

İQTİSADİYYAT

THE ROLE OF NAKHCHIVAN IN THE ECONOMIC DEVELOPMENT OF ISLAMIC CIVILIZATION IN THE SOUTH CAUCASUS

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ABSTRACT

This article examines the role of Nakhchivan in the economic development of Islamic civilization in the South Caucasus, emphasizing its historical function as a strategic center of trade, production, and institutional organization. Situated at the intersection of major commercial routes linking the Middle East, Anatolia, and the Caucasus, Nakhchivan played a significant role in facilitating economic interaction within the Islamic world from the early medieval period onward. The study aims to analyze how Islamic economic principles, administrative practices, and commercial institutions influenced the region's economic structure and contributed to broader civilizational development. The research is based on a qualitative historical methodology, drawing upon primary historical chronicles, archaeological findings, and secondary academic literature related to Islamic economic history and regional studies. The findings indicate that Nakhchivan's economic importance stemmed from its integration into transregional trade networks, the development of urban markets, and the application of Islamic economic institutions such as taxation systems, property relations, and charitable foundations. These factors supported economic stability, social welfare, and regional connectivity. The article concludes that Nakhchivan was not merely a peripheral territory but an active participant in the economic life of Islamic civilization in the South Caucasus, demonstrating how regional centers contributed to the diffusion and practical implementation of Islamic economic models within a wider historical context.

INTRODUCTION

The South Caucasus has historically served as an important bridge between the Islamic world, Eastern Europe, and Central Asia, facilitating economic, cultural, and institutional exchanges across civilizations. Within this broader regional context, Nakhchivan occupies a distinctive position due to its strategic geographical location, long-standing urban traditions, and early integration into Islamic political and economic systems. From the early Islamic period onward, the region functioned as a vital node in transregional trade networks connecting Anatolia, Persia, and the broader Middle East, thereby contributing to the economic development of Islamic civilization in the Caucasus.

The expansion of Islamic rule into the South Caucasus did not merely introduce new religious norms but also reshaped existing economic structures through the diffusion of Islamic legal principles, fiscal practices, and market institutions. Islamic economic thought, grounded in ethical norms such as justice, property rights, and social responsibility, provided a framework for regulating trade, taxation, and production. In Nakhchivan, these principles were reflected in the organization of urban markets, land tenure systems, and mechanisms of public finance, including taxation and charitable endowments. As a result, the region developed an economic structure that was closely aligned with broader Islamic economic practices while remaining responsive to local conditions.

Despite its historical importance, Nakhchivan's economic role within Islamic civilization has received limited attention in mainstream economic history literature, which often prioritizes major imperial centers. This article seeks to address this gap by examining Nakhchivan not as a peripheral territory, but as an active regional center that contributed to economic integration, commercial exchange, and institutional continuity within Islamic civilization. By situating Nakhchivan within the wider economic landscape of the Islamic world, the study highlights the significance of regional hubs

in sustaining long-distance trade, supporting urban economies, and facilitating the transmission of Islamic economic institutions.

The purpose of this research is to analyze the economic functions of Nakhchivan in the historical development of Islamic civilization in the South Caucasus, with particular attention to trade networks, institutional arrangements, and administrative practices. Through this approach, the article contributes to a more nuanced understanding of how Islamic economic models operated beyond imperial capitals and how regional centers such as Nakhchivan played a meaningful role in shaping the economic history of the Islamic world.

MATERIALS AND METHODS

This study employs a qualitative economic–historical research design to analyze the role of Nakhchivan in the economic development of Islamic civilization in the South Caucasus. The methodological approach is grounded in institutional economics and economic history, which emphasize the role of formal and informal institutions in shaping long-term economic performance (North, 1990; Greif, 2006). This framework is particularly suitable for examining pre-modern Islamic economies, where legal norms, administrative practices, and ethical principles played a central role in economic organization (Chapra, 2000).

The research materials consist of both primary and secondary sources. Primary sources include medieval Islamic chronicles, administrative records, legal texts related to taxation and property rights, and archaeological evidence documenting urban development, trade activity, and production in Nakhchivan. These materials provide insights into market organization, fiscal practices, and economic governance during different periods of Islamic rule. Secondary sources comprise scholarly works on Islamic economic institutions, regional trade networks in the Caucasus, and the economic history of the Islamic world, which are used to contextualize and interpret the primary evidence (Udovitch, 1970; Kuran, 2011).

The analytical method follows a comparative–institutional approach. First, key Islamic economic institutions—such as market regulation mechanisms, taxation systems, land tenure arrangements, and charitable foundations—are identified based on the existing literature (Lewis, 1999; Islahi, 2014). Second, these institutions are examined within the historical context of Nakhchivan to assess their functional role in facilitating trade, supporting production, and ensuring economic stability. Where relevant, Nakhchivan’s economic characteristics are compared with those of other regional centers in the South Caucasus and the broader Islamic world to highlight similarities and region-specific features (Pamuk, 2015).

In addition, the study applies elements of qualitative network analysis to evaluate Nakhchivan’s position within transregional trade routes linking Anatolia, Persia, and the Caucasus. This approach allows for an assessment of the region’s role as an intermediary in the movement of goods, capital, and economic institutions across Islamic territories (Abu-Lughod, 1989). The findings are synthesized through logical induction, linking institutional arrangements to observed economic functions and development outcomes. This methodology ensures consistency between historical evidence and economic interpretation while remaining aligned with the objectives of the study.

RESULTS

The analysis reveals that Nakhchivan played a substantive role in the economic development of Islamic civilization in the South Caucasus through its integration into Islamic institutional frameworks and transregional trade networks. One of the key findings is that the region’s economic vitality was closely linked to its strategic geographic position, which facilitated long-distance trade between Anatolia, Persia, and the broader Caucasus. Historical evidence indicates that Nakhchivan functioned as a commercial intermediary, enabling the circulation of agricultural products, artisanal goods, and raw materials within the Islamic economic space (Abu-Lughod, 1989; Pamuk, 2015).

A second major result concerns the operation of Islamic economic institutions in Nakhchivan. The implementation of Islamic legal norms related to property rights, contracts, and taxation contributed to a relatively stable and predictable economic environment. Fiscal mechanisms,

including land-based taxation and trade-related levies, supported public administration while avoiding excessive extraction that could hinder economic activity. This institutional balance aligns with broader patterns observed in Islamic economic governance, where revenue generation was combined with legal constraints and ethical considerations (Lewis, 1999; Kuran, 2011).

The findings also highlight the importance of urban markets and production structures in Nakhchivan's economy. Organized marketplaces served as centers for exchange and price formation, while artisanal production supported both local consumption and regional trade. Market regulation mechanisms, consistent with Islamic principles of fairness and transparency, helped reduce transaction costs and foster trust among economic actors. Such institutional arrangements are widely recognized as contributing to commercial expansion in Islamic societies (Udovitch, 1970; Greif, 2006).

In addition, the study finds that charitable economic institutions, particularly endowment-based mechanisms, played a complementary role in economic development. These institutions supported infrastructure, social welfare, and public services, indirectly enhancing labor productivity and urban sustainability. This redistributive function reflects the broader Islamic economic emphasis on social balance and collective responsibility, reinforcing economic stability at the regional level (Chapra, 2000; Islahi, 2014).

Overall, the results demonstrate that Nakhchivan was not a passive recipient of Islamic economic influences but an active regional center where Islamic institutions, trade networks, and production systems interacted to support economic development. These findings underscore the importance of regional hubs in sustaining the economic coherence of Islamic civilization beyond major imperial capitals.

DISCUSSION

The findings of this study reinforce the view that regional centers played a critical role in the economic functioning of Islamic civilization, complementing major imperial capitals rather than merely depending on them. In this context, Nakhchivan's economic significance can be interpreted through the lens of institutional economics, which emphasizes the importance of legal norms, governance mechanisms, and market structures in shaping long-term economic performance (North, 1990). The evidence suggests that Islamic economic institutions in Nakhchivan were not symbolic or peripheral but functionally embedded in everyday economic activity, supporting trade, production, and fiscal stability.

From a comparative perspective, the economic characteristics observed in Nakhchivan are consistent with patterns identified in other regions of the Islamic world, where integration into trade networks and the application of Islamic legal frameworks facilitated commercial expansion and urban growth (Udovitch, 1970; Pamuk, 2015). However, the case of Nakhchivan also demonstrates the adaptability of Islamic economic institutions to local conditions. While adhering to general principles such as property protection, contractual enforcement, and ethical market conduct, these institutions were shaped by regional geography, production structures, and political realities. This supports the argument that Islamic economic systems were neither monolithic nor rigid, but capable of regional differentiation within a coherent civilizational framework (Kuran, 2011).

The role of trade identified in the results aligns with world-systems and network-based interpretations of pre-modern economic development, which emphasize the importance of intermediary regions in facilitating long-distance exchange (Abu-Lughod, 1989). Nakhchivan's position along key commercial routes enhanced its role as a connector between economic zones, allowing it to capture economic rents from transit trade while simultaneously fostering local market development. This intermediary function contributed to regional economic resilience and reduced isolation, a factor often associated with sustained economic activity in pre-modern societies.

Furthermore, the presence of charitable economic institutions highlights the redistributive dimension of Islamic economic thought. The support of public infrastructure and social services through endowment-based mechanisms reflects an economic logic that integrates efficiency with social responsibility (Chapra, 2000; Islahi, 2014). Rather than constraining economic growth, these

institutions appear to have enhanced economic stability by mitigating social inequalities and supporting human capital formation. This finding contributes to ongoing debates regarding the relationship between ethical norms and economic performance in historical Islamic economies.

Overall, the discussion confirms that Nakhchivan's economic role within Islamic civilization should be understood as structurally significant rather than marginal. By combining institutional stability, market integration, and redistributive mechanisms, the region exemplifies how Islamic economic models operated effectively at the regional level. These insights contribute to a more balanced understanding of Islamic economic history and underscore the importance of incorporating regional case studies into broader theoretical discussions on economic development and institutional evolution.

CONCLUSION

This study has analyzed the role of Nakhchivan in the economic development of Islamic civilization in the South Caucasus from an institutional and economic–historical perspective. The findings demonstrate that Nakhchivan functioned as an active regional economic center rather than a peripheral territory, contributing to the integration and sustainability of Islamic economic systems. Its strategic geographical position enabled the region to participate in transregional trade networks, facilitating the movement of goods, capital, and economic practices across Islamic territories.

The research shows that Islamic economic institutions played a decisive role in shaping Nakhchivan's economic structure. Market regulation mechanisms, taxation systems, property rights arrangements, and charitable economic institutions provided an organized framework for economic activity and supported both commercial growth and social stability. These institutional arrangements reduced uncertainty, encouraged productive investment, and aligned economic behavior with ethical norms rooted in Islamic economic thought.

Furthermore, the case of Nakhchivan highlights the importance of regional centers in the broader economic development of Islamic civilization. By supporting trade, production, and redistribution at the local level, such regions reinforced the functionality of the Islamic economic system beyond major political capitals. This study contributes to the literature by emphasizing the economic relevance of regional hubs and demonstrating how Islamic economic principles were practically implemented within diverse local contexts. Overall, Nakhchivan's historical experience illustrates the adaptability and institutional effectiveness of Islamic economic models in promoting regional economic development within the South Caucasus.

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XÜLASƏ

CƏNUBİ QAFQAZDA İSLAM SİVİLİZASIYASININ İQTİSADI İNKİŞAFINDA NAXÇIVANIN ROLU

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Bu məqalədə Cənubi Qafqazda İslam sivilizasiyasının iqtisadi inkişafında Naxçıvanın rolu araşdırılır və regionun ticarət, istehsal və institusional təşkilatlanma baxımından tarixi funksiyası təhlil edilir. Yaxın Şərqi, Anadolu və Qafqazı birləşdirən əsas ticarət yollarının kəsişməsində yerləşən Naxçıvan erkən orta əsrlərdən etibarən İslam dünyası daxilində iqtisadi qarşılıqlı əlaqələrin formalaşmasında mühüm rol oynamışdır. Tədqiqatın məqsədi İslam iqtisadi prinsiplərinin, inzibati təcrübələrin və kommersiya institutlarının regionun iqtisadi strukturuna təsirini və daha geniş sivilizasiya kontekstində rolunu müəyyən etməkdir. Araşdırma keyfiyyət yönümlü tarixi metodologiyaya əsaslanır və ilkin tarixi mənbələrə, arxeoloji materiallara və İslam iqtisadi tarixinə dair müasir elmi ədəbiyyata istinad edir. Nəticələr göstərir ki, Naxçıvanın iqtisadi əhəmiyyəti onun transregional ticarət şəbəkələrinə inteqrasiyası, şəhər bazarlarının inkişafı və vergi mexanizmləri, mülkiyyət münasibətləri və xeyriyyə institutları kimi İslam iqtisadi institutlarının tətbiqi ilə bağlı olmuşdur. Bu amillər iqtisadi sabitliyin, sosial rifahın və regional inteqrasiyanın təmin edilməsinə xidmət etmişdir. Məqalə nəticə olaraq göstərir ki, Naxçıvan Cənubi Qafqazda İslam sivilizasiyasının iqtisadi həyatında fəal iştirak edən regional mərkəz olmuş və İslam iqtisadi modellərinin praktik tətbiqində mühüm rol oynamışdır.

Açar sözlər: *İslam iqtisadi tarixi, Naxçıvan, Cənubi Qafqaz, ticarət və kommersiya institutları, iqtisadi inkişaf*

РЕЗЮМЕ

РОЛЬ НАХЧЫВАНА В ЭКОНОМИЧЕСКОМ РАЗВИТИИ ИСЛАМСКОЙ ЦИВИЛИЗАЦИИ НА ЮЖНОМ КАВКАЗЕ

Джавад Алиев

В статье исследуется роль Нахчывана в экономическом развитии исламской цивилизации на Южном Кавказе с акцентом на его историческую функцию в сфере торговли, производства и институциональной организации. Расположенный на пересечении ключевых торговых путей, связывающих Ближний Восток, Анатолию и Кавказ, Нахчыван с раннесредневекового периода играл важную роль в формировании экономических связей внутри исламского мира. Целью исследования является анализ влияния исламских экономических принципов, административных практик и коммерческих институтов на экономическую структуру региона и их значение в более широком цивилизационном контексте. Методологической основой работы является качественный историко-экономический подход с использованием первичных исторических источников, археологических данных и современной научной литературы по истории исламской экономики. Результаты исследования показывают, что экономическое значение Нахчывана определялось его интеграцией в трансрегиональные торговые сети, развитием городских рынков и применением исламских экономических институтов, включая налоговые системы, имущественные отношения и благотворительные фонды. Эти факторы способствовали экономической стабильности, социальной поддержке и региональной интеграции. В заключение делается вывод о том, что Нахчыван был не периферийной территорией, а

активным региональным центром, сыгравшим важную роль в экономической жизни исламской цивилизации на Южном Кавказе.

Ключевые слова: *история исламской экономики, Нахчыван, Южный Кавказ, торговые и коммерческие институты, экономическое развитие*