
was France under Jean-Baptiste Colbert (chief minister to Louis XIV from 1661 to 1683). A positive balance of trade would lead to silver and gold flowing into the country. To accomplish this, they fostered the French silk industry centered at Lyon, the French cotton industry centered at Marseilles, and the French pottery industry centered at Quimper. The French silk industry succeeded and eventually dominated the European silk cloth market. The French cotton industry was not as lucky. The French silk and woolen industries in central and northern France feared competition from cotton products and petitioned the king to terminate support for the cotton industry. Since cotton cloth could not be made within France, the monarchy simply decided to ban it. The Faience pottery the French made was also not true porcelain like those made in China. Others, the Italians, the Dutch, the English also failed to replicate porcelain. The Germans in Meissen were the first to make true hard-paste porcelain in 1710 and thus became the leading porcelain makers of Europe. The French and English would follow suit in the 1740s once a French missionary in China sent back detailed reports on how to make porcelain, and faience finally became porcelain in 1768. In this way, three of the four imports from Asia were resolved.

For imports from the Americas, instead of importing sugar from the Portuguese or Spanish colonies, the French conquered a Caribbean colony, namely Haiti, and produced their own sugar. Haiti also produced tobacco and coffee so that they no longer needed to import tobacco from British colonies, or coffee from the Middle East. Tea drinking, which was popular at one point, was problematic for France. Despite repeated attempts, the French failed to domesticate the tea plant, and could not grow them in France or its colonies. Thus tea and certain spices such as nutmeg, mace, and cloves had to be imported from China and Southeast Asia.

---

23 Parthasarathi, 138.
24 Misugi, 38-41, 46-47.
Asia. In the end, the French drank more coffee than tea, and in this process of mercantilism, Haiti became the richest colony in the Caribbean, producing wealth for the plantation owners (and misery for the slaves).25

If mercantilism was started by the French, imperialism was initiated by the Dutch and perfected by the British. The Dutch did not theorize economic imperialism but practiced it before Colbert. They realized that if they could not domesticate the spices, then they could simply conquer the producers and seize the spices. By the 1640s, the Dutch East India Company (the Vereenigde Oost-Indische Compagnie, the V.O.C., founded in 1602) conquered the most important Spice Islands and burned all the nutmeg trees in the other Spice Islands that they did not control. By 1684, the V.O.C. had a global monopoly on spices. Reaping enormous benefits from this global monopoly, the Dutch defeated their rivals, slowly conquered the rest of the Indonesian archipelago, and introduced other cash crops such as tea, coffee, cacao, sugar, indigo, rubber, and opium as part of their plantation economy in Java. The acquisition of products unavailable in the home country became one clear goal of imperialism and could easily marry with mercantilist policies.26

The British perfected imperialism in recognizing that the colonies exist to provide unavailable products in the home country and that the colonies exist as markets for the manufacturing goods the home country produced. The English had focused on cotton cloth making after the “calico craze” of importing massive quantities of Indian cotton cloth in the 1670s. To stop the silver from flowing out of the country, the English government increased

26 In 1621 the inhabitants of Banda Island were wiped out, except for a few who presumably knew how to grow the spices. The survivors were enslaved. The Dutch also wanted to prevent the natives from trading with others or to grow their own food. They wanted to keep the natives dependent on food the V.O.C. imported from Java. C. R. Boxer, The Dutch Seaborne Empire, 1600-1800 (London: Penguin, 1991), 105-112.
tariffs and tried to nurture its own cotton cloth industry; in 1690 parliament added a 20% tariff to an existing 7.5% tariff. When this failed to reduce imports, parliament passed a ban on imports of calico, or Indian cotton cloths. Only cotton cloths destined for re-export and cotton cloths dyed in blue indigo were allowed in after 1721. (They needed Indian calico to buy slaves in Africa.) This protectionist barrier encouraged production of cotton cloths in Britain. The problem was to find the customers for this initially second rate product. After all someone needs to buy the inferior British cotton cloths until the industry matures and produces cotton cloths that were equal in quality to Indian cloths. Initially the population in Britain served as the customers, but once production began to ramp up in the 1760s with the inventions in machinery, further outlets were necessary.

The North American and Caribbean colonial markets, populated with British immigrants, proved ideal as further outlets. Bound by British law, these colonists had no choice but to buy British cotton cloth. This policy of protection continued through the rest of the eighteenth century. When the American colonies became independent, the British government replaced American demand with Indian demand by selling British manufactured cloths in newly conquered British India. Meanwhile competition with Indian calico in West Africa spurred British manufacturers to improve the quality of their cloths. By 1800 British cotton cloths were cheap, close in quality to Indian calico, and mass produced with a need for customers. This is the other goal of imperialism, to capture markets to sell the products made at home.27

Of course, to maintain imperial rule as cheaply as possible the imperial powers employed a third party. In places such as Indonesia, Philippines, and Burma, the ruler often brought in foreigners. The Dutch hired overseas Chinese to help them run the plantations in Java, the

27 For this paragraph and previous paragraph. Parthasarathi, 89-114, 133-138.
Spaniards relied on the overseas Chinese as artisans in Manila, and the British imported overseas Indians to Burma to work on various plantations. In places such as India and Africa, the imperial powers often relied on educated locals. The British recruited educated Indians who graduated from the universities they created and passed the Indian Civil Service Exams to help them govern India. The French relied on educated Africans who spoke fluent French to govern their colonial holdings Africa. These two methods were not exclusive to each other, but this was the general pattern.  

Thus after 300 years of the Atlantic Triangular Trade, the European countries discovered the tools necessary for economic enrichment: (1) mercantilist ideas and import substitution as its main policy, (2) acquisition of products unable to be substituted, and (3) capturing markets for products made at home. The fact that Britain also discovered steam power and industrialization only enhanced the economic power of Europe after the nineteenth century.

These changes in turn help us explain the shift in political power. Spain was the dominant power in the sixteenth century, primarily from the flow of American silver. That American silver was all spent on various religious wars, namely the war to conquer England (the Spanish Armada), war against the Dutch Protestant revolt, intervention in the French Wars of Religion, and of course the Thirty Years’ War. Fighting and aiding in all these wars pushed the Spanish Crown into bankruptcy numerous times, and by the time the Thirty Years’ War was over...

---

28 A different type of colonial rule was one in which the goal was not to extract wealth as much as transforming the locals into loyal subjects. Spanish and American rule over Philippines, and Japanese rule over Korea and Taiwan fit this bill. In these colonies, primary education (where the imperial language was taught) was emphasized, religious conversion was highly encouraged, and the names were changed. In the Philippines, the natives had to adopt a Spanish family name (unless they were aristocrats). In Korea, the natives were encouraged to adopt a Japanese family name as well. Because of these “uneconomical” policies, this type of colony inevitably lost money and did not generate income for the imperial power. In contrast, places like India and Indonesia (where profit was the most important thing), had no public primary schools and relatively little effort by the imperial powers to influence the local culture.
Spain would no longer be the most powerful country in Europe. That title would go to the Dutch Republic, a Republic that fought a war of independence against Spain for eighty years. During that war they would engage in piracy against the Spaniards in the Caribbean while trading with Spain via Hamburg. The Dutch also had no compunctions in selling to both sides during the war of independence. All these activities brought Spain’s silver into Holland. This seed money supplied the Dutch East India Company and they seized a monopoly on spices.\textsuperscript{29} Thus, the Dutch Golden Age spans most of the seventeenth century with wealth from the most profitable organization of the seventeenth century suffusing Dutch society.

The creation of a successful joint-stock company was a major event.\textsuperscript{30} Before the joint-stock company, there was no organization dedicated to making money. Previously, there were individuals and partnerships dedicated to making money, but no institution that could survive longer than a human lifespan was dedicated to making money. As these money-making companies multiplied and became more influential, societies inevitably became more capitalist. Today this form of organization dominates the global economy and the capitalist spirit of “profits above all else” pervades the world.

The eighteenth century, however, did not belong the Dutch. Instead it was century of conflict between the French and the British. France was the most populous country in Europe at


\textsuperscript{30} Timur Kuran argues that the Middle East lagged behind the West because Muslim societies did not adopt the company as an economic organization. Muslims were content with the partnership system available under Islamic Law (which ironically was better than the what other peoples had in the Middle Ages). Timur Kuran, \textit{The Long Divergence: How Islamic Law Held Back the Middle East} (Princeton: Princeton University Press, 2011). Chaudhuri also makes an important point that the East India Company not only conducted trade but also issued stocks and bonds and thus contributed to public finance making the British economy more resilient. K. N. Chaudhuri, \textit{The Trading World of Asia and the English East India Company 1660-1760} (Cambridge: Cambridge University Press, 1978), 412.
28 million in 1789 (even more populous than Russia). If France could generate a continuous positive balance of trade, France could easily emerge as the most powerful country in Europe. But Britain, with a population of only 10.5 million in 1801, challenged France. The kingdoms of England and Scotland had unified under a single monarch after the death of Elizabeth I in 1603 and become Britain. However, the union led to new conflicts between the monarch and parliament. In 1688, the issue was finally decided in favor of the Parliament, and fatefully the British Parliament invited a Dutch prince to become the King of Britain. Then William IV, originally from the Netherlands, encouraged the merchants of Amsterdam to move to London as he had. Instead of focusing on the Dutch navy, William IV expanded the Royal Navy of Britain. With this, Dutch economic power transferred to Britain. Britain gradually and strategically expanded its empire and challenged France throughout the eighteenth century. When the wars between the two countries were finally over in 1815, the answer became clear. Britain, which practiced import substitution, acquired colonies to gain products unable to be substituted, and captured colonial markets for products made at home, would be the dominant nation in the nineteenth century.

Changes in the Indian Ocean World from 1500 to 1800

The sixteenth century, the beginning of this period, saw many changes in the Indian Ocean World. Perhaps the most important was the arrival of the Mughals from Central Asia. Claiming to be descendants of the Mongols, Babar (r. 1526-1530) and Akbar (r. 1556-1605) conquered most of India. These Mughal rulers could simply tax the Indians to consume the important trade goods the world had to offer. As long as the Indians produced enough cotton
cloth, they could also get the spices, silk, porcelain and sugar. India and Southeast were the first places to cultivate sugar cane, and they could always import coffee from the Middle East.

However, the Mughal Empire had a major contradiction that it could not resolve. It was a Muslim empire ruling over a primarily Hindu people. Akbar tried to solve it with his famous policy of religious tolerance. But his great-grandson Aurangzeb (r. 1658-1707) was a pious man who rescinded the policy of tolerance. Therefore, when Aurangzeb died, the empire which had united almost all of India fell into a series of civil wars. In this chaos, many local lords gained effective independence, and the British and French East India Companies began to compete for supremacy in India. The key battle came in 1757. At Plassey, the British defeated an important French ally, the Nawab of Bengal, and forced the nominal Mughal Emperor to accept British rule in Bengal. During the last Anglo-Mysore War the British East India Company and its ally, the Nizam of Hyderabad, killed Tipu Sultan (r. 1782-1799), a former French ally, in southern India. This marked the end to any hopes for a government-led Indian import substitution and scientific advancement. Tipu Sultan, like his father Hyder Ali (r. 1761-1782), had tried to learn from Persians, the Ottomans, and the Europeans to pursue import substitution and strengthen his state. But the lynchpin of this enterprise, the royal library, was destroyed after Tipu Sultan’s defeat.\textsuperscript{31} By the beginning of the nineteenth century, India fell to the British and without political independence its economy would serve the interests of Britain.

The second most important change of the sixteenth century was the arrival of the Portuguese to the Indian Ocean. As stated earlier, when they first arrived they were pirates. But under Afonso de Albuquerque (1453-1515), the Portuguese sought to control the spice trade of the Indian Ocean. In the east, the Portuguese conquered Malacca in 1511 (and held it until 1641).

\textsuperscript{31} Parthasarathi, 198-201.
This was the choke point through which the spices of the Spice Islands passed to enter the Indian Ocean. In the center, they conquered Goa in 1510 (and held it until 1961). This Indian port became the headquarters of their empire in Asia. In the west, they conquered Muscat at the entrance of the Persian Gulf in 1515 (and held it until 1650). And finally, he sought to take Aden at the entrance of the Red Sea. If they held the important choke points, the Portuguese could dominate the flow of spices.\(^\text{32}\)

In order to take Aden, Albuquerque sought to sign an alliance with Prester John a legendary Christian king that was supposed to rule a powerful kingdom in Africa. As it turns out, there was an old Christian country in East Africa, namely Ethiopia. The Portuguese managed to forge an alliance with the Ethiopians because the Ethiopians had lost their access to the Red Sea to the Muslims after the eighth century and they had wanted to recover their access to the seas. However, this alliance between the Portuguese naval forces and the Ethiopian army was unsuccessful in conquering Aden. The Mamluks of Egypt defended the town when Albuquerque sent his navy in 1513. For the Ethiopians, the alliance proved successful initially as they were able to recover from a devastating defeat brought on by the Muslims. But in the long run, this alliance was disastrous because the Portuguese brought with them Jesuits. The Jesuits convinced the Ethiopian imperial family to convert from Eastern Orthodoxy to Catholicism in 1624 and this caused religious strife within Ethiopia. By the time the Ethiopian emperor expelled the Jesuits and restored the state religion to Eastern Orthodoxy in 1632, the damage had been done and Ethiopia chose to isolate itself from the rest of the world (the Ethiopian version of sakoku).\(^\text{33}\)


After the Ottoman Empire conquered Egypt in 1517, the Ottomans also realized that their trade route to Asia could be cut off by the Portuguese and formed a coalition of Muslim states that stretched from Ottoman Egypt to the Red Sea coast to the Horn of Africa and ultimately to Aceh in northern Sumatra Island. This war between the Christian kingdoms and the Muslim rulers lasted for most of the sixteenth century, and it ended in a Muslim victory. Although Ethiopia was able to temporarily take the coastal areas along the Red Sea, the Muslim forces prevented Portugal from conquering a port at the entrance of the Red Sea and maintained a lifeline to Aceh. Moreover, the rulers of Aceh, recognized their vital importance in supplying the Middle East with spices and focused on the production of black pepper. Until the nineteenth century the Sultanate of Aceh provided the spices to the Islamic world.³⁴

This seeming victory by Muslim forces in the Indian Ocean was not enough to stave off the decline of the Ottoman Empire. The Ottoman Empire acted as a middle man for the trade between Asia and Europe. Starting in the seventeenth century, however, the British East India Company and the Dutch East India Company began to seize control over the trade between Europe and Asia. By the eighteenth century three of the four Asian products (silk, cotton, porcelain) were also being produced inside Europe. In other words, the wealth of Europe stopped flowing to the Middle East. Without the flow of silver into the Ottoman Empire, the silver continued to drain eastwards. Silk, porcelain, cotton, spices, all these goods had to be paid for by silver and the silver drained out of the Ottoman Empire. By the end of the eighteenth century, Indian merchants in Egypt were complaining that there was not enough silver for them

to be able to export to Egypt. The Ottoman Empire declined economically in the eighteenth century, before it weakened politically in the nineteenth century.

Changes in East Asia from 1500 to 1800

The Mughals of Central Asia conquered India and took its wealth. They were following a precedent set by their ancestors: the Mongols. The Mongols conquered the world, including China, and took its wealth. But by 1368, the Chinese forced the Mongols out and regained their land, founding the Ming dynasty (1368-1644). The Mongols, however, did not give up and continued to raid China for they wanted the silk, the porcelain, the cotton, and the spices. After a major Mongol victory in 1449, the Ming government decided to build a long stone wall along the northern border. This is the famous Great Wall of China. Once this wall was built, the Ming dynasty did not have to worry about a northern invasion. The Mongol soldiers might be able to climb ladders and cross the Great Wall, but the horses could not. And a Mongol army without its horses was not a major threat.

Thus, the northern border of Ming China was at peace by 1500 and the country’s main problem was economic. For a country that had mastered cotton cloth production by the sixteenth century and only required spices to be imported, this may seem strange. However, there was simply not enough gold or silver or even copper to make enough coins for the Ming economy. This lack of precious metals was not new. Ever since the eleventh century China had to rely on paper money. But with the excessive printing and hyperinflation that came at the end of the Song dynasty (960-1279) and at the end of Mongol rule (1234-1368), there was little trust in paper money by the time of the Ming. China desperately needed more precious materials.

Therefore, the influx of silver from two sources were critical to the re-commercialization of China. Columbus’s discovery of the Americas in 1492 and the subsequent shipment of American silver to China for Chinese goods was one source; the adoption of cupellation in Japan and the export of Japanese silver to China was the other source. With the massive amount of exports (in silk, porcelain, and even cotton cloth), Ming dynasty China imported vast amounts of silver. And this silver in turn enabled China to commercialize. The implementation of the Single Whip Tax in the 1590s is the proof that China commercialized. The tax ordered each household to pay its taxes in silver, meaning that even a peasant had access to markets and could get a hold of silver.36

Ironically this demand for trade generated piracy. Ever since the founding, Ming policy fused politics and trade. In other words, only officially sanctioned merchants could trade with China. The Ming demanded that each “barbarian” country practice kowtow, a symbol of subservience to the emperor of China. By acknowledging the superiority of the Chinese emperor, foreigners could trade. In practice this meant that foreigners when presenting tribute would usually receive multiple times more in return gifts from the one true ruler of the civilized world, the Son of Heaven. It also meant that the Chinese emperor could order “barbarian kings” to cease attacking China or each other and maintain the peace. In effect, Ming China was buying peace from its neighbors. However, once merchants realized that there was an insatiable demand for silver inside China and that there was an insatiable demand for Chinese goods outside of China, non-official merchants also wanted to engage in trade. As these private traders were breaking the law and engaging in “smuggling” these men were “pirates.” This is the reality of

36 Most of the silver that entered China was stored in pawnshops according to Kent Deng. Kent Deng, “Foreign Silver, China’s Economy and Globalisation of the Sixteenth to Nineteenth Centuries,” (Global History and Maritime Asia Seminar’s Working Paper No. 4) Jan. 2007.
the so-called *wakō* (Japanese pirates) of the sixteenth century. Naturally the majority of these “Japanese pirates” in the sixteenth century were Chinese, including the leaders, and only about 10-30% were Japanese. This reality forced the Ming government to allow Chinese traders to leave the country and conduct trade freely abroad.

By the end of the sixteenth century, however, several problems emerged for Ming China. One was the decline in officials who knew how to handle rural problems. Before the commercialization, children from one of two classes, landlords or officials themselves, passed the Civil Service Exams and became government officials. The children of officials knew how the government functioned and the children of landlords knew how farming worked. In a country where over 90% of the population was rural, people who knew how farming worked was necessary. With the rise in commercialization, children of merchants who studied Confucianism could pass the Civil Service Exams and become government officials. With commercialization, many landlords abandoned their ancestral homes and became absentee landlords living in the entertaining cities. These officials did not know life in the countryside. And when droughts, floods, locusts, disease, and famine struck the countryside, these urbane officials were not as capable in responding effectively. When the Little Ice Age stuck the globe in the early seventeenth century famines became endemic in China and as a result peasant rebellions sprang up everywhere.

Another major problem were the wars that the Ming dynasty had to fight. From 1592 to 1598, Toyotomi Hideyoshi (1537-1598) invaded Korea and as Korea’s suzerain the Ming had to send an army to battle against the Japanese. Two decades after this war ended, in 1618, Nurhaci (r. 1616-1626) declared war on the Ming and war erupted between the Manchus and Ming China.

---

37 Tanaka, 111-115, 168-176. The pirates of the 14-15 centuries were also a mixed lot, but the majority was probably Japanese.
The Great Wall was effective in blocking the Manchus, but Nurhaci’s son Hong Taiji (r. 1626-1636) forced the Korean to submit as vassals, incorporated the Chinese living north of the Great Wall as his infantry and artillery, and forged an alliance with the Mongols to create a superb cavalry.

After failures to deal properly with the famines of the 1630s and 1640s and the high taxes, the Ming dynasty in 1644 collapsed from an internal rebellion. With this, the Chinese general defending the Great Wall, opened the gates and allied with the Manchus to crush the rebellion. The Qing (1644-1911) successfully defeated the rebels, then defeated the Ming loyalists and conquered China over the next four decades. Like the Mughals of India, they discovered that they could now tax the Chinese and take the global trade items that they had sought: silk, porcelain, cotton, sugar, guns, and only needed to trade their extra for the spices and silver. This conquest dynasty, of which perhaps 1% of the total population was Manchu and 90% were Han Chinese, maintained itself through a policy of diarchy. Half of the officials who ruled the Chinese parts of the empire were Chinese and the other half of the officials were Manchus. By adopting Confucianism and the Civil Service Exams, the Qing dynasty gave the elite Chinese a chance to participate in government as its Chinese officials. Most of the Manchus were stationed in garrisons in strategic locations across China and Manchu officials were chosen from among them. Under diarchy, Manchu and Chinese elites had a stake in this government and the Qing became a lasting empire. The native religion of the Manchus, Buddhism, helped the Qing maintain its power in the non-Chinese parts of their empire, namely Manchuria, Mongolia, Central Asia, and Tibet. Once the emperor became the patron and student of the Dalai Lama, it became easier for the Qing to gain the loyalty of the Mongols and Tibetans who revered the Dalai Lama.
Unlike African countries, the Qing forbade the slave trade. Unlike the Ottoman Empire, the Qing did not have a trade deficit; instead it had an influx of silver. Unlike the Mughal Empire, the Qing did not suffer from an internal religious divide. Unlike many Southeast Asian countries, the Qing defeated all rivals who attacked them (including the Russians from Siberia) until the nineteenth century. Finally, after its conquest of China in 1683, the Qing designated four major ports as centers of foreign trade. Ningbo for the Japan trade, Fuzhou for the Ryūkyū trade, Amoy for trade with Southeast Asia, and finally Canton for Muslim and Christian traders. Under these circumstances, it is not surprising that the period of High Qing (1661-1795) is usually considered one of China’s Golden Ages.

The political story of Japan is a transition from a period of Warring States (1477-1603) to a stable period ruled by the Edo Shogunate (1603-1868). In terms of cross regional analysis there are many interesting stories: the rise of “pirates” along the China coast; the vibrant trade between Japan and Southeast Asia; the arrival of Portuguese with their guns and Catholicism; Christian daimyo (samurai lords) sending envoys to Rome, a war between Toyotomi Hideyoshi’s Japan and Ming China with Choson Korea; and the eventual elimination of Christianity from Japan and the closing of the country in the 1630s. But for this paper, I shall not discuss them.

In this paper, I want to emphasize that Japan in the sixteenth century had an open trade on the periphery like Europe and Africa. And like Europe and Africa, Japan had to sell its silver and gold to buy Chinese silk cloths, Chinese porcelain, Chinese and Indian cotton cloths, and of course Indian and Southeast Asian spices. There were attempts to sell products made in Japan, but the biggest sellers were swords and armor (similar to how the Europeans sold guns). Unsurprisingly, many Japanese in Southeast Asia were not only merchants but also mercenaries.

38 The Qing and Russia signed the Nerchinsk Treaty in 1689. This treaty allowed for trade on equal terms.
(just like the Europeans). There were even a few Japanese who were sold as slaves overseas (like some Africans), but Hideyoshi put a stop to that practice.

Two events transformed the Japanese economy. One was sakoku, or closing the country, in the 1630s. The sakoku edicts banned Japanese from travelling abroad, banned private merchants from engaging in overseas trade, only allowed three daimyo to continue to trade (under the sufferance of the Tokugawa shogun), expelled Catholic (Portuguese and Spanish) traders, and only allowed Protestant (Dutch and English\textsuperscript{39}) traders and Chinese merchants to come to Japan. The Dutch traders stayed in the Dejima, an artificial island off the city of Nagasaki, while the Chinese traders were isolated in Nagasaki’s Chinatown.

Together, these sakoku edicts placed Japan’s contact with the outside world firmly in the hands of the Tokugawa clan. Their goal was to control the wealth from foreign trade and they mostly succeeded. However, under the early sakoku the character of the trade remained unchanged. In other words, gold and silver still flowed out of Japan in exchange for the Chinese, Indian, and Southeast Asian goods.

The next edict that transformed Japan’s foreign trade came in 1715. Arai Hakuseki, an advisor to the shogun, issued an edict called the Kaihaku goshi shinrei (New edict on seaborne barter trade). This edict banned the export of gold or silver, and limited the Nagasaki trade to a barter trade. Thereafter Japan exported dried seafood and other goods to buy foreign items. Moreover, it further restricted the amount of trade. From 1715 onwards, the Dutch could only bring two ships and the Chinese could only bring thirty ships to Nagasaki each year.

Arai Hakuseki was not mercantilist in the European sense, of exporting more and importing less. Rather he was a Confucian scholar whose primary intent was to limit trade and

\textsuperscript{39} The English withdrew from the Japan trade in 1623 and limited their trade with China. The British focused on the India trade.
promote agriculture. He too realized that selling gold and silver was against the national interest. By severely limiting the imports of foreign goods, Japan was forced to undergo import substitution. And Japan succeeded. By the end of the 1700s, people in Japan used domestic silk cloths, domestic cotton cloths, domestic porcelain, domestic sugar, and domestic guns. However, the spices from Southeast Asia could not be grown anywhere else in the world; and because Japan at this time was under the closed country policy, conquest of the Spice Islands (like the Dutch did) was off the table. Thus, Japanese cuisine developed substitutes such as wasabi and soy sauce. This is the origin of traditional Japanese cuisine (such as sushi, tempura, unagi no kabayaki, etc.) that does not use peppers, nutmeg, cloves, cinnamon, or other tropical spices.

In this 300-year period from the 1500s to the 1800s, people all over the world came up with multiple approaches to foreign trade. The Europeans developed a system of mercantilism and economic imperialism: seizing resources and capturing markets. The Africans practiced free trade which included the export of slaves and it was disastrous. The Ottomans also practiced free trade and suffered a negative balance of trade. The Indians could have undergone a mercantilist transformation but the British smashed that possibility. The Ming government did not encourage free trade, but eventually allowed it and the economy benefited enormously. The Qing conquerors took the wealth of China, similar to how the Mughals and Europeans seized products unable to be produced at home, but did maintain the prosperity of China through massive exports and spreading the benefits of foreign trade across four main ports on the coast.

---

41 The import substitution of porcelain occurred a hundred years earlier, around 1616. Misugi, 155-156. Sugar was famously produced in Satsuma domain and Ryūkyū Kingdom. The story of guns has already been addressed in the main text.
And the Japanese switched from an open trade that suffered trade deficits to a closed economy that underwent import substitution.

The Asian Triangular Trade: Cotton, Opium, Tea,

The Asian Triangular Trade is the other triangle trade this paper covers. It is also the trade that ends the Atlantic Triangular Trade. This trade emerged after the late eighteenth century, took off in the early nineteenth century and lasted until the early twentieth century. In this trade the British sold cotton cloths to India, the Indians sold opium to China, and the Chinese sold tea to Britain.42

To tell this story in historical order, we must start with tea. Originally grown in China during the Tang dynasty (618-907), it grew to be wildly popular by the eleventh century. Then the Zen Buddhist monk Eisai (1141-1215), went to China to study and brought back tea seeds to Japan. In Japan, tea first became popular during the Muromachi period (1336-1467). For some reason, however, tea was extremely difficult to grow outside of these two countries. The French Academy of Sciences tried to grow tea and failed, and the French switched to drinking coffee. The Dutch East India Company made a fortune by transshipping tea made in China to Europe. They too tried to grow their own tea, but it took them until the nineteenth century to grow tea commercially in Java. Finally, the British (and the Americans) became tea drinkers in the eighteenth century and imported huge amounts, some of which ended up being dumped in Boston Harbor. It also took the British until the nineteenth century to grow tea in India.43

---

42 Katō Yūzō, Igirisu to ajia: Kindaishi no genga (Tokyo: Iwanami, 1980).
43 Tsunoyama Sakae, Cha no sekaishi: Ryokucha no bunka to kōcha no sekai (Tokyo: Chūōkōronsha, 1980).
This meant that large amounts of silver continued to flow to China to pay for the tea, even though Britain had undergone import substitution for silk, cotton cloth, and porcelain. Silver still drained east. The British tried to sell their cotton cloths, but the Chinese had their own cotton cloth industry and were not interested. To prevent this outflow of silver, the British East India Company decided to sell opium to China.\textsuperscript{44} Opium was grown in Bengal, the land the British East India Company conquered with the Battle of Plassey in 1757. The company then made opium its monopoly product in 1773. By the 1790s, the flow of opium to China had become substantial despite opium being a banned substance under Qing law.\textsuperscript{45}

Eventually the sale of opium became so large that silver began to flow out of China to India. This was the immediate cause of the Opium War (1839-1842). The Qing authorities feared that a decrease in the silver supply would lead to an increase in silver price vis-à-vis copper cash. Since peasants used copper cash as their daily money, they had to convert their copper to silver to pay taxes. Therefore, a rise in silver price would mean a rise in taxes, despite the tax rate staying the same. Because the British refused to stop smuggling opium, a banned substance under Qing law, the Opium War started. When the Qing lost the Opium war, they were forced to accept extraterritoriality (which meant that British merchants only had to follow British law and could now ignore Qing law) and lose tariff autonomy (tariff rates were to be set by treaty and it was determined to be 5%). The extraterritoriality effectively legalized the selling of opium because the sale of opium was not banned in Britain. And if the Qing authorities wanted to eliminate opium use by raising their prices, that too was now impossible. And with this war, opium flooded into Qing China and silver began to drain to India. Of course, because

\textsuperscript{44} Tsunoyama, 104.
\textsuperscript{45} Katō, 119-123.
the East India Company controlled the Indian economy, that silver went straight to Britain as remittances.

The final piece of the triangle is cotton cloth. Imported Indian cotton cloth was the most important trade item that Britain substituted. By the nineteenth century, this import substitution led to industrialization. British inventors made a series of inventions to spin raw cotton and then to make cotton cloth with machines. Initially these machines were powered by water and many factories were located in northern England. Once the steam engine was invented (to pump water out of the coal mines), this steam engine could be used to power the cotton factories. Thus, the Industrial Revolution was born. British factory made cotton cloth was produced in vast quantities, and initially sold to people inside Britain, then exported to various colonies, West Africa, and ultimately colonial India. Indian cotton cloths were replaced by factory-made cotton cloths produced in northern England.46

British industrialization and Indian de-industrialization was a matter of policy. In 1813 after the conquest of India was mostly complete, the British authorities imposed an internal tax of 15% on Bengal cloth before being sold in India, while British cloth had to pay a tariff of only 2.5% when sold in India. For exports, Indian goods in Sri Lanka and South Africa faced tariffs of 10%, and Indian goods in Australia faced tariffs of 5%. In comparison, British exports to Sri Lanka, South Africa, and Australia had pay tariff rates of 4%, 3%, and 0%, respectively.47 This systematic discrimination against Indian cotton cloth had dire results. Starting in the 1820s, India

46 The raw cotton came from the former British colonies in North America. Even the indigo dye from India (literally “Indian” dye) were now grown in various Caribbean and Javanese plantations of the British, French, and Dutch owners.
47 Parthasarathi, 252-253.
went from a country that produced and exported cotton cloth, to a country that exported raw cotton to Britain and imported cotton cloths and spun cotton from Britain.\textsuperscript{48}

This was the Asian Triangular Trade. And this triangle trade was the last trade in which pre-industrial products took center stage. The Opium War, which symbolized the Asian Triangular Trade, solidified Britain’s role as the leading power in the world and signaled the supremacy of European powers. India became a producer of raw materials such as raw cotton and opium. The Qing government did not learn the necessary lessons from the first Opium War and did not think major reforms were necessary until the Arrow War (or the Second Opium War 1856-1860). Ironically, the Opium War shook the Japanese into thinking reforms were necessary and pushed both the shogun’s government and the domains toward reform.\textsuperscript{49} Most importantly, however, the Asian Triangular Trade also explains why the Atlantic slave trade, and hence the Atlantic Triangular Trade came to an end.

Britain benefitted from the Atlantic Triangular Trade and made enormous profits. By the eighteenth century, British slave traders were the largest in the world. This was necessary because they needed the silver from the Spanish American mines to pay for Asian imports. But once mercantilist ideas took hold in Britain, the British economy slowly substituted for various imports. Silk cloth, porcelain, cotton cloth. Imperialism took care of other goods that they could not produce at home such as sugar and eventually spices. By the late eighteenth century only one item was necessary to buy with silver, namely tea from China. Once that tea could be bought with Indian opium there finally was no more need to obtain American silver. Britain could be in the position where China, India, and Southeast Asia were: barter products with each

\textsuperscript{48} Katō, 111-113, 119-131.
\textsuperscript{49} The Ottomans recognized reforms were necessary with Napoleon’s invasion of Egypt (1798-1801).
other. Thus with no more reason to maintain the Atlantic slave trade, they could finally abolish something that was attacked as morally wrong since Bartolomé de las Casas.

Slavery remained profitable. Eric Williams was wrong to argue that slavery became unprofitable and that was why slavery ended. In fact, Williams being proven wrong, gave strength to people who argued that William Wilberforce and other abolitionists of the slave trade fought against the profit motive and that this movement was a triumph of Western morality. I do not believe that Western societies suddenly grew a moral backbone against the slave trade in the nineteenth century. I would argue instead that, once there was a new way to make money and buy Chinese tea without using American silver, there was no more need to defend an inherently immoral way to make money. Compared to selling drugs (especially if you believed, as many at the time did, that opium was medicinal and recreational), slavery was clearly the bigger evil. Consequently, there was less opposition to the maintenance of the Atlantic slave trade once the opium trade began to bring major profits in the 1790s. In other words, Britain shut down the slave trade because it could afford to do so, and replaced the slave trade with the drug trade. It is not an accident that the British Empire abolished slavery in 1834 and fought the Opium War in 1839-1842.

Conversely, the Spaniards, the Portuguese, and the Brazilians who relied on slavery and the Atlantic slave trade to produce sugar and get the silver to buy Asian products resisted Britain’s attempt to end the slave trade and slavery until the bitter end. The newly independent United States, may have agreed to end the Atlantic slave trade, but (a) it had succeeded in the “import substitution” of slaves with an internal slave market and (b) it was the second largest opium trader after the British in China.

51 Spanish Cuba abolished slavery in 1886. Brazil abolished slavery in 1888.
When does the Asian Triangular Trade end? Britain promised to gradually restrict its opium exports to China in 1907 and ten years later, fulfilled the promise by ending the opium trade in 1917. Why did this profitable drug trade end? I would argue that by 1907 there were new sources of revenue, namely coal and oil. As long as one had fossil fuels, goods could be made in the factories and produce enormous profits. There was no more need to defend another morally questionable trade. Of course, that created a need to intervene in locales that produced the oil, the new indispensable product of the twentieth century. British actions at the end of World War One, promising the Arabs independence, assuring the Jews a homeland, and scheming with the French to carve up Ottoman territories in the Middle East, is one proof. After all, Britain betrayed all three (and the Ottoman Empire after signing a ceasefire with them) to seize the oil fields of Mosul in November 1918.

The history of the world from 1500 to 1900 is a history of global trade. The movement of the ten trade goods provides us with the linkages some obvious, some less obvious, that were formed across the globe during this period. This history is also a history of capitalism and how it spread. Originating among the Iberian elites, many European societies began to embrace capitalism such as the Netherlands and Britain. The American and French governments after 1776 and 1789 explicitly adopted capitalism because their governments encouraged its citizens to make money. In other parts of the world, some became capitalist with less success such as the Kongo Kingdom. India and parts of Southeast Asia were forced to become capitalist under imperialism, while others such as the Ottoman Empire, Qing China, and Tokugawa Japan remained non-capitalist. But this situation would not last long, by the nineteenth century, capitalism would follow global trade and spread to the entire world. I hope that I have shown the
explanatory power in tracing the movement of the trade goods and the possibility of an integrated global history with this presentation.
Selected Bibliography

This bibliography is not a complete record of all the materials I have read over the years. However, it is a list that includes the works consulted in writing this article. Western names are given in their traditional order with given names first and family names last, and therefore they have commas in between the names in the English language section of the bibliography. Japanese names are given in their traditional order with family names first and given names second, therefore they do not have commas in between the names in the Japanese language section of the bibliography.

English language works


Japanese language works


Usui Ryūichirō. *Kōhi ga mawari sekaishi ga mawaru: Kindai shimin shakai no kuroi ketsueki.*