



Individual Advanced Research Opportunities Program

Research Report

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**Russia: St. Petersburg, Moscow, and Nizhnii Novgorod; Georgia: Tbilisi;
Azerbaijan: Baku**

Nationality, Ethnicity, and Capitalist Enterprise in the Russian Empire, 1700-1917

Topic of Research:

During my five-month IREX grant, I carried out research on “Nationality, Ethnicity, and Capitalist Enterprise in the Russian Empire, 1700-1917.” The goal of the project is a book exploring the implications of extraordinary ethnic diversity within Russia’s urban classes from the 18th century to the 1917 revolution, and the paradox by which ethnic Russians (supposedly the empire’s dominant national group) often struggled in the world of commerce to hold their own against more successful merchants and entrepreneurs from groups such as Germans, Tatars, Jews, Armenians, and foreigners. The work, which I see as a combination of historical genres as traditionally defined (political, social, cultural, intellectual, economic) will explore government policies, cultural stereotypes, and economic and social interactions. A large component of it will be a comparative analysis of several multi-ethnic and commercially vibrant cities in various parts of the Russian empire having different commercial-ethnic configurations: Moscow, St. Petersburg, Nizhnii Novgorod, Orenburg, Odessa, Tiflis, Baku, Tashkent, Riga, and possibly others.

Approach and Methodology:

My IREX grant was designed to take me to some of these cities -- those located in the Russian Federation (Moscow, Petersburg, Orenburg, Nizhnii Novgorod) and the countries of the Transcaucasus (Tbilisi and Baku) – to carry out research in archives and libraries. During the grant period I managed to accomplish all of the above except for the trip to Orenburg, which I decided should be put off for a warmer part of year. I knew from the beginning that the IREX trip would represent a large chunk of the research component but not all of it. Nonetheless, I can report on some aspects of the work that are specific to the places I visited, and on my developing vision of the prospective book on this basis.

Research Findings:

I have found the archival research to be less “straightforward” than expected. I had thought that I would easily locate government documents reporting on the interactions among different communities of entrepreneurs, and showing government attempts to smooth conflicts and/or to structure the economy according to some vision of the relative power of different groups (though that vision might change over time—in particular I expected to see increasing concern to protect the power and wealth of ethnic Russian merchants vis-à-vis others during the 19th century “age of nationalism”). In most of the archives, however, I found it fairly hard to locate such materials, and I can now offer some reasons for this.

Documents in state archives, of course, reflect the concerns, observations, and investigations of a state. Generally, I have found that the tsarist state in the 19th century was somewhat less ambitious about steering the capitalist economy and society in specific directions than I had previously thought. And though it certainly was characterized by Russian nationalism in many ways, the government never turned into a reliable mouthpiece for economic nationalism in the sphere of trade and industry. In the 18th century it had given numerous privileges to borderland communities of minority merchants for the utilitarian reason of promoting industrial development and foreign trade. After the first quarter or third of the 19th century these privileges were on the decline – not because the utilitarian viewpoint gave way to a purely nationalistic one, but because free trade (equality of economic opportunity) was now seen as the most profitable system for the state. At times the state did work to bolster Russian economic interests against others, but the striking thing is that it did so fairly quietly. This observation meshes with studies of tsarist nationality policies – including my own previous work – that have observed that in spite of occasional aggressive outbursts the 19th-century tsarist state normally exercised moderation in its attempts to foster Russification.

In the economic sphere, the biggest exception to this generalization is the sustained and undisguised attempt of the tsarist government to limit the capitalist activities of Jews (though particular statesmen differed on the lengths to which they were willing to go because they also saw advantages in fostering Jewish enterprise). It is widely thought that the Pale of Jewish Settlement had its 1790s origins in the complaints of Moscow merchants to be protected from competition with dishonest Jews. It is surprising that this has not been documented in much detail, and I have found some materials in Moscow that might enable me to shed more light on it.) Moscow indeed proved to be

the principal stronghold of Russian economic nationalism, as other historians have shown, and periodically throughout the nineteenth century lobbied for limiting Jews' commercial presence outside of the Pale (in addition to calling frequently for protection against foreign competition). When the government defended anti-Jewish policies, though, it more often cited the need to protect peasants against economic exploitation that to promote the interests of Russian entrepreneurs. And though occasionally other commercially successful minorities such as Armenians and Tatars were defamed in similar terms, only Jews were subject to such consistent economic restrictions. That is, until the First World War, when (partially in response to a Moscow riot) the government aggressively undertook liquidation not only of the holdings of German-owned companies throughout the Russian empire, but also the entrepreneurial activities of Russian subjects of German background.

The foundation of the Jewish Pale and the anti-German campaign are signposts that have long convinced me that the relationship between nationality/ethnicity and capitalism was a powerful concern in Russian state and society under tsarism, and in a sense they frame this project. But although during the period between these events Russian entrepreneurs were by no means dominant in the Russian economy, tension over this issue only rarely became overt. In other words, another reason why the archives do not contain an abundance of material on this issue is that conflicts between Russian and minority entrepreneurs were not of sufficient magnitude to warrant the state's sustained attention.

Yet I would argue that the issue was of greater significance than necessarily meets the eye. Circumstances often made it tempting to see commercial competition in ethno-national terms. Because this juxtaposition could be explosive, in public discourse it was, if not taboo, then something considered unseemly and that most people were reluctant to discuss openly -- perhaps especially merchants and entrepreneurs themselves. Attention to the topic was at odds with the ideology of tolerance and multicultural harmony that the tsarist system tried in many ways to foster among its subjects -- more successfully in some places than others, and in spite of the ways in which the system repressed many of its minorities.

Preliminary Conclusions:

Discovering the subtlety of the phenomenon I am researching has made the work not only more challenging but also more interesting. I am paying more attention that I had originally planned to sources usually considered either less "objective" or less "central" than government reports -- such as memoirs (of businessmen and their families, statesmen, travelers or other observers), literary works (in which stereotypes are often presented in stark terms), and newspapers (which give a detailed texture to urban history that many other sources do not).

Using such sources in conjunction with government archival documents will enable me to make meaningful comparisons among different parts of the Russian empire. Memoirs strongly suggest that the ideal of commercial pluralism was much closer to reality in the nineteenth century in St. Petersburg than in Moscow, for instance. And this would be expected for historical reasons. Because of the relative youth of the

capital city, it lacked an entrenched ethnic Russian merchantry, had more public corporations than family businesses, and favored foreign immigrants from the very beginning. The close and watchful eye of the state, too, may have made competing interests behave less aggressively.

My research in Tbilisi and Baku has made me focus recently on the Caucasus and Transcaucasus regions, where the challenge of establishing Russian power in the 19th century gave commerce different meanings than it had in the capitals. Here the state tried to use trade to integrate the region into the empire – economically as a source of tax revenue, markets for Russian industrial goods, and acquisition of raw materials, but also culturally, by raising the living standards so as to buy the loyalty of new subjects, replace the brigand traditions of mountain peoples with “civilized” commerce, and create a sense of the empire as a unified organism.

But to accomplish all of this the tsarist state had to face pre-existing commercial elites. In Tbilisi (the regional capital) I found archival materials on authorities’ attempts to uproot Armenian merchants’ commercial dominance by encouraging Muscovites to set up trading companies, and to break the monopolies of old artisanal and trade guilds which Russians accused of keeping prices high. While these struggles may or may not have been motivated by specifically ethno-national concerns, they came to be understood as inter-ethnic competition. I will research comparable scenarios in the archives of Tashkent (the capital of Turkestan, conquered in the 1860s) and of Riga (although the Baltic region was conquered much earlier, for well over a century afterward the state was continuously urged by Russian merchants to provide them a fair chance alongside the German bourgeoisie). In Baku, the conflicts were somewhat more complex. The oil industry there became a focus of debates about how much control Russians and their government were willing to give to foreign corporations. Of more immediate urgency was the often bloody conflict between Armenians and Muslims, which may have been partially rooted in resentment of Armenian economic power—both in the Muslim community and in the Russian government, which is thought to have played a role in provoking the violence.

I chose Nizhnii Novgorod as a research site because for a century it was the host of tsarist Russia’s biggest annual fair, and I thought that the interactions among merchants there from around the empire and the world would be revealing. What I found, actually, was that commercial and social interactions between Russians and Asians at the fair are extraordinarily hard to document, and some sources suggest that this is because such interactions were superficial at best. I did find a couple of accounts that show a tense atmosphere that was in part probably about cultural differences but also reflected concerns about the low competitiveness of Russian industry and the net flow of precious metals out of the country. Russians would purchase large quantities of goods from Persians and Turks, and then wait nervously and suspiciously for weeks to see how much of the money the visitors would pay back in exchange for Russian products; rumors would circulate about mutual boycotts. What I found in much greater abundance was public discourse about the fair – in scholarship, newspaper accounts, fiction, and chapbook curiosities (which are now extremely rare books) – in which the theme of ethnic diversity, in particular the presence of exotic Easterners, was nearly an

obsession. One might even say that in a sense the fair itself was seen as an Eastern phenomenon (the bazaar of classic orientalist literature), and thus somewhat alien to Russia. I plan to devote a chapter of the book to this material.

Competitive feelings between Christian and non-Christian merchants were forced out into the open by a protracted controversy from the 1880s to 1917 over limiting the operation of businesses in Russia on Sundays. This controversy, which will also become a chapter in my book, began as a series of local labor measures to allow store employees relief from over-demanding bosses, but quickly turned into an assertion of religiosity and ostensibly (that is, for Christians) national unity and identity. Many Muslim and Jewish merchants were offended and feared ruin from having to take two days off per week (Sunday as well as either Saturday or Friday). Christian traders and local officials in different cities reacted to these complaints in an interesting variety of ways. The ensuing debates on the floor of the State Duma among representatives from around the empire in 1909 and 1910, as the government sought to enact an empire-wide ban on Sunday trade, will help me in making comparisons and in making the topic comprehensible to readers in spite of its broad geographical scope.