

Coordination and Conflict: A Game-Theoretical Assessment on the Bargaining Powers of the State and its Agents in the Early Modern Ottoman Empire

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There have been continuous discussions in recent decades over the power of Ottoman sultans throughout the early modern period. The prevailing literature held that the state has absolute power over economic institutions. These disputes, however, are generally addressed from a historical perspective. In other words, systematic evaluations revealing the state's absolute power have been slow to progress. Historical perspectives also overlook the dominant position of elites, which contributed to the subsidence of the state's absolute power. As a result, equilibrium should occur at a point where these groups' negotiating powers intersect. The primary goal of this research is to explore bargaining and negotiations between the state and elites from an analytical and game-theoretical perspective. Utilizing tax-farming contracts, this research project incorporates primary sources that reveal the equilibrium that influenced the Ottoman Empire's economic performance during the early modern period.