

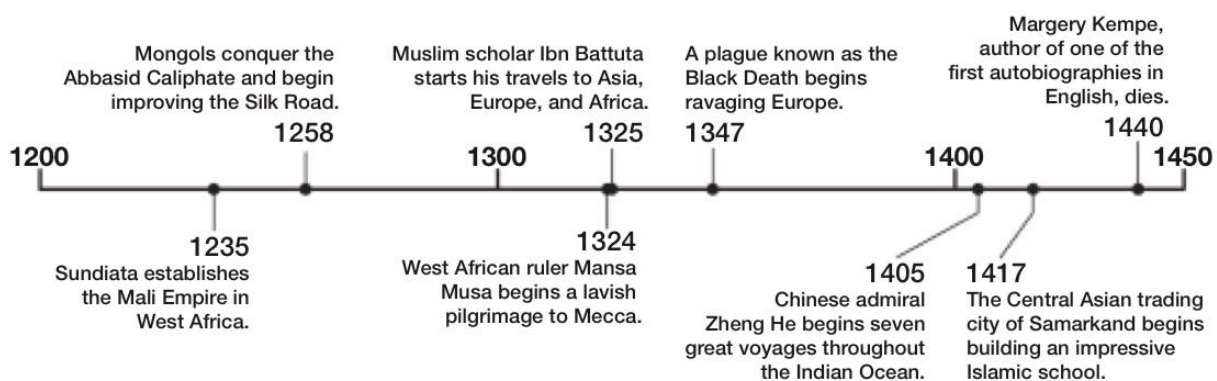
# UNIT 2: Networks of Exchange from c. 1200 to c. 1450

## Understand the Context

Between 1200 and 1450, economic activity along existing trade routes increased in volume and scope. Technological and commercial innovations, imperial expansion, and demand for luxury goods were key factors in the ongoing expansion of trade. Growing trade networks accelerated cultural, biological, and technological diffusion across Afro-Eurasia.

**Factors that Expanded Trade** Between 1200 and 1450, the rise of powerful states and empires played a critical role in increasing the volume and geographical reach of existing trade networks. The Mongol Empire promoted trade along the Silk Roads, creating a vast commercial network across Eurasia. Trade routes across the Sahara and in the Indian Ocean added both West Africa and East Africa to this network. Improvements to previously existing commercial practices, including forms of credit, facilitated larger networks of exchange. Driving this growth in trade was a growing demand for luxury goods, such as silk and porcelain from China and gold from Africa.

**Consequences of Trade** In the context of this growing trade, powerful new trading cities emerged scattered across Africa and Eurasia. Trade provided the setting for significant cross-cultural exchanges. As merchants and other travelers moved from place to place, they introduced religious beliefs such as Islam and developments in technology such as paper making and gunpowder to new communities. Against the backdrop of this transfer of ideas and things, came also the rapid spread of deadly diseases, most notably the bubonic plague.



# The Silk Roads

*And don't forget that if you treat the custom-house officers with respect, and make them something of a present in goods or money, as well as their clerks and dragomen, they will behave with great civility, and always be ready to appraise your wares below their real value.*

—Italian merchant Francesco Balducci Peglotti (1471)

**Essential Question:** What were the causes and effects of the growth of networks of exchange after 1200?

**M**ore than 1,300 years after the first accounts of travel on the Silk Roads, these fabled routes that had fallen into disuse had revived by the 8th and 9th centuries. As described by merchant Peglotti, the land route of the Silk Roads was vibrant and essential to interregional trade in the 14th and 15th centuries.

Demand for luxury goods increased in Europe and Africa. Chinese, Persian, and Indian artisans and merchants expanded their production of textiles and porcelains for export. Caravans made travel safer and more practical, and the Chinese developed a system using paper money to manage increasing trade. Interregional trade on the Silk Roads flourished.

## Causes of the Growth of Exchange Networks

The Crusades helped pave the way to expanding networks of exchange, as lords and their armies of knights brought back fabrics and spices from the East. Despite the inroads on the Byzantine Empire by the Ottoman Turks, the Silk Roads trade routes remained in operation, as did sea routes across the Mediterranean Sea and the Indian Ocean. China was still eager for Europe's gold and silver, and Europe was growing more eager than ever for silk, tea, and rhubarb. Global trade increased. Although Europeans had not yet found a route around the Cape of Good Hope at the southern tip of Africa, they had been making overland trips across Europe for many centuries.

**Rise of New Empires** After the collapse of classical civilizations such as the Roman and Han empires, the first golden age of the Silk Roads came to an end, and activity declined dramatically. However, by the 8th and 9th centuries, Arab merchants from the Abbasid Empire revived the land route of the Silk Roads as well as sea routes in the Indian Ocean. Tang China had much to offer the newly revived global trade network, including the compass,

paper, and gunpowder. China exported porcelain, tea, and silk. From other parts of Asia, China imported cotton, precious stones, pomegranates, dates, horses, and grapes. These luxury goods appealed to the upper class of Chinese society, whose members reveled in their country's newfound affluence. This period marked the second golden age of the Silk Roads.

No other cause, however, had as significant an impact on the expansion of trade as did the rise of the **Mongol Empire**. Mongols conquered the Abbasid Caliphate in 1258, and in the 14th century China came under their control as well. Parts of the Silk Roads that were under the authority of different rulers were, for the first time, unified in a system under the control of an authority that respected merchants and enforced laws. The Mongols improved roads and punished bandits, both of which increased the safety of travel on the Silk Roads. New trade channels were also established between Asia, the Middle East, Africa, and Europe. Those who survived the conquests by the Mongols and their descendants benefited from the reinvigoration of trade routes that had not been heavily used since the days of the Roman and Han Empires. (You will read more about the Mongols in Topic 2.2.)

**Improvements in Transportation Technologies** Another cause for the expansion of exchange networks was the improvement of transportation. Travelers on the overland Silk Roads learned that traveling with others in caravans was safer than traveling alone. They also learned how to design saddles for camels that greatly increased the weight of the load the animals could carry.

Centuries earlier, China had made advances in naval technology that allowed it to control sea-based trade routes in the South China Sea. During the Han Dynasty, Chinese scientists developed the **magnetic compass** and improved the **rudder**, both of which helped aid navigation and ship control along the seas. The Chinese **junk**, also developed in the Han Dynasty, was a boat similar to the Southwest Asian dhow. It had multiple sails and was as long as 400 feet—at least triple the size of the typical Western European ship of its time. The hull of a junk was divided into compartments. The walls making these divisions strengthened the ship for rough voyages at sea and made sinking less likely.

## Effects of the Growth of Exchange Networks

Two significant effects of the expansion and stability of the Silk Roads were the series of oases that developed along the routes, including thriving cities, and commercial innovations that greatly helped to manage the increasing trade.

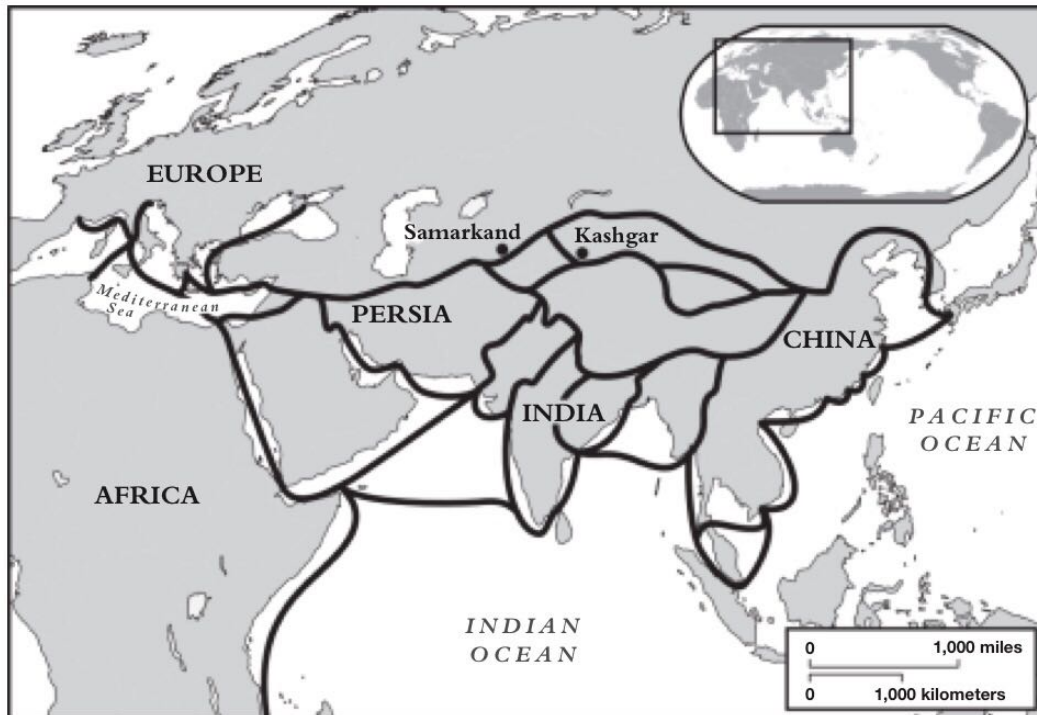
**Cities and Oases** Long stretches of the overland Silk Roads passed through inhospitable terrain—hot arid lands where water was scarce. Cities along the routes that were watered by rivers became thriving centers of trade. For example, the city of **Kashgar** is located at the western edge of China where northern and southern routes of the Silk Roads crossed, leading to destinations



in Central Asia, India, Pakistan, and Persia. It sits where the Taklamakan Desert meets the Tian Shan Mountains and is watered by the Kashgar River, which has made the lands along it fertile for crops such as wheat, rice, fruits, and cotton. Travelers on the Silk Roads depended on Kashgar for its abundance of water and food. Artisans in Kashgar produced textiles, rugs, leather goods, and pottery. Its food and handicrafts were sold in a bustling market. At the crossroads of both ideas and goods, the once primarily Buddhist city also became a center of Islamic scholarship.

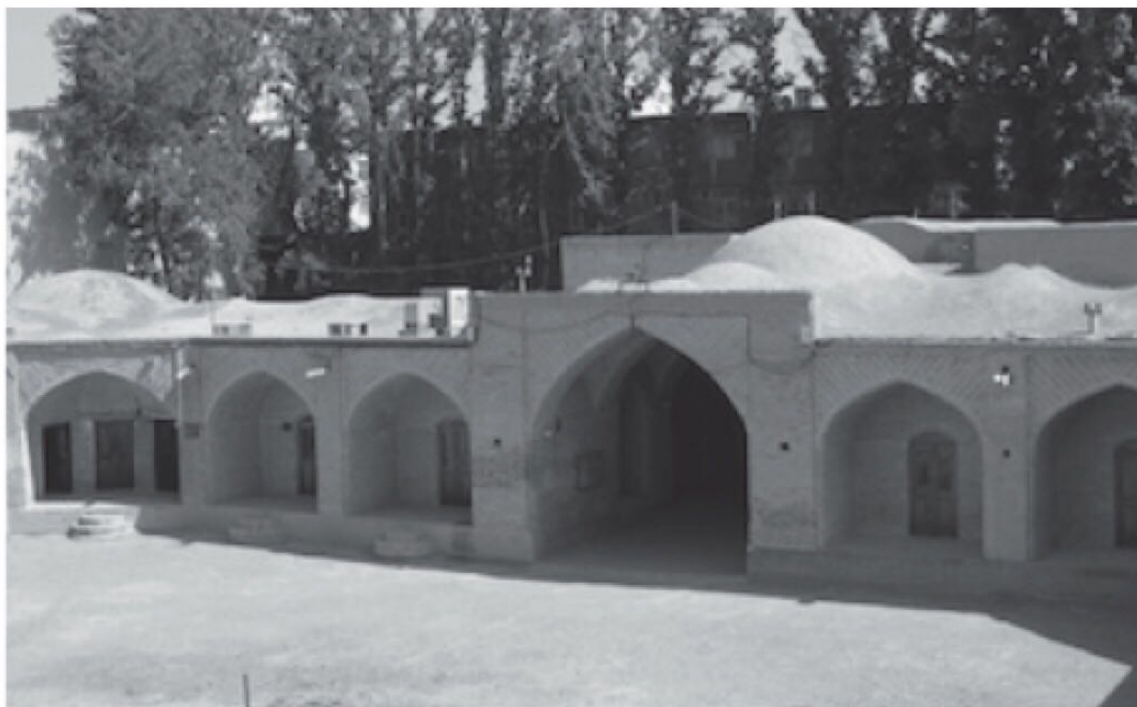
Similarly, **Samarkand**, in present-day Uzbekistan in the Zeravshan River valley, was a stopping point on the Silk Roads between China and the Mediterranean. Samarkand was a center of cultural exchange as much as it was a center for trading goods. Archaeological remains show the presence of diverse religions, including Christianity, Buddhism, Zoroastrianism, and Islam. Like Kashgar, Samarkand was known for its artisans as well as its centers of Islamic learning and magnificently decorated mosques.

Silk Roads, c. 1200



**Caravanserai** Large flourishing trading cities such as Kashgar and Samarkand, however, were not the only oases along the arid Silk Roads. Once the routes of the Silk Roads became stabilized, inns known as **caravanserai** sprang up, often about 100 miles apart. That distance is how far camels could travel before they needed water. At the caravanserai, travelers could rest both themselves and their animals and sometimes trade their animals for fresh ones. The word *caravanserai* derives from the Persian words for caravan and palace.

**Commercial Innovations** To manage the increasing trade, China developed new financial systems. China had long been a **money economy**—using money rather than bartering with such commodities as cowrie shells or salt. However, the copper coins they used became too unwieldy to transport



**Source:** Wikimedia Commons  
**Credit:** Photo by Babak Gholizadeh

The entrances to caravanserais were large enough to allow animals as well as people to enter. Inside the enclosure, there were stalls for animals as well as chambers for people. This caravanserai is in Iran.

for everyday transactions, so the government developed a system of credit known as **flying cash**. This allowed a merchant to deposit **paper money** under his name in one location and withdraw the same amount at another location. Locations for exchanging flying cash became the model for the banks of the modern era, including the **banking houses** established in European cities in the 1300s. At a banking house, a person could present a **bill of exchange**—a document stating the holder was legally promised payment of a set amount on a set date—and receive that amount of money in exchange. Each of these innovations encouraged and supported trade by providing convenience and the stability of institutions.

The Crusades awakened Europeans' interest in luxury goods from Asia. To acquire them, they organized the trade of European resources. In the 13th century, cities in northern Germany and Scandinavia formed a commercial alliance called the **Hanseatic League**. Controlling trade in the North Sea and the Baltic Sea, member cities of the league, such as Lubeck, Hamburg, and Riga, were able to drive out pirates and monopolize trade in goods such as timber, grain, leather, and salted fish. League ships would leave the Baltic and North Seas. They would round the Atlantic Coast of Western Europe, proceeding to the ports of the Mediterranean. There, they might pick up valuable goods from Arab caravans. The league lasted until the mid-17th century, when national governments became strong enough to protect their merchants. (Connect: Write a paragraph analyzing the effects in Asia of European interest in Asian goods. See Topic 1.1.)



Innovations in Commerce, 500 B.C.E. to 1603 C.E.			
Financial Instrument	Description	Origin Date	Early Location
<b>Coin</b>	Minted precious metals (silver, bronze, gold) with own inherent value	c. 500 B.C.E.	Lydia, Turkey
<b>Caravanserai</b>	Inns along trade routes where travelers could trade, rest, and replenish	c. 500 B.C.E.	Persian Empire
<b>Paper Money</b>	Currency in paper form	c. 800 C.E.	China
<b>Hanseatic League</b>	First common market and confederation of merchant guilds	1296 C.E.	Germany
<b>Banking House</b>	Precursor to modern banking	c. 200 B.C.E.	China
<b>Bill of Exchange</b>	A written order without interest that binds one party to pay a fixed sum to another party at a predetermined date in the future	c. 700 C.E.	China

**Increase in Demand** The growing demand for luxury goods from Afro-Eurasia, China, Persia, and India led to a corresponding increase in the supply of those goods through expanded production. Craftworkers expanded their production of such goods as silk and other textiles and porcelains for export. Increased demand also led to the expansion of iron and steel manufactured in China, motivating its proto-industrialization. (See Topic 1.1.)

KEY TERMS BY THEME		
<b>TECHNOLOGY:</b> Sea Trade magnetic compass rudder junk  <b>GOVERNMENT:</b> New Empires Mongol Empire	<b>CULTURE:</b> Trade Cities Kashgar Samarkand	<b>ECONOMICS:</b> Innovations caravanserai money economy flying cash paper money banking houses bill of exchange Hanseatic League