Penetration of Armenians into India and the Far East had started since the pre-Christian times. We find information on the regular visits of Armenians to India and the military aid Armenians showed to India in Cyropaedia by Xenophon (430-355 BC)\(^1\).

Already in the 12\(^{th}\) century the Armenian seafarer-merchants had a trading colony in Canton\(^2\). The next wave of the resettlement of some Armenian groups took place in the 17\(^{th}\) century when the Armenians deported by Shah Abbas’ order not only founded the city Nor Jugha (New Julfa) in Iran, but also spread farther, to the east, rapidly becoming part of the leading participants of the barter and trade of the region and started to play an important role in the sea trade of the Indian Ocean and the western part of the Pacific Ocean. They created one of the largest trading networks of the world, and not only the local authorities but also the European countries had to reckon with it at least for two centuries.

And all that system with its merchants, ship owners, captains, ships, storehouses and agents was managed and ruled from Nor Jugha with its population of only 30 thousand. Due to their intellect and respectful attitude towards the locals the Armenians had a free access to all the ports of the region.

Armenians had considerable privileges in almost all the ports. Europeans tried to use that fact for their own purposes. Practically all the European East-Indian companies had been created with the Armenians’ direct participation or help. In its correspondence the English East-Indian company confessed that the main part of trade between the East and India was in the hands of Armenians.

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\(^2\) Барсегов Ю.Г., Филиппины в морской торговле армян, Анив, 4(19), 2008.
The Europeans being constantly at war with each other had divided the spheres of their influence. For example, the English, French and Dutch were banned access to the important strategic port of Manila in the Philippines which was under the Spanish rule.

The same English were forbidden to visit the port of Pondicherry which was under the French rule. The Spanish, in their turn, were banned access to the ports which were under the English rule, such as Madras and Surat.

As a proof we can offer several messages sent from Fort Saint George to London by an official of the English East-Indian company on February 28, 1711. It was mentioned in the letter that: “Armenians... have an exceptional trade with Manila”\(^3\). It was clarified that the Armenians of Madras “at this moment dominate over the most profitable routes - at least half of the private trade of India with Manila, China and Pegu”\(^4\). And then: “The trade with Manila is conducted by the Portuguese, Armenians and Moors and no European of our religion can go there”\(^5\).

The French sources mention the same: François Martin notes that besides the Portuguese only “the Indian merchants and Armenians most of whom have settled in Madras and are busy with with large trade, so they have the right to enter Manila”\(^6\).

In that situation Armenians, besides conducting their own trade, also took up the responsibilities of intermediaries both between the Europeans, and between the Europeans and locals\(^7\). The privileges, high social standing, the ability to conduct negotiations, the knowledge of the local languages and traditions, the age-long experience of communicating with different nations, the wide network of agents and the fact of being informed resulted in a situation where the European companies persistently invited Armenians as partners and used their relations and influence.

\(^3\) Records of Fort St. George. Despatches to England. 1701-1702 to 1710-1711, Madras, p. 47
\(^6\) L’Inde et les nations Europeennes en Asie au commencement du XVIII-e siecle, par Francois Martin, fondateur de la ville de Pondichery (Pierre Margry, Relations et memoires inedits, p. 125).
However, constant hostilities between the European countries made it extremely complicated to carry out free trade.

Europeans had developed the so-called “Letter of marque” - privateer patent system. The owner of the patent had the right to capture the enemy vessels and their load. Thus, the countries at war were trying to break the trade ties of the enemy and their economy. The “patented” captains had to share the trophy with the country granting the patent. In England, for example, even joint stock companies were established for the purpose of building and arming privateer ships and shareholders of those companies were ship owners, admirals, members of Parliament and even representatives of the royal dynasty.

Of course very often the captains who were granted patents not always adhered to the laws, rules and limitations. Whenever possible they robbed their allies. It is evident that through privateers the state companies such as the English East-Indian company, also got allies that were not enemies, which were, however, a very efficient tool for the struggle against commercial competitors. Examples are numerous. The merchants, ship owners and captains had to put up with the situation.

One of the measures taken by the merchants was that they obtained the documents given by the representatives of different European countries. Another common habit was to have flags of various countries on board and use one of them according to the situation. And it worked!

The change of the flag was used not only by the merchants scared of the privateer attack, but by the Europeans themselves.

For several centuries Armenians used their flag outside of their Motherland (where during several centuries the kingdom had ceased to exist) and that flag was recognized both by the local authorities and by Europeans.

The Europeans themselves widely used the possibilities and advantages of the Armenian flag. According to the current international Maritime Law a ship can have one state flag established by law. The flag shows to whom ship belongs. Ship with no flag is considered to be a pirate ship and is subject to arrest.
The Armenian cargo ship the *Quedagh Merchant*, was taken over by the privateer William Kidd (1645-1701) near Malabar Coast (West coast of India) in 10 leagues\(^8\) far from Cochin in the Indian Ocean, in 1698.

He subsequently sailed the *Quedagh Merchant* to the Caribbean. Meanwhile, the British crown, which held part of the interests in the goods on that ship, declared Captain Kidd an outlaw pirate. Kidd ended up facing charges back in England, while he had already set the *Merchant* ablaze off the coast of what is the Dominican Republic today\(^9\).

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\(^8\) The league was a linear unit used by medieval Europeans for sea travel (2.29 km to 4.57 km) (see: Trade, Travel, and Exploration in the Middle Ages: An Encyclopaedia, New York, 2000).

The discovery of the shipwreck in 2007 made international headlines. A museum on the legacy of the ship was established in the Dominican Republic in 2011.

Besides the main flag, in the territorial waters of foreign countries the ship has to raise a second flag as well - the **Courtesy Flag** - a flag of courtesy which is raised as a sign of respect towards the country the ship is at the moment. That flag is temporary and is not considered to be the “flag of the ship”.

The ban to change the flag was approved only by the 1982 UN Convention on the Maritime Law of the Sea. In any case the ship must bear the flag of an *existing* country.

In order to understand the situation we must clarify what was going on at that time in the Indian Ocean and who would benefit from raising the flag of a non-existent kingdom.

Armenians and other local ship owners suffered a lot from constant wars between Europeans. This circumstance made them turn to various measures, including the change of the flag according to the situation. The change of the flag was a unique expression of neutrality, of avoiding being drawn into some others war\(^\text{10}\).

The Europeans also took advantage of the idea of changing the flag. But their aim was to hide the identity of their ship when entering the ports closed before them. And at that moment they remembered about the Armenian flag… - “*Manilla under Armenian Colours is a profitable Voyage*”\(^\text{11}\).

The Europeans had gone further. Not only evidence of using the Armenian flag had been preserved. They even went as far as changing the clothes. The Europeans dressed in the Armenian traditional costume in order to be taken as Armenians and to penetrate into the port closed before them.

As mentioned by Yuri Barseghov: “Because of the hostility with the English, French and Dutch, the Spanish could not conduct trade with India. Armenians played the role of intermediaries. They agreed and operated with each other, helped them when the Spanish sent their load on board the Armenian vessels or when the Spanish came to India establishing companies with Armenians and dressing in Armenian traditional costume for safety purposes”\(^\text{12}\).

\(^{10}\) Барсегов Ю.Г., Дело королевского пирата Кидда, Анив, 3(6), 2006.

\(^{11}\) Lockyer C., An account of the trade in India, containing rules for good government in trade, price courants, and tables, with descriptions of Fort St. George, Acheen, Malacca, Condore, Canton, Anjengo, Muscat, Gombroon, Surat, Goa, Carwar, Telichery, Panola, Calicut, the Cape of Good-Hope and St. Helena, London, 1711, p. 15.

\(^{12}\) Барсегов Ю.Г., Филиппины в морской торговле армян, Анив, 1(22), 2009.
Or as follows from the correspondence of the East-Indian company dated August 31 and September 2, 1734: “Taking into account the fact that we will never be able to conduct open trade with this port /Manila/ and we always conduct trade under somebody’s name, we found that it is important to take all the precautions not to cause doubt that the load belongs to you, respectable members of Administration, and that is the reason why we changed the packaging and sent it as an Armenian product and addressed it to Armenians”13.

François Martin meant the Moors and Armenians that had the right to enter Manila. The situation is clarified by a witness of later time (when the English and French were already allowed to visit Manila - Galaisiere), who had visited the Philippines in the second half of the 18th century. He wrote: “The Mogols and Moors, as the Spanish call them, are very bad seafarers and none of them tries to go to Manila, and if somebody dared to try to take such a trip, he would probably never get there”. Manila would never have any Indian product for its galleons if it relied on the Moors. Usually these trips were undertaken by the French, English and Armenians”14.

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We should note that this was written already after the ban for the English and French to visit Manila was lifted. It becomes obvious in whose hands the main volume of trade with Manila was concentrated before lifting the ban.

The Armenians had created a wide branched trading network which included the sea routs of the Indian Ocean and the western part of the Pacific Ocean, branching to the main centers of European trade. Together with it the upper strata of authorities of all the eastern countries that accepted the Armenian flag de facto were involved in the Armenian trade.

Up to the present day in marine practice such concepts as “accepted criteria”, “marine tradition”, “marine customs” are used, which have not been approved by any official law but have been preserved everywhere for centuries having the status of unwritten law.

In the practice of international relations there exists the concept of “International tradition” which represents rules of universal behavior of countries in international practice which are legally binding. The international tradition is formed as a result of the long use of the unwritten law by the countries, as a result of recurrence in similar situations, as a result of its silent recognition by the overwhelming majority of countries. All this wholly concerns the practice of use of the Armenian flag as well.

When the need to regulate the status of having flags matured, it was carried out by the 1982 UN Convention on the Maritime Law.

Translated from Armenian by S. E. Chraghyan