THE MUSLIM BIG MERCHANT-ENTREPRENEURS OF THE MIDDLE EAST, 1860-1914

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Introduction

The Middle East in the second half of the nineteenth century and the early twentieth century witnessed several significant economic and social changes, one of which was the emergence in the Ottoman Empire and Iran\(^1\) of small groups of Muslim big merchants (\textit{tujjār})\(^2\) who became economic entrepreneurs\(^3\) and as such contrib-

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1 The regions discussed in this study include Anatolia, the Fertile Crescent, Arabia, Iran, Egypt and Sudan.

2 The term \textit{tujjār} (sing. \textit{tājir}) denotes merchants who were mainly engaged in the import/export trade and in the wholesale trade. These big merchants stood at the very top of the ladder of the commercial community. What distinguished the \textit{tujjār} from other local groups that lived on commerce was the scope of their enterprises and hence their sizable incomes and profits. They were the only local group within the Muslim communities of the second half of the nineteenth century that possessed large sums of liquid assets. This enabled them to initiate new economic enterprises. Both Muslim and non-Muslim communities in the Ottoman Empire, Iran and Egypt referred to these big businessmen by the title \textit{tujjār}. In the Arab lands the term occasionally referred to retail traders as well.

3 I use the term entrepreneur in this study in the Schumpeterian sense: entrepreneur as innovator in one or more of the following areas: new goods, new method/s of production, new market/s, new source/s of raw material, and new
uted significantly to economic growth and modernization in the regions where they operated.

The unprecedented increase in the volume and value of foreign trade in the Middle East during this period was engendered entirely by the private sector. The Ottoman authorities in Anatolia and the Fertile Crescent, and the Qājār rulers in Iran showed little interest in the growth of foreign trade, their involvement in this sector being limited to the supervision of goods permitted to be imported and exported, and to the collection of customs duties and other imposts. One result was that most of the profits derived from transactions in foreign trade went to the private sector, namely local and foreign big merchants. Just how large these profits were requires additional research. Still, the few studies that focus on the role and performance of the big merchants in several major trading

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