

ECONOMIC POLICY OF SULTAN AGENG TIRTAYASA IN THE IMPROVEMENT OF TRADE ECONOMY IN THE CULTURE OF BANTEN 1651-1682 AD

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ABSTRACT

During the reign of the fifth ruler of Banten, Sultan Ageng Tirtayasa, the Sultanate of Banten reached its era of glory. One of the factors that supported Sultan Ageng Tirtayasa's achievements was his economic trade policy. His policies were considered to be in conflict with his hatred towards one of the European nations, the Dutch. Sultan Ageng Tirtayasa disliked the Dutch for destroying Banten's political system and trying to monopolize trade. Based on the Dutch attitude towards Banten, Sultan Ageng Tirtayasa should have been more cautious towards foreigners. At the beginning of his reign, he reopened the free trade system and allowed foreigners to settle in Banten. The purpose of this study is to analyze the economic policy of Sultan Ageng Tirtayasa and its impact on the improvement of the trade economy in the Sultanate of Banten. This research is a literature study that uses literature as a source. This research is also classified as a type of descriptive research using the historical method. The references used in this research are sourced from various literatures, such as books, articles, and final assignments. The result of the analysis of this research is that the economic policy implemented by Sultan Ageng Tirtayasa was carried out by putting aside his worries about Europeans. The policy was implemented by reopening the free trade system, allowing the Chinese to settle in Banten, and building Chinatown. Sultan Ageng Tirtayasa's policy was able to increase revenue for the Sultanate of Banten. In addition, this policy made Banten's harbor more crowded by traders with more and more partners.

Keywords: Banten, Sultan, Economic Policy, Trade Economy

ABSTRAK

Pada masa pemerintahan Penguasa Banten yang kelima yaitu Sultan Ageng Tirtayasa, Kesultanan Banten mencapai era kejayaannya. Salah satu faktor yang mendukung prestasi Sultan Ageng Tirtayasa adalah karena kebijakan ekonomi perdagangan yang diterapkannya. Kebijakan yang dilakukannya dianggap bertentangan dengan rasa kebenciannya terhadap salah satu bangsa Eropa yaitu Belanda. Sultan Ageng Tirtayasa tidak menyukai Belanda karena merusak sistem perpolitikan Banten dan berusaha memonopoli perdagangan. Berdasarkan sikap yang dilakukan Belanda terhadap Banten, seharusnya Sultan Ageng Tirtayasa lebih berhati-hati terhadap bangsa asing. Pada awal pemerintahannya, ia justru membuka kembali sistem perdagangan bebas dan mengizinkan orang asing menetap di Banten. Tujuan dari penelitian ini adalah ingin menganalisis kebijakan ekonomi sultan Ageng Tirtayasa dan dampaknya terhadap peningkatan ekonomi perdagangan di Kesultanan Banten. Penelitian ini termasuk dalam studi pustaka yang menggunakan literatur sebagai sumber. Penelitian ini juga tergolong sebagai jenis penelitian deskriptif dengan menggunakan metode sejarah. Referensi yang digunakan dalam penelitian ini bersumber dari berbagai literatur, seperti buku, artikel, dan tugas akhir. Hasil analisis dari penelitian ini adalah kebijakan ekonomi yang diterapkan Sultan Ageng Tirtayasa dilakukan dengan menyampingkan rasa khawatirnya terhadap bangsa Eropa. Kebijakan yang diterapkannya dilakukan dengan cara membuka kembali sistem perdagangan bebas, mengizinkan orang Cina menetap di Banten, dan



membangun Pecinan. Kebijakan Sultan Ageng Tirtayasa ini ternyata dapat meningkatkan pendapatan bagi Kesultanan Banten. Di samping itu, adanya kebijakan ini menjadikan pelabuhan Banten semakin ramai dikunjungi para pedagang dengan mitra yang semakin banyak.

Kata Kunci: Banten, Sultan, Kebijakan Ekonomi, Ekonomi Perdagangan

INTRODUCTION

The Sultanate of Banten was one of the most powerful kingdoms on the island of Java besides Mataram (Hafidz, 2016). In 1651 AD, the Sultanate of Banten began its era of progress under the reign of Sultan Ageng Tirtayasa who was the fifth ruler. Since Sultan Ageng Tirtayasa was appointed as the ruler of Banten Sultanate in 1651 AD, he had disliked the Dutch presence in his territory. His hatred towards the Dutch had been evident since he was the crown prince during the reign of Sultan Abdul Mafakhir Mahmud Abdul Qadir (his grandfather) (Hafidz, 2016). As a result, he often made guerrilla attacks on Batavia to make the Dutch feel uncomfortable. Sultan Ageng Tirtayasa made this attack because the Dutch disturbed Banten's political system (Ambary et al., 1995). In addition, the Dutch created a trade monopoly system that also disrupted the economy in Banten.

Contrary to his hatred of the Dutch, during his early reign, he tried to reopen free trade in Banten. He implemented a free trade policy that attracted European and Asian countries to trade in Banten (Guillot, 2008). The progress achieved by Sultan Ageng Tirtayasa, even made one of the French companies called *Royale Compagnie Francaise des Indes* (The Royal French Trading Company in the Asian Region) to establish a lodge in Banten. The Danish king, Cristian V, also offered a piece of land in Banten for their trade interests (Pudjiastuti, 2007).

A ruler in general should pay more attention to the purity of the social identity of the population, maintaining economic stability and prosperity and other social interests of the community. Slightly different from the typical ruler, Sultan Ageng Tirtayasa ordered his two harbormasters, Kaytsu and Cakradana, to build residences to welcome newcomers from outside Banten. These newcomers came not only from Batavia, but also from China (Guillot, 2008). In 1676 AD, he also received many refugees from Fujian and South China who were experiencing war conflicts. The presence of these newcomers to Banten was used by Sultan Ageng Tirtayasa to increase the sultanate's revenue by taxing them. He also hoped that the arrival of the Chinese to Banten would improve the Sultanate's economy through trade.

The author is interested in studying Sultan Ageng Tirtayasa's Economic Policy in Improving the Trade Economy in the Sultanate of Banten because the strategy he used was very unique. Based on what the Dutch did to the Banten Sultanate, Sultan Ageng Tirtayasa should have been more wary of foreign countries. Instead, he implemented a free trade system that attracted foreigners to visit and trade in his territory. He also allowed their trading offices to be established in Banten. He even established special settlements for migrants from outside Banten. Sultan Ageng Tirtayasa's policies proved successful in improving Banten's economy after they were implemented. Sultan Ageng Tirtayasa's policies can serve as a guideline for other rulers to achieve similar economic improvements.

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Based on the author's observation, there is no previous research that examines the economic trade policy of Sultan Ageng Tirtayasa. The author then found five studies that are similar to the focus of this research. First, a study entitled "International Trade of the Banten Sultanate in the Late XVI-XVII Centuries" (Sholehah, 2019). This study examines the condition of the Banten Sultanate's international trade activities that took place at the end of the 16th to 17th centuries. This study also describes the various export and import commodities traded in Banten. The economic and political policies implemented by the Banten rulers to regulate trade and its impact on society are also described in this study. Unlike Ikot's research, this study discusses the policies of Sultan Ageng Tirtayasa in improving the trade economy in Banten. The analytical tools used are also different, Ikot uses a political economy approach with mercantilism and economic theories to describe the object of his research. This study uses the theory of economic policy and economic improvement to analyze the research topic. Second, an article entitled "Revisiting the History of Banten: A Case Study of Sultan Ageng Tirtayasa's Reign and Implementation of His Leadership" (Manor, 2021). This article discusses Sultan Ageng Tirtayasa's strategy in facing the difficult times of Banten Sultanate, especially when the VOC blockaded Banten's economy which was exacerbated by political conflicts. This article also compares the condition of Banten, which experienced a difficult time during the reign of Sultan Ageng Tirtayasa, with the Covid-19 pandemic. In this article, Usman uses a qualitative approach with historical methods to analyze his research. As for the topic of this research, the author examines Sultan Ageng Tirtayasa's policies in improving the trade economy in Banten. Third, an article entitled "The Development of the Islamic Kingdom in Banten during the Sultan Ageng Tirtayasa Period in Political and Social Aspects" (Anggraheni et al., 2020). This article describes the development of Banten Sultanate during the reign of Sultan Ageng Tirtayasa in the political and social fields. The policies carried out by Sultan Ageng Tirtayasa succeeded in bringing rapid progress to the Sultanate of Banten so that it could compete with the VOC. The progress achieved by Sultan Ageng Tirtayasa began to decline when the VOC succeeded in its race-baiting tactics against the Banten ruling family. This article does not examine the economic policies of Sultan Ageng Tirtayasa, especially in the field of trade. This is the difference between this article and the author's research. In addition, Anggraheni et al. used qualitative methods with social, political and character theories, while the author used economic policy and economic improvement theories. Fourth, a study entitled "The Leadership Strategy of Sultan Ageng Tirtayasa in the Sultanate of Banten (1651-1683 AD)" (Saputro, 2018). Tofik's research examines the strategies used by Sultan Ageng Tirtayasa to improve Banten's progress through political, economic, religious and social fields. The economic policy of Sultan Ageng Tirtayasa discussed in his work describes the free trade system, granting foreigners permission to establish trading offices in Banten, building irrigation and agriculture. The research that the author conducted was to analyze the policies of Sultan Ageng Tirtayasa in improving the trade economy in Banten. The analytical tools used are also different, Tofik utilizes behavioral theory in his research, while the author uses the theory of economic policy and economic improvement. Fifth, a study entitled "Sultan Ageng Tirtayasa's Efforts in Building Banten's Economy in the XVII Century" (Karma, 2017). This research discusses Sultan Ageng Tirtayasa's efforts in developing Banten's economy through trade and agriculture.



In the field of trade, he outlined several divisions, namely the free trade system, the development of shipping and the application of taxes. Whereas in this study, the author also analyzes the economic policies of Sultan Ageng Tirtayasa related to the presence of foreigners in his territory to improve Banten's economy in the field of trade.

METHOD

This research on the Economic Policy of Sultan Ageng Tirtayasa in Improving the Trade Economy in the Sultanate of Banten is library research. This study uses the theory of economic policy and economic improvement to understand the economic policies carried out by Sultan Ageng Tirtayasa. This study is qualitative research, which is research conducted on natural objects, such as humans (Sugiyono, 2013). The type of research used is descriptive research. Descriptive research is research that is intended to explain symptoms, facts, or events coherently and carefully about the character of a particular community or region (Abdullah K, 2018). The author collected sources by searching, obtaining, collecting and recording literature related to the economic policies of Sultan Ageng Tirtayasa in the form of books, articles and final assignments. The main reference in this research is a book by Fahmi Irfani entitled *The Triumph and Decline of Trade in Banten in the 17th Century and Banten History and Civilization in the X-XVII Centuries* which is the work of Calude Guillot. The author also uses sources from other literature. The methods of analysis used in this research are data collection (heuristics), data criticism (verification), historical interpretation (interpretation), and historical writing (historiography). The data obtained from various sources of literature found is then continued by testing the validity of the authenticity of the data obtained. Then the data is interpreted and presented in the form of historical writing which is arranged coherently and systematically so that it is easy to understand.

RESULTS AND DISCUSSION

Economic Condition of Banten Sultanate Before Sultan Ageng Tirtayasa Ruled

During the reign of Sultan Abdul Mafakhir Mahmud Abdul Qadir (1624-1643 AD) Banten harbor was visited by many local and foreign traders with their diverse merchandise. Chinese traders came to Banten with porcelain, velvet, silk, gold thread, embroidered cloth, umbrellas, combs, paper and fans. They returned with pepper, nutmeg, cloves and ivory. Arab and Persian traders sold gems and medicines. Traders from Gujarat sold cotton and silk fabrics. When they returned home, they brought spices to their countries to sell. Portuguese traders sold cloth from Europe and India. The traders from the archipelago, such as Java, Makassar, Sumbawa and Palembang sold natural products, spices and basic necessities (Lubis et al., 2014). The traders who came from various regions with diverse merchandise, showed that the port of Banten was one of the centers of international trade in the archipelago. This condition also proves that Banten's economy has progressed when seen from the bustling trading activities there.

It is not strange that the Sultanate of Banten exists as a maritime power that prioritizes shipping and trade activities because of its strategic location (Lubis et al., 2014). The commodity traded by the Sultanate of Banten was pepper obtained from Banten and the areas under its control, such as Jakarta, Lampung and Bengkulu (Lubis, 2003). In 1653

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AD, Sultan Ageng Tirtayasa made a policy for Lampung people who were 16 years old to plant five hundred pepper stalks per person. After harvesting, the pepper was then sent to the port of Banten (Imadudin, 2016). Pepper was one of the most sought-after and highly valued commodities in medieval times. Pepper is a spice that is widely used in food to add flavor, but it is also widely used in ancient Chinese and Indian medicine. Pepper was also considered to be one of the luxury goods because it was not widely available in Europe, because at that time pepper only grew in Southeast Asia and India. As a result, in Europe, pepper has an expensive price because the capital spent by traders is also more. One of them is due to the cost of transporting pepper using ships from Banten port to Europe. The great demand of Europeans to meet their needs for pepper, made Banten benefit greatly because it had many pepper plantations in its territory.

Banten's peaceful condition then experienced obstacles after the Dutch came to Banten. At first, the Dutch aimed to conduct international trade by obtaining pepper from Banten and then selling it in Europe. The Dutch first anchored in Banten on June 23, 1596 AD. Since the beginning of the Dutch arrival in Banten, they have shown a bad attitude towards the local population. They deliberately waited for the pepper harvest in Banten so that they could buy it at a low price. They also robbed two ships full of pepper from Java and escaped through Banten harbor while shooting at the city. Banten troops later captured the stolen ships and took their leader, Cornelis de Houtman, hostage. He was detained for a month, then on October 2, 1596 AD was released after the Dutch redeemed him with 45,000 guilders (Lubis, 2003).

On November 28, 1598 AD, the Dutch returned to Banten under the leadership of Jacob van Neck. Learning from their previous experience, they began to change their attitude and adapt to the local occupation. They even gave gifts to the sultan as proof that they had come peacefully. The trade negotiations went so well that the Dutch managed to bring back three ships loaded with pepper. After seeing the potential to monopolize the pepper trade in Banten, the Dutch attitude began to change. The result was a contradiction between Banten and the Netherlands, especially after the VOC (East Indies Trade Association) gained a foothold in Batavia. The VOC was a trading unit that had special rights from the Dutch government and was directly responsible to the States General (Lubis, 2003).

The VOC used various methods to monopolize trade in Banten, one of which was by blockading the port of Banten (Lubis, 2003). They stopped large ships from China and ships from the Moluccas that were going to anchor and trade in Banten. They did not allow these ships to come to Banten. As a result, the port became deserted and almost paralyzed. The Dutch hoped that, once the port was inactive, they could control it. This situation led to a war between Banten and the VOC in November 1633 AD. Banten troops and people then strategized to loot VOC ships at sea and rob them on land. The war lasted for six years before both sides finally made a peace treaty in 1636 AD (Lubis, 2003).



Sultan Ageng Tirtayasa's Efforts to Improve the Economy of Banten Sultanate

Opening a Free Trade System

Free trade can be defined as a system of trade transactions between countries that eliminates tariffs, quotas, and trade regulations in an agreed area. In other words, eliminating things that become obstacles when carrying out the trade process (Saggi et al., 2019). The policy implemented by Sultan Ageng Tirtayasa in the form of a free trade system attracted foreign traders to trade in Banten, especially because of its strategic harbor location. The foreign traders who eventually came to Banten included those from Europe, such as England, France, Denmark and Portuguese. (Guillot, 2008). Not only European traders, many merchants from other regions also traded in Banten, including from Arabia, China, Persia, Gujarat, Syria, Turkey, Japan, the Philippines. These traders even settled in Banten by establishing residences there (Michrob, 1989). This condition proves that Sultan Ageng Tirtayasa succeeded in increasing trade in Banten. This is because, the Banten harbor during the time of Sultan Ageng Tirtayasa was once again busy, whereas previously it had been quiet due to Dutch interference.

The diverse regional origins of Banten's merchants have turned the city into a metropolitan area (Hadi Wibowo, 2022). This condition made Banten develop into an economic center, administration, and cultural exchange place for the people who lived there. As a result, Banten's economy experienced an increase due to the many jobs that emerged and the growing purchasing power of the community. The progress made by Banten made the VOC feel worried because it could threaten the trade monopoly they had planned earlier. The VOC then tried to use other tactics to paralyze Banten.

Trade in Banten harbor used several types of currency, namely Banten, Dutch, and English currencies. The traders also applied the barter system (Jones, 1976), for example, exchanging pepper from Banten for the goods they needed. This incident proves the symbiotic relationship of mutualism that exists between traders to fulfill their respective needs. Every transaction carried out in Banten's harbor was taxed which became a profit for the royal treasury.

Allowing the Chinese to Settle in Banten

Chinese merchants have had trade relations with the sultan of Banten since the reign of Maulana Hasanuddin. When Sultan Ageng Tirtayasa came to power, the number of Chinese who settled in Banten increased rapidly. This was a result of Sultan Ageng Tirtayasa's policy of opening trade doors for them. Not stopping there, Sultan Ageng Tirtayasa also established a residential area for the Chinese called Chinatown (Carey, 2008). Sultan Ageng Tirtayasa made this policy in the hope that the presence of the Chinese would improve Banten's economy.

Sultan Ageng Tirtayasa's policy was not wrong, as the Chinese did play an important role in Banten's economy. Many important trade sectors were owned by them, such as pepper and sugar. These two commodities were among the most sought-after and needed items for traders at the time. Pepper was widely used as an ingredient to add flavor to food. Sugar was one of the basic ingredients in making wine, which was one of the most popular drinks at the time. Not infrequently, in banquets held by Europeans and Chinese, arak is

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used as a drink provided for consumption by invited guests. As a result, the demand for sugar as a basic ingredient in making wine increased. Along with that, many Chinese businessmen became wealthy as their sugar sales continued to grow. This condition made them play a significant role in Banten's economy. One of them was a contributor to the sultanate's revenue from the taxes they paid. It is recorded that the amount of tax paid by the arak entrepreneurs reached 1200 Realen every year (Irfani, 2020), this amount is equal to the price of ten brick houses in Chinatown (Guillot, 2008).

The Dutch assumed that the Chinese were influential in Banten's growing economy. They then tried to monopolize trade in Banten by approaching Chinese traders. They did this after failing to blockade Banten's harbor. They persuaded the Chinese traders to move to Batavia in the hope that Banten's economy would be chaotic, so that they could control it (Irfani, 2020). Basically, Chinese traders have loyalty to the ruler of the region where they live. Contrary to this, the seduction by the Dutch succeeded in persuading some Chinese traders in Banten, one of whom was named Soe Bing Kong (Irfani, 2020).

Soe Bing Kong's move to Batavia also affected the trading conditions in Banten. His trading colleagues while he was in Banten also moved to Batavia. This was because the relationship between Chinese traders was very harmonious. They were more interested in cooperating with their fellow ethnic groups than with other ethnic groups (Irfani, 2020). The move of the Chinese traders eventually affected the revenue of the Sultanate of Banten. The Chinese traders' tax, which was one of the Sultanate's incomes, decreased. People who traded in Banten also decreased which resulted in trade not being as busy as before. This incident illustrates the influence of Chinese traders on the economy of the Sultanate of Banten.

Establishing Chinatown

Chinatown is a unique village located west of the fortified city and separate from it. Chinatown was entirely inhabited by foreigners, as the Banten rulers did not allow the people of the fortified city to leave their homes after nightfall. Unlike other villages, Chinatown was one of the centers of international trade in Banten. In this village, many foreign merchant ships came with merchandise intended to be imported by Banten. Likewise, local traders brought goods to be exported outside Banten. This international trade activity forced foreign traders to settle in Chinatown. The majority of the foreigners who settled in Chinatown were Chinese, the name of this village was also taken from the Westerners' nickname for them. Moors from Gujarat and Bengal also lived in the area, as well as the Portuguese after their arrival in Banten in the 16th century. Other Europeans who came to Banten to trade also settled in this village. (Guillot, 2008).

The Chinese became the majority population in Chinatown due to the political policies of Sultan Ageng Tirtayasa. In 1670-1671 AD, Sultan Ageng Tirtayasa ordered his two harbormasters, Kaytsu and Cakradana, to build 120 houses for migrants from China and Batavia. In 1676 AD, it was recorded that the number of Chinese working in Banten reached more than one thousand (Guillot, 2008). In 1659 A.D., houses built in Chinatown began to be made of stone, and this process was accelerated in the 1670s A.D. This construction was done to prevent fires that threatened the village, because a lot of merchandise was stored here. The status of the residents of Chinatown was also different



from that of the fortified city. In Chinatown, residents had to pay rent to the sultan for the land on which their houses stood. Foreigners who are not Muslims pay a head tax, but if they are Muslims, they are only required to do state work (Guillot, 2008).

Chinatown also has Chinese shops selling export and imported goods. When merchant ships from the Coromandel coast docked here, hundreds of merchants would get out of the ships and set up stalls on the Chinese street. Here, they sold their wares. The base workers also filled the warehouses with pepper that they obtained from Sumatra or sugar from the southern valley. Brick kilns used to build houses were also found here. There are also lime kilns inserted into clay jars that were exported to Batavia in large quantities after being fired (Guillot, 2008). Various trading activities in Chinatown proved that the policy carried out by Sultan Ageng Tirtayasa was considered successful. The development of Chinatown made the Sultanate of Banten gain profit from the tax of the merchants. In addition, the bustling activities here also increased Banten's trade.

The Effect of Sultan Ageng Tirtayasa's Economic Policy on the Improvement of Banten's Economy

Banten has an International Port

Many factors made Banten harbor crowded with traders. First, Malacca was successfully controlled by the Portuguese, as a result of which Muslim merchants chose other cities for transactions. They finally found Banten harbor which had a strategic location. Second, the strategic location of the port, which was on the edge of the Sunda Strait, attracted traders to sell in Banten. Third, Banten had an important export commodity (pepper) that was sought after by foreign businessmen such as Gujarat, Persia, China, Turkey, Portuguese and others (Ricklefs, 1995).

The condition of Banten's harbor before Sultan Ageng Tirtayasa came to power was already frequented by businessmen from various regions. After Sultan Ageng Tirtayasa implemented a free trade system, the diversity of the origin of traders who traded in Banten increased rapidly. These included Asian traders: Taiwan, Tonkin, Japan, Campa, Tamil, Bengal, Siam, Cochinchina, Gujarat, Persia, Turkey, Arabia, and European traders including Dutch, English, French, Danish and Portuguese. (Guillot, 2008). As a result, Banten harbor turned into an international port that was increasingly crowded by local and foreign merchants. The King of Denmark, Christian V, even offered a piece of land in Banten for their trade interests (Pudjiastuti, 2007). Not only Denmark, French businessmen also established their trading offices in Banten (Lubis, 2003).

It would not be wrong to say that during the reign of Sultan Ageng Tirtayasa, the Sultanate of Banten had turned into a metropolitan area. This is because the trade that took place in Banten had shown international export-import activities. This was evidenced by the entrepreneurs who came from various regions and the commodities that were traded in this port. Aside from the natural factors that supported Banten's progress, Sultan Ageng Tirtayasa's policy also played an important role because it succeeded in attracting traders to come to Banten.

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Banten's Expanding Trade Partners

Along with the free trade system implemented by Sultan Ageng Tirtayasa, Banten's trading partners also increased, including Lampung, Palembang, Bengkulu and Jambi. These four regions are producers that provide pepper to fulfill the needs of trade in Banten. The supply of pepper obtained from these areas can increase Banten's income. This is because pepper was one of the most sought-after commodities at that time so it had an expensive price. Banten also established a relationship with the Kingdom of Goa, although the VOC did not allow it because it was related to spices in Maluku (Lubis, 2003). The trading partners that Sultan Ageng Tirtayasa established were also one of his efforts to resist the Dutch plan to monopolize trade.

In May 1666 AD, Kiai Ngabehi Cakradana and Kaytsu, two of Sultan Ageng Tirtayasa's harbormaster, also sent a large ship to Quang Nam (present-day: Vietnam), one of the regions in Cochinchina that was the territory of the Nguyen Dynasty. This large ship returned to Banten the following year. Cakradana also established commercial relations with the Portuguese at the Danish trading office in the Coromandel region. Between 1671-1672 AD, he also had business relations with Europe in Banten, pepper with Denmark and frankincense with England. In 1680 AD, he also sent ships to Canton and the Chinese coast (Guillot, 2008).

The trade relations that Cakradana and Kaytsu established with Quang Nam made Banten increasingly known to other regions. Economically, this is a progress because the increase in trading partners is in line with increased income. Banten's need for Quang Nam merchandise is also one of the things that counts. It is possible if Quang Nam merchandise becomes a commodity that adds to the creativity of Banten people to make new products.

CONCLUSION

Before the reign of Sultan Ageng Tirtayasa, the Sultanate of Banten was visited by many local and foreign traders. The merchandise they sold in Banten also varied. They came to Banten with merchandise that did not exist in Banten. When they returned, they brought goods from the Banten region. As a result, both parties complemented each other's needs in trade. The number of traders who came to Banten was inseparable from its strategic area as a trading place. In addition, Banten could fulfill the traders' needs for pepper, which was one of the most sought-after commodities at that time. Trade in Banten began to experience disruption after the Dutch came with their monopoly system. They tried to seize the market owned by Banten with a cunning strategy. As a result, trade in Banten became quiet and began to decline.

Faced with this challenge, when Sultan Ageng Tirtayasa came to power as Sultan of Banten, he made various economic policies to restore Banten's glory. Among his economic policies were a free trade system and allowing the Chinese to settle in Banten and establish Chinatown. The economic policies used by Sultan Ageng Tirtayasa were successful in increasing the glory of Banten. There were more and more merchants visiting Banten. Banten's glory was further enhanced when several countries established their trading offices in Banten, such as France and Denmark. Banten's trading partnerships with other regions also made it experience economic improvement, because it managed to meet its needs for export commodities and goods needed by its people. The presence of the Chinese



in Banten also made Banten's economy increase. This cannot be separated from the important trade sectors owned by them, such as pepper and sugar. As a result, their presence in Banten greatly affected Banten's economy.

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