Azerbaijan Economical Conditions in Qajar's Era

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ABSTRACT

Globalization was discussed in the social negotiations at the beginning of the twentieth century and could attract a lot of scholars all over the world in a short time. It is one of the social and cultural concepts which is seriously conflicting so various approaches and views have been created related to the issue and in this research we deal with the effect of culture globalization on media.

INTRODUCTION

Iran in the Qajar era was a region whose economy was traditionally based on land ownership and agriculture. The first permanent ownership of land in Iran can be seen in the Qajar era, but in land reform era was changed into small farmer ownerships. So, it was added to the number of land owners in the Qajar era. Government officials, some traders and those could mobilize capital were of individuals involved in this class. Handicraft products, carpet weaving, commerce and foreign limited trade and animal production along with traditionally agriculture were common. Although these economic activities in this era could provide financial resources of previous government as a cross, they didn't have former efficiency because of changing in the global economic, economic trade growth, west capitalist and its reflect in Iran as goods and capital and in parallel with global economy change had fall and rise and also false progress and growth. Meanwhile, the events such as the Russo-Iran wars occurred during the first decades of the Qajar ruling made major changes in Iran economy and trade. These changes had some effects on Azerbaijan due to its special significance in the Qajar era, weakened unorganized conditions caused by Azerbaijan economy war. Then, its situation wasn't so favorable like other parts of country. However, trade continued with traders' effort; some local products in Azerbaijan province entailed have traditionally clients for some Iranian goods overseas.

Economic status:

During history, Azerbaijan economy was affected by political and military factors, as Lord Krzn has written: "Azerbaijan is a province has been overrun by foreigners more than other places of Iran, except Khorasan." But it should be said that Golestan and Torkaman Chay treaties were the substantial factor affecting Azerbaijan economic growth. Although these events didn't destroy the economic relations of this land which had been formed during centuries, setting new limits and boundary changes determined the content and the nature of subsequent economic life.

Although Etemadassltaneh has written about trade boom in Tabriz: "this city's trades come to about twenty crore. From Russia, Georgia, Moscow, Baku, Hajytrkhan, Trkhan, Arznh Roum, Trabvzvn, Istanbul, London, Manchester, Marseille, Aytyala and some other parts of Europe and of every Malaltjahr come to Tabriz, however, in Azerbaijan of Iran, there was economic downturn like all other parts of it. The Qajar reign after consolidating its position ended to civil wars and stopped nomadic tribes to cities. But in the realm of it, the situation was very unfavorable for economic activity and growth. Some parts of unsuccessful war costs with Russia along with Iran compensate to Russia, was laid upon the people of Azerbaijan made the condition much worse. Factors like khans and large land owners' stubbornness, failure to protect private property and economic activity, lack of economic legislation and chaos caused by this situation and others that feudal government of Iran has created it made economic activity with high risk.

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Because of it a lot of traders and employers made effort to get citizenship and foreign government support and get rid of governor's stubbornness in country. Issuing company and foreign trade's activity in Azerbaijan also entailed many foreigners gather there and Russia, Britain, France, Ottoman and Belgium made consulate to deal with their nationals in Tabriz.

**Rural economy:**

Livestock and agriculture were the main occupation of Azerbaijani people in the Qajar era. Even some parts of city crowd were doing works like agriculture, gardening, saifi work and other rural activities. In 1830AD/1209 S to 1860 AD/1239S, some products such as wheat, barley, rice, tobacco, castor and variant fruit were grown in Azerbaijan with the use of natural and sometimes artificial irrigation and silk and honey were also processed. Krzn reported that: "Trade governing colonies, i.e. Tabriz, is in this province [Azerbaijan] and its soil granary is North of Iran supply storehouse.

Cotton cultivation was developed disproportionate with industrial countries need, especially when America civil wars began and amounted to one fourth of Iran exporting value in the late of 13th and the early of 14th century.

Cotton taken in Khoy was the best one in Iran. Fruits like pomegranate, quince, sour cherry, plum, apricot, peach, apple, pear, pistachio, almond, walnut, hazelnut and different kinds of grape were grown in many cities and villages. Villages located in Tabriz, Marand, Miyaneh, and… had productive fruit gardens. Azerbaijan with especial situation in gardening produced a great deal of dried fruits. A lot of raisin was produced especially in Maragheh and Urmia.

Although a lot of raw material was imported from villages to cities, some deal of city produced goods were exported to villages was partial. Therefore, natural economy was generally governed in the whole of province. In other words, most of time, a villager produced cereal, ranched and also wove cotton and linen cloth and sock for his consume and made charq, too.

Azerbaijan, according to previous style continued its trade with Iran other provinces. Cereal, other rural products and craft products were taken here to different parts of Iran. For example, Tenderloin, one of valuable dyeing materials which were gathered in north – west districts of Azerbaijan was sent to Tabriz for applying in industry and issuing to overseas. Also, some of it was taken to Tehran and other cities. Products were produced of skin in Tabriz were sent to all part of Iran. Instead, raw materials to produce silky clothes were also brought from Gilan and other districts producing silk. In Qajar era, Iran northern states, Gilan, Mazandaran, Astarabad, Khorasan, Azerbaijan, Yazd and Kashan were the most important centers in producing and developing silkworm. Russia merchants were carrying Gilan silk through Anzali and Caspian Sea and also Tabriz – Teflis land to Russia; they also wove Kashmiri scarves in Tabriz from goat delicate hair to export Russia markets.

Livestock was the main occupation of emigrants. Natural and superior situation of province from provender point of view had the possibility to them live as emigrant and semi emigrant. Gained leather, wool and skin entailed productions such as wad, saddle, rug, palaz and in cities, valuable rugs, scarf, and… produce.

Tabriz was famous because of its desirable woolen goods and silky clothes. In numerous small workshops along with ordered goods production, some were also processed for sale. Shoe, clay, cuprous dishes, furniture and production instruments in cities had been much grown. Silky, cotton and linen clothes production workshops, soap making, porcelain, hookah building, smithy and working on skin and leather in Tabriz and glass making institutes were present even simply in Khoy, Urmia and Gharedagh. Skin and leather production accompanying with market needs had an important role in Azerbaijan cities craft.

Armstrong, English capitalist who Abbas Mirza crown prince invited him to Iran after war established spinning, teaseling and waving factories in Tabriz and also finishing in Khoy. But it is unclear how much these factories have activated. Some visionaries like Haji Mirza Mohammad, Tabriz trader tried to establish factories in cities in 1850AD, but these efforts because of authority in Feudal relations and also country's relatedness to foreign countries were unsuccessful in short times. Its social structure and current lawlessness in Feudal environment prevented every growth in capitalism relations. Engels saying based on "not providing trader's characters and ownership" in the East contained Iran, too. Past centuries recession was present in cities' developing and growth. Nader Mirza, in his book about Tabriz history states that in recent centuries, the crowd of this city has much been decreased. General economic downfall in 18th century was also felt in Maragheh, Ardabil, Miyaneh, Zanjan and… .

**Local and foreign trade status – trade relations with Caucasus, Russia:**

Economic condition improving after ending wars entailed trade expanding. Azerbaijan important cities like Tabriz, Ardabil, Maragheh and Zanjan had a salient place either in province and other provinces of Iran or foreign countries.

Tabriz was famous because of silky, cotton and callous rugs and in addition to the political – strategic importance was also important in terms of trade. In the second quarter of 19th century, focus on merchandise in Europe – Asia moved from Izmir to Istanbul and Iran center of trade routes changed, too. This entailed
Azerbaijan and its capital, Tabriz became pioneer of Iran foreign trade. Because there was an easy trade route between Istanbul and Tabriz through Traboozan which was the same old route has been used since the previous times. On the other hand, Azerbaijan and especially Tabriz had an important role in raising trade exchanges with Russia after stopping campaign.

Then, Tabriz undertook a fundamental place in Iran trade with Russia, Turkey and Western Europe, therefore Tabriz importance was also increased with trade relation growth. Tabriz which was located in the junction of trade routes was one of the greatest centers in Iran. Baroon Korf who was in Iran in 1830AD/1209S writes: "Tabriz is undoubtedly the most important city in trade with Europe." Also Europeans have seen this city described its beauty. Prifer about it writes: "… Tabriz is beautiful than Esfahan and more beautiful than Tehran. It has 160000 populations and a lot of linen and silk weaving factories. Tabriz is one of the silliest cities in Asia."

Robert Watson, who spent years in Iran said there are over a thousand stores, 32 inns for traders and further 37 inns for skinners and their loads in Tabriz. Tabriz played an important role in major cities trade and industrial relations. Among theses, Miyaneh was popular for its soft, exotic and hard rugs, Maragheh and Urmia (A city with more than 20000 people) for their tobacco and raisin and Khoy for its socks. In addition, towns also had a certain role in trade relations and Azerbaijan cities continued to exist by keeping the characters of Feudal medieval cities. First of all, this shows that town's people along with industrial – trade activity were engaged in activities related to rural economy with. In Tabriz as the largest craft and center of the province, a large number of people were engaged in gardening. It was also one of basic engagements of Urmia people. Moreover, some towns were under the khans and Feudal. Mainly, imports in the early years were in local traders' authority. Soon, European countries proceed to establish their trade companies in Tabriz. By increasing in the amount of foreign imports, the number of foreign companies increased, too. Rally, Glavany, Asfanowich and Stevens brothers in Tabriz Between 1830-1840 AD/1209-1219S established trade companies. In 1870AD/1249 S, 8 foreign companies were activating here. 95% of goods these companies imported to Tabriz were British textile products. The numbers of foreign companies were gradually increased. Soon, these companies with the use of capitulation rules didn't let local trades to trade with foreigners. During the decade 1840 AD/1219S, more than half of foreign commodities were brought to Tabriz by foreign companies. However, the initiative has been in the hands of local trades in the process of exporting goods from Tabriz. For example, local traders had imported 44.5% of foreign goods to Tabriz in 1845AD/1224S, but local Azerbaijani or Armani traders had exported 69% of exported goods from Tabriz to Istanbul or Russia.

Foreign companies activity in Azerbaijan regardless some exceptions entailed craft bankruptcy in different fields, especially in textiles. This means that one factory's goods were 2 to 3 times cheaper than similar handmade ones. It was really difficult for artists to persist in such a competitive field. Iran government didn't do any action to protect craftsmen, traders and local companies in competition with foreign goods and unlike didn't answer to Iranian traders' demand for reducing foreign goods import. Moreover, the concessions of foreign capitalism representatives were gradually increasing.

This placed local traders undoubtedly in a hard situation. Some exemptions were given to British traders in 1836 and also trade treaty with Britain in 1841AD/1220S facilitated importing British goods to Iran. According to it, the British traders enjoyed some concessions that Russian traders had got them in 1828AD/1207S. They were exempted of paying entrance custom to Iran and just forced to pay only 5% of the total value of imports to government. Britain also got this right to preserve agencies in three cities including Tabriz. According to Krzn, in 1889, Iran trade with Britain has been amounted to 75 million Sterling and with Russia to 50 million manat. According to statistics of Belgian custom agents in Iran, its trade with Britain got to 59 and with Russia to 96 million Francs in 1901-2 indicates Russia dominance on Iran economy is growing.

As a result of Iran and Britain failed war in 1856-1857AD/1235-1236S, peace treaty was signed between the two countries and according to it Britain traders got more concessions like protection rights in Iran. Iran government considered these concessions and exemptions for France, Austria and other Europeans in 1845AD/1224 S. Russia was one of interested countries to export its goods to Tabriz markets. Russian traders according to trade treaty which has been signed with Torkamanchay treaty got concession was being granted to European traders in later years. However, the number of imports from Russia was minimal. Thus, of all 321 million manat of goods imported Tabriz from foreign countries in 1833AD/1212 S to 1851AD/1230 S, only 11 million manat of it belonged to Russia and most of this amount was brought to Tabriz from Caucasus.

European governments and especially Britain also brought a large amount of goods to Azerbaijan and however, a small amount of goods (most of all, silk and dyeing material) were taken from here. This had a negative impact on state economy. Craft goods and to small amount, rural products were exported to Russia and mainly to Caucasus market. Between 1833-1851 AD/1212-1230S, almost half of exports were taken from Tabriz to Russia.

The significant point in these exchanges is that Azerbaijan exports to Russia were more rapidly than exports to other countries. Also, we should consider trade growth with Russia in this era. First, craft products were important part of Azerbaijan exports to Russia and this can be interpreted due to poor growth in Russia
industries at this time. Secondly, a lot of exported items from Azerbaijan to Russia were spent for the Muslim people living in Russia (e.g. tablecloths, bathing-gown, pack, tent, etc.). These goods were much sold in Azerbaijani Caucasus. Some of these goods were produced in Azerbaijani cities such as Tabriz, Khoy, Miyaneh, and Ardabil and… And some was brought to Tabriz from other cities. All of goods were exported through Tabriz, even if they were purchased from other cities. For example, some silk were purchased to the worth of 495,394 manat from Rasht exported to Russia through Tabriz. It is necessary to note that in contrast, some British goods like cotton and other fabrics were imported from Britain to Tabriz and again have been exported to Russia after dyeing and printing.

**Authority Increase of foreign capital in Azerbaijan:**

Iran from the second half of the 19th century, with massive influx of foreign countries especially Britain and Russia to Iran economy, it quickly changed to raw materials source and markets of these countries. At this time, Iran government granted some concession and privileges to the Britain and Russia governments. In 1879, the Cossack regiment was formed in Iran as Russian Cossacks by leading that country's officers. Since this regiment which was the first military unit formed in Iran was managed by Russian officers played a role in protecting the Tsarist Russia Authority in important sections.

Iran government ceded oil extract right to British Darcy in a large territory of Iran in 1901 AD/ 1280 S. Under the treaty, the notorious Anglo-Iranian oil company was founded which played a major role in Iran's internal affairs and plundering Iran wealth.

Iran as a result of all these concessions and treaties was economically and politically linked to foreign governments, particularly Russia and Britain. Soon, Iran changed to British and Russia industrial goods market, the supply to produce their raw materials, especially Russia and also as a source of providing consumers goods and foods of growing cities of Russia (such as dried fruits, pistachio, almonds, rice, meat, eggs, etc.).

General conditions in Iran economy was repeated as a special form in the economy of Azerbaijan province. Russia authority was naturally greater in Azerbaijan due to the geographical situation. Russian borrowing bank branch in Azerbaijan was the most important factor in maintaining Russia economical mastery on it. Some branches of it were activating in different cities of Azerbaijan in the early of 20th century. It should be noted that Azerbaijan was economically considered as a clearing center in Iran and central Asia and even for some Indian goods were sent to European and Russian markets.

Some parts of society rich classes were trying to get Russian citizenship to protect their property from officials predatory. Some southern investors of Russia, especially Caucasus like Mohammadofha and Nzbrygyvfa came here and were captured lots of agricultural lands. Increasing in the number of Russian citizens in Azerbaijan provided the condition to establish that country's consulate in this province. Russia in addition to Tabriz consulate also established some in Ardabil, Khoy, Urmia, etc. America, Britain and Turkey had also consulate in Iran in the late 19th century.

**Trade:**

Some changes, although minor had impact on trade in Azerbaijan economy procedure that happened in discussed period. It entailed both trade expanding and increase in the variety of merchants. Advent of some innovations in the nature of economy, natural economic collapse and specialization of production in different regions caused Azerbaijan trade growth. Raw and consumed material exchange between provinces and regions was increased.

Tabriz, Ardabil and all provinces located on the right side of Aras River were planting cereal and with the produced crop provided both their consumption and were sending the rest to other districts of Iran and some to Russia. Also, Maragheh, Dikhkarqan, Miandoab, Urmia and Bonab were producing fruit and dried fruits and providing their needed cereal from other districts. The same equation can also be true about cotton production districts. Livestock tribes like Shahsavans were selling their products in Ardabil and other tribes in Makoo and instead bought cereal, sugar, food and other industrial products.

One of the reasons were entailing Tabriz as one of great trade poles of the ancient world between people and the narration of great explorers’ exploring was the Silk Road crossing of Tabriz that certainly has caused prospering of city and consequently Tabriz market. East and West merchants and traders were passing Tabriz to trade with each other and for a few days stopped and rest in this beautiful and safe city.

Again, Tabriz was responsible for Azerbaijan import and export distribution. Trade routes were drawn from Tabriz to the East (Turkey), North (Russia) and South (Iran central states). In other words, all of important trade routes of Azerbaijan were passing through Tabriz and it was the only trade center with Turkey and Europe and was considered an important trade center with Russia. As Baku had an important role in trade between Iran and Russia, Tabriz same as it had a role in trade between Iran with Russia and Europe.

Ardabil was the second important city in Iran's trade with Russia and had an significant role in the transportation of exports and imports with Russia until opening Tabriz – Jolfa railway. Khoy in the commodity exchange of western districts of Azerbaijan had an important role. Because the route of imports and exports was
done from Russia to the western districts of Azerbaijan without passing Tabriz through Shah Takhti, Khoy, Salmas, Urmia and Savolbolag.

Until the second half of the 19th century, European industrial goods made the major part of foreign imports to Azerbaijan. It can be said that Tabriz inns were full of European goods in the second half of that century, especially 1880. Azerbaijan like previous years imported commodities such as cotton, wool cloth, velvet, silk, casserole, sugar, tea, etc from Britain, France, Italy, Belgium, Russia and Austria and instead exported almond, dried fruits like raisins to them. In table 1, the value of imports and exports to Azerbaijan based on pound sterling was given between 1868 AD/ 1247 S to 1889 AD/ 1268 S.

Table showing the amount of trade between Azerbaijan and Europe based on pound sterling

<table>
<thead>
<tr>
<th>Year</th>
<th>Imports</th>
<th>Exports</th>
</tr>
</thead>
<tbody>
<tr>
<td>1889</td>
<td>853891</td>
<td>389456</td>
</tr>
<tr>
<td>1888</td>
<td>664126</td>
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</tr>
<tr>
<td>1887</td>
<td>910108</td>
<td>575035</td>
</tr>
<tr>
<td>1870</td>
<td>1094717</td>
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<tr>
<td>1869</td>
<td>1575776</td>
<td>901218</td>
</tr>
<tr>
<td>1868</td>
<td>1351000</td>
<td>683885</td>
</tr>
</tbody>
</table>

As table 1 show, Azerbaijan trade balance with Europe is negative. That is, the value of imports from Europe to Azerbaijan is more than exports. This situation led to gold and silver export from states and reduction in precious metals reservation. However, a reduction trend was also seen in trade between Europe and Azerbaijan. This decline was also continued in subsequent years. However, the most imports was from Western Europe, especially Britain during the decades of 1880 AD/ 1259 S. For example, between 1870 – 1868 AD/ 1247 – 1249 S, woolen clothes imported from Britain were in average 75% of all imports. Generally, British goods in these years were 80% of Azerbaijan imports and exports to Britain and also 10 – 12% of province exports. However, exports to Britain were 6 to 8 times lower than imports.

From the second half of the 19th century, imports and exports between Russia and Azerbaijan were increasing. During the decade from 1880 AD/ 1259 S, Russia made efforts to find a superior position in Iran trade that led to the increase in exchanges. In addition, plans like reduction in Iran exports custom duties to Russia, the mutual reduction of custom duties of Iran imports from Russia and its cancelation for some items, especially in Iran was effective in this procedure.

Russian traders using these conditions could soon excel in Tabriz market in competition with France sugar, Britain cotton and the U.S. Kerosene. Also, Russia had a significant place in Azerbaijan import and export at the end of 19th century and the beginning of 20th century. In addition to produced goods in the cities of Azerbaijan province, produced goods were imported from other provinces of Iran and exported to Russia. For example, some items such as grass were exported through Maragheh, Urmia, Ardabil and Astara as well as items such as tenderloin, tragacanth, gum, skin and date from Savojbolag and of there were imported items like sugar, kerosene, glass, pottery, metal products, candles and tea to these districts. Trade status between Russia and Azerbaijan between 1892 AD/ 1271 S to 1897 AD/ 1276 S was given in table 2.

Exports from Azerbaijan to Russia from both ways

<table>
<thead>
<tr>
<th>Year</th>
<th>Exports from Azerbaijan to Russia from both ways (thousands manat)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1892</td>
<td>6555</td>
</tr>
<tr>
<td>1893</td>
<td>5390</td>
</tr>
<tr>
<td>1894</td>
<td>4374</td>
</tr>
<tr>
<td>1895</td>
<td>3803</td>
</tr>
<tr>
<td>1896</td>
<td>4523</td>
</tr>
</tbody>
</table>

Imports from Russia to Azerbaijan (thousands manat)

<table>
<thead>
<tr>
<th>Year</th>
<th>Imports from Russia to Azerbaijan (thousands manat)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1892</td>
<td>2692</td>
</tr>
<tr>
<td>1893</td>
<td>3783</td>
</tr>
<tr>
<td>1894</td>
<td>3319</td>
</tr>
<tr>
<td>1895</td>
<td>4118</td>
</tr>
<tr>
<td>1896</td>
<td>3809</td>
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</tbody>
</table>

The increase of these exchanges continued in subsequent years. The figures in the table show that the trade balance between Azerbaijan and Russia has been positive. Even, export amount sometimes has been 2/3 times higher than import, for example, in 1892 AD/ 1271 S. In other words, Azerbaijan province during this period has largely exported rural and industrial products to Russia.

Local traders had still an important role in mutual trade. Azerbaijan trade companies were taken their goods to various Russian cities like Baku, Moscow, Nizhny Novgorod, etc. and instead brought sugar, cotton and iron there. For example, Tomanyas Brothers Company whose great activity was in dried fruits, each year exported one million manat of them to Russia. In this export, rural products had a primary role different from the previous status. It is sufficient to note that of 4.5 million manat merchandise was exported to Russia in 1896 AD/ 1275 S, 2.107 million manat of it, i.e. about half of it was almond, walnut and dried fruit. The remaining section was also cereal, cotton, wool, livestock and .... Thus, with wider issuing this amount of rural product from Azerbaijan to Russia, the growth of production economy was provided in Azerbaijan villages, but it became gradually one-sided and got the colonial relationship. On the other hand, a craft except carpet weaving was decreasing. While in the middle of 19th century, a large amount of Azerbaijan craft products had been exported overseas, but in the end of it, industrial products were a little part of exports. Mainly, then raw materials like cotton, wool, silk, leather, etc. were exported. Industries recession in Azerbaijan and inability in competition
with foreign merchandise let to industry bankruptcy and following it a large amount of woolen, cotton and silky clothes and potteries were imported from Russia.

All of these entailed foreign trade and Azerbaijan economy changed to colonialism position in the late quarter of 19th century. In other words, then Azerbaijan changed to an important center of raw material production for foreign industries and the market of foreign produced merchandise.

**Conclusion:**

The Qajarid economy affected by steady failures from Tsarist Russia and after that this government and Britain competition on their political and trade interests in Iran bankrupted. Iran traditional economy system which was based on land ownership, livestock and also some handmade industries couldn't compete with imports neighbor government merchants imported with the use of custom privileges to the market of country. Russians with custom treaty of 1321 AH/ 1903 AD changed Iran economically to a completely bankrupt and dependent country. Iran changed to a Russian producer of needed raw material and instead was Russian consumer goods and industrial products importer. After signing treaty, near to two third of Iran foreign trade was in monopoly of Russia. Tsarist Russian wanted to destroy Iran economy made this country economically more and more dependant to it and following it Iran was politically as a protégé of Russia.

The reason to choose this way was that Russians by overruling the previous times' violence technique or at least its reduction were decreasing Iranian hatred and enmity to them and on the other hand abolished the danger of facing with Britain. Britain was Russian the biggest trade rival in Iran and after Russia placed in the second in trade with Iran. The aim of this country in trade relation with Iran was importing foreign goods and items. A small part of Iran exports such as silk, cereals and dried fruit was exported to Britain, but Russia which was the biggest importer and exporter to Iran had a salient role in the country's trade. All of these issues made the economy of the Qajar era bankrupted and dependant. However, trade and exchanges were naturally based on tradition due to inner products.

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