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

Louri, Helen and Pepelasis Minoglou, Ioanna

Panteion University of Social and Political Sciences, Athens
University of Economics and Business

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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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1 We thank Dr. Galina Haralab, for her expert comments throughout the writing of the paper. We also thank the participants of the staff research seminar at the Economic History Department (U.S.E.).

An earlier draft of this paper appeared in September 1994 under the title: Greek Diaspora Merchant Communities of the Black Sea and the Sea of Azov and Greek-Russian 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 Sokolowskaia, who translated and transcribed the Russian material used.

entrepreneurs during the second decade of the 20th century are main themes of this paper. It examines Greek entrepreneurial networks from the mid-point 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:
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 'polyplos' (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.

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4 For the assumption that the overall decline of the merchant activities of the Greek diaspora started in the 1850s see: H. Haplowitz, 'Greek Merchant Communities and Independent Greece: Interpreting and Problematizing,' Public, 1985, pp. 26-34 (in Greek). As 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 Russia ports. By 1910 it exported over half.


7 G. Harlitis, 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. Firstly, 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 Skoleskaya (Russian Academy of Sciences, Institute of Slavic and Balkan Studies). It has made extensive use of Russian bibliographical sources of the early XXth 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...

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Greek churches 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.Vite to S. Moutavlev, 4 December, 1897; Fund 560, Inventory 22, File 195, pp. 197-199.
7 Archive of Foreign Affairs of the Russian Empire (AFARE), Fund Greek Table, File 555, pp. 2-5.
8 Kiev was accounted for around 80 percent of all petroleum product exports of Russia prior to 1914. Thereafter, and up to the outbreak of World War I, Kiev's share 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.
TABLE 1: Russian Imports

<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>1902</td>
<td>55</td>
<td>161,177</td>
<td>301,053</td>
<td>1,020</td>
<td>1,057</td>
<td>9,671</td>
<td>16,819</td>
</tr>
<tr>
<td>1904</td>
<td>59</td>
<td>142,734</td>
<td>142,976</td>
<td>2,441</td>
<td>1,933</td>
<td>7,185</td>
<td>18,415</td>
</tr>
<tr>
<td>1906</td>
<td>51</td>
<td>131,900</td>
<td>390,169</td>
<td>2,298</td>
<td>1,704</td>
<td>6,100</td>
<td>25,411</td>
</tr>
<tr>
<td>1908</td>
<td>59</td>
<td>135,204</td>
<td>202,197</td>
<td>722</td>
<td>1,873</td>
<td>6,467</td>
<td>27,138</td>
</tr>
<tr>
<td>1910</td>
<td>98.5</td>
<td>127,144</td>
<td>216,952</td>
<td>760</td>
<td>1,598</td>
<td>7,795</td>
<td>31,498</td>
</tr>
<tr>
<td>1912</td>
<td>107</td>
<td>99,221</td>
<td>306,474</td>
<td>921</td>
<td>1,600</td>
<td>7,519</td>
<td>26,865</td>
</tr>
<tr>
<td>1914</td>
<td>88</td>
<td>103,930</td>
<td>226,151</td>
<td>960</td>
<td>1,990</td>
<td>7,308</td>
<td>26,504</td>
</tr>
<tr>
<td>1916</td>
<td>84</td>
<td>105,724</td>
<td>290,421</td>
<td>1,143</td>
<td>4,864</td>
<td>7,826</td>
<td>26,777</td>
</tr>
<tr>
<td>1918</td>
<td>58</td>
<td>120,288</td>
<td>389,126</td>
<td>1,344</td>
<td>2,756</td>
<td>7,452</td>
<td>36,267</td>
</tr>
<tr>
<td>1920</td>
<td>56</td>
<td>133,847</td>
<td>449,794</td>
<td>1,567</td>
<td>2,311</td>
<td>10,036</td>
<td>69,794</td>
</tr>
</tbody>
</table>


Foreign trade was the main livelihood of the 40,000-50,000 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 million guilders of royalties and 60 percent (i.e., 900,000 guilders) 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.

Odessa, the most important port of the Black Sea throughout the XIXth century, was founded in 1796. From then and up to 1857...
it was a free port. By the middle of the XIXth century Odessa’s main business was the exporting of grain (basically soft wheat). Navigable rivers such as the Dniepr and Dniester carried cargo for export down to Odessa. Railways connected Odessa with the grain growing regions of Bessarabia. By the end of the XIXth century, due to the quickening of the pace of exports of hard wheat grown in the south-east regions, the relative importance of Odessa declined. Other ports on the Black Sea and the Sea of Azov increased in importance. On the eastern Black Sea the rising ports were Nikolaevo and later Novorossisk. The one that flourished most was Novorossisk, especially after the closing down of Sevastopol which became a military base of the Imperial Navy. The ports of the Sea of Azov which came to rival Odessa were Rostov, Taganrog, Mariupol, Berdiansk and Yevp. They were all ‘late developers’. By the end of the XIXth century, forty percent of all the grain exports of the South went through the Azov ports.

Navigation was difficult in the Sea of Azov, especially during

<table>
<thead>
<tr>
<th>TABLE 2: Russian Exports</th>
</tr>
</thead>
<tbody>
<tr>
<td>(in thousand rubles)</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Years</td>
</tr>
<tr>
<td>-------</td>
</tr>
<tr>
<td>1860</td>
</tr>
<tr>
<td>1864</td>
</tr>
<tr>
<td>1886</td>
</tr>
<tr>
<td>1898</td>
</tr>
<tr>
<td>1900</td>
</tr>
<tr>
<td>1902</td>
</tr>
<tr>
<td>1904</td>
</tr>
<tr>
<td>1906</td>
</tr>
<tr>
<td>1908</td>
</tr>
<tr>
<td>1910</td>
</tr>
</tbody>
</table>

Source: M.V. Dobran-Zagolski, Russian Exports and the World Market (Kiev 1914).

12 Presumably this was the only posto franco in Bessarabia.
13 The main exports in order of importance from the Sea of Azov were grain, flax, wool, fat, butter, cabbage, 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 scilflets took the sacks on board and transferred them to the sea-going ships.16

Regarding the Greek presence in the area, migration to Russia (Moscow, Kiev, St. Petersburg, Nerschinsk, 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. 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.17 Moreover, Greeks from the Crimea set up on the sparsely populated shore of the Sea of Azov the town of Mariupol and twentyfour villages.18

By the mid 19th century many Greek merchants in the Black Sea had become wealthy, largely as a result of their activity 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

16 Colonel M. Zelenev, Historical Essay, report prepared for the government;
17 SRIA, File 23, January 11, File 1903, ANRE, Greek Table, File 265, p.2, also File 538, p.5;
18 Haralambis, 1990, (this)
19 In 1775 they were given special advantages with regard to trade and they paid no taxes to the Treasury.
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 Nezime 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. Konstantinidou 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. Panaeidi 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 Nicholas II.”21

Greeks were also active as members of societies representing the interests of local entrepreneurs and merchants. For example, a Greek, N.I. Papadopoulou, was the chairman of the association of tobacco plantations in the Kuhanski Ekaterinodar region. Also, in 1907, in Odessa a Society of Russian exporters 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 Jews-

18 The same was to hold for Russians in Greece.
19 Greek merchants became members of the nobility. In addition to Rodoulis who became through the initiative of Sergei Vite) a member of the Russian nobility in 1896, there is also the case of Konstantin Vasilevich Tepinali who was in the petroleum business. Also see: SBR, Fund 23, Inventory 11, File 919, also, Fund 20, Inventory 2, File 1544, pp. 1-5. Also, Yevone Tepinalev pronomshlochnogo sostola, L. Odessa, 1910.
21 Y.K. Matrakli from Odessa was on the Board of the South-West Export Trade Chamber founded in 1912 in Kiev. Another Greek, P.A. Sahilathoi, was a member of the Taganrog Trade and Manufactures Committee.
and Russians who were members of this Chamber, two well-known Greeks participated: A. Amara and A.R. Hari. Moreover, Greek merchants often acted as consultants to the government and in particular to the Department of Trade and Manufactures.

Aside from assimilation, 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 Averof who, although amassing a huge fortune in Russia and Egypt, lived a frugal life and upon dying in Alexandria in 1899 left 18,000,000 drs. to the Greek state. 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.

In the last analysis not all migrants were a 'permanent loss' in human capital for Russia. 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 have not been insignificant in size. Also, it was usual for emigrants, after having lived for many years in Russia and

21 SIRHA, Fond 28, Inventory 11, File 919.
22 SIRHA, Fond 28, Inventory 7, File 129, pp. 15-16.
24 For this and the fact that the developed social-bureaucratic characteristics of the Greeks impressed Russian officials see APARE, Fond Greek Table, File 201, p. 5.
25 The committee which was headed by Artemas Concklimonos sent a letter on this subject to Grigorii the Greek Admiral at Sevastopol on 10 July 1914. Presumably, no letters were sent to other cities where the diaspora element was prominent. Source APARE, Fond Greek Table, File 2015.
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. Spiliotis in Kiev which was established in 1883. It started off as a humble enterprise with one

Unfortunately we do not have data on this movement of population. For the fact that Russia supported the Greek war of independence by supplying goods and money for Greek soldiers and by decorating Greeks of Russia for their heroism in transporting new goods see: APOLLO, Food Greece Table. File 595. Rich, 29 September, 1912.

New Odessa Government. 1909.

For Terzopoulos and the fact that he founded a petroleum company in 1909 see: SBIJA, Fund 23, Inventory 25, File 39, Inventory 11. File 919.

In 1912, there were approximately 500,000 firms in the tobacco trade which had a capital turnover of 183,000,000 rubles.

Other Greeks in the tobacco trade were: N.I. Bostampodos, Chalikog, Y.P. Karak, K.D. Mavrodi, K. Mennigkru, H.R., & A. Papa-Elia and P. Perilli.

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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 pdfs 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). Spilioti had large pieces of land (a total of 1,020 sazhi, 1 sazhen=2.13 metres) and live houses in the Kiev region. He, like other rich Greeks, diversified his activities: he published newspapers and books. His firm went bankrupt in 1914 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 pdfs</td>
<td>in rubles</td>
</tr>
<tr>
<td>1895</td>
<td>1,405,855</td>
<td>1,117,304</td>
</tr>
<tr>
<td>1897</td>
<td>427</td>
<td>1,100</td>
</tr>
<tr>
<td>1899</td>
<td>14,000</td>
<td>4,634</td>
</tr>
<tr>
<td>1901</td>
<td>6,982</td>
<td>3,968</td>
</tr>
<tr>
<td>1903</td>
<td>4,250</td>
<td>10,970</td>
</tr>
<tr>
<td>1905</td>
<td>2,408</td>
<td>6,696</td>
</tr>
</tbody>
</table>

Source: State Russian Historical Archive in St. Petersburg. Fund 22, inv. 3, F1e 58, p. 51

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 Greeks were men of many talents. Most started off as middlemen (i.e., pure traders) in one basic export staple 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 Marazis was also involved in the bottling and distribution of mineral water from which he made huge profits.27

26 SHIA, Fonds 23, Invernoy 11, F1e 289, pp. 15-22.
27 SHIA, Fonds 23, Invernoy 25, F1e 280.
<table>
<thead>
<tr>
<th>Item</th>
<th>1892 (thousand drachmas)</th>
<th>1893 (thousand drachmas)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grain</td>
<td>13,000</td>
<td>15,358</td>
</tr>
<tr>
<td>Coffee</td>
<td>726</td>
<td>524</td>
</tr>
<tr>
<td>Ammonia</td>
<td>1,144</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>
<td>35</td>
<td>35</td>
</tr>
<tr>
<td>Agricultural products</td>
<td>3</td>
<td>25</td>
</tr>
<tr>
<td>Flax and wooden yarn</td>
<td>5</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>15,355</strong></td>
<td><strong>15,524</strong></td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Item</th>
<th>1892 (thousand drachmas)</th>
<th>1893 (thousand drachmas)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Olive oil</td>
<td>935</td>
<td>534</td>
</tr>
<tr>
<td>Olives</td>
<td>571</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>1,163</td>
</tr>
<tr>
<td>Fruit</td>
<td>5</td>
<td>36</td>
</tr>
<tr>
<td>Tobacco (in leaf)</td>
<td>85</td>
<td>63</td>
</tr>
<tr>
<td>Wine</td>
<td>332</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 worldwide Greek diaspora network. The Greek merchant firms 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 end 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.50

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 1809-1911 (45 names). Most of the names refer to merchants who had their firms (or at least the headquarter

50. Trade and Manufacturing in Odessa, 9 July, 1914.
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 Youtsina) 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 Petrokokino Brothers.\(^{55}\)

The latter was a fairly old trading-house founded by Evarati and Dimari Mihailovich Petrokokino. 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.\(^{56}\)

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\(^{57}\) was an important guild merchant. His entrepreneurial activities began in the 1820s and his enterprises, which spread all over the Novorossisk area, had an annual turnover of around 5,000,000 rubles. Besides owning large tracts of land (3,600 desiatina) 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 men."

\(^{55}\) Other such examples were: N&A. Dianati, S.A. Keido, Koliko, D. Kolopou, N. Stere, M.F. Melissarato, M.A.D. Pandaki, Pinos Co., Hoda, Zerel. Source: Inquiry of World Trade, Odessa, 1911.

\(^{56}\) Trade and Manufacturing in Odessa, 9 July, 1914.

labourers and craftsmen" 60 and the flour steam-rolled it over to Novorossisk and Sevastopol produced daily up to 6,500 pounds of flour of the highest quality. In addition, F.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. 61 With the initiative of Sergei Vite (Minister of Finance) Perikl was proclaimed a member of the Russian nobility in 1896. 62 A. Anatra was another famous Greek merchant of Odessa. 63 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. 64 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. 65 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 Gelfand, a famous Russian Jew, he headed the grand 'mafia' of Odessa. 66

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 the period was Maris Vagiano who had started his career as a simple skipper. They

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60 Namely, during the second generation when it was run by Perikl the son of the founder.
61 According to one source, the annual turnover of the Rodocanachi firm was 3,200,000 roubles, but unfortunately we do not have a site for this figure. For this and the other information on this firm see: SRFA, Food 20, Inventory 1, Fie 1464, pp. 1-2.
63 More than one Member of this family was a Merchant. Source: SRFA, Food 25, Inventory 14, Fie 1025, pp. 1-2.
64 Peetchev, G., Commissioning in Odessa, July 9, 1914.
65 New Odessa Courier, 1900.
66 Colonel M. Zelotouno. 'Historical Essays', report prepared for the government.
also provide us with one detail which may prove significant: in 1860 Vaghano with two other Greek merchants named Kalogeris and Koupis sent abroad in total at least one sixth of all the exports of Taganrog, Matiuopol and Berdiansk.\textsuperscript{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.\textsuperscript{18} 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, hoops, and kerosene. Greece exported to Russia: currects, metals and minerals (lead, silver, ore, iron ore, manganese), wine, tobacco in leaf, olives, olive oil, silk, cocoons, leather, sponges, lemon and oranges.

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

\textsuperscript{17} Bad

\textsuperscript{18} Russian Trade in the Balhanes (Moscow 1899). Also, Bulletin of Inquiry of the Ministry of Trade and Industry (St. Petersburg 1913).
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. (i) 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.50

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 laid established
warm relations with the business world of Crete.51

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.

50 Denbigh, St. Petersburg, 11 October, 1912.
51 3 October, 1912. Acrocorinthe.
52 For these attempts see E.D.T. and the involvement of a Greek by name P. Freitze,
diplomat by the name of Arghipolizos see: archival material of the Department of
Foreign Trade of the Ministry of Foreign Affairs of Russia found in: Mythra, Fond 74,
Inventory R, File 34, pp.12,17.
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 treaty of navigation treaty Tratat of 12 July 1850. This treaty was based on the principle of the most-favoured-nation clause. 55

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 sultanas - 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.55 1893 was a good market to search out. 56 (See Table 3) Not only was she a significant trading partner of Greece, but she also had consulates in Zante, Cefalonia, Patras

52 APARE, Fond Greek時の. File 555, p. 3.
55 It was signed by the Emperor of Greece and the Czar and was applied 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. Thus, Athens declared to St. Petersburg that, if Russia agreed to abolish its customs on 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 cedars), and (ii) purchase from Russia all of its lamp oil (kerosene) which was a state monopoly in Greece.

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. 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 diplomats the government set up in 1895 a committee to study the Greek demands. The committee quickly prepared a report in which more or less assented to the changes desired by Athens without

51 Greece's main markets up to 1913 had been France, Britain and the U.S.A. had also been important consumers.
52 For the significance size of Russian imports see Table 1.
53 APARE, Food Greeks Table, File 519, pp. 106-107.
54 Though currants were the main 'Greek' item on the negotiating table, the Greek government also demanded that the Russians also reduce the customs on one push of olive oil from 1 ruble 98 copecks to 60 copecks and that they abolish totally the tariff on olives and figs. Source: SIEA, Fond 20, Inventory 7, File 129.
55 For example the Russian Treasury had an annual income of 1.5 million to 2 million rubles 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 rubles to 1.5 rubles for one push. Source: APARE, Food Greek Table, File 579, pp. 28-21, 88.
56 All along, since the time of the first appeals of the Greek government regarding the Trade Treaty, Russians diplomats had tried to convince the Ministry of Industry and Trade to be more compliant for political reasons towards Greek demands. Source: V.R. Lushchik, Daraini 1894-1896 (Moscow 1913) Alza, SIEA, Fond 40, Inventory 1, File 47, p. 167.

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abolishing the 1850 treaty. Namely, it proposed that up to 1903: 1) the export of Greek currants to Russia be duty free and 2) the customs on figs, olives and olive oil be reduced by Russia by 50 percent. Particularly, 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 hemp.

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 currants to Queen Olga for her charitable work. Reportedly, with these funds she built a hospital for sailors (in Piraeus). Russia, in spite of the lack of success of the negotiations - at least temporarily - was able to absorb Greece's sudden currant surplus. It arrived through the Black Sea and the Azov Sea ports and was sold at very low prices.

Among the local markets which absorbed large quantities of

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Footnotes:
45 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. Omor, the Russian Ambassador to Athens proposed a compromise solution to Vite 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: Landsdorf, Russian. Also, SHIA, Fonds 40, inventory 1, file 47, pp.187-188.
46 This compromise solution was made at some point in the beginning of the negotiations. Vite had suggested that the 1850 Treaty remain intact and that a convention be added to it referring to currants with the understanding that Greeks would give preferential treatment to Russian grain and would also reduce customs regarding butter, caviare, flour and vegetable fats. AFARE, Fonds Greek Table, File 519, pp.20-21 and 101.
47 The annual income from the customs on currants was reported as being 600,000 roubles. However, no date is given for this figure. Source: J. Sokoliev. "Monographs of a Diplomat" (Moscow, 1909), p.125.
48 Around 1894 the prices received are 80 copeys for 1 pound. Source: AFARE, Fonds Greek Table, File 519, p.98.
Greek curtaints were: Warsaw (Poland was part of Russia at the
time), Moscow, Kowno, Grodno, Vilna, Dvinsk, Berdichev,
Eliaskergrad, Kiev, Vinhitha, as well as some other towns in
Russia. However, by the beginning of the twentieth century
England and the U.S.A. became the main markets for Greek
curtains.

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. 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 just 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 kerosene from Russia. The
story was as follows. In 1885 H. Tzioupanis established a state
monopoly in kerosene. This monopoly purchased all the kerosene
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 kerosene 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. It
instead, decided to accept bids from various sources. Offers were
made from the Atlantic Co., a Romanian firm Ştefana and Aron

64 Had
65 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.
66 This state monopoly gave to the Greek Treasury an annual income of 7,000,000
and three Russian companies: Caspian and Black Sea Petroleum Trade Co., Ltd. Arvanitid Co. and P.A. Siderid Co. In the last two Russian companies Greek Black Sea merchants had an important stake. From 1903 up to 1908 the state monopoly bought all its kerosene from the Russian. 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 for the years.  

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 of the death of the family empire, died in 1889

57 The firm of Arvanitid was established in Constantinople and that of Siderid in Alexandria. Both of these enterprises were Russian subjects and they sold bastard kerosene which they transported from Russia. Source: S.I.P.H.A., Foed. 24, Inventory 5, File 58, p. 108.

58 At first all the kerosene was purchased from the Caspian Co. But from 1901 onwards the Caspian Co. was stopped because of the interval political upheaval in Russia. Thus, from 1905 till 1908 the supplies of kerosene to Greece were the Russian firms of Arvanitid and Siderid. Source: S.I.P.H.A., Foed. 24, Inventory 5, File 58, p. 104.

59 From 1909 onwards Greece started to buy kerosene from the U.S.A. and Romania. But from 1913 onwards the U.S. firm Standard Oil Co. became the only supplier of kerosene to the Greek Government. S.I.P.H.A., Foed. 22, Inventory 5, File 58, p. 138 and Foed 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; 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 Szurkajanga a banker from Tamanopol. As a rule, Greek merchant bankers had tight links with foreign banks often through their commercial networks and bank offices in northern European countries.10

Also, most Greek merchant bankers had financial interests outside banking or trade. One such case was that of the banker E.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.11 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.12

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 Kiefl Private Commercial Bank, the Kiefl Industrial Bank, the Siberian Trade Bank, the Nishittongwered Bank and the Vilen and

10 Such was the case of the banker M.V. Efros, who was reportedly a Greek and the son of an Odessa guild merchant. He set up banks in Paris and Vienna. A Russian subject, he became a member of the Portoguese militia after having failed to become a member of the Russian militia. For the fact that Efros was awarded the order of $ Vladimir (6th class) for the large donations he gave to soldiers wounded during the Russo-Turkish war of 1877-1878 see Ananich, op. cit., p. 119.
11 Another example is that of M.V. Efros who had an important stake in some industrial enterprises in the Novorossiisk region, Ananich, op. cit., p. 158.
12 Ananich, op. cit., p. 133.

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Don Land Bank. 75 Another such case was I.E. Kondojaraki the owner of a well-known merchant bank in St. Petersburg. 76

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 Rodocanakis. 77 Nevertheless, despite of tough competition Greek bankers were not totally eclipsed. 78

**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 2,553 vessels and only 85+ steamers. 79 (It should be noted that many of these ships belonged to Greeks who made use of the Russian flag). 79 Coastal shipping in the southern ports of Russia was by 1880 primarily in the hands of BORIT - 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. 79 Russian exports, being mostly raw and semicultivated products, were exported in bulk ‘mass loads’ in large part by British and

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76 Amanitch, op. cit. pp. 99, 133-134.
77 Soch was the case of Rafalnikov who became a partner of the Elitsky family in 1890s Gudin, op. cit. pp. 55-56.
78 Another Greek banker in Odessa mentioned in the archives was I. Anastas in the beginning of the 20th century. Source: NIHA, Fund 20, Inventory 2, File 1760.
79 NIHA, Fund 365, 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 Rastopulski, APARE, Fond Greek Tavist, Inventory 497, 184, File 501, 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: NIHA, Fund 205, Inventory 4, File 7, pp. 46-47.
Greek flags. For example in 1913 exports going under the Greek flag were 389,711 puds Russian 79,994 and Greek 42,755.80 Foreign flags also dominated the Russian import trade.81

Grain exports through the Sea of Azov ports of Tamanog and Rostov, regardless of destination, were basically carried by ships, which were either Greek-owned or chartered by Greek merchants.82 According to one source, 80 percent of grain was carried in such a manner.83 The most famous grain merchants in the Azov Sea, who were also big shipowners, were the Vaglioni brothers. Marius was in the Azov, Andreas in Marseille and Panaghi in London. The Vaglioni 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. Negreponte, Mouturi, Antiponopolou. 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 Zakavkaszkaya railways and managed to sign a convention regarding the loading lines that were connected with the ports of the Black Sea of Mariotra 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 Hayward by Greek merchant hitches. In Rostov we know of Greek steam barges and ships. The following vessels are mentioned with Greek flags: Peter, Constantine Zvoronas, Haralambios Aegrepontos. The

80 Kromm, p. 621.
81 Short survey on the report of Imperial Russian Contsrata... vol. 2, St. Petersburg, 1906, pp. 395-399.
82 Interview with chairman of the Council of the Representatives of trade and commerce, member, of the state council of Russia, N.C. Arakakof, B.V. 26 September 1912. Source: Interview of Bright Volume.
83 Rostovsk Stroev, 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 anxious 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 XIXth 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 Bak). 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: Abattielo, Alefarki, Evasena, Frangopoulo, Karageorgis,

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Koutana, Lagada, Lethchopoulo, Lukos, Manezi, Maseczani, Pastusa, Recatori, Riga, Rossolina.

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 brisk for the Greeks and that Russia continued to receive immigrants Greeks is that as late as 1909, a Greek native, Victor Magdali, 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 Envriviadi S. Skalos. In fact, these earlier 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 Vasilii, Yergin and Pianauci who set up a joint venture in 1913.87

Greeks also made joint ventures with Jewish and Russian entrepreneurs.88 For example, it is known that A.A. Alexandrovich who traded in grain and oil was in partnership with Anamazo P. Palli a sugar merchant in partnership with Brullov.89 Other examples are the following. In 1911 the broker Y.Kary (a Greek, from England) set up an export-import trading firm and went into partnership with the Russian noble N. Gonorov and Ivan Alexandrovich Zarifi, a Greek merchant who had trade houses in Odessa and in Nizhni.89 Also, in the same year A.P.Kirosa who had a leather factory went into partnership with S.M. Rubtsovski.89

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87 The first Russian Revolution was centered on St. Petersburg and Moscow. However, it totally destroyed the fortunate trade inрузии, hence the fear of Greek entrepreneurs about its repercussions. For the names of those Greeks who asked for protection see: APAE, Foreign Greek Table, File 2718.
88 Reportedly, the Russian Ministry of Trade and Industry looked on this firm with a favourable eye. Source: SBEA, France 1284, Inventory 188, File 115, pp.1-2. 
89 SBEA, France 23, Inventory 11, File 1429.
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98 The capital of this firm was 4,000 marks.
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. Bematovitch and the Belgian O.P. Miller. This firm was closed down by its owners in 1914, soon after the beginning of World War I.20

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. Aratia and A.R. Hart.21 The last Greek firm to be mentioned in the archives to be registered in Odessa was the trading house of M.F. Avgerino and I.M. Michalakia. It was set up in 1917 and its purpose was to deal in the fish trade. Its capital was a mere 20,000 rubles.22

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.23 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

51 SHIA, Fond 23, Inventory 11, Fond 1023. For other examples of Greek Jewish partnership see SHIA, Fond 23, Inventory 11, Fond 1023, p.135.
52 For the limitation of banking credits see Reich, 15 Oct. 1913. For the credit trade see SHIA, Fond 23, Inventory 24, File 1217, p.1, 26.
53 SHIA, Fond 23, Inventory 11, File 1025, p.35.
54 It had a capital of 1,000,000 rubles. Source: SHIA, File 26, Inventory 11, File 1123.
55 All the other new firms registered in March 1917 were Jewish (Levinstein, Rouzbahem, Mendel, Rahinovich, etc.). Source: SHIA, Fond 23, Inventory 11, File 1956, p.2, 20.
56 Inquiry of World Trade, (Odessa, 1911, 1912). This same journal, referring to 1911, notes that out of 150 trading firms less than 15 were Greek. Most of the other firms were Jewish.
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 600,000-000,000 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
Herson 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, Herson, Taganrog, Mariupol, Batumi, Novorossiisk,
Ekaterinodar. Barges and tug boats (which incidentally were mostly
owned by Greek) 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
freights were totally lost and a large quantity of spoiled goods was
thrown into the sea. Moreover, delays imposed a heavy burden

87 Probably these Greeks were all Russian subjects. Also, it should be noted that
1910-1912 Russia was vice-consul of Greece in Rostov, Source: Inquiry of World
Trade (Odessa 1912)
88 Verbovskiy, Ivan Pavlovich. The Black Sea, 12 September, 1912.
89 It should be noted the Baku-Baku were also closed during 1911 as a
result of the Italian-Ottoman War. During May 1912 when the Baku-Baku
was temporarily filled in two days, 14-15 May, a total of 18 Greek-Roman
merchant vessels entered Russian Black Sea ports. Source: Arch. 18 May.
1912.
90 Notice Foreign, 1 October, 1912.
91 Arch. 18 May, 1912.
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 war. The fall in trade was reflected in the declining customs' revenues from wheat imported from Russia.

103 News Vremnie, 26 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: Det. Oct 5, 1913.
105 Bulletin of Inquiry of the Department on 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, Foreign 23, Inventory 9, File 738.
108 For this and the concern of Russian coal owners over the fall in Russian exports to Greece and the high duties placed on grain imports see APARE, 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. Apparently, part of the Russian sea trade with Greece was diverted from sea to land transportation. 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. For example, Greek and other foreign merchants no longer had the same rights to buy Russian grain as Russian merchants. Olives were no longer exported in large quantities to Russia as the Greek government periodically forbade its export.

Russian-Greek 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 imposed 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 war in 1918. In January 1916 the Entente Powers established an International

108 Nevertheless, some steamers under the Greek flag were allowed to proceed, the Greek ship Kalina Ambrose with grain (15 September, 1914) and the steamer Pravets on 9 October, both going to Marseilles.

109 Report of the Odessa Committee on Trade and Manufactures, (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, however, the Russian Ambassadors asked Mr. Diamantoulis to increase the number of railway wagons available to the Russian merchants because these were not enough for their consignments.

110 From the beginning of World War I, the Greek government tried to organize a food supply system and to struggle with high prices.

111 In February and March 1915, 5,000 sacks were imported from Greece (1,000 sacks * 5 tonnes) per day.
Food Commission. A laissez-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, Novorossisk, 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...
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 ἐκτός Ἑλλάδος 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

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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