

## Merchants of Portuguese Trade in Cannanore

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### Abstract

**The Medieval history of Malabar is almost synonymous with the activities of the Portuguese. The Portuguese were the first Europeans who came to Malabar in search of spices and souls. Commercial interests were stimulated by the possibility of producing or procuring cheaply several goods that Europe lacked and which were thus very much in demand. They established their supremacy and controlled the region of Malabar independently for a long period with no intrusion from any other European powers. But later the commercial interest of the neighboring countries of Portugal swept away this first European power from the coast of Malabar.**

**Cannanore was the cool centre of trade for the Portuguese comparing to that of Cochin, Calicut and Quilon in the Malabar coast.**

### Introduction

#### Trade in Cannanore.

Vasco da Gama on his way back to Lisbon visited Cannanore and started a friendly relationship with the king of Kolathunadu. Being dissatisfied with the unfriendly treatment of the Zamorin of Calicut, the Portuguese were happy to have trade engagement with the Kolathiri Raja. The mastery of Western Asian trade and the commercial hegemony of Calicut in the Indian Ocean acted as an impetus to the Portuguese to make a commercial contract with the Cannanore king. In the same manner the Kolathiri also desired to bring, with the support of the Portuguese, the Muslim merchants under his control, who had been determining the nature and pattern of trade in his kingdom for a long time.

In 1501, when Pedro Alvares Cabral reached Malabar, along the trade commodities, the rulers of Cochin and Cannanore sent ambassadors to Lisbon in order to reinforce the bonds of friendship and trade. In 1502 King Manuel appointed Vasco da Gama admiral. He made an agreement with Cannanore, whereby Portuguese undertook to purchase spices at a fixed price.<sup>i</sup> In a historical document entitled "Governor General's Regiment" issued by Dom Manuel, king of Portugal to Francisco de Almeida, the first governor general, on 5<sup>th</sup> March 1505, the king offered his friendship to the kings of Cannanore, Cochin and Quilon.<sup>ii</sup>

Unbalanced interaction of trade prevailed throughout this period. The exports were always higher than the imports. Cannanore had considerable trade with other parts of the country and Persia. Castanheda referred that there were trade of spices, stones and drugs from Cannanore and Calicut to Soffala via Ethiopia.<sup>iii</sup> Mostly it used hinterland trade relations.

The Arabian sea and the Valapattanam river provided excellent transport facility for trading and commercial purposes. Among the commodities exported from Cannanore, pepper figured prominent. The quality of the pepper from Cannanore was reputedly the best in Malabar<sup>iv</sup>. The Portuguese preferred the Cannanore pepper most of the times except in times of high price against the agreement made with Ali Raja of Cannanore.<sup>v</sup>

### 1. Local Merchants of Cannanore

It was not easy for the Portuguese traders to collect the commodities without the help of local merchant communities. The local merchants contacted the peasantry producing pepper, ginger, cardamom and commodities in the hinterlands and supplied them with every day necessities such as rice, cloth and so on, on condition that the spices should be delivered to them at the time of harvest.<sup>vi</sup> In certain case, the local merchants received payment in advance from the Portuguese for a definite volume of commodities to be delivered at the factory.<sup>vii</sup> But the Portuguese did not have sufficient commodities to supply the needs of the local people and had not enough time required for an exchange on account of their dependence on the monsoon for navigation. For instance, though the merchants of Cannanore were able to supply 7000 quintals (367213 kgs) of ginger, the Portuguese officials were able to purchase only 4000 quintals (209836 kgs) for lack of money in the year 1513.<sup>viii</sup> Afonso de Albuquerque wrote to the king of Portugal in 1514 that he should send more cash rather than copper and other commodities to facilitate the trade.<sup>ix</sup> The local merchants supplied the commodities on credit to the Portuguese and thus proved to be very useful to the Portuguese trade<sup>x</sup>. The subjects of the local kings who sided with the Portuguese, were, in fact, allowed the right to trade with a Portuguese permit.<sup>xi</sup> Much of the trade thus allowed was naturally in Muslim hands. Muhammad Ali, the great Muslim merchant of Cannanore, was at first trading with a Portuguese permit.<sup>xii</sup> He supplied rice to the Portuguese in large quantity.<sup>xiii</sup> The Muslim merchants of Cannanore, namely, Mamale, Mohammed Ali and Pokkarachan used to deliver merchandise on credit at the Portuguese factory.<sup>xiv</sup>

One of the most important services rendered to the Portuguese by the local merchants consisted in supplying commodities on credit. Sometimes these merchants supplied commodities on the guarantee of the Kings on the Malabar coast. This practice continued also in the late sixteenth century when the Portuguese capital, meant for trade began to dwindle<sup>xv</sup>. The local merchants after receiving an advance from the Portuguese captain or the factor of the respective ports, collected commodities from the cultivators and stored them in their own godowns and delivered them to the Portuguese at the time of the arrival of the ships from Portugal.<sup>xvi</sup>

Apart from supplying commodities on credit, the local merchants advanced loans to the Portuguese officials in charge of the Indian affairs.<sup>xvii</sup> According to the report given by Lourenço Moreno in 1513, the Portuguese had taken a loan of 10,000 *pardaos* from the Malabar coast.<sup>xviii</sup> Khoja Shams-ud-din of the province of Gilan<sup>xix</sup>, who had his base in Cannanore after 1543, is reported to have given a loan of 750,000 *pardaos* of gold to the Portuguese governor.<sup>xx</sup> He had great treasure in Cannanore and was taken in confidence by the Portuguese governor<sup>xxi</sup>, and the latter personally went to meet the former at his palace in Cannanore to collect a huge amount in loan from him<sup>xxii</sup>. In fact, there were several people who had their doubts about this loan and so during the tenure of the office of João de Castro enquiry was made into the matter<sup>xxiii</sup>.

Most of the local merchants acted as the contractors to the Portuguese and contacted the cultivators directly by going from place to another; giving rice, cloth and cash with a view to getting pepper, ginger and so on at the time of harvest. They took cotton textiles from Cambay to Malabar coast to exchange for the commodities available there<sup>xxiv</sup>. In certain cases they themselves stored the merchandise after receiving the advance from the Portuguese officials and delivered them at the time of loading the ships bound for Portugal<sup>xxv</sup>. These merchants presumably collected the commodities from the cultivators at whatever price they succeeded in finalizing and then delivered them to the Portuguese factories at the price fixed in advance. Therefore, the local merchants tried to derive the maximum profit by purchasing the commodities at the cheapest price possible from the cultivators and selling them to the Portuguese at the stipulated rate. Since, in many a case these merchants exchanged goods such as textiles, rice and so on for the spices, they had opportunity to increase the rate of their profit.

The local merchants, especially the resourceful ones, did not confine themselves to supplying commodities only to the Portuguese. They also conducted trade with other parts of the world with the knowledge of the Portuguese. A great merchant Khoja-Shams-ud-din, had his commercial establishments in Arabia and Persia. He received the *cartazes* from the Portuguese to send his cargo ships to Mecca and Ormuz<sup>xxvi</sup>. In 1543 he sent three ships with commodities to Mecca and the Persian Gulf area<sup>xxvii</sup>. He had his brother Abdul Jabbar in Arabia and there were great trading houses in the Red Sea area. It was in this way that the spices reached Cairo and the marts of the Mediterranean, and finally the various parts of the continent. Thus Khoja Shams-ud-din had a large network of international trade besides being one of the most important merchants of India collaborating with the Portuguese. It is held by a number of historians that Indian spices were available in Cairo, Alexandria, Antioch and Beirut in the in the forty's of the sixteenth century<sup>xxviii</sup>. Probably, the revival of the Levantine trade in the period after 1540 may be explained in the light of the activities of the local merchants like Khoja Shams-ud-din and the difficulty the Portuguese had to withhold permits to those merchants to whom they were greatly indebted.

In fact the freedom granted to the influential local merchants to conduct trade with the Persian Gulf and the Red Sea areas helped the Portuguese to a great extent. These merchants acted also as spies collecting information for the Portuguese. The details regarding the movements of the Turks passed on to the Portuguese through Khoja Shams-ud-din were of paramount importance and enabled the Portuguese to be ready to face the threat<sup>xxix</sup>. He had a great number of spies all over and collected information from the various parts in India and passed it on to the Portuguese at the right time.

It seems that on account of a number of problems inherent to the organization of Portuguese trade with India, it was impossible for them to avoid the local merchants. The officials in touch with the local conditions in India placed two suggestions in order to realize the target. One, the Portuguese merchant should go from cultivator to cultivator supplying rice, clothes and other things of daily need in exchange of pepper, ginger and so on. This would take a long time and had to be done before the arrival of the ships that could not afford to wait in the ports more than three to four months as the sailing depended on the monsoon winds<sup>xxx</sup>. But the Portuguese did not import these things to India and if at all they were to follow this, they would have to purchase them from various parts of India and take to those areas from where pepper and similar commodities were to be purchased directly from the cultivators. They brought mainly copper and cash to India and the mode of payment in copper and cash

to the cultivators for the commodities they supplied was not at all welcome or profitable to the cultivators, because they had no means of taking copper to places like Cambay where it could be easily sold<sup>xxxii</sup>. Again they would fall prey to the local merchants. Therefore, the cultivators preferred local merchants who would supply goods of daily consumption in exchange of their products.

The other alternative would have been the availability of cash to purchase commodities at the harvesting time and during the short time between the arrival of the ships and their departure but the Portuguese did not bring enough cash for quick transaction. The harvesting time did not coincide with the arrival of the ships from Portugal. If they had had enough resources, they could have purchased the commodities at the harvesting time and stored them until the arrival of the ships. But the financial position and other conditions were not in their favour and so they depended on the local resourceful merchants who purchased the merchandise from the cultivators and stored them for the Portuguese. Another factor was the unreliability of the government officials of Portuguese India who would take and sell such stored commodities to Cambay. Purchasing and storing in advance tempted them to make private profit at the expense of the state<sup>xxxiii</sup>.

The inevitability of resorting to the local merchants springs from another source too. In certain cases the great merchants kept the cultivators and retail merchants away from direct contact with the Portuguese by spreading frightening rumors about the foreigners. They were told that the Portuguese officials would cheat by taking extra weight while purchasing the commodities if they directly sold to them, and similarly they would pay very badly. It was also said that they would maltreat the cultivators and consider them slaves. These and several other rumors prevented the cultivators from being directly in touch with the Portuguese. Since such a direct contact was rendered impossible, they had to rely on the local merchants.<sup>xxxiii</sup>

It may be concluded that the position of the local merchants did not suffer any lasting damage with the arrival of the Portuguese on the Indian scene, either in internal or external trade. On the contrary they flourished by extending their commercial enterprises to a wider spectrum like their trade in copper, other goods in demand by the Portuguese and sending commodities to various distant places under the security provided by the system of *cartazes*. Thus the non-producing elements got an opportunity to establish their sway between the two extremes of production, namely, the cultivator and the consumer, and finally to exploit the producers. Ironically, this situation thrived mainly because of the Portuguese's own organization of trade with India.

## **2. Arakkal Ali Rajas of Cannanore**

The Ali Rajas of Cannanore played a prominent role in the maritime history of Malabar in the European period. They became very prominent during the Portuguese period. The Ali Rajas belonged to the Muslim Arakkal family and in the beginning they were only the dependents of the sovereign king of Kolathiri.<sup>xxxiv</sup> Because of their economic prosperity, political influence and power of trade the Ali Rajas gradually became independent of the sovereignty of the Kolathiris.<sup>xxxv</sup> They kept a strong trade relationship with the Europeans and the Arabs. The Ali Rajas were ruling the Laksha deep islands and many of the western traders approached them to start commercial contacts with them.

In the beginning the Ali Rajas was in harmony with the Portuguese. The Portuguese was maintaining a friendly relation with the Kolathiri Raja and because of that the Arakkal family too followed the same pattern. In 1504 the Portuguese constructed a fortress and

colony in Cannanore. The Arakkal family had their palace only a gunshot distance away from the St. Angelo fort of the Portuguese. The relation between the Arakkal family and the Portuguese was not always smooth. An incident that broke the friendship between the Portuguese and the Ali Rajas in Cannanore, was when Valiya Hassan, a close relative and a captain of the Ali Raja, who did not like the commercial monopoly of the Portuguese in Cannanore, attacked several Portuguese vessels in the Laksha deep sea.<sup>xxxvi</sup> The Portuguese complained to king Kolathiri but it was to no purpose. The Portuguese then captured Valiya Hassan with the permission of Kolathiri and imprisoned him in the Cannanore fort. The Arakkal Rajas pleaded for him to the Portuguese through their King but it was in vain. Valiya Hassan was executed by the order of the Portuguese governor Dom Henrique Meneses.<sup>xxxvii</sup> It aroused Muslim opposition against the Portuguese for a long time. Later they maintained the peace with the Portuguese.

Later there was a continuous war between the Portuguese and the Ali Rajas which started in 1570 and lasted three years. The Arakkal family got the support and assistance of the Bijapur Sultan Ali Adil Shah.<sup>xxxviii</sup> But the final victory was in favour of the Portuguese. The Arakkal family did continue their trade but had to obtain passes or *cartaz* from the Portuguese.

### 3. Foreign Merchant Financiers

The Portuguese king did not have sufficient money in order to purchase goods and spices outright. However they wanted to keep their monopoly of trade in the Indian peninsula. In order to guarantee their ownership of the new sea route to India they had find other measures to purchase from the agents and their rulers in India, so they found a solution with the help of rich financiers from Germany and Italy.<sup>xxxix</sup> Many Italian and German financiers took an active part in the Indo-Portuguese trade in the 16<sup>th</sup> and 17<sup>th</sup> centuries. Their participation in the Portuguese overseas trade was of great importance for the Portuguese crown since commodities and money needed for trade were not readily available in Portugal. They paid in cash or copper which are needed to pay for the goods. Indian commodities, especially pepper, were purchased against the part-payment of pepper. They were allowed to have their private trade in jewels, diamonds and precious stones. Both Italian and German merchant financiers played a very significant role in the trade conducted by the Portuguese with India.

In 1505, the expedition to India was a pan European one, in which the principal bankers and merchants from Italy and Germany took active part: besides the crown ships, the German-Italian merchant syndicates sent three vessels São Jeronimo, São Rafael and São Leonardo with Balthasar Sprenger and Hans Mayer as their factors to India along with the Viceroy Francisco Almeida. The capital invested by the Italians and the Germans was about 65,400 *cruzados*. The six vessels of the pan European venture carried about 20,000 quintals of pepper to Lisbon from the ports of Malabar, out of which the share of Cannanore was 2600 quintals. The Germans after paying a 30% share to the crown got 8,960 quintals, which on sale at 20 *cruzados* per quintal fetched 179,200 *cruzados*. However the capital invested was only 36,000 *cruzados* and the difference is 143,000 *cruzados*, which shows that the profit bagged by them was 397.7%<sup>xl</sup>. The Venetian ambassador Vincenzo Quirini estimated in 1506 that about 25,000 to 30,000 quintals of spices, out of which two-thirds was pepper, were exported annually from the pepper ports of Cannanore, Cochin and Quilon to Lisbon for distribution in Europe.

### Local Employers

Many people were employed in Portuguese settlements. Some of them were employed in ships as frecheiros (bow men) and grumetes (ship boys).<sup>xli</sup> Similarly, some Nairs were serving as guards in the factory. Several other posts like interpreters, persons to see the weighing of the commodities in the factory were filled by the local people. Their help was necessary for the Portuguese to construct vessels in Cannanore. In 1514, they built a ship in the Cannanore port.<sup>xlixliiii</sup>

### Conclusion

Cannanore was only a filling centre for the Portuguese, meaning a centre for taking a break or filling the rest of the ship with the commodities collected in the factory of Cannanore fort. Normally the Portuguese loaded the ship from Cochin and on the way to Lisbon they passed through the port of Cannanore. The king of Kolathunad could not provide sufficient quantity of commodities to the Portuguese *carreiras* on time. The Portuguese too could not fill their factories with the trade goods. Ginger, pepper and cardamom were the main products available from the hinterlands of Cannanore and even that too was not sufficient to fill the *carreiras*. The Portuguese did not leave the Cannanore fort because it was their military strategic point and it was reserved as a halt between Goa and Cochin, two important trade centres for the Portuguese.

The lucrative trade of the Portuguese in the Orient attracted the attention of the Dutch for a long time. They wanted to become involved in the Oriental trade of spices. The Dutch sent fifteen expeditions to the East from April 1595 to May 1601 in search of an opportunity to get their own centre of trade in the Orient. Their gradual intrusion into the Portuguese pockets of Malabar led to the diminishing trade of the Portuguese.

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