THE TREATY OF BALTA LIMANI’S ROLE IN ANGLO-OTTOMAN
RELATIONS DURING THE MEHMET ALI PROBLEM*

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Abstract
The Treaty of Balta Limani, signed between Britain and the Ottoman Empire in 1838, was one such pivotal and historic treaty. Both the British and the Ottomans were expecting different benefits from the same treaty. Through it, not only did some British merchants aspire to develop their commerce within the Levant, but also Palmerston planned to enhance diplomatic relations with the Ottomans, thereby easing anxiety over a perceived Russian threat to British international interests. Additionally, the Ottoman Sultan Mahmud II hoped the treaty would help bring about an Anglo-Ottoman military alliance for the purpose of combating his biggest enemy Mehmet Ali Pasha, the governor of Egypt. Considering all these motives, proper evaluation of this treaty with all its diplomatic impacts is vital; however, no scholar has fully achieved this so far. The aim of this article is to analyse this treaty from two perspectives: the economic and the diplomatic.

Key Words: The Treaty of Balta Limani, Mahmud II, Anglo-Ottoman Relations, Mehmet Ali Problem, Ottoman Diplomacy.


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Balta Limanı Antlaşmasının Mehmet Ali Paşa Sorunu Sürecinde İngiltere-Osmanlı İlişkilerindeki Rolü

Özet:

Anahtar Kelimeler: Balta Limanı Antlaşması, II. Mahmud, İngiltere-Osmanlı İlişkileri, Mehmet Ali Sorunu, Osmanlı Diplomasisi.

1. Introduction

From Mahmud II’s point of view the diplomatic developments in 1837 and 1838 were a precursor to the last stage of the Mehmet Ali problem, even though there were many perturbing diplomatic incidents in this period to impede his plans.¹ In 1838, Mahmud II now had far more hope that he would be able to resolve the problem in its entirety solely through the cooperation of the British, than he had had when his envoy Namık Pasha reported from London in

¹ Between 1833 and 1838 the diplomatic relationship between Britain and the Ottoman Empire underwent a radical change. The starting point for this transformation came when the army of the Ottoman Sultan Mahmud II, suffered two consecutive heavy defeats at the hands of that of his rebel governor, Mehmet Ali Pasha; the first being in Syria, on 14 April 1832, and the second in Konya, on 21 December 1832. Although his rebellion arised in the 1830s, Altundağ indicated from French ambassador Drovetti, he noted that, even in 1811, after Mehmet Ali had defeated his enemies, he began to dream of an independent Egypt (Şinasi Altundağ, Kavalalı Mehmet Ali Paşa İsyani Mısır Meselesi, Ankara, TTKB,1988, p. 30). The last defeat of the Sultan in Konya rapidly escalated the matter into an international problem. All the very complicated diplomatic developments, which would continue right up to the Convention of London, 15 July 1840, started at the beginning of 1833.
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1833 that the Sultan’s request to forge an alliance with the British had been rejected by Palmerston and the government. However, a lot of positive diplomatic developments had happened between 1833 and 1838 and the diplomatic conditions were completely different in 1838 from the way they had been in 1833. In the first days of Palmerston’s new position in the Foreign Office he was not well-disposed towards Eastern affairs because of some other domestic and overseas problems, and thus the British had been too preoccupied to help. Now, their attitude had completely changed with respect to Eastern affairs and Palmerston seemed to be very anxious to defend the Sultan’s sovereignty rights and assist with the reforming and enhancement process of the Ottoman Empire. In this context, the number of British people who were assuming a role in the commercial, social, and military life of the Ottoman Empire, had increased, due to Palmerston’s encouragement through his work on Foreign Office policy. Despite these positive developments there were still some obstacles, for the British merchants to their trade in the Ottoman lands which arose from the economic structure of the Ottoman Empire. They had frequently petitioned their government through Ponsonby for the resolution of these problems, a fact which will be examined in the following parts of this article. All of these complaints led to a negotiation process between the Ottoman Empire and Britain over these economic issues. At this stage, an intersection point appeared for both Mahmud II and Palmerston. It was the Mehmet Ali problem. From Palmerston’s point of view, this problem could have been used to induce Mahmud II to enter into a commercial treaty, one which would solve the British merchants’ problems. In addition to this, Palmerston also had some diplomatic and political intentions, which will be indicated below, through this possible treaty. From Mahmud’s point of view, this demand of Palmerston’s was his opportunity, to play his last diplomatic card with the treaty of Balta Limani, which was the result of this negotiation process, before he undertook the biggest battle with Mehmet Ali. This article first of all will look at the positive developments, from the point of view of Mahmud’s plan, in the British public with respect to the Ottoman Empire; subsequently the diplomatic process which occurred around the treaty of Balta Limani will be the main focus of study, including its economic results on the Ottoman economy.
2. The diplomatic developments in 1837

1837 was another hugely rewarding year, just as 1835 and 1836 had been, in terms of Mahmud II and his statesmen’s reaping the fruits of their labour after all their diplomatic efforts to turn the tide of British public opinion from an anti-Ottoman feeling to pro-Ottoman one, following Palmerston’s and his government’s rejection of Mahmud’s request for help in the form of an alliance in the early months of 1833. It could be said that they had been successful in their efforts, particularly from the beginning of 1835. The reason for this was that the Eastern Question (the Ottomans, the Russians, and Mehmet Ali) had become a highly controversial topic on the European Power’s agenda. Overall the international developments with respect to the problem seemed to be for the good of the Ottomans, especially in Britain, Austria, and France. This was despite the fact that the French had merely been appearing to go along with the British policies whilst in reality they were playing a double game since, at the same time, they were actually continuing to actively support Mehmet Ali. However, the majority of the British public realised the enormous danger and substantial damages that could ensue from the activities of both the Russians and Mehmet Ali from the point of view of British interests in the region. There is an article from 1837 which can be given by way of an example of this, which prompted the British politicians to adopt a much more prudent attitude in handling Eastern affairs. This column was published in The Morning Post, a British newspaper. As a matter of fact, originally it was a letter, one which had been sent to London for publication in the British media. It was sent from

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2 This dual attitude of the French was finally to be completely exposed and the French’s true loyalties in the matter shown up, when the four European Powers, Britain, Austria, Russia, and Prussia, combined their forces against Mehmet Ali in the final phase of the resolution of the Mehmet Ali problem, 1839-40. Throughout this process, France stood completely behind Mehmet Ali just as it had done since the beginning of the nineteenth century.

3 Mahmud II gave orders to his diplomats, primarily Mustafa Reşid Pasha, even in 1833 at the beginning of the Mehmet Ali problem, that some articles in favour of the Ottomans should be printed in the British press through some British journalists and in exchange for money. This situation is a good example of how Mahmud II was considering his diplomatic plans from every angle, and it seems that with this order he was attempting to create an infrastructure for a more positive atmosphere in British public opinion with respect to his Empire. He knew that it would be useful, when he eventually dared to pitch the last battle against his rebel governor, to gain the support of the British politicians through the influence the British public had on them. See this order BOA, HAT., 907/39759.
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Istanbul on 18 October 1837, and was published on 14 November 1837. A translation of the article was even presented to the Sultan. The article was complaining about how slowly the British realisation with respect to the importance of the events in the East had dawned upon them. According to the article, Britain had only just grasped the true import of the developments in the East: much later than the other European powers had, even though Britain was the country that should have been much more aware, since British influence was so pertinent to Eastern affairs. As a result of this delayed realisation, in the beginning, Britain had even supported Mehmet Ali. Fortunately, the article says, Britain quickly desisted from this error of judgement. The article went on to give some background information about what the longstanding Russian aims and ambitions had been, with respect to occupancy of the Ottoman lands, ever since Peter the Great, and about French double-dealing in the Eastern Question. The most important message of the article was that Britain should have been more active and staunch allies to the Ottomans in the problem than the French and the Russians had been and should have supported the Ottomans in every respect to strengthen and enhance the Ottoman Empire much more readily. This would have been more appropriate coming from them, bearing in mind the longstanding amicable relationship between the two countries, not to mention the benefit such loyal action would have carried for the British interests. Furthermore, the article went on to say that they should have immediately made efforts to rescue Mahmud II and his Empire from Mehmet Ali, and to save them from additional sources of “aggression” from other actors in the region.

4 BOA, HAT., 961/41196-L. See this article The Morning Post (London, England), Tuesday, November 14, 1837; Issue 20873. 19th Century British Library Newspapers: Part II.
5 Of course a few British were still in favour of Mehmet Ali, and there was some news sympathetic to him to be found in the British media, such as an interview with Mehmet Ali, which was published in The Morning Post on 2 November 1837. However, the interviewer was in fact not British, he was a German nobleman, Prince Puckler Muskau, but his interview, which was published in a British newspaper, was presenting Mehmet Ali to the British public as a romantic and meek Eastern man. Nevertheless, the King, Palmerston, many British statesmen and many merchants who had been trading with the East, and their families first and foremost were thinking positively about the Ottomans and believed that there were many potential benefits in improved relations with Eastern society. What these possible benefits were, that the British had been expecting, could be summarily given like this: the protection of British interests in India; maintenance of the British prestige in the East; diplomatic, political, and strategic benefits and position in the region; prolongation of the long standing European peace which had been in place since the Congress of Vienna; holding back the Russians from their ambitions; the extensive commercial potentials in the Ottoman lands, and so on.
In addition to this literature in the press, there were also some reports and letters which were written by some British residents in the East, based on their own observations. These had been coming in to Palmerston from the Eastern lands, and they were mostly concerning Mehmet Ali’s negative sides. Arthur T. Holroyd’s letter to Palmerston can be given as an example of this kind of information. Holroyd explained in detail the Pasha’s methods in military and administrative matters in his extensive letter. He took great pains to describe them thus:

“It is the opinion of most travellers who are conversant with Egypt that the country never was in such an unfortunate state as at present. The rich valley of the Nile, whose productions are amply sufficient for a much larger population than can now be found, is almost entirely monopolized by Mahomed Ali. His selfish and oppressive system of government has reduced his subjects to the most abject slavery. His exorbitant demands for replenishing his army, to satisfy his cruel and ambitious projects, have removed from their native soil most of the effective labourers; and many of the peasants, who were not serviceable for the army, have been torn from their homes, separated for ever from their wives and families, and compelled to drag on a miserable and toilsome existence in his arsenal. His governors or deputies pillage the Fellah of the little that should remain after the demands of the Pasha are satisfied, and he is driven to despair in answering the calls of him and his local authorities.”

With all these positive developments manifesting in the British public, Mahmud II was to give, with a commercial treaty in 1838, what the British government had been expecting from the improved relations with the Ottoman Empire. He and his best diplomat Mustafa Reşid were hoping to use this commercial treaty to implement their diplomatic and political plans.

3. The Treaty of Balta Limani in the Context of the Mehmet Ali Problem

The treaty of Balta Limani was signed on 16 August 1838 between the Ottoman Empire and Britain at Mustafa Reşid Pasha’s villa. He was one of Mahmud’s biggest supporters in implementing the Anglo-Ottoman cooperation against Mehmet Ali Pasha. Before explaining what the treaty’s economic effects

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were on the Ottoman economy, the diplomatic reasons which led to the signing of the treaty need to be examined.

In 1838 Mahmud II started to feel that his army was ready for the last battle, especially after the improvements he had been able to make between 1833 and 1838 on his army with the European powers’ help. Moreover, at the same time, he and his diplomats had been doing their best to persuade the European powers, particularly Britain, that any action the Central Government took was rightful and just, because of the latest attacks of Mehmet Ali’s army on the lands which were meant to be the under the control of Mahmud II, such as Urfa and Maras, the Ottoman cities in the East. As an even stronger reason than this, Mahmud II had wanted to purge Mehmet Ali from Syria for a long time. Syria had been lost to Mehmet Ali’s control under the treaty of Kütahya, 14 May 1833, and in this respect, the Ottoman statesmen had been secretly carrying out, at the behest of the Sultan, some works in Syria to the detriment of the Pasha. From Mahmud’s point of view, all of these were reasonable grounds for the operation against his rebel governor. Despite this strong desire of the Sultan, and Palmerston’s verbal assent, it still seemed that Palmerston’s heart was not really in favour of this course of action, as he kept advocating restraint. On the other hand, his ambassador in Istanbul, Ponsonby seemed to be fully in support of Mahmud II in his purpose. Ridley succinctly explains, with respect to the differences between Palmerston and Ponsonby regarding this operation that:

“Lord Ponsonby, the Ambassador at Constantinople, strongly supported the Sultan. He urged Palmerston to re-establish British influence at Constantinople by vying with the Russians in support of the Sultan, and to go the whole hog by offering him military assistance if he marched across the Euphrates and attacked Mehemet Ali in Syria. Palmerston rejected this advice, and adopted a policy of pro-Turkish neutrality. If Mehemet Ali attacked the Sultan, Britain would intervene on the Sultan’s side; if the Sultan attacked Mehemet Ali, Britain would remain neutral, but Palmerston strongly urged the Sultan to do no such thing.”

The main reason behind Palmerston’s decision was his strong apprehensions about any kind of war, and his fervent wish to prevent any upset

7 BOA, HAT.. 380/20558-C.
8 BOA, HAT.. 1187/46768.
of the European balance of peace. Therefore, Mahmud II had started thinking up another diplomatic manoeuvre to try, as he had done for previous problems, to dissuade Palmerston from his strict opinion opposing Mahmud’s right to attack his rebel governor with military force. After a while, Mahmud II realised that, it might be productive to use a ploy in an area which was significant in terms of British commercial profits. The British had been asking the Ottomans to decrease their tariffs and also to abolish the monopolies they held, as these were limiting the British merchants from increasing their profits in the Ottoman lands. Consequently, it was their fond ambition to make a commercial treaty with the Ottomans in order to implement these aims. As a matter of fact, the Anglo-Ottoman negotiations on this issue had been ongoing at a brisk pace for a while and these negotiations were to culminate in a commercial treaty, called the treaty of Balta Limani. Before examining the treaty’s effects, it will be useful to make some diplomatic and economic analyses of the period before the treaty. It was not only Mahmud II who had some political and economical plans to realize through this commercial treaty, but also from Palmerston’s point of view, the treaty was clearly going to bring very positive results in terms of British interests in the region. Southgate evaluated in detail Palmerston’s primary political aims in signing the treaty of Balta Limani thus;

“By negotiating a commercial treaty with the Sultan which would bind Mehemet as his vassal, Britain could re-emphasize the subordination of the Pasha and (incidentally) liberate a vast area from Adana to the Yemen from Mehemet’s monopolies and obstructions to foreign commerce.”

These aims of Palmerston’s bring to mind the goals which had been Mahmud’s main objective since the beginning. As a matter of fact, one of the most important aims of this work is to reveal to what extent Mahmud’s diplomatic manoeuvres were effective in turning Palmerston’s views against Mehmet Ali in the diplomatic process he was influencing between 1833 and 1838 because the same person, Palmerston, for a short while in 1833, had even thought to support Mehmet Ali as a ‘safety switch’ in the region in terms of the British interests against the Russians. Brown examines this transient favour that Palmerston felt towards Mehmet Ali and reports;

“Palmerston’s thoughts turned now not to opposing Mehemet Ali, therefore, but to backing him; to supporting him, indeed, as Turkey’s potential

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saviour. Britain and France he said, could back ‘a national resistance’ in Turkey to Russian aggression, and ‘in such a case, Mehemet Ali would come well into play’. With Franco-British support, Mehemet Ali might advance against Russia and, he concluded, ‘It is not then quite so chimerical as may at first appear, to suppose that England, France, & Mehemet would be a match for Austria & Russia in preventing those two powers from Polandizing Turkey’.11

Despite his previous thoughts on Mehmet Ali, he was thinking in a completely different way about the rebel governor now, after all the diplomatic developments that had occurred over the last five years.12

Palmerston had not only been surmising that a commercial treaty with the Ottoman Empire would bring about some desired political results, he was also expecting it to bring with it some highly satisfactory economic results. Southgate also examined these economic expectations of Palmerston’s, saying that;

“The treaty was important to British commerce with the whole of the Ottoman Empire and with Persia, and also a great diplomatic triumph. Lyons at Athens even said there had been nothing like it for British prestige since Canning had planted the flag on the heights of Lisbon...Better still, it was a challenge to Mehemet, who must either operate the treaty and thus weaken his resources as well as swallow his pride, or reveal himself a rebel.”13

At this stage, two different historical arguments on this topic need to be covered. Despite the argument that Palmerston and Mahmud’s common aim with the treaty was that it might destroy Mehmet Ali’s monopolies and so cut off the Pasha’s economic resources, on the other hand there are some historians who do not agree with this view, such as Bülent Özdemir. According to him,

12 Many diplomatic events related to the Mehmet Ali Problem occurred in these five years. Some of these include Mahmud II calling the Russian troops to the Bosphorus, the Treaty of Unkiar Skelessi, the Euphrates Project, and many positive developments in Anglo-Ottoman relations. Although extensive literature covering these topics and relying on English sources can be found, it is hard to say that any scholar has not examined in detail the diplomatic events from the Ottomans’ point of view, using the Ottoman sources. In particular there are no other studies documenting Mahmud II’s diplomatic plans for this period. For an extensive study examining these diplomatic processes from the Ottoman perspective and in the context of Mahmud’s diplomatic plan, see Serkan Demirbaş; Mahmud II and Ottoman Diplomacy in the context of Mehmed Ali Problem (1832-1839): with special reference to the Ottoman Archives in İstanbul, (unpublished PhD Thesis, University of East Anglia, 2015).
Mahmud II did not make the treaty with the aim of destroying Mehmet Ali’s monopolies. He explained his argument like this:

“The Ottoman local authorities received no official information and instructions from the Porte regarding the new situation for six months, and on some regions up to one year after the conclusion of the treaty. For instance, in the case of Salonica, Consul Blunt reported in March 12, 1839: “The local authorities of Salonica have not yet received any instructions, or any kind of information from the Sublime Porte, relating to the Commercial Convention.” There are two fermans among the sicils of Salonica dated 1 March 1839, which was the date that the convention would be effective, and 30 April 1839, which specifically deal with the convention of 1838 and with the prospective changes in the administration of customs houses, but no specific information and instructions were given to the local authorities respecting the new convention until August 1839, other than merely informing the local government that they would charge 12 per cent for exports and 5 per cent for imports as customs duty. The above findings confirm that Consul Blunt was right in thinking that the required information regarding the new convention was not sent to the local authorities just after the signing of the treaty in 16 August 1838. Again, by the time of the effective date of the convention, which was 1 March 1839, the local authorities had not received full instructions from Istanbul, but only a little information respecting the customs duties. This delay may be explained in terms of the reluctance of the Porte, whose interests were not the same as those of Britain. In this sense, if the purpose of depriving Mehmet Ali Pasha of his basic financial sources, such as the state monopolies, was taken into account as the only cause of the conclusion of the Trade Convention of 1838, the Ottoman government should have been acting more energetically than this for the more rapid execution of the treaty.”

Although this long explanation from Özdemir on the matter seems to well account for the situation, there is another Turkish historian, Mübahat Kütükoğlu, who has examined the treaty of Balta Limani from every angle based on both the Ottoman and British documents, and who explains differently the reason why the Central Government had waited for six months before sending the official instructions from Istanbul to the provinces. According to Kütükoğlu, after the signing of the Balta Limani in 1838, both sides had the

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Customs Tariff issue before them which was supposed to be renewed in 1834 but had not been done so until the date the Treaty was signed. Apparently, the instructions relating to the Customs Tariff were of vital importance for the trade between the two empires since they determined the prices of export and import items very precisely. The diplomatic process that was gone through to define the terms of the Customs Tariff witnessed very enthusiastic discussions between the diplomats of Britain and the Ottoman Empire. Particularly, as specified in Article 7, the criteria to designate the prices of export goods subject to 9% Amediyye and 3% Reftiyye tax, and other issues such as which item was to be exported from which port (Bursa Silk has to be mentioned here as the most contentious) caused controversy. The disputes only came to an end after intense discussions on April 23, 1839 with the signing of the new Customs Tariff, 8 months after the treat of Balta Limani was signed. But the particular issue of where Bursa Silk was to be exported from (Izmir or Istanbul) was discussed for somewhat longer. The Ottoman Government had informed British officials that instructions for ports and provinces to enforce the 1838 Treaty were not to be sent unless there was an agreement on the Customs Tariff as this was vitally important for the Ottoman economy whether before April 23 or after. It could, therefore, be concluded that the Ottoman government did not want to put the Treaty into effect before ensuring that there was no damage to the Ottoman treasury even though one of the reasons why the Government signed this Treaty was to put an end to Mehmet Ali’s economic power by finishing off his monopolies.

It would now benefit from a brief discussion on the treaty’s economic aspects and their consequent effects on the Ottoman Empire’s economic life. This discussion section of the article will mainly be based on sources from Turkish experts in the field of this period’s economic aspects, pertaining to the Treaty of Balta Limani.

For the Ottoman economy, the treaty of Balta Limani was one of the most important developments of the nineteenth century, although it had both positive and negative effects. This commercial agreement was a landmark in Ottoman

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15 Mubahat Kütükoğlu, Osmanlı-Ingiliz İkisadi Munasebetleri I 1838–1850, (İstanbul: 1974), p. 182
16 When examining the commercial treaty in terms of its political results from the Ottoman perspective, one of Mahmud’s diplomatic manoeuvres was aimed at inducing the British to make the Anglo-Ottoman alliance against Mehmet Ali. However, when analysing the treaty in terms of its economic effect on the Ottoman Economy, it seems that the negative results of it
history, because before this convention, the Ottoman Empire had maintained a closed economic structure. This means that it was the policy of the Ottoman Sultans and their statesmen to attach a higher priority to supplying the Ottoman public’s needs before exporting Ottoman goods to other countries. This practice had been imposing severe restrictions on trade with foreign countries. In particular, Mahmud II made lawful the long standing traditional practice whereby he and his predecessor banned seven goods from being exported. These forbidden items were called the “7 Vahid”. The majority of these items were salt, all kind of pulses, and gunpowder, flour, spices and sugar.17 Palmerston had been persistent, over a long period, through his Ambassador in Istanbul, Ponsonby, in dissuading Mahmud II from retaining his monopolies on certain trading because the British merchants were dismayed by this prohibition, and complained vociferously to Ponsonby about this frustrating barrier to trade.18 In particular, following the termination of the Levant Company in 1826, British merchants wanted to trade with the Ottomans, but the “7 Vahid” remained a trenchant obstacle to commerce. To help resolve this problem, Palmerston had occasionally sent a persuasive message to Mahmud II via Ponsonby and tried to talk the Sultan out of this prohibition by explaining the extensive damage it would inflict upon the Ottoman Economy.

In fact, this situation was a very good opportunity for Mahmud II because Palmerston, for the second time, was in a position where he had to ask for something from Mahmud II. (The first time had been when he needed to obtain the Sultan’s permission for the Euphrates Project.19) Therefore, Mahmud II assigned Nuri Effendi to negotiate the conditions of a possible commercial

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18 Mubahat Kütükoğlu, *Osmanlı-İngiliz İktisadi İktaşı İlişkileri II 1838-1850*, (İstanbul: 1976), p.66-70
19 To see an extensive article about the Euphrates Project in the context of Mahmud’s diplomatic plans see Serkan Demirbaş, *İngiltere’nin Hindistan Rotaları ve Bu Rotalardan Biri Olan Fırat Nehri Projesi’nin Mehmet Ali Paşa Sorunu Kontekstinde Gösterdiği Gelişim*, Osmanlı Devleti’nde Nehirler ve Göller, Vol. 1, (Kayseri: 2015), pp. 805-819
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treaty in London.\textsuperscript{20} As might be expected, as Mahmud II usually did whenever he sent one of his diplomats to London, he gave Nuri Effendi instructions that while he was negotiating with Palmerston about the treaty, he also was to try to induce the King, the British government and Palmerston to look favourably upon the Anglo-Ottoman alliance against Mehmet Ali.\textsuperscript{21} Nuri Effendi had previously paid some official visits to London to negotiate the Mehmet Ali problem under the direction of his sovereign, as well as negotiating the commercial treaty.\textsuperscript{22} All of these factors show that Mahmud II seemed to be determined to use Palmerston’s economic request as leverage, as he had done in the previous diplomatic and politic events.

Furthermore, the commercial treaty had many effects upon the Ottoman economy and all of these are still discussed in themselves as a continued controversial topic in the Turkish literature on the treaty. One of these discussions about the treaty of Balta Limani is about its effects on the Ottoman Economy. Some of them have asserted that Balta Limani negatively affected the Ottoman economy. According to them, if it had not been signed, the country’s industry would have been able to improve.\textsuperscript{23} They have opined that the Ottoman industry was prevented from developing since British products were getting cheaper year by year because of the Industrial Revolution and developments in shipping. Although the majority of the European governments had made tax provisions to defend against the developed British Industry, the Ottoman government did not, as in this treaty it had actually reduced its customs duties. For this reason, they claim that Balta Limani damaged the Ottoman economy. Interestingly, after Balta Limani the customs process was implemented as the exact opposite of the practice in other countries. The European countries took some precautions to protect their national industries against the strong British economy, but the Ottomans did not. Bailey comments upon these measures saying;

“In the second quarter of the nineteenth century England's trade with the European states was limited because of the barriers which these countries raised in order to foster their own industrial development. France, which began

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\item \textsuperscript{20} BOA, HAT., 1186/46759.
\item \textsuperscript{21} BOA, HAT., 1190/46879-001.
\item \textsuperscript{22} BOA, HAT., 1190/46879-001.
\end{thebibliography}
to realize the possibilities of industry and commerce after 1815, took the lead in this respect. Textiles were absolutely barred until 1834, when this unconditional prohibition was replaced by high duties. The German Zollverein, while not specifically prohibiting English goods, did tax foreign manufactures. Although its duties were not heavy at the start, there was a tendency to move upward. Trade channels with the Germanies existed, however, via Belgium, Holland, the Hanse towns, and states not members of this economic league, carrying goods across Europe to the Austrian and Russian frontiers. To keep these channels open was "the prime object of British commercial diplomacy." In the same way the Austrian lands were protected by high tariffs, one of which (1835) prohibited some sixty-nine articles and levied exorbitant duties on as many as sixteen hundred items. The Russian tariff of 1833, which replaced the absolute prohibition of all foreign manufactures established in 1810, proscribed more than three hundred articles; this became the basis of Russian tariff policy until 1844.²⁴

As can be seen from the above, Mahmud II took every possible course of action and undertook any kind of economic risk to rescue his Empire from disintegration or even worse, depredation by Mehmet Ali. As a result of this political reasoning, despite all the other European states’ protecting themselves with very high tariffs levied upon British goods; after Balta Limani, British merchants only paid twelve per cent on exports and five per cent on imports. In addition, there was an eight per cent duty required from Ottomans who wanted to carry on domestic trade,²⁵ but while Ottoman merchants had to pay this duty, foreign merchants did not have to pay any duty on domestic trade any more after Balta Limani. This clearly gave foreign merchants a distinct and unfair advantage over the native Ottoman merchants in domestic competition. This latest economic development seemed to be one of the chief reasons for the increased number of British merchants engaging in the domestic commercial life of the Empire in the second half of 1838.

On the other hand, some Turkish historians do not fully agree with this point of view such as Şevket Pamuk.²⁶ Pamuk is proponent of the opinion that the reason Ottoman industry was not able to improve was not because of Balta

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Limani but because of the basic structure of the Ottoman economy. At the beginning of the 1830s, Ottoman industry was still founded on handicraft-based manufacturing. Therefore, he argues, Balta Limani did not undermine Ottoman industry because Turkish producers had not yet started mass production.

Another important consequence of this commercial treaty on the Ottoman economy was its influence on Ottoman agricultural production. After the treaty this began to change. In effect, the majority of agricultural life remained the same, that is, small scale production for the farmer’s daily life. In the meantime, however, after the Treaty, some of the farmers began to produce their crops specifically for export. Also, within about twenty years (1838-1858), the Ottoman public, especially the people of Istanbul, had begun to demand foreign products such as British clothes because of their cheap price and good quality. As a result, most of the small Turkish suppliers could not compete with these products.27

Another significant opinion about the Treaty of Balta Limani, put forward by Turkish researchers like Bülent Özdemir, is that if the treaty had been so very important in the relationship between England and the Ottoman Empire, then it would not have also been signed with eight other European Countries within three years.28 In fact, although this seems a sensible question, another Turkish researcher, Mubahat Kütükoğlu has answered it with the proposition that England had such faith in its own mass-production and cheaper goods over that of other European Countries, that the English politicians permitted the same agreement to be signed between the Ottomans and other European countries to avoid fostering jealousy in the other countries.29 Moreover, when considering the situation from the diplomatic aspect, Britain was seeking for a European consensus to resolve the Eastern Question (Mehmet Ali) problem and Queen Victoria did not see any harm in sharing her country’s privileges gained by Balta Limani with the other European countries. So it was permitted by Mahmud II and some Ottoman Authorities, such as Mustafa Reşid Pasha, in order to promote the European Alliance against the Mehmet Ali problem.30

In addition, even after the Treaty, the British and Ottoman governments continued to dispute certain issues regarding article two. When the Turkish

30 BOA, HAT,. 685/33266-H.
officers signed the treaty, they thought that British merchants were going to trade as wholesalers. However, British officers intended that British merchants would be able to engage in retail trade within the Ottoman dominion. According to the Ottoman point of view, when the treaty was translated into English, a mistake was made. Owing to this, a large influx of British retailers with an enormous tax advantage over the native Ottoman traders would have had a disastrous effect on the citizens’ livelihoods and the entire economy. In fact, Ottoman merchants were not pleased with the treaty and had it not been for the fact that relations between the two sides were in good condition, the wrong attitude of the British side in exploiting the situation might well have caused the complete destruction of Ottoman trade. Thus, on the one hand, the Ottoman side contested this article and struggled to have it cancelled, while on the other hand, the British side insisted on upholding it: consequently it could not be cancelled and the article stood.

There was a British man, Urquhart, who had more knowledge about the Ottoman economy than the other British, because he had been sent to the Ottoman lands much earlier, at the beginning of the 1830s, to investigate its economic potential in terms of British trade. He did not like the Russians and supported the Ottomans, as did Palmerston and Ponsonby. The only difference he had was that he also wrote some articles in the British press in support of the Ottoman Empire so he was a positive influence on the British public about the Ottomans as just Mahmud II had intended. Lamb stated Urquhart’s and Ponsonby’s common opinion about the Russians that

“Urquhart had encouraged Ponsonby to believe that the Ottoman Empire, if protected from Russia, was capable of being reformed and strengthened…”

As mentioned, Urquhart wrote some articles for the British newspapers and Ponsonby was his strongest supporter in this. Lamb said about this that

32 Mustafa Reşid Pasha was paying some British journalists, at the behest of the Sultan, to print some articles in an attempt to defend Turkish arguments in the British newspapers. Mahmud II had been considering this topic important since his main aim since the very beginning had been to get the British public on his side. See an example of one of Mahmud’s orders in this respect BOA, HAT., 385/20592.
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“Ponsonby had seen the possibility of using Urquhart’s facility as a writer to forward this publicity campaign, (Anti-Russian) and he urged him to revise some of his letters to make them suitable for publication, to write an article in a periodical, and to write a regular column for the Morning Chronicle.”

Urquhart also had some valid opinions on the treaty of Balta Limani. According to him, the substance of this important treaty was established at the beginning of 1833, when, despite there remaining certain disagreements, Bulwer and Ponsonby were able to successfully get it signed. After the convention, as indicated by Urquhart, Balta Limani was still viewed with distrust by the Ottomans, due to several disadvantages remaining within it, and some feared it might even be the destruction of the Ottoman Economy. So in this sense, as can be seen, Balta Limani did not seem like a beneficial commercial course for the Ottomans to have taken. As would be seen in the following decades of the Ottoman Empire’s economic life, in consequence of losing the right of assignment of the customs duties, the Ottoman administration would be forced to borrow at high interest from European powers over the Crimean War. Subsequently and tragically, in 1874, the Ottoman government had to declare its treasury bankrupt.

4. Conclusion

Despite all these negative effects of the treaty of Balta Limani, Mahmud II took the possibly fatal risks he did on his Empire’s economic life with this process, for the sake of his Empire’s salvation. He certainly did not want to be beset with the same problem of being totally alone, as had happened at the end of 1832 in Konya because he could not find anybody to support him after his army was defeated there against his governor’s army. Therefore, he had made some very risky diplomatic manoeuvres and some significant sacrifices, such as the ones in this commercial treaty, for the purpose of winning European support, particularly from the British. So those who want to examine this economic process have to consider the diplomatic and political conditions in the

34 Ibid. p. 244.
period along with Mahmud II and his diplomats’ true diplomatic aims as indicated in the Turkish documents. Otherwise, Mahmud II could be seen as a powerless and foolish Sultan who ruined his Empire’s economy by his own hand. But if he had not attempted to tip the scales in his Empire’s favour by his diplomatic struggle of six long years, his successors possibly would not even have had an Empire left to govern.

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