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GRAIN MARKET INTEGRATION IN THE LOWER DANUBE REGION (1829–1853)

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Abstract: This paper explores the development of market integration within the Lower Danube region and Mediterranean deposit ports, from the 1830s to the 1850s. By the early 1830s, Danubian grain entered this commercial pattern, following the provisions of the Russian-Turkish Peace of Adrianople (1829). It granted the two Romanian Principalities of Wallachia and Moldavia full freedom to pursue commerce and to navigate on the Danube, turning the ports of Brăila and Galați into important suppliers of grain on the European markets. In the following two decades, Danubian grain supplied the Mediterranean deposit ports, before a decisive shift took place following the repeal of the Corn Laws in Britain, when most of the Danubian wheat and maize was carried directly to the British archipelago. This paper refers to the conditions of grain production in the Romanian Principalities, to their foreign trade through the ports of Brăila and Galați and to the commercial houses and the merchants who mediated these trading relations between the Danube and the Mediterranean deposit ports.

Key words: Brăila, Galați, international grain trade, productive structures, deposit-ports.

Резюме: Статията проучва развитието на пазарната интеграция в района на Долния Дунав и средиземноморските складови пристанища от 30-те до 50-те години на XIX век. Към началото на 30-те години зърното от Подунавието е включено в този търговски модел съгласно условията на Одринския мирен договор от 1829 г. Договорът дава на двете румънски княжества, Влахия и Молдова, пълна свобода да извършват търговия и корабоплаване по Дунава, превръщайки пристанищата на Браила и Галац във важни доставчици на зърно на европейските пазари. В следващите две десетилетия зърното от Подунавието снабдява средиземноморските складови пристанища, преди да настъпи решителна промяна след премахването на Житните закони във Великобритания, когато повечето от житото и царевицата от Подунавието е пренасяно пряко в Британските острови. Статията изяснява условията за производство на зърно в румънските княжества, тяхната външна търговия през пристанищата на Браила и Галац и търговските сдружения и еднолични търговци, които посредничели при осъществяването на тези търговски отношения между дунавските и средиземноморските складови пристанища.

Ключови думи: Браила, Галац, международна търговия със зърно, складови пристанища.

The fact that Romania was the granary of Europe after 1829 is an axiom well-rooted in the Romanian collective mentality of the last century. More specifically, the initial moment which triggered this historically baseless stereotype is imprecise and distinct from its consolidation during the communist period. The first documentary sources of this phrase can be found in ‘Analele Economice’ of 1861. The phrase was taken up by the literature and was repeatedly used in the Romanian public domain for political purposes of the ruling elite from Bucharest. During the 1938 world grain crisis, which was compensated with an increase in Romanian exports, within the academic environment of Bucharest (the University of Agricultural Sciences and Veterinary Medicine), this false idea was propagated, later to be used by the propaganda machine, the historiography and the cinematography of the Socialist period. After the events of 1989, a series of economists and historians from Romania, the most representative being Victor Axenciuc and Bogdan Murgescu – have begun to

demystify this rooted issue, through their analysis of the share that Romanian grain exports had as part of the European grain trade [Axenciuc, V. 1999, p. 24–26; Murgescu, B. 2012, p. 244–268]. With certainty, never in history was the Romanian territory the primary source of supply of grain for Europe, but from the 19th century it was one of the centres of gathering for the most advanced commerce of the time, that represented by the deposit-ports and subordinate to some complex and lasting ‘exchange games’ [see a broad analysis in Constantin, C. 2018].

During the 18th and 19th centuries, grain was one of the most important commodities on the world markets. A long established commercial pattern was that exported grain was not delivered directly to its ultimate consumers, but it was usually taken to certain intermediate ports, where it was stored for lengthy periods, sometimes up to seven years. The produce was sold only when market conditions seemed favourable, taking into account the wide fluctuations of European harvests. During that age, most European countries could feed themselves in good years, but famines and wars were chief causes of increased market demand. Similarly, the industrial revolution and marked urbanisation boosted grain demand on the western markets. Thus, in expectation of favourable prices, grain had to be kept close to its potential consumers. This procedure was called deposit trade, and it occupied most of the commerce of large deposit ports such as Hamburg and Amsterdam in Northern Europe, Marseille, Genoa, Leghorn and Trieste in the Mediterranean [Herlihy, P. A. G. 1963, p. 16–24].

Emergent economies suffer from underdeveloped market infrastructures and insufficient public institutions to enforce contract commitments and property rights. Informal reputation-based arrangements may substitute for government enforcement, but they require close-knit networks that enable monitoring. Economic development also requires access to capital, information, and other resources, which is enabled by wide-reaching and diverse networks and not by closure [Hillmann, H., Aven, B. L. 2011, p. 484].

By the early 1830s, Danubian grain entered this commercial equation, following the favourable provisions of the Russian-Ottoman Peace of Adrianople in 1829. It granted the two Romanian Principalities of Wallachia and Moldavia full freedom to pursue commerce and to navigate on the Danube, turning the ports of Brăila and Galați into important suppliers of grain on the European markets, but also into significant importers of industrial goods from the western countries. This paper aims to refer to the initial phase of the market integration of Romanian agricultural goods (1829–1853), when Mediterranean deposit ports acted as the main relays between the large productive area of the Black Sea and the world market [Constantin, C. 2018, p. 59–64].

The main objective of a study on economic history is to understand economic change, within a specific territory and time frame, from the perspective of societal transformation, by analysing the changes made at the macroeconomic level in comparison to those triggered at the microeconomic level or through the historical perspective of the economic area seen through the centre-periphery paradigm. From a methodological perspective, a study on economic history is very different from strictly economic analyses from three points of view: a) the approach (the historical ones are mostly inductive); b) the result of the study (the purpose is to obtain a plausible description and not just to formulate an explanation); c) the purpose (the objective) (the main objective of the research is to check whether a theoretical hypothesis issued previously is correct, not to question the already existing theoretical hypotheses). Economic historians have analysed the long-term evolution of different granaries of the modern world by focusing on the fluctuation of prices in the main European trading centres in relation to harvest output, storage facilities and fiscal policies, and for this it was necessary to identify, to build a long statistical series.

1. Grain production in the Danubian Principalities

The foreign trade of Danubian ports was determined by the character and structure of the Moldo-Wallachian economy. Placed on difficult political coordinates, at the intersection of diverging imperial interests, the two provinces shared a favourable physical geography, taking into account the natural fertility of the land, Romania’s most valuable resource. The best soils for agriculture were the humus-rich chernozems, which account for large parts of the plains of Wallachia and Moldavia. Alongside this abundance of black earth,

Romanian agriculture enjoys a temperate climate, generally adequate precipitation averages, and a relatively long growing season. Contemporary sources are quasi-unanimous in considering agriculture as the 'sole occupation' in the Danubian Principalities, and land cultivation its main component [Ardeleanu, C. 2014, p. 95–100].

The new freedom of the provinces' foreign trade after 1829 and the increased demand of grain on European markets fostered a veritable agricultural revolution in the Danubian area, bringing about an exponential expansion of cultivated lands and of market produce. In Moldavia, cultivated surfaces increased from about 278,000 ha in 1829 to 1,000,000 ha in 1863 and in Wallachia from 511,000 ha in 1839 to 1,415,000 ha in 1863 [Emerit, M. 1937, p. 231; Mureşan, M. 1995, p. 69]. The growing interest for procuring agricultural estates is also visible in the price of land: if in 1831 a *falce* (about 1.5 ha) could have been easily bought for two ducats (18 shillings), in 1840 its price was five – seven ducats and afterwards the hospodar himself bought land at the price of ten ducats a *falce* [TNA, FO 195/136, f. 490; Buşe, C. 1976, p. 53]. Despite this more intense use of agricultural estates, the principalities were still insufficiently exploited in relation to their great productive prospects. A French traveller noticed, for example, that 'in Wallachia there are still wide uncultivated lands, which in France or in Germany would produce rich crops, but which here are deserted steppes or are strolled by herds of cows' [Marmier, X. 1846, p. 295].

In all its components, although borne to life by trade and encouraged by the central authorities' interest to increase budgetary incomes, agriculture preserved the same features, a mixture of old and new, of feudal ossification marked by attempts of modernisation based on a European model. In their papers, contemporary authors noticed this general backwardness, but also the efforts to recover the gap separating the provinces from the West. The factors which affected the development of the Romanian economic resources were closely linked to local political and social realities. If in terms of international relations reference should be made to the periods of instability caused by foreign military occupations (1828–1834 and 1848–1851), from a domestic perspective a significant part was played by the countries' social structure and the fact that all promoted reforms only partially reorganised the production system, preserving the ancient socio-economic privileges of the boyar elite.

A great impetus for the development of production and of the quantities provided to the market was the larger employment of landholding, by which landowners managed to get safe incomes from their estates. The main interest of leaseholders, to maximise profits on leased estates, was undermined by the fact that plots were farmed for only short periods of time, which prevented farmers from making durable and consistent investments [Skene, J. H. 1853, p. 418].

One of the main shortcomings was the social condition of peasants, who only owned small plots of land, but owed corvées that surpassed the obligations settled by current legislation. Few estates were cultivated, and the boyars relied exclusively on the labour of peasants. According to statistical data, 80% of the arable surfaces in the two principalities belonged to 5,900 boyar families (3,100 in Wallachia and 2,800 in Moldavia), and the rest was divided between 120,000 peasant families [Corbu, C. 1973, p. 55–56]. According to the 'Organic Statutes' (constitutional acts imposed in 1831–1832), peasants were required to work a certain number of days for their masters, a fact that did not encourage them to labour very diligently. Landowners complained of 'the workers' laziness and indolence, whereas peasants incriminated the use of corporal punishments and the arbitrary increase of their obligations [Skene, J. H. 1853, p. 418].

The material condition of agriculture was as bad, backwardness being the common denominator. Agricultural tools were rudimentary, the plough, the hack, the shovel or the fork being the basic ones. Crop rotation was little employed, and agricultural techniques were generally primitive. The threshing and winnowing of grain crops were archaic, and as problematic was the storage of products, as there were 'no warehouses to collect the harvest. The straws are heaped in stacks; wheat, maize and other cereals are kept either in holes dug into the ground, in large baskets or, better, in hazelnut, straw-covered rooms, built on a large pile stuck into the ground' [Ubicini, J. H. A. 1856, p. 205–206; Corfus, I. 1982, p. 321–322].

The growing interest for Romanian crops was followed by the increase of cultivated surfaces and by gradual improvements of agricultural techniques [Corfus, I. 1969, p. 223–225], the use of better seeds and

the introduction of modern machines. All this progress nurtured, in its turn, the grain exports, although they were still prevented by the low quality of the produce. The main commodities of Romanian agriculture were the cereals, with wheat and maize dominating the field of crop cultivation. Wheat was better requested on foreign markets, so that landowners and landholders cultivated their estates mainly with this plant, whereas peasants preferred maize. The explanation comes from the fact that the latter had a better productivity rate (the harvest was about 50 times the seeded quantity) and a relatively short vegetation period; at the same time, it is easy to be cooked and very tasty with milk and cheese, making it the Romanian peasants' basic food; maize was as important for feeding domestic animals, and no part of the plant was spared. Moreover, preference for maize was historically determined by the fact that, during the Ottoman monopolist period, it was not requisitioned by the authorities (except for in times of crisis) to be supplied to the Porte, as it was usually the case with wheat. In 1831, for instance, maize represented almost 81% of the overall production of cereals in Wallachia and 55% in Moldavia [**Constantinescu, N. N.** 1994, p. 126]. As for wheat, many boyars preferred it for its good productivity, due to the natural land fertility; with relatively small investments and little direct labour, it was harvested at a low production cost, which made it attractive and competitive on European markets. Barley, oats and rye were also planted on large surfaces, but only Wallachian barley was exported in notable quantities [**Ardeleanu, C.** 2014, p. 98].

In terms of quality, Danubian grain, unequal and mixed with extraneous matter, was considered, in 1836, inferior to the cereals from the Black Sea area. The rudimentary method of separating the grain from the chaff, by beating it out with horses, was also responsible for the low quality and dampness of goods; another shortcoming was derived from the method of preservation, as they were stored in earthen pots, dried by fire, which made them rather damp [**Commercial Resources...**, p. 301]. As the demand of Romanian grain on European markets increased, ameliorations were visible in terms of production, clearing and preservation, especially in modern warehouses erected in the Danubian ports. But there were significant differences of quality between the sorts of grain specific to different geographical areas. In 1838, according to a contemporary source, 'the wheat of the principalities has the value of that from Podolia and the hard wheat is superior to that from Ismail and Reni,' although a few years back it was considered completely inferior to its Russian rival. The hard wheat, usually inferior to that traded at Odessa, was better in certain years than the Taganrog wheat, but the Moldavian soft wheat was comparable in quality with the Odessa sort, the same being applicable in the case of the so-called Turkish wheat, largely cultivated in the Romanian Principalities [**Callimachi, S., Georgescu, V.** 1964, p. 267–270; **Buşe, C.** 1976, p. 54].

Quality remained problematic, and in the early 1850s the Greek merchant Negroponte continued to complain about the inferior quality and the bad condition of Moldavian wheat, which was, nevertheless, better than the Wallachian one [**Danubian Commerce...**, p. 291–292]. As for maize, the Moldavian sort was considered 'undoubtedly the best of what is harvested in the different provinces of the Black Sea:' the specific 'hangan' maize, with small and stocky kernels, could resist a long storage and its flour was 'clean and very nourishing' [**Buşe, C.** 1976, p. 54].

Another important aspect that affected market prices is related to contracting procedures. There were two main ways of making contracts for purchases: either directly from farmers, on advancing a part of the money, or by means of middlemen, responsible with the negotiation and transport of goods. Contracts were concluded in the countryside, and payment was only done at the delivery of the products in the Danubian ports [**Penelea, G.** 1972, p. 767–781; **Buşe, C.** 1976, p. 56]. There were important advantages in purchasing directly from cultivators, but the difficulty of transport, due to the bad condition of roads, incurred an important expense. The contracts with natives were made before local tribunals and those with foreigners in the presence of their respective consuls [**Commercial Resources...**, p. 295–297].

Exports depended, naturally, on the volume of production, extremely variable due to a complex association of natural factors, such as droughts, floods or invasions of insects, which often affected the entire country or only a limited area. In 1837 and 1838 the harvests had been generally good [**Callimachi, S., Georgescu, V.** 1964, p. 257, 267, 270], in 1840 the grain production was excellent, but next year it was bad. One of the best years was 1847, when, according to the Moldavian hospodar, 'the grains were so abundant, that after they loaded

the ships that called at this port, a large part remained ready for export in the warehouses of Galați' [Bușe, C. 1976, p. 53–54]. Another factor that influenced the volume of exchanges was the general situation of European markets and the shortages from other regions. In 1837, the poor harvest in Greece and the war in Spain greatly influenced the Danubian market, as it was also the case in 1839, when wheat was absent from the Ottoman markets and the Porte decided to cease, starting with 1 November, grain exports. In 1841, when a shortage of grain was felt in England and Northern Germany, 'many orders were made in Galați.' The market price was also extremely important, as in 1843, when, despite the low price of wheat, local merchants 'did not resist the competition of other markets and sold very little' [Bușe, C. 1976, p. 55]. The great famine in Ireland and the food crisis in Western Europe in 1846–1847 turned the Danubian ports into good destinations for the acquisition of grain [TNA, FO 78/696, f. 74–76].

2. Danubian grain and the Mediterranean deposit ports

Grain exports from Galați and Brăila are detailed in Table 1 below, with a clear indication of the great increase of exported quantities and of shipping, which we analysed in another paper [Constantin, C. 2018, p. 93–116]. In terms of value, about 75% of all merchandise exported from Galați and Brăila was represented by wheat and maize. It amounted to a minimum of 63.33% in 1841 and a maximum of 88.34% in 1852, being in a continuous growth throughout this interval: from an average percentage of 69.94 in the period 1837–1842, it increased to 75.01% in 1843–1847 and 79.41% in 1848–1852 [Ardeleanu, C. 2014, p. 108–114]. Adding the expeditions of barley, rye or millet, the importance of cereal exports for the trade of the two Romanian ports and the economy of the principalities is easily discernable. According to other quantitative data processed by a Romanian historian, the share of Galați in the total exports of Moldavia varied between a minimum of 45% in 1838 and a maximum of 89% in 1840, with an average contribution of about two thirds, making grain exports through Galați contribute to about half of the Moldavian exports in terms of value [Bușe, C. 1976, p. 52–53].

The average price of grain was lower at Brăila than at Galați due to the better conditions of water carriage from Wallachian ports upstream the Danube. There were significant variations in price, according to quality, but also to the demand/offer ratio [Constantin, C. 2018, p. 183–227]. Overall, the average price increased throughout this period, making more landowners invest in grain production and trade. Between 1837 and 1841, the price of a quintal [100 kilograms] of grain increased at Brăila from 6 to 10 shillings and that of maize from 4 to 7 shillings, whereas at Galați a quintal of wheat varied from 7 to 11 shillings and one of maize from 4 to 7 shillings [Bușe, C. 1976, p. 55; Constantin, C. 2018, p. 107–108]. The climax was recorded in 1846–1847, when wheat reached at Galați 15 shillings and maize 12 shillings per quintal, i.e. double and treble the price recorded a decade earlier. Nevertheless, during the months of maximal demand (March and April), grain was sold at the following prices (per quintal): wheat 12–13 shillings, maize 8–9 shillings, rye 7–8 shillings and barley 3–4 shillings. In the following months, prices diminished substantially, reaching 7 shillings for a quintal of wheat and 6 shillings for maize. At the same time, the average price of grain was 9 shillings at Odessa, 13 at Trieste and Naples, 15 at Genoa, 16 at Hamburg and 17 at London [Bușe, C. 1976, p. 55].

In terms of destination, grain was mainly exported to Constantinople and the Greek islands, and only the best cargoes got to Genoa, Leghorn or wherever they could be sold for a better price than Odessa grain, considered superior. The Ottoman Empire remained, during the 1830s, the main market for Danubian grain with Constantinople serving both as a large port of consumption and of re-exportation. In 1839, 70% of the wheat exported from Galați was directed to Constantinople, smaller quantities being shipped to Trieste and Genoa. For the same year, maize was exported to Constantinople (75%), Genoa, Marseille, Trieste, Anvers and Samos [Bușe, C. 1976, p. 62]. However, as most exporters had representatives or agents in Constantinople, cargoes were sent to the Ottoman capital, whence they were reshipped to other destinations, depending on the quality of the harvest and the evolution of prices on the European grain markets. Data in Table 2 shows the avatars of these Danubian deliveries to Constantinople, but it difficult to state how much of the produce was for domestic consumption and how much was re-exported to other ports.

In the early 1840s, competition on the Constantinopolitan market greatly increased, following the Porte's decision (1842) to allow the exportation of Ottoman grain. Thus, quantities produced in the Porte's dominions increased considerably, Constantinople being abundantly supplied from its own vicinity, and the cultivators of Wallachia and Moldavia had to find means of improving grain quality [**Danubian Commerce...**, p. 292]. These better quality products started to be also demanded in the Mediterranean deposit ports, at Genoa, Leghorn, Trieste or Marseille. As the French consul in Jassy mentioned in May 1843 the grain that got to southern France was not at all destined 'for French consumption. It was stored at Marseille, to be then re-exported to other places, where there is a need' [**Bușe, C.** 1976, p. 62–63].

During the early and mid 1840s, the Ottoman Empire, Austria and France occupied the first places in the exports from Galați, with Great Britain as a secondary destination for direct expeditions, although there were significant indirect cargoes, via Constantinople or the Ionian Islands. In 1845, the exports from Galați, amounting to about 410,708 sterling pounds, headed to the Ottoman Empire (134,947 sterling pounds), Austria (102,677 sterling pounds), the Italian states (68,940 sterling pounds), France (68,940 sterling pounds), the Ionian Islands (16,135 sterling pounds) and England (8,801 sterling pounds). The export of wheat totalled 202,963 sterling pounds, of which Constantinople received 53,979 sterling pounds, Marseille 4,694 sterling pounds, Genoa 37,844 sterling pounds, Austria (mainly Trieste) 37,844 sterling pounds, and Leghorn 14,962 sterling pounds [**Bușe, C.** 1976, p. 63].

According to the data provided by the British vice-consul at Galați, a large share of the Danubian exports headed to the Adriatic ports, in which category we have included Trieste, Venice and the Ionian Islands [see Table 3]. Trieste was, of course, the largest market, and the Ionian Islands only received a relatively larger number of ships by the mid 1840s (46 in 1844, 29 in 1845 and 24 in 1846). During the decade 1843–1852, 18% of the ships that sailed from Brăila and 20% from Galați headed to these ports, loaded with large quantities of grain: 18% of the wheat and 34% of the maize from Brăila, and 13% of the wheat and 26% of the maize from Galați. We should notice the gradual decrease of imported quantities in the late 1840s and early 1850s, after the huge demands of maize in the mid 1840s, when more than half of Danubian exports headed to Trieste. The same decrease is also visible for the Western Mediterranean deposit ports of Genoa, Leghorn and Marseille, which appear together in some Danubian statistics [see Table 4]. The decrease in the number of ships that headed to these markets was sharp, three times lower in the second interval if we divide the decade into two periods of five years.

After the abolishment of the Corn Laws in Great Britain and the great famine in Ireland, Danubian grain entered the British market directly, the Romanian outlets becoming important centres that provisioned the merchants involved in the international grain trade. In 1849, for example, a third (32.36%) of the wheat exported from Galați was shipped to Constantinople, the great port of redistribution, 27.27% to the English ports, 14.26% to Trieste, 10.05% to Genoa and 9.90% to Marseille, the rest going to Leghorn, Cephalonia and Malta [**Danubian Commerce...**, p. 299]. From Brăila, 72.05% of the grain went to Constantinople and the rest to Marseille, Trieste, England and Leghorn. The maize from Galați went to England (63.25%) and to Constantinople (27.59%), the rest getting to Trieste, Malta, Marseille and Cephalonia. The maize from Brăila headed to England in a proportion of 50.57% and to Constantinople 33.25%, the rest going to Trieste, Malta, Marseille, Hamburg and the Ionian Islands. In 1850, 56.07% of the grain exported from Galați went directly to the British ports, the same situation being recorded for 67.39% of maize exports; for Brăila the proportions were 29.34% for wheat and 42.78% for maize [**Danubian Commerce...**, p. 299–307].

Thus, if in 1845 only 1.29% of the wheat and 0.47% of the maize shipped from Galați were exported directly to British ports, two years later the percents were 12.87 and 55.52. Wallachian exports from Brăila witnesses a similar growth, so that, overall, on a five-year long interval (1848–1852), 38% of the wheat and 57.9% of the maize exported from Galați, respectively 19.5% and 45.1% of the similar exports from Brăila were supplied to the British market. The difference between the two ports relates to the quality of grain [see Table 5].

Equally impressive is the increase in the number of ships loading at Galați and Brăila directly for the British ports, which grew from about 1% in 1843 to about a quarter and then a third of the total number of

vessels registered in the Danubian ports. If 568 ships (25.64%) loaded cargoes in 1847 for Britain, in 1851 and 1852 the totals were 616 and 650 or 36.93% and 37.02% of the grand total. It used to be customary to send grain to the entrepôts of the Mediterranean, where it was re-embarked for England, but the repeal of the Corn Laws and the changes in British navigation laws made it possible for other ships to come to the Danube and load directly for England [**Danubian Commerce...**, p. 295; **Constantin, C.** 2018, p. 98–116].

In 1846, according to data from loading ports, most ships headed to Constantinople or the Mediterranean re-exporting centres. 203 ships that left Galapi headed to Constantinople, 165 to Trieste, 118 to Marseille, 61 to Genoa and 57 to England. The following year shows a completely different distribution, with 206 ships going to England, 145 to Marseille, 123 to Constantinople, 58 to Genoa, 39 to Malta, etc. In 1848, the totals were 133 to Constantinople, 115 to England, 44 to Trieste, 26 to Marseille, etc. In the case of Brăila, the destinations of the 911 vessels that cleared the port in 1846 were: Constantinople – 489, Leghorn and Marseille – 203, Trieste and Venice – 131, Algiers – 67, England – 11, Malta – 10. Two years later the same changed pattern applies, with 359 ships going to Constantinople, 136 to Trieste, but a massive 115 ships headed to England [**TNA, FO 78/792**, f. 122–133]. It should be mentioned that much depended on the quality of the grain, as only the best quality wheat and maize could make the long voyage to the British archipelago.

3. Commercial houses at the Lower Danube

The foreign trade of the Principalities was almost completely controlled by merchants with a foreign protection, enjoying a special status according to the capitulations granted by the Sublime Porte to the foreign powers. Most merchants were Greeks, Italians, Jews, Armenians, etc., the commercial nations of the Levant, attracted to the Danube from the large ports of the Black Sea and the Eastern Mediterranean. Jews and Greeks controlled the domestic trade, especially in articles of large consumption; at the same time, together with Italian and Austrian traders, they acted as middlemen in the grain trade [**Lefebvre, T.** 1858, p. 305–307]. Although not very numerous, western merchants gradually got to key-positions in this profitable commerce. The very connections of all these merchants in the Mediterranean deposit ports secured the first phase of the integration of Danubian grain into the world markets.

Organised in commercial houses, Danubian merchants served as agents or partners of the large houses from London, Marseille, Trieste, Constantinople, Vienna or Leipzig. In an area where capitalist instruments were still at the beginnings, these businessmen were ‘at the same time bankers, merchants, exchange agents, traders for import and exports, but more than anything they are middlemen’ [**Lefebvre, T.** 1858, p. 313]. The most remunerating enterprise was by far to act as middleman in the grain trade. Exporters bought ‘grain from the peasants and owners a long time before the harvest at a fixed price, paying a part in advance and a part at delivery’. They also dealt with brokerage and storage costs, about 4–5% of the goods’ value, the sellers having the obligation to carry the products to well designated places, usually in the Danubian ports [**Lefebvre, T.** 1858, p. 261; **Constantin, C.** 2018, p. 123–132].

The first traders who took advantage of the new economic prospects of the Lower Danube were the Greek and Italian merchants of the Levant, who stood at the basis of a veritable commercial revolution in the Danubian ports. Well rooted in the domestic life of the Romanian Principalities from previous centuries, with excellent mercantile and navigation skills, with good contacts in the exchange centres of the Black Sea basin and of the Balkans, the Greeks easily understood the opportunity of trading Danubian grain to the Mediterranean. This process is to be framed in what can be termed as a ‘new Greek colonisation,’ the settlement of Hellenic merchants and ship-owners in key-positions in the major Black Sea, Mediterranean and Atlantic ports. This mercantile diaspora in the Romanian ports had a significant role in catalysing the commercial relations between Moldo-Wallachia and the West, in a period in which the industrial development of western countries and the cheap resources of the Danubian Principalities proved their interdependence.

The first major players in the Danubian trade were the Ionian Greeks under British protection, already powerful in Galați before 1829. Their immigration was a continuous process in the first half of the 19th century. William Wilkinson, former British consul in Bucharest, mentioned in 1820 that in ‘the late years some inhabitants from the Ionian Islands started to trade in the Principalities and the English flag, carried by

their ships, is now on the Danube' [**Wilkinson, W.** 1820, p. 83–84]. According to Consul E. L. Blutte, in October 1830 there were in Wallachia 103 British subjects, 80 of whom were Ionians. 34 of them, newly settled at Brăila, came from Corfu (9), Zante (7), Leucade (5), Cephalonia (4), Ithaca (3) and Cerigo (1). In 1831, 83 British subjects, mostly Ionians, were recorded in the Moldavian outlet, but the new commercial freedom acted as a catalyst for a further immigration [**Cernovodeanu, P.** 1985, p. 91–105]. In 1835 there were registered 184 Ionians in Galați and 77 in Brăila, more than in the capital cities of the two states (63 in Jassy and 52 in Bucharest). The Ionians in Brăila came from Cephalonia (12), St. Maure (11), Zante, Cerigo and Ithaca (9), Corfu (6), etc. 65 of them were mentioned as 'merchants' and 4 as 'dealers.' The Ionians in Galați came from Cephalonia (72), Greece (32), Cerigo (18), Zante and Ithaca (16), etc., and acted as merchants (46) and dealers (38). Two decades later, in April 1859, another census of the British vice-consul shows the evolution of the Ionian community in Galați [**TNA, FO 78/265**, f. 213–221]. There were recorded 237 British subjects, most of them Ionians (190), of whom 133 came from Cephalonia and 33 from Ithaca. Analysis of their profession shows that over a third (68 persons) were involved in trade. 29 of them were merchants, mostly natives of Cephalonia (15); there were also six Ionians from Ithaca, three from Cerigo, two from Zante and one from Corfu, Pargo and Smyrna. The list included important names among Danubian merchants, such as Epaminonda Pana, Giovanni Inglezzi, Andrea Columbi, Epaminonda Caravia or Zaharia Mauromati. 37 other British Ionians (32 coming from Cephalonia) were mentioned as dealers: they were members of the Cephalonian families of Dendrinio (Dionisio and Anastasio), Potamiano (Panaghi, Georgio, Gregorio and Nicolo) or Vassilato (Antonio, Andrea and Gerasimo), but also the Ithacans Pano and Theoharis Pelala. Not least of all, there were two brokers (Demetrio Gerasimo and Constantino Levada) [**Cernovodeanu, P.** 1985, p. 95–96, 100–101; **Ardeleanu, C.** 2014, p. 78–92; **Constantin, C.** 2018, p. 127–130].

The position of Greek merchants strengthened in the early 1830s, following the development of the Danubian market, when they virtually opened a new ramification in the commercial route between the Black Sea and the Mediterranean deposit ports. The pioneers were followed by the agents of the mercantile families of the 'Chiot network,' who secured profitable sale on the Mediterranean and western markets for the cheap agro-pastoral resources of Moldo-Wallachia. Galați and Brăila became the headquarters of the agents of nine of the great entrepreneurial Greek families of the age: Argenti, Chrissoveloni, Nicolopulo, Negroponte, Ralli, Sechiari, Vouro, Pana and Xenos. The Argentis also had representatives in Britain and at Marseille, but they had close relatives in the families of Ionides, Ralli, Radocanachi and Schilizzi, whereas the Negropontes, present at Marseille, Alexandria and Odessa, were related to other 13 families from this mercantile network [**Harlaftis, G.** 1996, p. 342–348]. Common kinship secured all these ethnic-regional commercial houses reliable connections, a decisive fact taking into account the short interval in which the best transactions were concluded, the perishable character of the goods, the long journey from the Danube to destination ports, all entailing quick decisions and the guaranty that, at the other end of the route, a serious and reliable economic partner was waiting.

Several Greek merchants chose a different foreign protection, depending on their economic interests. Pandia Argenti, for example, chose the French subjection, as it secured him most advantages for his privileged relations with the port of Marseille. In 1837, he controlled one of the most powerful commercial houses in Galați, with connections at Odessa, Constantinople, Smyrna, Marseille and London. He was specialised in the importation of colonial goods (sugar and coffee), which amounted to significant values throughout this period [**Bușe, C.** 1976, p. 72].

The Italian merchants were the most notable competitors of the Greeks. Although less numerous (there were about 20 Italian residents in Galați in the 1830s and 44 in the next decades), they were strong in the Mediterranean deposit ports, a fact that secured them profitable business in Moldo-Wallachia. One of the largest commercial houses was that of the Genoese brothers Filippo, Antonio and Francesco Pedemonte. Founded in 1831, it was active under different names (Pedemonte e Peretti, Fratelli Pedemonte, Pedemonte e Bottaro or Francesco Pedemonte). It owned many immovable properties (houses, storehouses) in Galați and Brăila, it had branches in Brăila and Calafat, and intended to open other agencies in remote areas of the Principalities, where grain price was much lower. In 1839–1840 the house had its own small fleet, enjoying

profitable commercial connections with Genoa, Constantinople, Naples, Leghorn, Trieste, Messina, Marseille, Nyssa, Toulon, Algiers, Calais, Malta and London. In the early 1840s, it had a turnover of 205,354 sterling pounds (about 450,000 ducats) and a capital of 35,204 sterling pounds (77,500 ducats), a huge amount for that time. However, competition was fierce, the risks incurred were great, and bankruptcies and reorganisations were common. Another large commercial house was that of Giovanni Fanciotti, who reorganised his venture in 1842 under the name of Fanciotti–Lamberti et Co., when he associated himself with his fellow national Pasquale Lamberti. As important was the company of the Neapolitan brothers Cordiglia [Buşe, C. 1976, p. 71; see Tomi, R. 2006, 2007 and 2008].

There also were several profitable Austrian commercial houses, such as Bienwerth et Co. or Nad Kraus et Co., the latter associated at a certain time with Giovanni Fanciotti. French investments were also present, such as a commission house that worked with the Chamber of Commerce of Marseille in 1839, exporting from Galaţi wheat, flax seed, wool and other goods. But its situation got difficult, and the investor went bankrupt three years later. British houses were not very numerous, but they were quite large. One of the oldest was that of the British vice-consul in Galaţi, Charles Cunningham, established in 1836, and others were owned by James Falconer, John Lamont or Schleinger & Grace [TNA, FO 78/745, f. 171–172]. Brăila was the headquarters of wealthy Bulgarian traders, such as the Diamandiev brothers, Teodor Milanovich, Kostaki Popovici, the Petrovici brothers, etc. [Kosev, D., Paskaleva, V., Diculescu, V. 1971, p. 335]. Several local boyars also wanted to share these profits and requested permits to export grains. One of the largest Moldavian wholesalers was Constantin Ventura, who invested large capitals in order to get a share of the grain market [Păltănea, P. 2008/1, p. 326].

According to statistics, the number of commercial houses continuously grew, from 21 in 1837 and 34 in 1838 to 41 in 1841. In the late 1840s, the largest houses were those of Sechiari, Argenti and Schilizzi, based mainly on imports, and that of Epaminonda Pana et Co., specialised on exports. C. Ioanides et Co worked for a house in London, whereas T. G. Zissi was the agent of the Rosetti house. In the late 1840s and early 1850s, the biggest transactions were concluded by commissioners who mediated contracts for western merchants. The house of the Schlienger brothers, under French protection, worked with English importers and invested huge capitals in purchasing Danubian grain [Buşe, C. 1976, p. 72–73, 85–86].

Conclusions

During the quarter century after the Treaty of Adrianople (1829) the Danubian Principalities of Moldavia and Wallachia were attracted into the vortex of world trade. With extremely fertile land and good climate conditions, the area witnessed a veritable agricultural revolution. An exponential expansion of cultivated lands, accompanied by amelioration of agricultural techniques, the use of higher quality seeds and of modern machines resulted in a significant quantitative and qualitative increase of the agricultural output. As all former obligations to supply the Ottoman Empire with grain and other commodities, these Danubian products could be sold freely, according to free market rules. During this period, the Moldo-Wallachian agricultural products were exported towards three main destinations: a) Constantinople, both a large port of consumption and of re-exportation. As most commercial houses had agents there, cargoes were sent to the Ottoman capital, whence they were reshipped further westwards. b) Mediterranean deposit ports (Genoa, Leghorn, Trieste or Marseille), where cargoes were warehoused and ‘then re-exported to other places, where there is a need.’ c) Britain, after the abolishment of the Corn Laws and the great famine in Ireland. On a five-year interval (1848–1852), a third of the wheat and a half of the maize exported from the Danube were supplied to the British market. These exchanges were favoured by the origin of the Danubian merchants and commercial houses. The first traders who took advantage of these economic prospects were the Greek and Italian merchants, whose excellent connections in the Mediterranean deposit ports secured the access of Danubian grain to these large international markets.

Table 1
Shipping and grain exports in the Danubian ports (1837–1852)
Numbers of ships and quantities (in quintals)

Port	Brăila			Galați		
	Ships	Wheat	Maize	Ships	Wheat	Maize
1837	448	165,227	53,002	431	214,468	189,582
1838	451	134,122	81,096	517	374,552	127,255
1839	575	312,141	124,635	628	327,824	280,455
1840	661	289,059	149,517	645	502,638	412,101
1841	238	184,629	58,463	280	219,864	77,159
1842	411	349,064	22,282	309	337,192	203,898
1843	772	702,708	264,454	327	234,642	306,643
1844	875	758,396	279,522	509	363,046	379,370
1845	832	686,569	271,877	464	392,470	342,480
1846	911	714,007	355,656	644	241,766	733,847
1847	1,553	851,983	1,349,671	662	394,275	694,559
1848	726	347,675	636,811	397	247,659	313,325
1849	587	255,814	724,920	588	378,877	564,103
1850	505	617,572	326,420	391	306,621	267,868
1851	1,049	617,171	1,409,625	619	293,153	764,487
1852	1,128	749,013	1,581,065	628	408,870	717,828

Source: Cernovodeanu, P., Marinescu, B., Gavrilă, I. 1978, p. 634–639; Cernovodeanu, P., Marinescu, B. 1979, p. 713–717.

Table 2
Danubian exports to Constantinople (1843–1852)
Number of ships and quantities (in quintals)

Year	Brăila			Galați		
	Ships	Wheat	Maize	Ships	Wheat	Maize
1843	355	232,078	47,511	79	36,840	26,160
1844	418	279,895	74,595	210	149,204	61,430
1845	541	304,361	110,073	153	107,134	43,110
1846	489	306,896	158,974	203	44,367	181,047
1847	-----	-----	-----	123	37,551	82,145
1848	359	123,575	139,655	133	55,283	18,986
1849	344	184,310	241,106	276	122,618	155,632
1850	285	277,361	132,313	162	62,738	63,922
1851	490	235,754	395,299	176	98,065	44,487
1852	401	278,815	239,447	114	36,029	79,978

Source: TNA, FO 78/608, f. 149–173; FO 78/649, f. 103–115; FO 78/792, f. 122–140; FO 78/829, f. 45–56; FO 78/865, f. 85–103; FO 78/901, f. 161–177; FO 78/977, f. 115–120; FO 78/1014, f. 206–216.

Table 3
Danubian exports to the Adriatic Sea (1843–1852)
Number of ships and quantities (in quintals)

Year	Brăila			Galați		
	Ships	Wheat	Maize	Ships	Wheat	Maize
1843	178	132,936	190,471	106	30,062	190,805
1844	123	102,722	179,833	158	67,532	223,446
1845	112	100,075	120,652	148	87,946	198,672
1846	131	77,632	13,150	158	21,981	252,243
1847	-----	-----	-----	59	32,785	61,038
1848	145	113,556	202,097	53	31,545	32,737
1849	56	25,181	104,245	80	61,672	28,091
1850	61	96,535	46,931	44	3,819	5,716
1851	204	103,280	378,234	92	50,783	66,292
1852	333	204,488	581,375	104	59,928	62,239

Source: TNA, FO 78/608, f. 149–173; FO 78/649, f. 103–115; FO 78/792, f. 122–140; FO 78/829, f. 45–56; FO 78/865, f. 85–103; FO 78/901, f. 161–177; FO 78/977, f. 115–120; FO 78/1014, f. 206–216.

Table 4
Danubian exports to the Western Mediterranean (Genoa, Leghorn, Marseille) (1843–1852)
Number of ships and quantities (in quintals)

Year	Brăila			Galați		
	Ships	Wheat	Maize	Ships	Wheat	Maize
1843	185	327,818	26,472	126	165,582	85,768
1844	173	334,262	30,984	121	143,420	84,196
1845	131	236,467	21,351	145	192,315	99,260
1846	203	296,929	35,750	198	173,495	176,236
1847	-----	-----	-----	213	266,830	107,234
1848	97	96,799	20,978	63	59,896	31,852
1849	49	35,046	4,308	52	90,516	11,615
1850	37	62,501	2,405	33	65,921	8,345
1851	35	58,845	6,329	35	66,331	7,229
1852	52	76,302	21,652	77	96,188	27,869

Source: TNA, FO 78/608, f. 149–173; FO 78/649, f. 103–115; FO 78/792, f. 122–140; FO 78/829, f. 45–56; FO 78/865, f. 85–103; FO 78/901, f. 161–177; FO 78/977, f. 115–120; FO 78/1014, f. 206–216.

Table 5
Danubian exports to Great Britain (1843–1852)
Number of ships and quantities (in quarters)

Year	Brăila			Galați		
	Ships	Wheat	Maize	Ships	Wheat	Maize
1843	3	1,700	0	4	0	0
1844	16	40,563	1,522	10	2,891	10,298
1845	35	39,060	16,795	9	5,075	1,602
1846	11	5,785	9,217	57	0	115,241
1847	-----	-----	-----	206	50,753	385,594
1848	115	13,745	262,995	115	69,110	208,183
1849	133	10,148	366,591	164	103,343	356,803
1850	120	192,086	140,948	133	171,939	180,526
1851	320	219,293	625,403	296	77,102	643,536
1852	339	186,032	736,727	311	214,917	535,231

Source: TNA, FO 78/608, f. 149–173; FO 78/649, f. 103–115; FO 78/792, f. 122–140; FO 78/829, f. 45–56; FO 78/865, f. 85–103; FO 78/901, f. 161–177; FO 78/977, f. 115–120; FO 78/1014, f. 206–216.

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