Greeks in the Russian Empire and their Role in the Development of Trade and Shipping in the Black and Azov Seas (nineteenth – early twentieth centuries)

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GREEKS IN THE RUSSIAN EMPIRE AND THEIR ROLE IN THE DEVELOPMENT
OF TRADE AND SHIPPING IN THE BLACK AND AZOV SEAS
(NINETEENTH – EARLY TWENTIETH CENTURIES)

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ABSTRACT: The article aims to survey the role of Greek entrepreneurs in the development of trade and shipping in the Black and Azov Sea area. Based on hitherto under-analyzed Ukrainian archival records of Greek communities (in Odessa, Izmail, Nikolaev, Kherson, Feodosia, Berdiansk, Mariupol, Taganrog, Rostov-upon-Don and Kerch), the article explores the professional activities of Greek merchants, captains, engineers, pilots and sailors during the nineteenth century and the early twentieth.

As is generally known, an industrial society requires an advanced system of communication and transport. In this respect, sea trade and maritime transport, which developed dynamically in the Russian Empire in the second half of the nineteenth century, played an important role. The fact that Greeks contributed significantly to the development of trade and shipping in the south of Ukraine and Russia is a well-known subject internationally. A number of British, American and Greek historians, based mainly on Western European archives, have published extensively on the subject; Susan Fairlie, Patricia Herlihy, Gelina Harlaftis, Vassilis Kardassis and Evridiki Sifneos, just to mention a few. ¹ Equally, a number of Ukrainian historians, based

on local archives, have also examined the subject, such as N. Terentieva, G. Tyschenko, N. Bykovskaya, myself and others. Despite all this literature, the role of Greek entrepreneurs in the development of trade and shipping in the Azov and Black Sea area, based on Ukrainian archives, has not yet been thoroughly analyzed, and that is the aim of this article.

It should be noted that during the nineteenth century a large number of Greek communities could be found in most cities of the Black and Azov Sea area, namely Odessa, Izmail, Nikolaev, Kherson, Feodosia, Berdiansk, Mariupol, Taganrog, Rostov-upon-Don, Kerch, and so on. The greatest center of all was Odessa, where in the early twentieth century Greeks formed about 2% (10,000) of the population of the city. In parallel, their role in the trade and industrial activity of the city was much more significant. Many Greeks worked as merchants, as captains of merchant vessels, and as engineers, pilots or sailors.

Wealthy Greek families also carried on business in trade and shipping as members of the merchant guilds of most Russian city-ports. They were predominantly involved in the grain exports of Europe through their extensive entrepreneurial networks. For example, the Scamaranga Trading House, based in Rostov-upon-Don, took an active part in the grain trade on the northern Black Sea coast. At the same time, almost all grain exports from the port of Mariupol were in the hands of the first-guild merchant A. D. Kharadgayev. His


4 See Harlaftis, A History of Greek-owned Shipping, Ch. 1-3.
trading company was involved in the purchase of grain from the villages of the Mariupol uyezd [district] to be sold abroad.

The entrepreneurial activities of Greeks in Odessa were likewise dynamic. In particular, in the mid-nineteenth century, 20 Greek trading companies controlled 46% of the import and export operations that were carried on through Odessa. Powerful international family businesses of Odessa, such as the Rallis, Maraslis, Rodokanakis and Avierinos, are worth mentioning. As it is rightly noted in an article by Evridiki Sifneos, it was easier for Greeks than for entrepreneurs from Western Europe to understand the cultural and religious background of Ukrainians and Russians and to integrate better into Russian society.

In parallel, it should be stressed that Greek entrepreneurs often set up their own shipping companies. They were involved with sailing ships throughout the nineteenth century and were pioneers in making the transition to steam. For example, the steamship company of Mari Vagliano was organized in 1869; the steamship firm of D. Manusi was established in the early 1880s; and the steamship company of D. Negroponte emerged in 1883. In the same year, Theodor Rodokanaki set up the Rodokanaki Brothers steamship company, which owned three steam vessels, the Teodor R., the Yevgenii R. and the Viera, and the steam tug Mikhail. A citizen of Mariupol, Alexander Kharadgayev, owned a large sailing-ship fleet, while the younger generation David Kharadgayev (also a first-guild merchant) invested in steam shipping.

It was the above-mentioned companies that occupied a rather weighty place in maritime commercial traffic in the south of the Russian Empire in the second half of the nineteenth century. It was not accidental that not only deep-sea going but also coastal trade in the Azov and Black Sea area, according to the tsarist Russia General Staff of 1858, was in the hands of Greeks. This situation greatly worried the tsarist autocracy, which strove to attract Russian entrepreneurs to merchant shipping. However, the majority of the Russian business community treated the shipping business with distrust and some prejudice. As contemporaries emphasized, “Sea trade companies are still for many a matter wrapped in mystery, and they [Russian businessmen] are more familiar with factory and plant business.” This gave every reason to

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8 Russkoe sudokhodstvo, 1900, nos 214-220, p. 41.
tsarist officials to state that the general public was not sufficiently interested in merchant shipping. For example, one of the representatives of the Ministry of Trade and Industry mentioned that, “Our capitalists often started business without having a good idea of such enterprises.” and did not know enough about “the terms and conditions of sea trade”, which led to “numerous errors and failures”.

As a result, the tsarist government had to resort to organizing such state or semi-state steamship companies as Dobrovolny Flot [Volunteer Fleet], Rossiisko-Dunaiskoye [Russian-Danube] or Russkoye Obschestvo Parokhodstva i Torgovli [Russian Trading and Shipping Co. – ROPiT].

They could not do without Greek experts, though. We have to mention that the first managing director of ROPiT was a flag-officer and adjutant-general, Nikolai Andreevich Arkas, and that an ethnic Greek captain, Mikhail Illich Kazi, filled the post of an assistant director in 1870. As S. Vitte recalled in his memoirs, “Kazi has been dealing with the questions either directly or indirectly connected with the sea all his life; he was a man of great intellect and character, a gifted and outstanding person.”

We have to note as well that Sergey Illich Kazi was a member of the Dobrovolny Flot management. He sailed in merchant vessels starting from 1867 and eventually, in 1914, founded the West Russian Shipping Co.

At the same time, the Russian government introduced a few restrictions on the number of Greeks as pilots or assistant pilots on merchant vessels. To some extent, this position was reflected in the Trade Code of 1903, according to which, “Only Russian subjects were allowed to apply for vacancies for skippers in the nautical companies of the merchant fleet.” In spite of this, Greek shipowners later on preferred to fill up crew management with their compatriots.

The share of Greeks in Black Sea and Azov Sea maritime transport was rather significant in subsequent years as well; the more so, as in the early 1890s, after the completion of the Industrial Revolution, business activity in commercial navigation in the south became more brisk. In parallel, let us note that the question of the ethnic composition of shipowners of the Black and Azov Seas has not been studied in detail. Due to imperfect statistics in the Russian Empire, it is

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9 Yurii Rummel’, Torgovii flot v economicheskoi zhizni strani s vidi na ego razvitie v Rossia, St Petersburg 1907, p. 28.
10 Two representatives of the government were the members of the board. Besides, the tsarist government owned one-third of the company shares to a value of 2 million rubles.
13 Yuri Filippov, Ocherk usloviy razvitia etochevstvennogo torgovogo moreplavania, Petrograd 1916, p. 130.
rather difficult to single out precisely Greeks from the number of shipowners of this area. That is why we were first of all guided by the surname of a shipowner while defining his or her nationality. The names of merchant vessels were also taken into consideration, because they were quite meaningful. For instance, if we are speaking about Greek shipowners, their ships were often given such names as "Alkiviadis", "Antonios", "Aspasia", "Astreya", "Achilles", "Hydra", "Kefalonia", "Mykonos", "Nikolaos", "Alexandros", "Perikles" or "Phoenix". It is quite clear that such a method of defining a nationality is far from ideal. However, it gives at least an idea of the share of Greeks in the national structure of shipowners in the cities on the coasts of the Black and Azov Seas at the end of the nineteenth century and the start of the twentieth.

Thus, according to our specified calculations made on the basis of the register "Russian merchant navy: The list of vessels of 1 January 1899", the ratio of ethnic Greeks as steamship owners was 23% (17 people of 73 in total). We are speaking about sole owners or the owners of trading houses; whereas in 1899, Greeks owned 43 vessels or 15.3% of 280 ships attributed to the Azov and Black Sea ports. Most of those ships were merchant or merchant-passenger ships (22) and steam tugs (17). It should be mentioned that most Greek-owned ships had few members in the crews – from 8 to 14 people. Only 3 steamships had crews that numbered more than 20 seamen; the merchant ship Astreya owned by A. Vagliano with a crew of 28 people may serve as an example.

The first-guild merchant from Taganrog, A. Manusi, owned most of the ships among Greek shipowners in 1899. Other owners, such as N. Sposito, D. Negroponte, D. Kurkumeli and A. Vagliano, had 4 ships each. The total tonnage of the fleet that belonged to Greek entrepreneurs was rather large, especially regarding the ships of D. E. Manusi (1242 tons) and D. Negroponte (1133 tons). If we take into account this very index, then there were 6 Greeks at the end of the nineteenth century among the 13 wealthiest shipowners in

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14 Russkii torgovii flot. Spisok sudov k 1 ianvaria 1899 g., St Petersburg 1899, pp. 2-70.
15 At the same time, if we look into the national structure of ship workers in the area, the picture is somewhat different. There were not many ethnic Greeks in the crews of commercial vessels, that is, among deckhands or in ship machine crews. The data of the 1897 census, which were based only on the language characteristic, allow us to determine the share of ethnic Greeks here – it was 5.5%. (The first general census of the population of the Russian Empire 1897. Tavricheskaya gubernia – Spb., 1904 – Vol. XLI – 310 pages; The first general census of the population of the Russian Empire 1897. Kherson gubernia – Spb., 1904 – Vol. XLVII – 319 pages).
16 Russkii torgovii flot. Spisok sudov k 1 ianvaria 1896 g., St Petersburg 1896, p. XII.
the area. It should be observed that out of 43 Greek-owned ships in the Azov and Black Sea area, 20 were attributed to Taganrog port, 8 to Rostov port, 7 to Odessa, 3 to Kerch, 3 to Berdyansk and 2 to Mariupol.\footnote{Russkii torgovii flot. Spisok sudov k 1 ianvaria 1899 g., pp. 2-70.}

Analysis of the social structure of Greek steam vessel owners allows us to conclude that in 1899 most of them (approximately four-fifths) were merchants or honorary citizens, and only 3 were representatives of the petty bourgeoisie. In order to set up a steamship company, it was necessary to have substantial funds (considering the value of ships, which cost from 50,000 rubles and upwards). It was the merchants who usually had such money. Thus, the merchants were represented by Greek entrepreneurs: F. M. Mavrokordato, D. Kharadshayev, F. Svorono, D. Negroponte, A. Vagliano, I. Frangopulo, N. Spositi, Miltiad Solomos and others. One could even find women among them. For example, the wife of the second-guild merchant A. Svorono owned 3 steam tugs at that time, and a merchant woman, A. F. Mavrokordato, owned 3 merchant ships.\footnote{Ibid.}

Speaking about the place of residence of Greek shipowners, we should note that 6 lived in Taganrog, 3 in Rostov and 2 in Mariupol. Odessa, Akerman, Kerch and Kherson were the cities of residence of 1 shipowner each (out of the representatives of the Greek community).

With regard to the sailing fleet, which continued to play a significant role in commercial shipping on the Azov and Black Seas, quite a few native Greeks were involved in entrepreneurship in this area. Buying a brig, golette or schooner for 5000-8000 rubles, they mostly transported grain to such exporting ports as Odessa, Nikolayev and Taganrog. Small shipments of coal, salt and wood were also delivered by sailing vessels to the Black Sea ports. Usually an owner of one vessel received the net profit of 300-500 rubles during a navigation period.

According to the register of 1899, the ratio of ethnic Greeks as sailing-vessel owners was just 8% (or 46 people of 565 in total), while Greeks owned 83 vessels (12.5%) of the total number of sailing vessels (668) attributed to Black and Azov Sea ports.\footnote{Ibid., pp. 72-234.} Predominantly, Greeks owned two or three sailing vessels. At the same time, the second-guild merchant A. Svorono and the Berdyansk petty bourgeois Paputsa owned five sailing vessels; the first-guild merchant D. Negroponte, the second-guild woman merchant Moussouri from Yevpatoria, the second-guild merchant from Kerch and the merchant Chrisoskuli owned four vessels each. Almost two-thirds of
Greek sailing vessel owners (28 of 46 in total) were represented by the petty bourgeoisie, and 15 by merchants or honorary citizens. As for their places of residence, we have estimated that 18 people lived in Kerch, 12 in Taganrog, 4 in Berdyansk, 2 in Mariupol, 2 in Yevpatoria and 2 in Kherson. Rostov, Akerman, Aleshki, Nikolayev and Izmail were the places of residence of 1 Greek shipowner each.

At the beginning of the twentieth century, the activity of the representatives of the Greek diaspora in the field of shipping in the south of the Russian Empire became even more intensive. For example, according to the data of tsarist statistics of 1910, it was Greeks who owned 4 trading houses (of 11 in total) that were acting in the steam-vessel fleet of the area. It should be mentioned that the privately owned shipping companies of F. Svorono (6 steam vessels) and K. Mavrokoordato (3 steam vessels) were among the most important companies. At that time, ethnic Greeks owned all in all 77 steamships or 20% of the total number of those in the area. Among them there were 44 merchant ships, 8 merchant-passenger ships, 3 passenger ships and 22 tugboats.

It should be noted that most of these ships, that is 54 of them, were attributed to the Azov Sea ports. That was 70% of all ships that Greeks owned either jointly or personally in 1910. Looking into the question of these ships’ placement in the Azov Sea ports, we gain the following picture: 25 ships were attributed to Taganrog port, 16 to Rostov port, 9 to Mariupol port and 4 to Berdyansk port. We have to take into account that the total number of ships that sailed under the Russian flag at that time was distributed among these ports in the following way: 28 ships were attributed to Taganrog port, 77 to Rostov port, 15 to Mariupol port and 7 to Berdyansk port. Thus, we can come to the conclusion that it was ethnic Greeks who held the leading position in the merchant marine on the Azov Sea at the beginning of the twentieth century.

According to Russian archives, in 1913 there were 13 Greeks (or 36%) among 36 private owners of steam vessels who owned boats with a total tonnage of more than 200 tons in the Azov and Black Sea area. Among them we can name P. Logotheti (6 ships), V. Sifneos (3 ships), E. Mavrokoordato, E. Sirganidi, D. Lisaksudi, M. Barbati and others. However, the most powerful

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20 Ibid.
21 Russkii torgovoi flot. Spisok sudov k 1 ianvaria 1910 g., St Petersburg 1910, p. XXXVI.
22 Ibid., pp. 2-67.
23 Ibid.
24 Russkii torgovoi flot. Spisok sudov k 1 ianvaria 1913 g., St Petersburg 1913, pp. XXIII-XXIV.
fleet at that time was in the ownership of the merchant from Mariupol, F. Svorono, who owned 16 ships. 12 of them were owned by him jointly with E. Di-Polone, and 4 ships were owned by him alone. 10 of these ships were merchant ones, 3 were merchant-passenger, and the other 3 were tugboats (total tonnage of 15,131 tons). Only large joint-stock companies such as ROPIT, Dobrovolny Flot or Rossiisko-Dunaiskoye Obschestvo then had more vessels. Mainly, F. Svorono’s vessels were attributed to Azov Sea ports: 7 to Taganrog port, 4 to Mariupol port and 2 to Rostov port. F. Svorono’s ship crews numbered 250 people in total. He even owned ships whose crews numbered more than 30 members. Among them, we should mention the merchant ships Yelizaveta (34 sailors) and Nadezhda (30 sailors). At the beginning of the twentieth century, Svorono’s vessels transported Donbass coal, cement, flour, sugar and wine to the Baltic, and paper, wire, nails, matches and shoes back to the Black Sea coast.25

More recent analysis for the period 1884-1914 based not only on Russian archives but also on the British, French and Austrian shipping registers has revealed similar, if not bigger, results: the 14 main Greek shipowners of the Azov Sea (Theofanis, Svoronos, Sifneos, Vagliano, Diamantidi, Mavrokordato, Kurkumeli, Kouppa, Moussouri, Petrokokkino, Papoutsi, Kharadzhayev, Alafouzo, Gerassimato) owned 120 sailing ships and about 70 steamships.26 More specifically, for 1914 Gelina Harlaftis, using the British archives of Lloyd’s Register of Shipping, has found that in that year there were 16 Greek family companies (Barbatti, Kouppa, Kouroupos, Destuni, Diamantidi, Ferendinos, Frangopulo, Logotheti, Methinity, Moussouri, Panagiotato, Sifneos, Skanavi & Sevastopoulo, Svorono and Theofanis) that owned 64 merchant steamships in the Azov (at Berdiansk, Mariupol, Taganrog and Rostov) of a net register tonnage of 68,633.27

The important role of Greek entrepreneurs in the development of sea trade shipping on the Azov and Black Seas was evident from their participation in representative organizations of shipowners in the south of Ukraine and Russia. In particular, they took an active part in congresses of shipowners

25 Trudi III s’ezda sudovladelcev Chornomors’ko-Azovs’kogo raiona, Odessa, 1913, p. 29.
26 Evridiki Sifneos and Gelina Harlaftis, “Το Ταϊγάνι των Ελλήνων. Ελληνική επιχειρηματικότητα στην παραμεθόριο του διεθνούς εμπορίου” [Taganrog of the Greeks: Greek entrepreneurship at the borders of international trade], in Evridiki Sifneos and Gelina Harlaftis (eds), Οι Έλληνες της Αζοφικής τον 19ο αιώνα. Νέες προσεγγίσεις στην ιστορία των Ελλήνων της Νοτίου Ρωσίας [Greeks of the Azov in the nineteenth century: new perspectives in the history of the Greeks of Southern Russia], Athens 2013 (forthcoming), Table 7.10.
of the Black and Azov Sea area. These congresses started to be held at the beginning of the twentieth century. Thus, F. Svorono was elected a member of the Permanent Committee at the 1st Congress in 1909.28

At the same time, there were quite a few problems in the activity of the commercial marine of the region from which Greek entrepreneurs could not stand aloof. For example, the state of the ports was unsatisfactory; they did not meet any international standards. Most of them were characterized by shallow water and the short length of moorages; hence, long demurrages of ships. The case when 30-40 ships were waiting to being unloaded for 20 days in Odessa port may serve as a good example. Almost all ports of the area were also very poorly equipped. Many did not have any means for lighting, which slowed down loading work. For instance, while it took the English vessel Surr about 4 hours to load 2200 tons of coal in the port of Newcastle, it took the merchant ship Ingenier Avdakov (23 crew members), which was owned by D. Kharadzhayev, 3 days to load 110,000 pounds of fuel in the port of Mariupol in 1898.29

It should be observed that shipowners often used ships of an old design that were in constant need of repair. This was especially characteristic of the sea transport that carried out shipping among the Azov Sea ports. The ethnic Greek, General S. I. Kazi, being at that time the representative of Dobrovolny Flot in the Azov Sea area, reported in 1911 that, "[…] the economic development of the Azov Sea coast has entirely outstripped the steam fleet serving these interests. This fleet, in its neglected state, might meet only the demands of the Sarmatian and Scythian period of economic requirements of the Azov Sea coast."30 This statement was certainly an overestimation, but it gives an idea of the problems that accompanied the development of the merchant marine of the Russian Empire.

We would like to pay attention to the fact that the activity of some shipping companies that tried to obtain monopolistically high profits with the help of government subsidies (first of all, ROPiT) was a hard burden for the inhabitants of the areas attached to the Azov and Black Seas, which had a negative influence on the development of the region’s economy. The press of tsarist Russia wrote repeatedly that ROPiT deliberately, “hampered the development of Russian coasting trade on the Azov and Black Seas, originally killing any attempts to organize a private commercial coasting

28 Trudii II s’eiza sudovladelcev Chornomors’ko-Azov’skogo raiona, Odessa 1910, p. 1.
29 Trudii XXI s’eiza gornopromishlennicov Iuga Rossii, Khar’cov 1898, Ch. 1 and p. 237.
30 State Historical Archive of Russia, St Petersburg, Fond 95, opis 6, delo 1884, list 82.
M. I. Kazi actually responded to such activities, stressing that, “The victories of ROPiT were the defeats of industrial and trade interests of the south.” It is not surprising that in 1912 the majority of participants (with quite a few representatives of the Greek community) at the 3rd Congress of Shipowners of the Azov and Black Sea area talked about being against “bonuses on the regular lines, which are protected by special subsidies (from the government)”.

In spite of the problems mentioned above, the activities of the merchant marine of the Black and Azov Sea area, in which ethnic Greeks played an important role, promoted the growth of the market economy, encouraged the development of domestic and foreign trade, and implemented national industrial modernization of the country. New sea transport communication provided for the free circulation of capital, the labor force and goods among definite regions, thus favoring their integration into one economic complex, and secured activity in the vast maritime territories of the south.

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31 Russkoe sudokhodstvo, 1890, nos 121-122, p. 145.
32 M. I. Kazi, Dobrovol’ni flot i Russkoe obshestvo parokhodstva i torgovli pered gosudarstvom, St Petersburg 1888, p. 44.
33 Trudi obshego s’ezda sudovladelcev v Sankt Petersburge. 27 fevralia – 4 marta 1913 g., St Petersburg 1913, p. 36.