Diaspora entrepreneurial networks in the Black Sea and Greece, 1870-1917

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Diaspora Entrepreneurial Networks in the Black Sea and Greece, 1870-1917*  
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Introduction
The few studies that have been written about the Greek diaspora from Russia have either concentrated on the 'golden age' (from the end of the XVIII century until the Russian-Turkish War of 1877-78) of Odessa, or they have focused on the role of Greek shipping in the Black Sea in connection to maritime networks in Western Europe.1

The process of 'early' decline in Odessa, the rise of the Greek entrepreneurial interest in the 'newer' eastern ports of the Black Sea and the Sea of Azov, and the eventual demise of Greek

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* We thank Dr. Olga Haralabaki for her expert comments throughout the writing of the paper. We also thank the participants of the staff research seminar of the Economic History Department (EHEE).

1 An earlier draft of this paper appeared in September 1995 under the title 'Greek Dalmatian Merchant Communities of the Black Sea and the Sea of Azov and Greek-Roman trade 1870-1917'. This initial draft was financed by the Economic Research Centre of the Athens University of Economics and Business and it was written in collaboration with Olga Solodukhina, who revised and translated the Russian material used.

entrepreneurs during the second decade of the 19th century are
main themes of this paper. It examines Greek entrepreneurial
networks from the standpoint of the Black Sea and the Sea of
Azov. This is the first time a systematic attempt has been made to
explore Greek-Russian trade and its interconnections with the
diaspora. The material used is largely Russian. This is a novelty for
up to now scholars who have done research in the field have
largely worked with British archival material. The study of new
material on an unresearched time period can only provide
‘conclusions’ that must be treated at this stage merely as
preliminary and hypothetical. In short, the main hypotheses made
regarding the features of the Greek merchant diaspora in the Black
Sea are the following:

1. The Greek entrepreneur of the Black Sea was a mobile
creature, following the trade routes and showing versatility in
adapting to new situations. He had a multi-business orientation,
often spreading risks by participating in different ventures,
combining commerce with banking and shipping. Less often,
a merchant would simultaneously interweave commercial
activities with manufacturing and land cultivation. Also, he was
keen on conducting business on credit. In addition, he
operated within the framework of a cosmopolitan network. To
put it simply, the Greek merchant communities in the Black Sea
were an integral part of a larger whole, i.e., the international
commercial Greek diaspora spreading from the Black Sea (and
the Danube) throughout the Mediterranean and reaching up to
Northern Europe and Britain. However, it should also be
underlined that Greek merchants went into joint ventures with
local businessmen and cooperated with the branches of locally
established foreign firms, often without necessarily
relinquishing their ‘privateer’ status.

II. Greek decline in the Black Sea area began almost half a century
after the overall demise of the merchant activities of the Greek
diaspora. Although from the 1870s both Odessa and its Greek
merchants may have suffered a decline, it is also clear that: 70
the decline of Odessa was relative as it remained a large port and b) Greek merchants, following the shifts in the grain trade routes, moved eastward along to other increasingly important Black Sea and Sea of Azov ports. The growth of these ports after 1870 coincided with a more obvious Greek presence. The process of decline of the Greek interest in the wider area of the Russian Black Sea came after 1905.

II. The thesis that the Greeks succumbed to the penetration of British and French joint-stock companies around the 1850s (either by becoming middlemen or by departing) cannot be generalized. It is of some relevance only for Odessa and not the other ports of the area. Some of the other factors which had a negative influence on the Greek merchants of Odessa were: the increasing support of the Russian government towards native entrepreneurs and the rise of local and Jewish middlemen after the emancipation of the serfs in 1861.

IV. The decline in Russian Greek trade brought about during the Balkan wars and World War I, had a devastating impact on the Greek diaspora in Russia, although trade with Greece was but a small part of their activities.

In sum, our research introduces both new information and hypotheses while simultaneously it confirms some of the observations made in the literature that the Greek merchant of the diaspora was 'polytropos' (i.e. a man of many resources) and that Greek merchants in the Sea of Azov played an important part in the transition of Greek shipping from sail to steam.  

4 For the assumption that the overall decline of the merchant activities of the Greek diaspora started in the 1850s see: H. Hatzimanolis, "Greek Merchant Communities and independent Greece: Interpretations and Problems," Public, 1983, pp. 26-34 (in Greek). Also, Odessa remained the largest port in terms of population but not of the export trade.

5 Grain was the main export item of southern Russia. Before 1900, the Sea of Azov exported a third of the wheat exported from southern Russian ports. By 1910 it exported over half.


7 G. Harafitis, Greek Seamen and Greek Ships on the Eve of World War I (Athens, 1994) (in Greek).
In terms of methodology, the material at our disposal posed two basic problems. First, how to integrate the general picture (the macro-facts, such as the figures for Russian trade with Greece) with the rich micro-information on the network of Greek firms in the Black Sea. The second difficulty has to do with the nature of the material. Chronologically there are gaps in the data available and thus it has not been possible to present long and complete time series. If, at times, we appear to be offering' snapshots' and not the flow (dynamic) of economic events, it is not out of choice but only because there was no other option!

Finally, we wish to note that the names of the Russian Greeks mentioned in the text have been written exactly in the same way as we found them in the Russian archives. We have thus faithfully copied them in order to convey the degree to which Greeks adjusted culturally to their host country (i.e., Russia).

This paper has largely been based on Russian material which was collected and translated by Olga Skolesskaya (Russian Academy of Sciences, Institute of Slavic and Balkan Studies). It has made extensive use of Russian bibliographical sources of the early-20th century. However, the bulk of the material employed has been drawn from Russian primary sources - both published and unpublished. The primary published material largely consists of statistical surveys of the Russian government from 1870 to 1916. These included the annual surveys of the foreign trade of Russia, the bulletins of the Russian Ministry of Trade and Industry, surveys based on Consular Reports, Customs Reports, the regulations of Trade Committees etc. Extensive use was also made of the contemporary Russian press (journals and newspapers).

A few words are necessary on the attitude of the bureaucracy of Imperial Russia towards the diaspora Greeks and Greece. The documents available reveal that Russian officials had mixed feelings about Greek entrepreneurs. On the one hand they admired them for their commercial talent and their 'devotion' to Greece. On the other, they resented the fact that although they were Russian subjects they continued to live as Greeks (for example donating to 72
Greek charities and the Greek government) and were adept in evading taxes.

Although Russia as a great power applied political and economic coercion over Greece, the attitude of its officials towards their Greek counterparts does not appear to have been as condescending as that of Germany or Britain. An interesting example of how Russian officials empathised with the plight of Greece is the following: in 1898, the 'protecting' powers (including Russia) created an 'international' body for the supervision of Greek state finances. It was named the International Financial Commission (I.F.C.) and apparently some important Russian officials, including the Minister of Finance S.J. Vitte, disapproved of the 'financial subjugation' which this commission entailed for Greece. 6

The general economic background:
the Black Sea and the Sea of Azov Ports

Historically, the presence of Russia in world trade did not match the size of its economy. 7 Russian producers were basically geared towards the home market. Although the latter grew fast throughout the XIXth century, requiring an increasing amount of resources, from the 1870s onwards Russia managed to become a major exporter of raw materials as well. For instance, grain exports before World War I represented almost one third of world grain exports. Russian grain was almost exclusively exported from the ports of the South. These ports were surrounded by the 11 most important grain-growing regions of the country. Russia at the time was also a major producer and exporter of petroleum

6 State Russian Historical Archive in St. Petersburg (SRHA), A. Vitte to S. Moutaviev, 4 December, 1897, Fond 560, Inventory 22, File 195, pp.197-199.
7 Archive of Foreign Affairs of the Russian Empire (AFRE), Fond Greek Table, File 555, pp.2-5.
8 Kerovetc accounted for around 80 percent of all petroleum product exports of Russia prior to 1910. Thereafter, and up to the outbreak of World War I, Kerovetc exports fell to about 50 percent of the exports of petroleum products. The main importers of Russian petroleum goods were Turkey, Britain, Germany, Belgium, France and Holland.
products among which kerosene was the most important. Petroleum products were mostly exported from Batum and Novorossiisk.9

<table>
<thead>
<tr>
<th>Years</th>
<th>Bulgaria</th>
<th>G.B.</th>
<th>Britain</th>
<th>Germany</th>
<th>Greece</th>
<th>Rumania</th>
<th>Turkey</th>
<th>France</th>
</tr>
</thead>
<tbody>
<tr>
<td>1902</td>
<td>35</td>
<td>10,117</td>
<td>3,173</td>
<td>7,953</td>
<td>1,519</td>
<td>1,457</td>
<td>9,671</td>
<td>18,473</td>
</tr>
<tr>
<td>1904</td>
<td>39</td>
<td>15,738</td>
<td>4,976</td>
<td>12,976</td>
<td>2,411</td>
<td>1,933</td>
<td>7,185</td>
<td>26,453</td>
</tr>
<tr>
<td>1906</td>
<td>51</td>
<td>11,390</td>
<td>19,169</td>
<td>2,588</td>
<td>1,704</td>
<td>1,600</td>
<td>6,100</td>
<td>25,411</td>
</tr>
<tr>
<td>1908</td>
<td>79</td>
<td>11,686</td>
<td>20,197</td>
<td>7,221</td>
<td>1,873</td>
<td>6,587</td>
<td>2,158</td>
<td>27,328</td>
</tr>
<tr>
<td>1910</td>
<td>96</td>
<td>12,714</td>
<td>21,832</td>
<td>7,650</td>
<td>1,889</td>
<td>7,795</td>
<td>21,485</td>
<td></td>
</tr>
<tr>
<td>1912</td>
<td>107</td>
<td>95,221</td>
<td>38,674</td>
<td>9,211</td>
<td>1,600</td>
<td>7,514</td>
<td>26,885</td>
<td></td>
</tr>
<tr>
<td>1914</td>
<td>58</td>
<td>10,390</td>
<td>26,151</td>
<td>980</td>
<td>1,990</td>
<td>7,308</td>
<td>26,548</td>
<td></td>
</tr>
<tr>
<td>1916</td>
<td>86</td>
<td>10,726</td>
<td>29,421</td>
<td>1,145</td>
<td>6,945</td>
<td>7,826</td>
<td>29,177</td>
<td></td>
</tr>
<tr>
<td>1918</td>
<td>58</td>
<td>12,285</td>
<td>38,126</td>
<td>1,344</td>
<td>2,750</td>
<td>7,452</td>
<td>29,267</td>
<td></td>
</tr>
</tbody>
</table>

Source: M.V. Donskoi Zolotov, Russian Exports and the World Market (Kiev 1914).

8 Foreign trade was the main livelihood of the 40,000,000 people living in the South on the eve of World War I. In 1912 the value of Russian exports in total was equal to 1,500,000 million of rubles and 60 percent (i.e. 900,000 million) went through the ports of the Black Sea and the Sea of Azov. Most industrial exports of Russia left from the North. The few industrial exports of the South were directed mostly to the Balkans and Turkey. They consisted of wood, glass, cotton, metals and rubber articles.
9 Odessa, the most important port of the Black Sea throughout the XIX century, was founded in 1786. From then and up to 1857...

5 During 1895-1900 the total exports of kerosene was equal to 78 percent of the total petroleum exports of the group.
6 The figure is for 1913. Source: "About measures in developing imports trade of Odessa port," Kiev, 1913.
TABLE 2: Russian Exports

<table>
<thead>
<tr>
<th>Years</th>
<th>Bulgaria</th>
<th>G.Britain</th>
<th>Germany</th>
<th>Greece</th>
<th>Romania</th>
<th>Turkey</th>
<th>France</th>
</tr>
</thead>
<tbody>
<tr>
<td>1862</td>
<td>190</td>
<td>118,523</td>
<td>128,239</td>
<td>0,612</td>
<td>4,943</td>
<td>15,910</td>
<td>35,109</td>
</tr>
<tr>
<td>1884</td>
<td>580</td>
<td>175,305</td>
<td>1,796</td>
<td>4,947</td>
<td>7,720</td>
<td>10,089</td>
<td>56,166</td>
</tr>
<tr>
<td>1896</td>
<td>460</td>
<td>160,302</td>
<td>184,004</td>
<td>5,278</td>
<td>7,691</td>
<td>14,399</td>
<td>59,208</td>
</tr>
<tr>
<td>1898</td>
<td>510</td>
<td>139,906</td>
<td>179,436</td>
<td>9,653</td>
<td>12,675</td>
<td>14,477</td>
<td>60,594</td>
</tr>
<tr>
<td>1900</td>
<td>470</td>
<td>145,570</td>
<td>187,635</td>
<td>8,735</td>
<td>5,276</td>
<td>18,516</td>
<td>57,449</td>
</tr>
<tr>
<td>1902</td>
<td>620</td>
<td>180,600</td>
<td>203,184</td>
<td>9,145</td>
<td>15,852</td>
<td>15,847</td>
<td>55,142</td>
</tr>
<tr>
<td>1904</td>
<td>720</td>
<td>230,423</td>
<td>231,985</td>
<td>7,471</td>
<td>9,017</td>
<td>25,300</td>
<td>61,782</td>
</tr>
<tr>
<td>1906</td>
<td>807</td>
<td>225,147</td>
<td>289,674</td>
<td>10,993</td>
<td>17,585</td>
<td>15,241</td>
<td>70,501</td>
</tr>
<tr>
<td>1908</td>
<td>220</td>
<td>220,331</td>
<td>278,991</td>
<td>10,980</td>
<td>12,823</td>
<td>22,764</td>
<td>92,625</td>
</tr>
<tr>
<td>1910</td>
<td>211</td>
<td>315,375</td>
<td>380,040</td>
<td>10,332</td>
<td>15,949</td>
<td>27,859</td>
<td>93,046</td>
</tr>
</tbody>
</table>


Presumably this was the only porto franc in Bashk.

The main exports in order of importance from the Sea of Azov were grain, flax, wool, fat, butter, cattle, leather and iron.
the colder months of winter and the hottest days of summer. In addition, the waters were almost always low and swampy. Transportation to the Sea of the Azov from the hinterland-producing regions was basically effected via rivers. For example, in Mariupol, grain which was the main export staple of the Sea of Azov, was first transported in sacks to the river Kalmius. Then, the sacks were loaded on boats, rafts and barges. The schooners took the sacks on board and transferred them to the sea-going ships.10

Regarding the Greek presence in the area, migration to Russia (Moscow, Kiev, St. Petersburg, Nercinsk, Vladivostock, and Podolsk) dates back to the Byzantine Empire. An indication of the dispersion of Greeks throughout Russia is the fact that the Greek government had representation in twenty 'cities'. However, most Greeks settled in the South around the shores of the Black Sea.11 The largest migratory wave towards this area took place under Ekaterina II (the Great), who attracted settlers to this area by granting them special advantages (such as, for example, free land and no obligation to pay taxes). Many of the settlers originally came from the Ionian islands which were at the time a Russian protectorate.12 Moreover, Greeks from the Crimea set up on the sparsely populated shore of the Sea of Azov, the town of Mariupol and twenty-four villages.13

By the mid 19th century many Greek merchants in the Black Sea had become wealthy, largely as a result of their involvement in the grain trade. The Russians came to resent their prosperity and eventually measures were taken to curtail their preferential status. A good example is the case of the flourishing communities of the Nezine Greeks. In 1883, the Senate abolished the 'independent Greek Estate of Nezine' and one year later their special privileges in trade were also withdrawn. The Greeks

10 Colonel M. Zografos, Historical Essay, report prepared for the government.
11 SBIA, Fond 23, January 11, File 1503. ANRE, Fond Greek Table, File 265, p.2, also File 558, p.5.
12 Starlinski, 1990 (ital). 13 In 1775 they were given special advantages with regard to trade and they paid no taxes to the Treasury.

70
complained to the Czar, but they were unable to effect a return to their previous status. In an effort to protect all its subjects in the same way, the Russian government on 2 November 1909 signed a declaration stating that Nezine Greeks in Russia would have no special rights as in the past. 19

The social 'fabric' and network of the Greek diaspora of southern Russia

There was some degree of social assimilation of Russian Greeks. For example, some served in the diplomatic service of Russia. A certain A.G. Konstantinidi worked as a Russian Vice-Consul in Piraeus (1913). One of the members of the Russian State Council at the time was a A.I. Vergopoulos. Greeks also sat on a number of trade committees and societies. For instance, A. Pecatoros was on the special commission for grain exports of the Merchant and Exchange Committee.20 Another Greek, E. Papafidin of St. Petersburg worked in the Department of Trade and Industry of Russia and was the chairman of the consulting committee of the Russian Trade Exhibition organized on the ship "Emperor Nickolai II." 21

Greeks were also active as members of societies representing the interests of local entrepreneurs and merchants. For example, a Greek, N.I. Papadopoulo, was the chairman of the association of tobacco plantations in the Kuhanski Ekaterinoduriki region. Also, in 1907, in Odessa a Society of Russian Greeks was set up largely by Greek interests.22 In 1916, a Chamber of Commerce was established. It had a capital of 1,000,000 rubles. Among the Jewish 20 http://www.greekembassy.org.uk/energy/fact_sheet.pdf

19 The same was to hold for Russians in Greece.
20 Greek merchants became members of the nobility. In addition to Rodmatouh who became (through the initiative of Songi Virtu) a member of the Russian nobility in 1896, there is also the case of Konstantin Vassilievich Tzergi who was in the petroleum business. Also see: SBEA, Francis, 1991. File 919, also, Food 20, Inventory 2, File 1604, pp. 1-5. Also, Vassiliki Tzergi: promishlenogo sindika, 1, Odessa, 1910.
22 Y.K. Mustafin from Odessa was on the Board of the South-West Export Trade Chamber founded in 1912 in Kiev. Another Greek, P.A. Sakelaroff, was a member of the Taganrog Trade and Manufacturers Committee.
and Russians who were members of this Chamber, two well-known Greeks participated: A. Annata and A.R. Har.' Moreover, Greek merchants often acted as consultants to the government and in particular to the Department of Trade and Manufactures.23

Aside from assimilating, the socio-political network developed by the Greek diaspora in Russia depended largely on attaining some degree of "internal cohesion" through a web of charitable foundations. Besides strengthening ties among nationals, charity was a good business move. As in 1879 the Ministry of Finance allowed charities to import tax-free goods to up to 5,000 rubles a year. Such charities set up by Greek merchants can be found in Odessa, Sevastopol (1895), Taganrog (1895).

In addition to financing charities in Russia, many Greeks of the diaspora cultivated social links with the homeland by making large donations to the Greek state. A notable example is that of Averos, who, although amassing a huge fortune in Russia and Egypt, lived a frugal life and upon dying in Alexandria in 2689 left 28,000,000 drs. to the Greek state.24 Sometimes, it was the Greek state that approached the diaspora community for funds. For example, in July 1914 the Greek government created a committee for securing funds from diaspora Greeks in order to build a new dreadnought.25

In the last analysis not all migrants were a "permanent lease in human capital" to us. We have no data on the flow of emigrant funds from Russia to Greece. With about 600,000 Greeks established in Southern Russia in the first decade of the twentieth century, they could not have been insignificant in size. Also, it was usual for emigrants, after having lived for many years in Russia and 23 SHHA, Fond 15, Inventario 11, File 919.
24 SHBA, Fond 20, Inventario 7, Fiche 129, pp. 31-36.
26 For this and the fact that the developed social bulletin framework of the Greeks impressed Russian officials see: APARE, Fond Greek Table, File 218, p. 6.
27 The communique, which was headed by Admiral Constantinov, was sent a letter on its subject to Greece the Greek Consul at Sevastopol on 10 July 1914. Presumably, such letters were sent to other cities where the diaspora element was prominent. Source: APARE, Fond Greek Table, File 216, 189.
becoming Russian subjects, to return to Greece where, of course, they spent the ‘fortunes’ they had amassed. Finally, it should be noted that during the Balkan wars Greeks from Russia went to Greece as volunteers. Most were from the Black Sea area.

The cosmopolitan networks and multi-business character of Greek entrepreneurs

The diaspora entrepreneurs of Russia were not merchants as they have been known in the traditional sense. They had two notable characteristics. First, they developed a cosmopolitan business network based on family (kinship) ties which extended all over central Europe, Italy, France and Britain. For example, it was typical for a merchant in Odessa exporting grain to Greece and Britain to have branch offices in Athens and London headed by some relation, a brother or a cousin or a son-in-law.

Second, the Greek merchants in the Black and Azov Seas’ trading firms were no simple traders (middlemen) solely buying and selling grain. Greeks could be found in a number of different activities, such as, for example, in the soda, oil, and sugar trade, in mineral water production, in the extraction of marble and in stockbroking. Greeks were also prominent in the processing and distribution of petroleum products in Kuban. They were also active in the tobacco industry which was an important sector in the south of Russia.

The biggest factory of this kind in the southwest region was the tobacco and cigarette factory of P.S. Spiliot in Kiev which was established in 1883. It started off as a humble enterprise with one

26 Unfortunately we do not have data on the movement of population.
27 For the fact that Russia supported the Greek was in effort by supplying goods and money for Greek soldiers and by decorating Greeks of Russia for their heroism in transporting new goods. See APRA, Food Greek Table, File 555. Rich, 25 September, 1912.
28 New Odessa Chronicle, 1900.
29 For Tegoroy and the fact that he founded a petroleum company in 1909 see: SBIA, Fund 25, Inventory 25, File 359, Inventory 11, File 919.
30 In 1912, there were approximately 50,000 firms in the tobacco trade which had an annual turnover of 183,000,000 rubles.
31 Other Greeks in the tobacco trade were: N.I. Buzanopoulou, Chalikidi, Y.P. Karaki, K.M. Mavridi, K. Menikekolu, H.K., & A. Papoulla and P. Perveli.
machine. In three months it had 23 machines and in six months acquired a drying iron system. By the end of the century, this factory dried 600,000 pounds of cigarettes every day and employed about 120 workers. Also, its annual turnover was 600,000 rubles (in 1901, its capital was 200,000 rubles). Spalloti had large pieces of land (a total of 1,020 sazhevs, 1 sazhen = 2.13 metres) and five houses in the Kiev region. He, like other rich Greeks, diversified his activities: he published newspapers and books. His firm went bankrupt in 1919 and was sold out to his Jewish creditors.26

<table>
<thead>
<tr>
<th>Years</th>
<th>In general to Russia</th>
<th>From Greece</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>in pounds</td>
<td>in rubles</td>
</tr>
<tr>
<td>1895</td>
<td>1,469,835</td>
<td>1,117,584</td>
</tr>
<tr>
<td>1897</td>
<td>427</td>
<td>-</td>
</tr>
<tr>
<td>1899</td>
<td>14,650</td>
<td>446,614</td>
</tr>
<tr>
<td>1903</td>
<td>6,857</td>
<td>3,988</td>
</tr>
<tr>
<td>1903</td>
<td>4,253</td>
<td>10,570</td>
</tr>
<tr>
<td>1903</td>
<td>2,408</td>
<td>6,695</td>
</tr>
</tbody>
</table>

Source: State Russian Historical Archive in St. Petersburg, Fond 722, inv. 3, File 58, p. 54

Greeks were men of many talents. Most started off as middlemen (i.e. pure traders) in one basic export: amel of Russia (for example either grain, caviar, butter or petroleum goods). Many became producers (landowners or manufacturers) while often going also into banking and shipping. For example, the famous merchant Marazlis was also involved in the bottling and distribution of mineral water from which he made huge profits.27

It was, in general, typical for the merchant of the Greek diaspora to be in many lines of trade (business) simultaneously. Consequently, we would like to advance the hypothesis that the

26 SRHA. Fond 25, inventory 11, File 289, pp. 15-22.
27 SRHA. Fond 25, inventory 25, File 383.
<table>
<thead>
<tr>
<th>Product</th>
<th>1892 (thousand drachmas)</th>
<th>1893 (thousand drachmas)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grain</td>
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<td>15,358</td>
</tr>
<tr>
<td>Coffee</td>
<td>720</td>
<td>524</td>
</tr>
<tr>
<td>Ammonia</td>
<td>1,114</td>
<td>120</td>
</tr>
<tr>
<td>Butter</td>
<td>98</td>
<td>110</td>
</tr>
<tr>
<td>Cheese</td>
<td>23</td>
<td>-</td>
</tr>
<tr>
<td>Different flours</td>
<td>36</td>
<td>190</td>
</tr>
<tr>
<td>Timber</td>
<td>135</td>
<td>90</td>
</tr>
<tr>
<td>Vegetables</td>
<td>16</td>
<td>5</td>
</tr>
<tr>
<td>Leather goods</td>
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<td>75</td>
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<tr>
<td>Agricultural produce</td>
<td>0</td>
<td>-</td>
</tr>
<tr>
<td>Flax and wooden yarn</td>
<td>32</td>
<td>10</td>
</tr>
<tr>
<td>Fat</td>
<td>26</td>
<td>3</td>
</tr>
<tr>
<td>Fish</td>
<td>3</td>
<td>25</td>
</tr>
<tr>
<td>Tea</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td>Other goods</td>
<td>11</td>
<td>100</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>15,255</strong></td>
<td><strong>15,524</strong></td>
</tr>
</tbody>
</table>

**Russian imports from Greece: 1892-1893**

<table>
<thead>
<tr>
<th>Product</th>
<th>1892 (thousand drachmas)</th>
<th>1893 (thousand drachmas)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Olive oil</td>
<td>995</td>
<td>554</td>
</tr>
<tr>
<td>Olives</td>
<td>371</td>
<td>99</td>
</tr>
<tr>
<td>Wine-figs</td>
<td>152</td>
<td>217</td>
</tr>
<tr>
<td>Grapes</td>
<td>136</td>
<td>1,363</td>
</tr>
<tr>
<td>Fruit</td>
<td>5</td>
<td>36</td>
</tr>
<tr>
<td>Tobacco (in leaf)</td>
<td>85</td>
<td>68</td>
</tr>
<tr>
<td>Wine</td>
<td>383</td>
<td>165</td>
</tr>
<tr>
<td>Other goods</td>
<td>95</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,089</strong></td>
<td><strong>2,277</strong></td>
</tr>
</tbody>
</table>

Source: State Russian Historical Archive in St. Petersburg, Fund 20, inv. 7, File 129, p. 58.
Greeks in the Black Sea were so ahead in their business practices, that probably they were the most important and vital force in the world-wide Greek diaspora network. The Greek merchant firm in the Black Sea was a 'primitive' multinational as it had an almost global reach and was involved in a number of activities. This advanced specimen of diaspora entrepreneurship disappeared after World War I. We will try to explore why this happened. It will be argued that the final death blow may have been dealt with the 1917 revolution, but the fact is that the Greek merchant communities were operating in an increasingly hostile environment after the last part of the XIXth century.

**Important Greek firms**

The regulations which existed in Russia before 1914 for the operation of firms were very abstract. The absence of corporate law led to corruption and excess profits. Most big export and industrial firms, organized as corporations, belonged to Germans who were the largest foreign minority in Russia. Greek firms compared to them were usually not large and they had a personal or family character.30

The Greek merchants in Odessa were the first Greeks to make large fortunes in Russia. However, in the 1870s the Odessa Jews pushed the Greeks out of the grain trade and in the 1890s they succeeded in displacing them from other activities too. The Jews were better organized both in the national and the world markets, supported by Jewish diaspora business networks. The Greeks decided to move up to the 'difficult' ports on the Azov Sea. The family structure of their business helped their versatility. The archival material gives us a relatively large list of names of Greek merchants in the area. This is done in a 'snapshot' manner as the dates concerned are: the 1890s (10 names), the end of the XIXth century (37 names) and 1889-1911 (45 names). Most of the names refer to merchants who had their firms (or at least the headquarters

Odessa’s livelihood depended on foreign trade and banking. In both fields the Greeks were pioneers. Notably, the only known warehouses in XIXth century Odessa were of Greek ownership. Usually, they were part of their owners’ mansions. The few such facilities that existed were basically built in the Greek street, Police street and the Polish street (in the house of Voutsinas) and the Jewish street. As noted above, most large Greek merchants were exporters who owned the cargoes they exported. The main importing firms were Rodocanaki and the Petro kokinio Brothers. The latter was a fairly old trading-house founded by Evstrati and Dimi tri Mihailovitch Petro kokino. This firm which in 1857 had an annual turnover of 1,000,000 rubles largely imported luxury manufactured goods (such as, for example, dresses, toys, household goods) from France, Germany, England and the U.S.A.

The most famous Greek firm operating in the south of Russia after the 1870s was that of F.P. Rodocanaki based in Odessa. The founder of the family empire was Fedor P. Rodocanaki who besides being the Greek ‘Consul for Commerce’ in Odessa was an important guild merchant. His entrepreneurial activities began in the 1820s and his enterprises, which spread all over the Novorossiisk area, had an annual turnover of around 5,000,000 rubles. Besides owning large tracts of land (3,600 desiatin) which was cultivated under modern methods, this company had a wide range of activities. In addition to being in the export trade, it was also involved in banking (see below). Moreover, this company processed rice and manufactured a variety of goods, such as champagne, flour, cloth, paint and paper. Reportedly, the factories of Rodocanaki at one point employed “several thousands of

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87 Trade and Manufacturing in Odessa, 5 July, 1914.

labourers and craftsmen" and the flour stream easily assisted
Novorossisk and Sevastopol produced daily up to 6,500 puds of
flour of the highest quality. In addition, E.P. Rodocanachi played
a pivotal role in the development of shipping in the Black Sea and it
had 'stations' in six ports. The firm reached its peak under Perikl
Rodocanachi, the son of the founder.70 With the initiative of Sergei
Vyte (Minister of Finance) Perikl was proclaimed a member of the
Russian nobility in 1896.71 A. Anatra was another famous Greek
merchant of Odessa.72 He was called a millionaire and he had
shares and stocks in factories, ships and other large enterprises. As
president of the Black-Sea Yacht club, and protector of the
clandestine Greek schools he developed wide social activities in
the Greek community.73 At the beginning of the XXth century the
most famous tobacco factory in Odessa was that of V.O. Stamboli.
He sold his goods all over Russia. He was also a publisher of
newspapers and active in philanthropic work in the Greek
community.74 Another famous Greek family, which although based
in Athens had strong connections in Odessa, was Recanati.
Reportedly, together with a Russian Greek from Odessa, B.Zacharoff,
and Alexander Gefand, a famous Russian Jew, he headed the grain 'mafia' of Odessa.75

The information available on the activities of Greek merchants
at the Sea of Azov ports from the Russian archives is less detailed.
However, the sources support the well-known fact that the most
important Greek grain merchant-cum-shipowner of Odessa was
Maris Vagiano who had started his career as a simple skipper. They

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70 Namely, during the second generation when it was run by Perikl the son of the
founder.
71 According to one source, the annual turnover of the Rodocanachi firm was
5,200,000 rubles but unfortunately we do not have a date for this figure. For this and
the other information on this firm see: SBEIA, Food 30, Inventory 1, File 146a, pp. 1-5.
72 Amyotsh, op. cit., pp. 56, 70, 13, 134.
73 More than one member of this family was a Merchant. Source: SBEIA, Food 25,
Inventory 14, File 1025, pp. 1-2.
74 Tevelevedt, banqsootnolning in Odessa, July 9, 1914.
75 New Odessa Courier, 1910.
76 Colonel M. Zolotarev, 'Historical Essays', report prepared for the government.
also provide us with one detail which may prove significant: in 1869 Vaghiano with two other Greek merchants named Kalogera and Kouppa sent abroad in total at least one sixth of all the exports of Taganrog, Martiopol and Berdiansk. 17

Russian Greek trade

Throughout the XIXth century the most important trade partners of Russia in order of importance were Germany, Great Britain, France and the Netherlands. Russia basically exported to these countries raw materials and imported from them industrial goods. (Tables 1 and 2). Trade with Greece was a different story. Despite the enormous presence in the Black Sea of Greeks basically in the export-import trade with Western Europe, there was an ongoing Greek-Russian trade. This has received little attention. This trade, small in the scale of total Russian exports, was extremely significant for the small Greek state.

Apparently, from the 1870s onwards the total value of imports from Russia to Greece increased much faster than the total value of Greek exports to Russia. For the years 1892-1910 see tables 1 and 2. The goods Russia imported from Greece and exported to her, as can be seen from Table 4, were mostly food supplies, raw materials and a small part consisted of manufactured goods. 16 The main products that Greece imported from Russia were: cereals, (wheat, rye, corn, oats), flax, butter, sugar, wood, coal, paper, red and black caviare, livestock products, husks, and lesellerene. Greece exported to Russia: curants, metals and minerals (lead, silver, ore, iron ore, manganese), wine, tobacco in leaf, olives, olive oil, silk, cocoons, leather, sponges, lemons and oranges.

In consequence, the two most important features characterizing trade relations between Greece and Russia were: if the more or less permanent imbrication established between the two partners. Trade with Greece as already noted, was of minor importance to Russia

17 Bad
16 Russian Trade in the Balteus (Moscow 1900). Also, Bulletin of Inquiry of the Ministry of Trade and Industry St. Petersburg 1913.

85
whereas, for Greece, Russia was a major trading partner. It rivaled Britain. For example, in 1904 Russian exports to Greece were 30,800,000 drs whereas British exports to Greece were 28,700,000 drs. Moreover, Greece exported to Russia far less than what she imported from her. Greece had a permanent deficit in the balance of trade with Russia, the value of imports from Russia being consistently around ten times larger than the value of Greek exports to Russia. This picture was obscured towards the second decade of our century with the Balkan Wars and World War I, seriously interrupting trade in the region and with the October Revolution giving the final blow to the merchant communities of the area.

Moreover, it should be underlined that Russian-Greek trade relations were untypical in one more way. Unlike Britain and France, Greece's other two major trading partners and political 'supervisors', Russia was not an important direct source of foreign capital for Greece. However, indirectly, capital flowed from the Greek diaspora members of the Black Sea in various ways (as for example bequests). There were no important foreign direct investment of Russia in Greece. The one exception we know of is that in 1912 Russian firms were building the port of Candia and they were also interested in the concession for the building of an electric tram-way in Chania, Russian trade with Crete was significant in the end of the XIXth century and the beginning of the XXth century and apparently the Russian Consulate had established warm relations with the business world of Crete. Finally, a few words on the merchants involved in Greek Russian trade. They were basically not Russians. Throughout the XIXth century most of the export trade was in the hands of Jews.

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82 Denkm. St. Petersburg 11 October, 1912.
83 1 October. 1912. Acron. Journal.
85 For these attempts, C F.O.1 and the involvement of a Greek by name of Aperisopoulos see archival material of the Department of Foreign Trade of the Ministry of Foreign Affairs of Russia found in SIeA, Fond 24, Inventory #, File 34, pp.12,17.
and Greeks. The locals (i.e. the Russian merchants), had in their hands only the domestic trade network. They started to show an interest in the international market only in the 1890s, pressing the government to take some measures to help them reach the international market.\textsuperscript{32}

**Trade diplomacy, treaty negotiations and the current crisis**

In theory, Russian export trade was based on the principle of free trade. However, in practice customs were levied and Greek-Russian trade relations were regulated on the basis of the trade and navigation treaty Tratat of 12 July 1850. This treaty was based on the principle of the most-favoured-nation clause.\textsuperscript{33}

Apparently, at the end of XIXth century the Greek government made repeated attempts to modify the treaty, in the hope that Greece would be able to increase its exports to Russia. First, in 1877, Athens appealed to St. Petersburg to lower its customs on figs and tobacco. Then, in 1885, 1888 and 1889 appeals were made for Russia to reduce its custom duty on olives. These appeals were ignored by the Russian government as the tariffs on Greek products were already lower than the tariffs on imports from other countries.

However, such pressures on Russia mounted with the 1893 current crisis. The story was as follows: in October 1893, the Greek Minister to St. Petersburg announced that his government wished to open negotiations for the conclusion of a new treaty. The date was not coincidental: at the time France, which was a large consumer of ulturals - Greece's most important exportable item - had just raised her tariffs and Greece was searching for other outlets in order to avert a major crisis.\textsuperscript{34} Russia was a good market to search out.\textsuperscript{35} (See Table 3) Not only was she a significant trading partner of Greece, but she also had consulates in Zante, Cefalonia, Patras

\textsuperscript{32} APAB, Fond Greek Trade. File 555, p. 3.

\textsuperscript{33} It was signed by the King of Greece and the Czar and was opined from December 25, 1850 onwards. Regarding shipping, Greek vessels could freely carry and store their own products in all Russian ports without any tariff or other charges, as was the case with Russian vessels.
which, together with Ithaca and Korinth, were Greece’s main 
currant-producing areas.54 Thus, Athens declared to St. Petersburg 
that, if Russia agreed to abolish its customs or currants and reduce 
them on currant alcohol, the Greek government would be willing 
to: i) reduce its tariffs on Russia’s main exports to Greece (i.e. 
caviare and cereals); and ii) purchase from Russia all of its lamp oil 
(kerosene) which was a state monopoly in Greece.55

The Russian Minister of Finance initially turned down the Greek 
proposals. Tariffs were an important source of income for the 
Treasury. In addition, he feared that Greek merchants in Russia 
would come to control the distillery business and thus hurt Russian 
distillers.56 Russian officials, however, became more compliant 
when in 1894 the King of Greece – King George – arrived in Russia 
personally in order to boost Greece’s negotiating position. King 
George was directly related to the Russian imperial family as his 
wife Queen Olga was a Russian princess. Under mounting pressure 
from the Greek government and Russian diplomats57 the 
government set up in 1895 a committee to study the Greek 
demands. The committee quickly prepared a report in which it 
more or less assented to the changes desired by Athens without

54 Greece’s main markets up to 1893 had been France, Britain and the U.S.A. had also 
been important consumers. 55 For the significant size of Russian imports, see Table 1. 56 
APARE, Food Greeks Table, File 519, pp. 106-107. 57 Though currants were the main ‘Greek’ item laid on the negotiating table, the 
Greek government also demanded that the Russians also reduce the customs on our 
packs of olive oil from 1 rouble 96 copecks to 60 copecks and that they abolish totally the 
tax on olives and figs. Source: SHIA, Fond 20, Inventory 7, File 129. 58 For example the Russian Treasury had an annual income of 1.5 million to 2 
million roubles a year only from the customs on olive oil, olives and figs. The Russian 
government agreed to reduce its customs on black olives by 25% i.e. from 2 
roubles to 1.5 roubles for one pack. Source: APARE, Food Greek Table, File 579, pp. 38- 
21, 88. 59 All along, since the time of the first appeals of the Greek government regarding the 
Trade Treaty, Russian diplomats had tried to convince the Ministry of Industry and 
Trade to be more compliant for political reasons towards Greek demands. Source: V.R. 
Lunodoff, Diaries 1894-1896 (Moscow 1913): Alua, SHIA, Fond 46, Inventory 1, 
File 47, p. 167.

88
abolishing the 1850 treaty.\textsuperscript{50} Namely, it proposed that up to 1903: i) the export of Greek cурants to Russia be duty free and ii) the customs on figs, olives and olive oil be reduced by Russia by 50 percent. Peculiarly, no mention was made regarding the lifting of Greek taxes on grain although grain was Russia's major export to Greece. However, this report took it for granted that for this time period Greece would buy all its kerosene in Russia and it would lower by 50 percent its customs on butter, caviare and wood imported from Russia and would place fixed tariffs on imported sheep and rams.\textsuperscript{53}

In the end, no new convention was signed as the distillers of southern Russia (mostly Georgians and Moldavians) mounted pressure on the Minister of Finance. The only compromise made by the Russian government was that it agreed to hand all of the customs revenues from Greek cурants to Queen Olga for her charitable work. Reportedly, with these funds she built a hospital for sailors (in Pireaus).\textsuperscript{54} Russia, in spite of the lack of success of the negotiations - at least temporarily - was able to absorb Greece's sudden cурant surplus. It arrived through the Black Sea and the Azov Sea ports and was sold at very low prices.\textsuperscript{55}

Among the local markets which absorbed large quantities of

\begin{footnotesize}
\begin{itemize}
\item[\textsuperscript{50}] Ever since the time of the first appeals of the Greek government regarding the trade treaty, Russian diplomats had tried to convince the Ministry of Industry and Trade to be more compliant for political reasons towards Greek demands. In particular M. Ouz, the Russian Ambassador to Athens proposed a compromise solution to Vitte largely on political grounds: i.e. he was particularly sensitive to the fact that Greece and Russia had strong religious ties and that the Greek royal family was related to the Czar. Sources: Landshut, Passion. Also, SRDA, Fonds 49, Invenoir 1, File 47, pp.187-188.
\item[\textsuperscript{51}] This compromise solution was made at some point in the beginning of the negotiations. Vitte had suggested that the 1850 Treaty remain intact and that a convention be added to it referring to cурants, with the understanding that Greeks would give preferential treatment to Russian grain and would also reduce customs regarding butter, caviare, flour and vegetables. FAFAE, Fonds Greek Table, File 510, pp.20-21 and 101.
\item[\textsuperscript{52}] The annual income from the customs on cурants was reported as being 600,000 roubles. However, no date is given for this figure. Source: J. Soleiev, _Monuments of a Diplomat_ (Moscow, 1990), p.125.
\item[\textsuperscript{53}] Around 1894 the prices recorded are 80 kopys for 1 pound. Source: FAFAE, Fonds Greek Table, File 510, p.88.
\end{itemize}
\end{footnotesize}
Greek curants were: Warsaw (Poland was part of Russia at the time), Moscow, Kowno, Grodno, Vilna, Dvinsk, Berdichiv, Elisabethgrad, Kiev, Vinnitsa, as well as some other towns in Russia. 64 However, by the beginning of the twentieth century England and the U.S.A. became the main markets for Greek curants.

Before closing this section it should be underlined that the failure of Greece to attain a new trade agreement with Russia is testimony to two facts. First, to the limited political power of the Greek diaspora in Russia from the end of the XIXth century onwards. 65 Second, to the relations of unequal dependence which existed between Greece and Russia. For Greece, Russia was its most important source of grain, but for Russia Greece was but a minor trading partner. Thus, although Greece raised its customs duties on grain and flour at least twice (once in the late XIXth century and again in 1905), Russia (to our knowledge) did not issue any protest to the Greek government.

Another example which portrays Greece's dependence on Russia is that Greece, although no new trade agreement was signed, began in 1903 to buy all of its kerосene from Russia. The story was as follows. In 1885 H. Trikoupis established a state monopoly in kerосene. This monopoly purchased all the kerосene it supplied to the Greek Government from the Greek firm Ralli Bros, which had its headquarters in London. Ralli Bros. acted as a middleman. It bought the kerосene it delivered to the government from the U.S.A. firm Atlantic Co. of Philadelphia. In 1903 the Government did not renew its annual contract with Ralli Bros. 66 Instead, it decided to accept bids from various sources. Offers were made from the Atlantic Co., a Romanian firm Steana and Astona.

64 The word 'onwards' is used with reserve for it is not certain whether the Greek diaspora in Russia at any time (i.e., even during its economic peak) had political power in Russia.
65 This state monopoly gave to the Greek Treasury an annual income of 7,000,000 drs. Source: STOA, Fond 23, Inventory 24, File 99, p. 39.
and three Russian companies: Caspian and Black Sea Petroleum Trade Co; L.I. Arvanitidi Co, and P.A. Sideridi Co. In the last two
Russian companies Greek Black Sea merchants had an important
role.25 From 1903 up to 1908 the state monopoly bought all its kerosene from the Russian.26 It has been argued that this
change in policy and the decision to buy all the kerosene from the
Russian bidder was due to the pressure the Russian representative
in the I.E.C. had been levying on the Greek government over the
years.27

Greek merchant bankers

Odessa, from its inception in the late XVIIIth century, was a
credit market for the entire Black Sea and the Azov Sea region and
partly even for Moscow and St. Petersburg. Its first banks were
usually merchant banks - i.e. banks that sprang from trading houses
and as a result their operations were intimately linked with trading
activities. At first, banking was in the hands of Greek and Italian
merchants, but eventually they were ousted by Jews and local
Russians.

It is generally difficult to find archival material, other than
registration documents, regarding the activities of the first banks in
Russia. However, the scant evidence available allows us to gain a
general picture of Greek banking. Probably the most important
Greek bankers of Odessa were the Rodocanaki family. By the time
Fedor P. Rodocanaki, the head of the family empire, died in 1889

25 The firm of Arvanitidi was established in Constantinople and that of Sideridi in
Athens. Both of these enterprises were Russian subjects and they sold Russian
kerosene which they transported from Baku. Source: SIRHA, Foedd 24, Inventory 5, File
58, p. 188.

26 At first all the kerosene was purchased from the Caspian Co. But from 1903
business with the Caspian Co. was stopped because of the internal political upheaval in
Russia. Thus, from 1903 till 1908 the suppliers of kerosene to Greece were the Russian

27 From 1899 onwards Greece started to buy kerosene from the U.S.A. and Romania
from 1914 onwards the U.S. firm Standard Oil Co. became the only supplier of
kerosene to the Greek Government. SIRHA, Foedd 22, Inventory 5, File 58, p. 138 and
Foedd 23, Inventory 24, File 991, pp. 76-79.
he had founded a number of banks in the South and also in St. Petersburg. These were: The Bank of Odessa; the Azovsko, Donskoi Bank; the Bank of Kiev; the Postov-na - Donu Bank, the Berdichev Bank; the Bank of Herson; and the St. Petersburg International Commercial Bank and the Russian Bank for Foreign Trade. Rodocanachi set up some (if not all of these banks) together with Greek and foreign capitalists. Notably, the St. Petersburg International Commercial Bank was a joint partnership with foreign banks, F. Mavrocordato of Odessa, and Sciarraqanga a banker from Taman. As a rule, Greek merchant bankers had tight links with foreign banks often through their commercial networks and bank offices in northern European countries.90

Also, most Greek merchant bankers had financial interests outside banking or trade. One such case was that of the banker F.L. Petrokokino, whose brother D.J. Petrokokino was the director of the Ribinsk - Bologovskoi railway. (As already mentioned in the text, the Petrokokino family was one of the most important and oldest merchant families in Odessa.) Some Greek bankers in Odessa branched out into other areas. For example, as mentioned in the text, F. Mavrocordato, who owned a merchant bank in Odessa, also co-founded the St. Petersburg International Commercial Bank.91

Not all Greek merchant bankers were centred in Odessa. A famous Greek merchant and banker outside the Odessa area was D.E. Bernardaki. His son N.D. Bernardaki, who succeeded him in 1870, besides being a prominent banker in Moscow, founded the Kiev Private Commercial Bank, the Kiev Industrial Bank, the Siberian Trade Bank, the Nishitogroyed Bank and the Vilen and

90 Sartu was the case of the banker M.V. Efros, who was reportedly a Greek and son of an Odessa guild merchant. He set up banks in Paris and Vienna. A Russian subject, he became a member of the Russian nobility after having failed to become a member of the Russian nobility. For the fact that Efros was awarded the title of Viscount (rits vishni) for the large donations he gave to soldiers wounded during the Russo-Turkish war of 1877-1878 see Amruch, op.cit., pp.9-19.

91 Another example is that of M.V. Efros who had an important stake in various industrial and business enterprises in the Novorossiisk region. Amruch, op.cit., pp.18

92 Amruch, op.cit., p.133
Don Land Bank. Another such case was I.E. Kondojanaki, the owner of a well-known merchant bank in St. Petersburg.

In the 1870s the ruble joined the gold standard. This led to a remarkable increase in foreign capital flows to the south of Russia. An expansion took place in private banking which was marked by the demise of the Greeks and the rise of the Jews. At first the Jews infiltrated Greek banks. Notably, by the 1880s Jews infiltrated the operations of Rodocanaki. Nevertheless, despite of tough competition Greek bankers were not totally eclipsed.

Greek shipping

Russia had the largest river fleet and the longest railway network, but it lacked a substantial and modern sea-going fleet. In terms of the number of ships and their tonnage, Russia held the 11th position in the world. For instance, in 1909 it had 2,533 vessels and only 854 steamers. (It should be noted that many of these ships belonged to Greeks who made use of the Russian flag). Coastal shipping in the southern ports of Russia was by 1880 primarily in the hands of ROFIT - the Russian Society of Steamship lines and Trade - which was founded in the midst of the Crimean war in 1857 and was subsidized by the Russian government.

Russian exports, being mostly raw and semicultivated products, were exported in bulk 'mass loads' in large part by British and

76 Aranitch, op.cit. pp. 133-134.
77 Such was the case of Baltakonom, who became a partner of the Efros family in 1890. Gudin, op.cit. pp. 55-56.
78 Another Greek banker in Odessa mentioned in the Archives was I. Askitas in the beginning of the 20th century. Source: NIOD, Fond 20, Inventory 2, File 1164.
79 NIOD, Fond 395, Inventory 4, File 7.
80 One example was that of the ship Volga, whose owner was a Greek who was a Russian subject by the name of Ratiopoulos, APARE, Fond Greek, Inventory 497, 1814, File 601, p. 2.
81 It was founded with a capital of 10,000,000 rubles and such was its commercial success that the prices of its shares doubled. Source: NIOD, Fond 203, Inventory 4, File 7, pp. 46-47.
Greek flags. For example in 1913 exports going under the British flag were 389,711 pounds Russian 79,904 and Greek 42,755. Foreign flags also dominated the Russian import trade. 86

Grain exports through the Sea of Azov ports of Taman and Rostov, regardless of destination, were basically carried by ships which were either Greek-owned or chartered by Greek merchants. 87 According to one source, 80 percent of grain was carried in such a manner. 88 The most famous grain merchants in the Azov Sea, who were also big shipowners, were the Vaghlan brothers. Mariants was in the Azov, Andreas in Muravlev and Panaghili in London. The Vaghlan had an extensive network of trading houses all over the Sea of Azov and collaborated closely with other Greek merchants in the area such as, for example, R.A. Notepont, Messur, Ambanapoulos. From the late 1870s they had steamers. This was not peculiar, for Greek grain merchants who were in shipping were among the first to make the transition from sail to steam.

Greek shipowners were, indeed, prominent in the steamship business. The steamship company of Rodocanaki had so much leverage that, in 1882, it appealed to the administration of the Zakavkasizkaya railways and managed to sign a convention regarding the loading lines that were connected with the ports of the Black Sea of Marmora and the Mediterranean seas. It also established a special consulting board at the Russian Department of Railways.

The Greek shipowners in the Sea of Azov were largely engaged in Greek merchant hatkis. In Rostov we know of Greek steam barges and ships. The following vessels are mentioned with Greek flags: Peter, Konstantine Zvonosos, Haralampos Agerponite. The

86 Kover, p. 130.
88 Interviews with chairman of the Council of the Representatives of trade and commerce, member of the state council of Russia, N.C. Avakalof, [B.V. 26 September 1912. Source: Interview of Buryje Volymovskij].
89 Rostovskie Stroji, 15 October, 1913.
Lloyd's Register of shipping mentions a substantial fleet owned by companies established in Russia from 1870 to 1914. Russian officials in Rostov were annoyed with the fact that Greek shipowners had taken control of the transit trade in the area. In 1910, they complained that Greek shipowners did not pay attention to the fact that they were Russian subjects and, ignoring Russian traditions and rules, they put Greek flags on their ships with the excuse that they were not of Russian origin. Apparently, long after Greeks lost their preeminence as merchants in the Black Sea they remained a strong force in shipping in the Sea of Azov.

The response of Greek entrepreneurs to changing conditions

Greek entrepreneurs in Odessa started to face competition from the Jews in the 1870s. In addition, by the turn of the 20th century, some of the market share of the Greeks was lost to Russian merchants, as the latter had gained some strength - in part because they had attracted the interest of the Russian government. But Greek merchants east of Odessa and in the ports of the Sea of Azov were still a formidable economic force. The final blow to Greek merchants came in three stages: the first Russian revolution (1905-1907), the Balkan wars (1912-1913) and W.W.I.

The exact dimensions of the repercussions of the first Russian Revolution (1905-1907) are not known. However, Greek merchants suffered (in particular, those who were involved in petroleum extraction and distribution in Baku). Probably, more important was the fact that Greek merchants were in a state of uncertainty about their fortunes. Testimony to this is that in 1905, with the outbreak of the revolution, 15 Greek businessmen appealed to the Greek ambassador, Argiopoulo, to protect their property. Their names were: Abatiello, Aleferaki, Evasena, Frangopoulos, Karageorgis, 

9 For the companies established in Russia from 1870-1914 see: Nefedov et al. (1995) chapter 3. For Russian complaints against Greek shipowners see: memo prepared by the Department of Trade and Pears in Potow-cz-Denis for the Ministry of Foreign Affairs on 17 of July 1910. See: AUKRE. Fond Greek Trade. Inventory no 5. FS: 23, pp.1-3;
Koutana, Lagada, Lezechopoulou, Iokos, Manezi, Mazarani, Panousa, Recatore, Rigi, Rossolimo.  

Nevertheless, Greek traders continued to remain an important force in the Sea of Azov even after the first Russian Revolution (1905-1907). An indication of the fact that business was still very strong for the Greeks and that Russia continued to receive immigrant Greeks is that as late as 1909, a Greek native, Victor Magna, opened an 'information bureau' providing services to Greek merchants who did not know Russian with information on Russian laws, customs and Greek firms in Russia.  

Yet, these were difficult times for Greek merchants. The crisis hit also the larger old firms such as that of Petrividis S. Sidero. In fact, these older establishments often amalgamated in order to face up to increasing competition. A notable case where large and old Greek firms went into joint partnerships was that of Vasilis, Young and Panarou who set up a joint venture in 1913.  

Greeks also made joint ventures with Jewish and Russian entrepreneurs. For example, it is known that A.A. Alexandrovich, who traded in grain and oil was in partnership with Amazov. T. Palli, a sugar merchant was in partnership with Brailov. Other examples are the following. In 1911 the broker Y. Larin (a Greek from England) set up an export-import trading firm and went into partnership with the Russian noble N. Germanov and Ivan Alexandrovich Zatolia, a Greek merchant who had trade houses in Odessa and in Nice. Also, in the same year A.P. Kiffer, who had a leather factory went into partnership with S.M. Rubanov; the factory was situated at the Bank of Odessa, and was named the 'Griko-Russkii'. The firm of Kiffer and Rubanov was so successful that within a few years it became very well known in Odessa. The factory was a joint venture between a Greek and a Russian, and it was one of the most important enterprises in the city. The factory employed both Greek and Russian workers, and it became a symbol of the cultural and economic interchange between the two communities.  

96 The firm Russian Revolution was centred on St. Petersburg and Moscow. However, it totally destroyed the fortunate trade in Baku and hence the face of Greek entrepreneurs about its repertory. For the names of those Greeks who died in protection see: APAB, Fund Greek Trade, File 2718.  

97 Respectively, the Russian Ministry of Trade and Industry looked on this firm with a favourable eye. Source: SHIA, IREZ, Inventory 188, File 115, pp.1-2.  

98 SHIA, Fund 23, Inventory 11, File 1249.  

99 Greeks as owners of a firm would either cooperate or combine with Jews, Russians or Ukrainians, but Jewish firms never sought out Greek, Russian, or Ukrainian partners.  

100 Inquiry of World Trade (Moscow 1912).  

101 The capital of this firm was 4,000 rubles.
sort of a Jewish merchant. In spite of these partnerships, many Greeks were not able to escape bankruptcy in 1913. For example, this was the case of Collaris, who set up in 1912 a trading house in wood products with the Russian nobles K.G. and E.K. Bernovitch and the Belgian O.P. Miller. This firm was closed down by its owners in 1914, soon after the beginning of World War I.

By the time of the outbreak of the Balkan wars, most of the firms registered in Odessa were Jewish. However, even as late as during World War I, the Greek presence was still significant. Testimony to this is that in 1916 a Chamber of Commerce was established in Odessa. Among the Jews and Russians who were members of this Chamber, two well-known Greeks participated, A.Araira and A.R. Hani. The last Greek firm to be mentioned in the archives to be registered in Odessa was the trading house of M.F. Argentino and J.M. Michalakis. It was set up in 1917 and its purpose was to deal in the fish trade. Its capital was a mere 20,000 rubles.

Finally, it should be underlined that throughout this final phase of decline, the Greek merchants in the newer ports (i.e., Novorossiisk) and the Sea of the Azov lost less of their market share than the Greek merchants of Odessa. For example, in 1912, out of 17 foreign firms in Odessa dealing in the grain trade only one, Y.E. Ekonontidi was Greek; the others were Jewish. By contrast in Novorossiisk about half of the firms conducting foreign trade were Greeks in 1912. Also, at about the same time out of 90 trading firms...

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51. SRHA, Fond 23, Inventory 11, Fond 1023. For other examples of Greek Jewish partnership see SRHA, Fond 25, Inventory 11, Fond 1023, p.155.
52. For the limitation of banking credit see Rech, 15 Oct. 1912. For the cotton trade see SRHA, Fond 23, Inventory 11, File 1217, p. 1, 26.
53. SRHA, Fond 25, Inventory 11, File 1025, p. 135.
54. It had a capital of 1,000,000 rubles. Source: SRHA, File 26, Inventory 11, File 1623.
55. All the other new firms registered in March 1917 were Jewish (Levinstein, Rosenbaum, Mendel, Rahinovich, etc.). Source: SRHA, Fond 25, Inventory 11, File 195, p. 1, 20.
56. Inquiry of World Trade (Odessa 1911, 1912). This shows that of the 150 trading firms less than 15 were Greek. Most of the other firms were Jewish.
in Rostov it were Greek. Furthermore, one cannot overlook the fact that by World War I. certain industries in which Greeks were prominent were experiencing a crisis, e.g. the tobacco industry.

The final blow: the war embargoes and their impact on Greek business in the area and Greek-Russian trade

Before the Balkan wars the Black Sea and the Sea of Azov exported usually around 600,000,000 pounds of grain. But war brought disruption. Turkey closed the straights during the larger part of 1912 (at some points for all foreign ships and at other points only for Bulgarian and Greek ships). The economy of the Azov Sea suffered more than that of the Black Sea, for 75% of Azov exports were served by Greek ships.

The grain trade shrank in volume. For example, the port of Kerch had exported in 1912 (up to the month of April) 1.5 million pounds of grain whereas in 1910 during the same period it had exported 10 million pounds. A panic overcame the grain market as prices plummeted.

The negative repercussions of the embargo were far reaching. Many small and medium firms in the grain trade closed down in Odessa, Rostov, Kerch, Taganrog, Mariupol, Batum, Novorossiisk, Ekaterinoslav. Barges and tugboats (which incidentally were mostly owned by Greeks) lay idle without work. Labourers connected with the grain trade (many of whom were Greeks) began to starve. Greek shipowners also suffered great losses. Some freighters were totally lost and a large quantity of spoiled grain was thrown into the sea. Moreover, delays imposed a heavy burden

67 Recipients Greek were all Russian subjects. Also, it should be noted that in 1910, Rostov (A.T.) was vice-consul of Greece in Rostov. Source: Inquiry of World Trade (Odessa 1912).
68 Veterinary Institute, St. Petersburg, 12 September, 1912.
69 It should also be noted that the Dardanelles were also closed during 1912 as a result of the First World War. During May 1912 when the Black Sea was temporarily filled with two days, 14-16 May, a total of 10 Greek Russian steamers entered Russian Black sea ports. Source: Arch. 18 May, 1912.
70 Notice Foreign, 1 October, 1912.
71 Arch. 18 May, 1912.

58
as they usually cost up to 300-400 rubles a day. In Nikolaev, just in April 1912, there were losses of 2,000,000 rubles and in Odessa 400,000 rubles. This embargo on Greek ships gave a boost to Russian shipping lines. Most of the grain trade by then flew under the Russian flag as Greek merchants freighted Russian steamships under terms that were considered extremely favourable to their owners.

The impact of the closing of the straights for the Greek economy was detrimental, for on the eve of the Balkan wars it was recorded that Greece still depended on Russia for two thirds of its grain imports. The lack of Russian grain led to severe starvation. Deaths were reported from starvation in Evia, for example, and bakeries were stormed in Volos. Notably, after the end of the Balkan Wars and during the peace negotiations between Turkey and Greece, one of the first issues placed by Athens on the negotiating table was the free passage of Greek ships through the Dardanelles.

In short, during the Balkan wars the grain trade between Greece and Russia suffered a severe blow. Notably, the Bank of Athens, which had played an important role in developing Russian exports to Greece, stopped all credits. The only export item of Russia which appeared to continuously increase in volume was wood for the railway network and rebuilding the villages and towns destroyed by the wars. The fall in trade was reflected in the declining customs' revenues from wheat imported from Russia.

103 New York Tribune, 28 April, 1912.
104 Ibid. Also, in 1913 Turkey decided every day for a few hours to allow free passage of ships of neutral countries. Source: Daily, Oct 5, 1913.
105 Bulletin of Inquiry of the Department of Foreign Trade of the Ministry of Trade and Industry, St. Petersburg, No. 52, 1913.
106 See the report of the agent of the Russian Ministry of Trade and Industry from Athens in 1913, SRHA, Ford 25, Inventory 9, File 718.
108 For the use in timber imports in general and from Russia in particular see the same source as for reference 104.
109 For this and the concern of Russian coal seamen over the fall in Russian exports to Greece and the high duties placed on grain imports see: APAKE, Fond Greek Table, File 555, p. 544.
The closing of the straits had a negative impact on Greek merchants and shipowners in the Black Sea regardless of whether they were doing trade with Greece. Above all, the Balkan wars dealt a blow to Greek-Russian trade. From the point of view of scholarship, the Balkan wars reveal the intricate and tight interrelationship which existed between Greece and Russia prior to World War I.

With World War I, Greek shipping and Greek-Russian trade suffered further. In August 1914, Turkey confiscated some Greek steamers carrying grain and dry products from Russia and Romania. 109 Apparently, part of the Russian sea trade with Greece was diverted from sea to land transportation. 110 For example, Greek olives from 1915 onwards were exported to Odessa by railway through Bessarabia. Due to the war, both Russia and Greece imposed trade restrictions. 111 For example, Greek and other foreign merchants no longer had the same rights to buy Russian grain as Russian merchants. 112 Olives were no longer exported in large quantities to Russia as the Greek government periodically forbade its export. 

Greek-Russian trade (and Greek shipping in the Black Sea) did not suffer only because of the closing of the straits by Turkey and mutual trade restrictions posed by the two governments. One more ‘negative’ factor was at work: the blockades imposed by the Entente on the southern ports of Greece periodically prior to Greece’s going to the war in 1918. In January 1916 the Entente Powers established an International

109 Nevertheless, some steamers under the Greek flag were allowed to proceed, the Greek ship ‘Katina Ambrosi’ with grain (15 September, 1914) and the steamship ‘Pheneos’ on 10 October, both going to Odessa.
110 Report of the Odessa Committee on Trade and Manufacturers, (Odessa 1915). The Greek ministry gave Russian merchants the use of three railway wagons per day for conducting this import-export business. The Russian Ministry of Railways, through the Russian Ambassador, asked Mr. Dimitriou to increase the number of railway wagons available to the Russian consignments. Because these were not enough for their consignments.
111 From the beginning of World War I, the Greek government tried to organise a food supply system and to struggle with high prices.
112 In February and March 1915, 5,000 sacks were imported from Greece (1,900 sacks + 1,000 sacks).
Food Commission. A laisser-passer covering the ports of Greece for grain was given only for one month. During World War I, many Greeks abandoned their houses and closed down their business in Russia. We know about several Russian state initiatives to exclude Greeks from Sevastopol, Novorossiisk, Yalta, and some other military ports. The ex-queen of Greece, Olga, who lived in Russia during the whole period of World War I (1914-1918) tried to help Greeks and delay their departure. After the closing down of the Dardanelles, Greek shipowners moved from the Black Sea to Greece and London. Instead of moving cargoes from Taganrog to Hull or Rotterdam, they began to carry cargoes from Buenos Aires to Northern Europe.

Conclusions

Using new sources and information largely of Russian origin we have introduced new hypotheses and explained those prevailing about the role and the evolution of the Greek diaspora in southern Russian ports, especially with reference to Greek-Russian trade from 1870 to 1917, a period of demise for the diaspora. To our knowledge this area has not been explored before in the literature. Before presenting the main findings we would like to stress again the fact that the quantitative data at our disposal suffered from gaps which reduced our ability to draw more definite conclusions. Given the turbulent history of Russia at the end of last century and the beginning of this one, this was to be expected.

Prior to World War I, Russia was an important source of basic goods for Greece, such as cereals, wood and kerosene. The Greek diaspora in the Black Sea and the Sea of Azov played a major role.

113 In June 1915, Greek shipowners decided to appeal to the great powers of the Entente to abolish strict measures against Greek shipping, and sent a report to the Greek government, asking for the great losses of Greek trade arising from the blockade of the Greek coast and ports. The Entente's authorities organized in Athens a special commercial committee which controlled trade activities and gave permissions to the merchants.

114 General State Archive of Russian Federation, Moscow, Fund 686, Inventory 1, File 12a.
in developing Greek-Russian trade. In fact, Greek merchants were an active force in the growth of the foreign trade network of southern Russia. At first, they flourished in Odessa. Later in the 1880s, due to the decline of Odessa as a port as well as the increasing competition of the Jewish and Russian firms. Greek merchants moved to the difficult sea of Azov and controlled a large part of the grain, kerosene and wood trade and its sea transportation. It should be underlined that the trade deficit of Greece in terms of its trade with Russia grew after the 1870s.

This study has sketched the socio-economic aspects of the Greek entrepreneurial network in southern Russia. It has also uncovered the diplomatic weakness of Greece and its diaspora in Russia as expressed in the inability of Greece to convince Russia to absorb its current surplus from the 1890s onwards. The multi-dimensional character of Greek merchants and the close links established between the Greek trade, banking and shipping network has been confirmed. Often Greek merchants were simultaneously in all three lines of business in addition to being industrialists and landowners.

The exact dimension and nature of the contribution of the diaspora to the Greek economy is difficult, if not impossible, to assess. Nevertheless, given on the one hand, its economic success and its close links with Greece (established through emigrant remittances, capital repatriation, shipping and trade) and on the other, the relatively small size of the recently independent Greek state in terms of both population and economy, its impact could not have been negligible. At this point we would like to suggest that one more factor be taken into account: it is probable that part of the profits originating in the Black Sea area reached Greece via the foreign government loans raised in the international capital market. The Greek entrepreneurs of south Russia had close

113 For original work on the role of the diaspora in Greece see G. B. Bertola and K. Kontis (eds), Issues in Modern Greek History (18th-20th Century) (Allons 1992) on Greek.
links with Greek international bankers (mainly located in Paris, London and Vienna) and the latter played an important part in the flotation of Greek loans prior to World War I.

Finally, regarding the decline of the diaspora this paper has shown that it was a long drawn-out process which began in Odessa in the 1870s and spread to the eastern ports shortly prior to the Balkan Wars and World War I. Thus, it has been shown that the decline of the Greek presence in southern Russia predated the October revolution of 1917.
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