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MARIA CHRISTINA
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ON MERCHANTS' AGENCY AND CAPITALISM IN THE EASTERN MEDITERRANEAN 1774–1914

THE ISIS PRESS
ISTANBUL

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Published by
The Isis Press
Yazmacı Emine sokak 4/A
Burhaniye-Beylerbeyi
34676 Istanbul
Tel.: 90 (0216) 321 38 51
Fax: 90 (0216) 321 86 66
e-mail: isis@theisispress.org
www.theisispress.org

First edition 2017

ISBN: 978-975-428-597-0

Baskı: İSİS
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INTRODUCTION*

The Mediterranean is a transnational place that links separated people and cultures, a geographical entity that has been described as a "universe", in which merchant entrepreneurs migrated and competed; a "universe" that developed through maritime trade, flexible corporate organisation and commercial networks. It was a world that surpassed sovereign national boundaries; a "universe" that was integrated into the world economy and the globalised labour market. Following Braudel's path, new generations of scholars analyse and criticise *la Méditérannée* as an organising concept. Taking as a starting point the Mediterranean and the Greek merchant entrepreneurs originating from the Ottoman Empire I am trying to challenge some issues that deal with comparisons between merchants of different origin and similar economic behaviour, having in mind the danger of generalisations and the importance of complexity and multiplicity that characterise merchants' agency particularly in the long nineteenth century (1789–1914, slightly changed for the Greek case to 1774–1914).

Over a number of years various taxonomies have been formed regarding merchants' agency comprising trade migrations and entrepreneurial ventures in the Mediterranean area, in order to better understand organisation, trading patterns and behaviour of merchants operating in the Mediterranean and the Ottoman Empire. A classification deriving from human agency cannot produce an accurate diagram and suffers from oversimplifications, but nonetheless offers the basis for a comparative study enabling us to better comprehend capitalism in the Mediterranean in different scales. Migrations in the Mediterranean area, in essence elite migrations of future entrepreneurs, encompassed: a) migrants without a nation, such as the Jews and the Armenians, b) migrants from nation states, such as the Dutch, the French and the British, c) migrants from European and Balkan regions that were in the throes of state formation, such as Greeks, Italians, Swiss, Bulgarians, d) muslim merchants in trading centres of the Ottoman Empire. Merchants from the Italian city states, like Venetians and Genoese belong to an earlier period, but often had a profound influence in the next merchant generations.[1]

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* This volume was assembled thanks to the kind agency of Sinan Kuneralp, also Evangelia Balta and Richard Wittmann's invitation to participate in the lectures, *Remembering the Ottoman Past in the Eastern Mediterranean* (Sismanoglio megaro, Istanbul, 2015–6), and M. Mitsou's invitation to give four seminars on *Linking Empires; Greek Transnational Diasporas in the Long Nineteenth Century* (CRH-EHESS, 2016). Minna Rozin, Ali Coşkun Tunçer, Sakis Gekas read and commented an earlier version of this introduction. I am grateful to all of them, but no one else is responsible for missing points except myself.

[1] On their role in Mediterranean affairs, distinct interpretations can be found in B. Kedar, *Merchants in Crisis. Genoese and Venetian Men of Affairs and the Fourteenth Century Depression*, New Haven 1976; F. Tabak, *The Waning of the Mediterranean, 1550–1870: A Geohistorical*

Some of the above migrant merchants were politically persecuted and all were scattered in the Mediterranean area, transferring capital, techniques and cultural values. Recent historiographical trends have pointed out entrepreneurial diasporas, and transnational networks of merchants and bankers. These national and/or ethnic minorities controlled segments in the sectors of trade, finance and transport, and assumed an important role in European expansion. Minorities developed their own know-how and organisational practices, while through solidarity and reciprocity they often created an introvert community nourishing national sentiments and identities. Some members of these minorities or networks were to participate decisively in the formation of their nation states.[2]

Many of them can be examined as representative examples of merchant firms in that their entrepreneurship was built on intermediation. They chose the role of intermediation with the intention of reducing the probability of unsuccessful trade that arose in direct trades. Their efficiency depended on various socio-economic and political variables but as intermediaries they were more competent in matching buyers and sellers. This competence was based in the Mediterranean area, as the place of origin, of training, and of production and consumption of commodities. The Mediterranean was the source of their networking and trade capital, that is, the knowledge of how to trade goods on the international market.

The Core Subjects

The Ottoman Empire as a spatial term from the eighteenth century is a more expedient definition, indicating commercial expansion and economic transactions, rather than geopolitical definitions, like the Middle East that encompassed the lands between Egypt and Iran; the Near East, or the more multipurpose term "the Levant", referred to the quite separate area of the Eastern Mediterranean, including the Balkans. A term that has been used in the Greek language as an adjective, *Levantinos*, indicated the inhabitant of the East, a European resident on the Aegean shores of Turkey and the Middle East, an opportunist and self-seeking person.[3]

The Greek merchant entrepreneur is defined here according to his place of origin in the Ottoman Empire, whether in Epirus, in Chios, in the

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Approach, Baltimore 2008; M. Fusaro, *Political Economies of Empire in the Early Modern Mediterranean: The Decline of Venice and the Rise of England 1450–1700*, Cambridge 2015.

[2] D.L. Caglioti, *Vite parallele. Una minoranza protestante nel Italia dell'Ottocento*, Bologna 2006. Evg. Evg. Davidova, *Balkan Transitions to Modernity and Nation-States through the Eyes of Three Generations of Merchants (1780s–1890s)*, Leiden-Boston, Brill 2013.

[3] The terms East and West are used here as a collective geographical term. The Levant is best described as an heterogeneous region where the main connecting elements were lively communication, trade and seafaring, D. Schwara, "Rediscovering the Levant: A Heterogeneous Structure as a Homogeneous Historical Region", *European Review of History – Revue européenne d'Histoire* 10/2 (2003), 233–251.

Peloponnese, or in Izmir, or Istanbul, and his trade know-how deriving from an experience acquired in an environment directly exposed to Ottoman and European influences.[4] In some geographical areas of the Ottoman Empire trade in raw materials was paired with "community protected" skilled manufactures, related to regional techniques and experiences. The importance of the Ottoman legacy for shaping the organisation and performance of the Greek merchant entrepreneurs is evident. However, this experience and memory was subject to different interpretations and perceptions. Here the main issue is the Ottoman past as shaped in merchants' history and memory. We argue that the key factors in this debate described as the Ottoman trade experience are social capital – the geographical advantage enabling certain agents to be familiar with the environment, ports, products and trade know-how.

These fundamental principles were widely shared and disseminated within the various above-mentioned migrant groups, shaping commercial networks within and beyond the Mediterranean. The core subjects that will be analysed here are essential links to understand and to interpret merchant capitalism in the Eastern Mediterranean from the commercial revolution up to the industrial revolution. The chronological period is delineated here in this context mainly as an alternative to Hobsbawm's long nineteenth century, beginning not with the French Revolution (1789) with the treaty of Küçük Kaynarca between Russia and the Ottoman Empire following the end of the first Russian-Turkish war (1774), lasting up to the First World War, a period which altered social and economic life in the Ottoman Empire drastically, leading to its long lasting dissolution.

The Ottoman Greek merchants presented here differ from other state-supported merchants, like the Dutch, French and British who were "protected" by state alliances established not only through systems of exclusive contracts and monopoly practices but also financial support.[5] The granting of privileges in the Ottoman Empire was vague and referred rather to individual cases and not to collective norms. One important privilege was the *berat,* sold by European delegates that allowed non-Muslim Ottomans to exercise a choice of law over a range of European and Ottoman legal systems.[6] Legal

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[4] S. Faroqhi and G. Veinstein (eds), *Merchants in the Ottoman Empire* (Collection *Turcica*, 15) Paris, Louvain, Dudley 2008; A. Gekas, "Class and Cosmopolitanism: The Historiographical Fortunes of Merchants in Eastern Mediterranean Ports", *Mediterranean Historical Review*, 24/2 (2009), 95–114; M. Fusaro, "Cooperating Mercantile Networks in the Early Modern Mediterranean", *Economic History Review*, 65/2 (2012), 701–718; D. Vlami and I. Mandouvalos, "Entrepreneurial Forms and Processes inside a Multiethnic Pre-capitalist Environment: Greek and British Enterprises in the Levant (1740s–1820s)", *Business History*, 55/1 (2013), 98–118.

[5] R. Davis, *Aleppo and Devonshire Square. English Traders in the Levant in the Eighteenth Century, London 1967; D.* Vlami, *Trading with the Ottomans: The Levant Company in the Middle East*, London and New York 2015.

[6] S. Laiou, "The Ottoman Greek 'Merchants of Europe' at the Beginning of the Nineteenth Century", in E. Balta, G. Salakides and Th. Stavrides (eds), *Festschrift in Honor of Ioannis P.*

protection in the Ottoman Empire was not parallel to European institutional and financial protection. Here we deal with accumulation of wealth invested in various ways in land property and finance activities, and transformed in power relations within communal and state life. The Ottoman Greek merchant entrepreneurs, though they did not form an organic part of the long-distance trade, participated in the early rise of capitalism as merchants and trade intermediaries, by forming flexible personal networks and performing economic divergence, as will be seen in the articles that follow in this volume.

By linking social networks to entrepreneurship in economic theory the importance of a system of highly confidential relations, in which all members of a social group are directly or indirectly connected, has been indicated. Circulation of information is not the same as circulation of commercial goods; these are the objects of coordination while circulation of information offers the means. The person one knows is shown to be of greater importance than what one knows. A certain amount of information is held by the right people, who – more important – are often acquainted with other individuals (also vehicles of information). These can serve as intermediaries or agents. This intermediate social stratum led economic activities that were indispensable for multiethnic empires.[7]

The presentation of case studies will enable a historiographical assessment on the subject matter and builds on evidence from private testimonies: Greek commercial archives are examined within the overall approach of microhistory and the history of merchant houses. A comparative view of medium and big intermediary merchants may enrich views on merchant capitalism related to development models or a business history agenda. The analysis of commercial networks and personal strategies on the small scale allows the reconstruction and interpretation of historical events that would be impossible through the use of other methods. The historical observation of merchants on a micro scale mobilises various methodological approaches that lead not to the implication of eclecticism, but rather to the proposition of complementarity.

The systematic study of private fortunes, family firms, merchant houses and trading companies can give rise to different methodological orientations; the Ottoman Greek merchant and his entrepreneurial activity being an organic part of them. The study of the internal and external development of

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Theocharides. Studies on Ottoman Cyprus, vol. 2. *Studies on the Ottoman Empire and Turkey*, Istanbul 2014, 313–331; C. Artunc, "The Price of Legal Institutions: The Beratli Merchants in the Eighteenth-Century Ottoman Empire", *The Journal of Economic History*, 75/3 (2015), 720–748.

[7] One of the earliest examples elaborating networks from the business history point of view comes from M. Casson, *Information and Organization*, Oxford 1997; Idem, *Enterprise and Competitiveness. A Systems View of International Business*, Oxford 2000, 88–94; James E. Rauch, "Business and Social Networks in International Trade", *Journal of Economic Literature*, 39/4 (2001), 1177–1203; Robin Pearson and David Richardson, "Business Networking in the Industrial Revolution", *The Economic History Review*, 54/4 (2001), 657–679. A later and different approach comes from, P. Walker Laird, *Pull. Networking and Success since Benjamin Franklin*, Cambridge MA 2006.

the firm, suggests that the historian has to deal with aspects such as organisational structure, diversification, vertical and horizontal development, business strategies and managerial competences – an agenda guided by social and economic history and business history. The preliminary choice of theoretical frameworks that lead to explanations and interpretations of historical developments is connected to the main problem regarding the rationalisation of the complexity of the historical reality.[8] The question here is to analyse and interpret the dynamics of individual practices and institutional frameworks from the Ottoman Empire to a new context, like the Modern Greek State or Britain. The reciprocal adaptations observed in characteristic case studies are revealed by investigating the causality between individual strategies, transnational diaspora and economic identities.

The history of enterprises, related to economic history and political interpretations, is a study that often leads to consideration of the wider problems of merchant or industrial capitalism and inequalities in world social and economic development. This historiographical agenda following Braudel's and Wallerstein's paths, was very much shaped after their work in the 1960s to 1980s. Based on empirical research a large literature on Venetian, Genoese and other pre-industrial merchants formed a corpus of work that deals with the historical evolution of markets, towns and trade mainly in the Mediterranean area. The study of merchant capitalism became the central theme in many of these works, which draw on Marxist interpretations. Recent historiographical approaches drew away from the study of capitalism as private ownership, market-oriented commercial activity, political and socio-economic interpretations and tend to concentrate on the study of economic behaviour in history including cultural investigations, biographical approaches, and encompassing the narratives of private lives in wider contexts.[9]

The Essential Links

In 1960 Traian Stoianovich published his seminal article on "The Conquering Balkan Orthodox Merchant", which gives an explanatory framework for various individuals or groups of merchants living and acting in the Ottoman Empire before the formation of nation states in the area during the nineteenth

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[8] There are a variety of views and interpretations dealing with business history issues. A related example, Geoffrey Jones, *Merchants to Multinationals. British Trading Companies in the Nineteenth and Twentieth Centuries*, Oxford and New York 2000.

[9] A new paradigm was coined by Francesca Trivellato's work on the Jewish trade diaspora and mercantile networks. Her theoretical tools derived mostly from New Institutional Economics and her examples come from the empirical world of merchants. Her revealing story of an eighteenth-century commercial network based in Livorno, focused on the business partnership of the Ergas and Silvera families with its wide-ranging network of business associates from Livorno to Aleppo, and from Lisbon to Goa. F. Trivellato, *The Familiarity of Strangers: The Sephardic Diaspora, Livorno, and Cross-Cultural Trade in the Early Modern Period*, New Haven 2009.

century. These merchants managed to alter their economic, social and political position on the basis of competitive ability and a corporate structure.[10] Although the term "Balkan" as a collective name was commonly used from the end of the nineteenth century, it is frequently used for earlier periods for Greek, Vlach and Slav Orthodox Christian merchants originating from the Ottoman Empire.[11]

In the following decades, information on a large and motley array of individuals, family firms and personal partnerships, including Greek, Vlach and Serbian Orthodox Christian Ottoman merchants, was analysed from various locations, like Trieste, Vienna and other economic hubs across the Danube.[12] Vlach people as carriers on the inland routes of southeastern Europe constituted a parallel to the Chiot sea-route carriers, a comparison presented here in this volume. Much time and effort was dedicated to the difficult and laborious task of retrieving and analysing data regarding commercial and financial transactions linked to individual case studies of merchant houses and family networks in the Balkans and Central Europe (Budapest, Braila, etc.), as well as in the Russian Empire (Taganrog, Rostov, Odessa), such as the Pondikas, the Manos, the Stavros, the Inglezes, and the Sifneos family.[13] These were case studies of merchant-entrepreneurs who struggled, competed with, and thrived alongside heterodox merchants like Jewish, British and German counterparts in a "primitive" economic environment where their services were indispensable for the local and international trade.

Stoianovich described the gradual evolution of Balkan merchants since the seventeenth century, from carriers, pirates, and thieves to agents accepting orders and speculating in money-lending, then to independent merchants,

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[10] It was the use of religion in an economic context, as it has been pointed in the Jewish and Protestant cases, T. Stoianovich, "The Conquering Balkan Orthodox Merchant", *The Journal of Economic History*, 20/2 (1960), 234–313. For an alternative view on religion and entrepreneurship, George Gotsis and Zoe Kortezi, "The Impact of Greek Orthodoxy on Entrepreneurship: A Theoretical Framework", *Journal of Enterprising Communities: People and Places in the Global Economy*, 3/2 (2009), 152–175.

[11] M. Mazower, *The Balkans*, London 2000.

[12] V. Seirinidou, *Greeks in Vienna, 18th – mid 19th Centuries*, Athens 2011 (in Greek); O. Katsiardi-Hering and M. Stasinopoulou, "The Long Eighteenth Century of Greek Commerce in the Hapsburg Empire: Social Careers", in H. Heppner, P. Urbanitsch and R. Zedinger (eds), *Social Change in the Habsburg Monarchy*, Bochum 2011, 191–214. O. Katsiardi-Hering and M. Stasinopoulou, *Across the Danube: Southeastern Europeans and their Travelling Identities (17th–19th C.)*, Brill 2017.

[13] Th.C. Prousis, "Demetrios S. Inglezes: Greek Merchant and City Leader of Odessa", *Slavic Review*, 50/3 (1991), 672–679; K. Papakonstantinou, *Greek Commercial Businesses in Central Europe During the Second Half of the Eighteenth Century. The Pondikas Family*, unpublished PhD thesis, Department of History and Archaeology, University of Athens, 2002 (in Greek); A. Igglesi, *Merchants from Northern Greece at the End of the Ottoman Rule. Stavros Ioannou*, Athens 2004 (in Greek); A. Diamantis, *Varieties of Merchants and Modes of Consciousness in Modern Greece*, Athens 2007 (in Greek); E. Sifneos, *Greek Merchants in the Sea of Azov: The Power and the Limits of a Family Business*, Athens 2009 (in Greek); I. Mantouvalos, *From Monastir to Pest. Business and Bourgeois Identity of the Manos Family (Late 18th–19th Century)*, Athens 2016 (in Greek).

bankers with parallel political activities and, finally, to politicians with parallel business activities.[14] The above hierarchy of the Balkan merchants corresponds less to a linear evolution than to the more complex historical reality. It is difficult to determine a distribution of activities in the case of Balkan Ottoman merchants, at least until the middle of the nineteenth century. Moreover, the Habsburg and Russian authorities, in the framework of a bureaucratic evaluation and registration of the population, imposed a "rank division" on all Balkan merchants, which did not really correspond to the manifold economic activities in which they were trying to become involved. Stoianovich's pioneering thesis evaluates business activities in centres of overland trade, where the geographical criteria, family organisation and ethnic-religious group support represent the first comparative advantage of merchants on overland routes.

No matter what their origins were, merchants in various centres of the Balkan Peninsula and the Mediterranean area took advantage of the opportunities offered by international trade by forming commercial networks. The merchants involved were related to one another via ties of kinship, place of origin and business partnerships. This cooperation included also circumventing laws, committing fraud and finding ways to smuggle contraband into and out of ports. Greek merchants created a geographically dispersed Greek *universum* formed by personal networks based on strategic emporia along critical trade routes. Through family ties and ethnic-religious based networks, Greeks, Serbs, Jews and Armenians were vital for the economic operations of the Ottoman, Habsburg, Russian, and British Empires throughout the eighteenth and nineteenth centuries. The case of Victorian Manchester as a pole of economic appeal for Ottoman Greeks and other migrants is presented here in this volume.

In many cases these merchants were involved in cultural and political activism, associated mainly with nationalist aspirations. One of the many representative case studies is that of Konstantin Georgiev Fotinov (1785–1858), from Samokov in Bulgaria, who extended his economic activities as an agent trading staple products and raw materials from Filippupolis (Plovdiv) to Istanbul, Izmir, Braila, Galatz, and Odessa. Fotinov was deeply involved in the Bulgarian nationalist movement, using his experience as a merchant in an irredentist direction.[15] Another example was that of the Greek Adamantios Corais (1748–1833) who transformed his trade experience from the Istanbul-Izmir-Amsterdam-based family merchant house and his international relations within the Greek Diaspora, into a vast programme of illuminating Greek peo-

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[14] These issues constituted central questions of the Greek Economic History Association conference (Volos 2012), Chr Agriantoni, M. Chr. Chatziioannou, L. Papastefanaki (eds), *Markets and Politics. Private Interests and Public Authority (18th–20th Centuries)*, Volos 2016. http://epublishing.ekt.gr/en/15372

[15] N. Danova (ed.), *Arkhiv Na Konstantin Georgiev Fotinov*, Sofia 2004.

ple by translating and publishing ancient Greek literature during the awakening of Greek national consciousness.

The structure of trade observed in different ethnic groups presents a crowd of common typological characteristics, which were present for centuries, as is the case of the family organisation form. At the same time, any merchant was by definition open to various social, economic and cultural encounters and changes which jeopardised his success in business. Trading was bound up with geographic migration, since the local merchant travelled, even if only migrating to neighbouring places for supplies of merchandise, or for retailing. In pre-industrial urban markets the main commercial and financial transactions were assembled within a local and regional frame of influence. The open economic space of merchants was "conquered" by organisation and structure. Institutions like the firm and the network led merchants beyond the limits of national sovereignties. Both firms and networks as institutions are usually examined in terms of size, survival and success.[16] From the fifteenth century until the eighteenth century a "trade *universum*" had been created in the Mediterranean through commercial transactions, the circulation of letters of credit and moral practices of trust. This *universum* was formed by personal networks based on strategic emporia along trade routes. Ports were crucial for these commercial networks because they connected distant distribution centres, for instance Istanbul and Izmir to Trieste, to Manchester via Liverpool, or to Odessa. The routes of international trade were blocked in many cases in the nineteenth century due to political reasons and the slow dissolution of great empires, like the Ottoman Empire. The development of merchant organisation and economic performance from the early modern period up to the industrial era has been studied in relation to the economic crises and the shifts of the centre of gravity of world trade and regional markets.[17]

The most widespread issues that have emerged in the history of merchant houses in the period from the eighteenth to the nineteenth century in the Balkan area of southeast Europe, and in the Mediterranean world, especially in its Eastern part, are related to the family firm characterised by kin, ownership and succession. This constitutes a preferential field of observation of the intertwining of cultural values and economic behaviour. Modern historiography on the family-based enterprise has diagnosed the need for detailed analyses aimed at identifying both the moral and social values of entrepreneurs, because one of the desiderata of historiographical research is the effect of social and cultural values on economic decision-making. The discussion of family enterprise brings to light the intertwining of two fundamental issues, the organisation of the firm and its cultural characteristics. Their importance

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[16] J. Hoppit, *Risk and Failure in English Business 1700–1800*, Cambridge 1987, 1–17.

[17] B. Kedar, *Merchants in Crisis. Genoese and Venetian Men of Affairs and the Fourteenth Century Depression*, Yale 1976; and from the business point of view M. Casson, *Enterprise and Competitiveness. A Systems View of International Business*, Oxford and New York 1990; J. Brown and M. Rose (eds), *Entrepreneurship, Networks and Modern Business*, Manchester 1993.

in employment, income generation and wealth accumulation has already been widely accepted. The typical form of organisation in a family firm has been described in all studies dealing with the interpersonal commercial relations of Greeks under foreign dominion (Ottoman and Venetian) and in the diaspora communities, as well as in the Greek State after 1830. The family firm was an institution that weathered political and economic changes with remarkable resilience, the Durutti merchant house from Epirus is an indicative example in this volume. The family constituted the creative cell of the enterprise and simultaneously the core of its security. Family bonds covered and maintained the family name, which often functioned as self-security and as a guarantee in social and economic transactions. Through the family, the business strategy of the firm was organised, which emanated from liquid assets and land property, or from the transformation of the work of its members into capital. However, the concentration in the same merchant family of various economic activities, such as merchant, broker, banker, or ship owner, was one of the main causes of hemming in the firm and of introvert forms of organisation. At the same time, through the close ties of interdependence the family firm maintained relations based on hierarchy and gender, in which sentiments of enmity, rivalry and competition were cultivated that were not independent of the firm's economic activity.[18]

Social networks were crucial not only for long-distance trade, but also for trading activities across empires (Ottoman, Habsburg, Russian, and British). The importance of commercial networks closely related to family firms has been widely analysed. Examples come from the Greek networks which were the only forms of "economic institutions" capable of engaging in international competition.[19] In a network-based commercial universe the importance of maritime and inland commercial networks in the Mediterranean and the Balkans is evident. Examining key issues through case studies of commercial networks linked through information exchange and by capital partnerships may distinguish factors of continuity and change within an imperial milieu by engaging asymmetrical comparisons, transnational approaches, connected and entangled histories. Following various examples we may assume the predominance of waterways by comparing inland versus maritime communications in the Balkans and in the Mediterranean;[20] we may identify intellectual and intercultural encounters between ethnic or national commercial networks by analysing their organisation within and across empires (Ottoman, Hapsburg, Russian, and British); we may identify the importance

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[18] A. Colli, P. Fernández Pérez and M.B. Rose, "National Determinants of Family Firm Development? Family Firms in Britain, Spain, and Italy in the Nineteenth and Twentieth Centuries", *Enterprise & Society*, 4/1 (2003), 28–64.

[19] International maritime business has offered the best examples, G. Harlaftis, *History of Greek-owned Shipping. The Making of an International Tramp Fleet, 1830 to the Present*, London 1996.

[20] For the importance of waterways in interpreting contemporary European history, M. Miller, *Europe and the Maritime World: A Twentieth-Century History*, Cambridge 2012.

of the emergence of national states in the structural transformation of ethnic-religious networks.

Culture in commercial enterprises is a complex phenomenon that is often reproduced through tacit knowledge in trade networks. In the social frame within which all transactions have a personal character, cultural values very often have local characteristics. In each trade network the centre of cultural changes was located in the urban centres where the distribution of goods was concentrated and the most frequent demographic migrations were observed, like Istanbul, Izmir, Trieste, Odessa, or Alexandria. The moral aspects of business culture influenced the economic behaviour of the businessman, legitimising special principles of behaviour and dictating various engagements. For example, the ability to enter into moral engagements and to accept responsibility for these are characteristics that can convince the partners in an enterprise that they will not fall victim to speculation and fraud. Finally, business culture can be the basis of a long-lasting competitive advantage in the history of a firm.[21]

The concept of social capital in combination with social networks has been elaborated on by sociologists and economists. Social capital, in the form of close ties to family and community, may produce benefits by raising both effectiveness and profits (by reducing the cost of transacting business due to higher trust between the parties involved). Several studies have examined the impact of social capital on the accumulation of human capital.[22] It was a form of complex capital that was comprised of liquid assets, a network of personal relations and the essential commercial know-how that merchant-entrepreneurs had acquired in conducting international transactions. A comparative study of the economic behaviour of merchants acting in different periods and different places reveals several common features and practices. They present a common typology, adopting similar entrepreneurial strategies in the adaptation and expansion of their economic activities. In order to approach the issue of the "conquest" of America, researchers into the phenomenon of the settlement of the American West have proposed, on the basis of J.A. Schumpeter's work, a broad definition of the entrepreneurial spirit as "creative destruction".[23] In the history of early America's conquering frontier it was a space of encounter for men, as well as for small independent businesses. In this space, geographical and cultural boundaries were difficult to define precisely, although we can pick out individuals who had migrated and sought profit through the

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[21] See the discussion by M. Rowlinson and A. Delahaye, "The Cultural Turn in Business History", *Enterprises et Histoire*, 55 (2009), 90–110.

[22] J.S. Coleman, "Social Capital in the Creation of Human Capital", *American Journal of Sociology, Supplement*, 94 (1988), 9–120. For the recent bibliography see N. Lin, *Social Capital: A Theory of Social Structure and Action (Structural Analysis in the Social Sciences)*, New York 2002.

[23] J. Schumpeter, *Capitalism, Socialism and Democracy*, [1943] London and New York 2003. For a wider concept of entrepreneurship see R. White, *The Middle Ground: Indians, Empires, and Republics in the Great Lakes Region 1650–1815*, Cambridge 1991.

same procedure as that of the "Conquering Balkan Orthodox Merchant" presented above. These Protestant merchant-entrepreneurs struggled, competed and thrived in a "primitive" economic environment where their services were indispensable for the local and international economy. They were pioneers, who entered virgin territories and shaped them economically. The great difference *ceteris paribus* is that their local economies took shape and adapted to global capitalism much faster and more effectively than it did in the Balkan and the Mediterranean areas.

Another essential link in understanding merchants' agency and capitalism in the Eastern Mediterranean, is diaspora, which was used to indicate religious or national groups living outside an (imagined) homeland.[24] What is essential for our view here is that diaspora communities are different from other communities because of the dispersal of their members across different states. These diasporic communities are kept together by transnational social relationships and ethnic connections that are developed and sustained by their members across national borders.[25]

Social networks that constitute integral parts of diasporic communities can be distinguished between those with social linkages to the ethnic homeland and those diasporic communities with social linkages between peoples residing in different countries. Both of them had a common understanding that transnational migrants were creating new forms of social spaces, networks and identities. Greek merchants, who created a geographically dispersed Greek *universum* formed by personal networks based on strategic places along critical trade routes, formed communities and networks. The Greek Epirotes and the Greek Chiot diasporic groups created transnational linkages between their members in different empires and countries from the Ottoman, to the Russian, to the Habsburg and the British Empires. The entrepreneurship of migrant merchant entrepreneurs is often of a transnational nature. Transnational entrepreneurs leverage opportunities arising from their socio-cultural embeddedness and optimise resources where they consider these fruitful. As an emerging theoretical domain, transnational entrepreneurship is conceptualised in the intersection of the individual entrepreneur and the firm. Nonetheless the term transnational has offered wide analytical possibilities on differing historical issues.[26]

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[24] N. Muchnik, "La terre d'origine dans les diasporas des XVIe-XXVIIIe siècles. 'S'attacher à des pierres comme à une religion locale...'", *Annales. Histoire, Sciences Sociales*, 2011/2 – 66e année, 481–512.

[25] Several entries illuminate this subject, A. Iriye and P.-Yv. Saunier (eds), *The Palgrave Dictionary of Transnational History: From the Mid–19th Century to the Present Day*, Basingstoke 2009.

[26] Transnational as a concept was used in the 1970s by the scholars of international relations in order to denote the importance of global interactions and impacts on an interstate top-down perspective, making "transnational" a vague concept alongside international and multinational. As these terms were more clearly defined, the top-down perspective of the "transnational" approach was left behind. This was reinforced when the disciplines of anthropology and migration studies

Diaspora perspective studies focus on merchants who lived indefinitely in a foreign setting and belonged to a community of identity based on religion, place of origin, shared language and social practices. The diasporas under examination all involve long-term Ottoman Greek merchants dispersed in clusters or groups in the Mediterranean. By looking at these groups, which interwove and transformed economic transactions, it becomes possible to write a history that highlights transnational dynamics rather than national and sedentary aspects. The main theoretical tools are based in the form of networks (personal), contact zone (middle ground), go-between (intermediary services), and place, while a variety of sources has been exploited.

Some well-rooted assumptions and ambiguities regarding ethnic/national diasporas and their networks have been re-examined, for example the well-known assumption that the kinship-based trading diasporas are built on "natural" bonds of trust is questioned and not taken for granted.[27] The progressive emergence of increasingly impersonal markets affected personal networks. Information and reputation were built, gained, and questioned continually within family or ethnic networks. The world of trade was intensely competitive even among family members, or members of ethnic/national networks, an issue that is not often remembered when analysing and interpreting merchant houses.

Merchant Capitalism

According to a standard definition, which gives space for various interpretations, "Capitalism is an economic system characterized historically by the private ownership of wealth, market-oriented commercial activity, and a basic socioeconomic class structure. There is no precise definition because economists, historians, political scientists, and anthropologists, among others, examine it from varying perspectives".[28]

The term merchant entrepreneur was first evaluated in juxtaposition with other types of entrepreneurs, like the industrialist, exemplifying the successive evolutionary stages of world economic development. In this context the Marxist periodisation theory was well coordinated with the Darwinian evolution stages of historical analysis. The use of merchant capitalism itself

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adopted the term "transnational" and made "transnationalism" a new analytical focus in their fields in the 1990s. There is a rich debate on this subject, R.O. Keohane and J.S. Nye, Jr. (eds), *Transnational Relations and World Politics*, Harvard 1972; P. Clavin, "Defining Transnationalism", *Contemporary European History*, 14 /4 (2005), 421–439; Idem, "Time, Manner, Place: Writing Modern European History in Global, Transnational and International Contexts", *European History Quarterly*, 40/4 (2010), 624–640; Ian Tyrrell, "Reflections on the Transnational Turn in United States History: Theory and Practice", *Journal of Global History*, 4/3 (2009), 453–474.

[27] For a critical view, Fr. Trivellato, *The Familiarity of Strangers*, op. cit.

[28] Chr. Castaneda, "Capitalism", in *History of World Trade since 1450*, vol. 1, New York 2006.

was linked with different theories of economic development and transition theories from feudalism to capitalism. Deriving from the history of capitalism and its uses, the concept of merchant capitalism appears in the work of Marx, who promoted Holland as an example of international trade in the seventeenth century, together with Venice and Genoa. The use of the concept of merchant capitalism was quite common and controversial from the 1970s.[29] It has often been applied as an analytical tool for understanding the typology of economic protagonists in the fragmented phases of capitalist development, during which the merchant-entrepreneur was the dominant figure in early economic transactions. However, the study of the transition from merchant to industrial capitalism, even in Holland, a paradigm of merchant capitalism, based on interpretations of labour division, has come up against obstacles and impasses.

The definition of "capitalism in construction" for merchant capitalism in the port cities of Western Europe was one of these arguments in the rich theoretical discussions at its time. Wallerstein called it "historical capitalism" and predicted that it "will in fact cease to be viable the first half of the twenty-first century". Still the notion of "merchant entrepreneur" was raised in his analysis for describing an actor who created surpluses by reorganising production. Nonetheless following Braudel he was again sensibly stating that successful capitalists, including merchant entrepreneurs, did not stick to one economic role or to strict specialisations, so opening up the field of merchant capitalism for further elaborations.[30] The debate is still open today and offers analytical tools for prolific historical analysis; like the study of the communities of merchant capitalists in New Orleans comprised by wholesalers and retailers, bankers and commission agents. These capitalists were far away from modernity, and were perceived by their contemporaries in the mid-nineteenth century as a parasitic group of merchants that lacked cohesion.[31]

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[29] M. Dobb, *Studies in the Development of Capitalism*, London [1946] 1963; A. Gunder Frank, *Capitalism and Underdevelopment in Latin America*, New York, 1967; Imm. Wallerstein, *The Modern World System*, vol. I: *Capitalist Agriculture and the Origins of the European World Economy in the Sixteenth Century*, New York 1974; vol. II: *Mercantilism and the Consolidation of the European World Economy, 1600–1750*, New York 1980; vol. III: *The Second Era of Great Expansion and the Capitalist World Economy, 1730–1840*, New York 1989; R. Brenner, "The Origins of Capitalist Development: A Critique of Neo-Smithian Marxism", *New Left Review*, 104 (1977), 25–92; T.H. Aston and C.H.E. Philpin (eds), *The Brenner Debate: Agrarian Class Structure and Economic Development in Pre-industrial Europe*, New York 1985.

[30] J.L. van Zanden, *The Rise and Decline of Holland's Economy: Merchant Capitalism and the Labour Market*, Manchester 1993. Ad. Knotter, "A New Theory of Merchant Capitalism", Imm. Wallerstein, "Merchant, Dutch, or Historical Capitalism", and the reply of the author J.L. van Zanden, "Do We Need a Theory of Merchant Capitalism", *Review* (Fernand Braudel Center) 20/2 (1997), 193–210, 243–254, 255–267. For the still ongoing discussion on this subject matter, J. Banaji, "Putting Theory to Work", *Historical Materialism* 21/4 (2013), 129–143; J. Banaji, "Merchant Capitalism, Peasant Households and Industrial Accumulation: Integration of a Model", *Journal of Agrarian Change*, 16/3 (2016), 410–431.

[31] Sc.P. Marler, *The Merchants' Capital: New Orleans and the Political Economy of the Nineteenth-Century South*, New York 2013.

Besides theoretical investigations on the nature of merchant capitalism there is one major characteristic that has been related to its advent and the development of capitalism – the use of accountancy in commercial practices. By the time of merchant capitalism and self-financing merchants, accounting was in use and calculative mentality matured. Accounting mentality and practices diverged in time and in different countries, still offering a new background for calculating merchants' loss and profit. It is assumed that from the seventeenth century accountability appeared accompanied by profit-seeking mentality. This process was revolutionised when accountability begun to contradict reality by using methods of fictitious capital liquidations.[32] A thorough analysis of the transition to the calculative mentality of modern capitalism in England argues the critique of Marx's economic determinism through the history of accounting. Within this analysis international trade culminated from the middle of the sixteenth century and "capital from trade flowed back onto land, bringing with it the capitalistic rate of return mentality. Special note in the development of capitalism is given to social capital.[33]

In the major economic emporia of the West, such as those in the Italian Peninsula, the basic parameters that led, after the Middle Ages, to the organisation of merchant capitalism were the numerous merchant houses with the same basic features: geographical location favourable to their international connections, corporate organisation, and the creation of a merchant culture.[34] A strong example of commercial capitalism development was India. This example was used to support the importance of trade development and urbanisation in the long-term changes in the economy that led to industrial capitalism. Perlin argued that the extra-European economies passed through developmental stages in parallel with, but independently from European stages. India experienced profound changes in its social and economic structures after the sixteenth century; there merchant capitalism developed independently from Europe, but within a common international framework of social and commercial changes.[35] Nowadays historians argue about indigenous and expatriate-

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[32] Double entry has been considered a major contribution to the rise of capitalism; B.S. Yamey, "Scientific Book-keeping and the Rise of Capitalism, *The Economic History Review*, 2 (1949), Idem., "Accounting and the Rise of Capitalism: Further Notes on a Theme by Sombart, *Journal of Accounting Research*, 2 (1964) and a critique on that thesis, J. Winjum, "Accounting and the Rise of Capitalism: An Accountant's View", *Journal of Accounting Research*, 22/2 (1971), 333–350.

[33] R.A. Bryer, "The History of Accounting and the Transition to Capitalism in England. Part One: Theory", *Accounting, Organizations and Society*, 25 (2000), 131–162, quoted phrase from p. 136, for social and socialised capital, p. 137, note 15. Idem, "The History of Accounting and the Transition to Capitalism in England. Part Two: Evidence", *Accounting, Organizations and Society*, 25 (2000), 327–381.

[34] A. Sapori, "The Culture of the Medieval Merchant", in F. Lane and J.C. Riemersma (eds), *Enterprise and Secular Change: Readings in Economic History*, London 1953, p. 65.

[35] Fr. Perlin, "Proto-industrialization and Pre-colonial South Asia", *Past and Present*, 98 (1983), 30–95.

based capitalist firms in India which diverged in the same features – mobility, institutional adaptation, and promptness to invest into manufacturing.[36] All these examples are widening the ground for in-depth analysis and revisions on merchant capitalism, offering ground for comparative analysis from the Mediterranean Sea to the Indian Ocean.

The underlying and implicit interest here is connected with the subject of the growth of capitalism. The social roots of capitalism that developed in Western society and their absence from Eastern society led to an implicit opinion that bisected a progressive West from an inactive East. The East could not possibly have developed capitalistic roots independently since European capitalism and colonialism necessarily precede this, which limited any autonomous capitalistic growth outside of Europe. European capitalism changed the world conditions creating a world system of economic dependence. Thus particularly in the 1970s the study of the advent of capitalism in the West became the explanatory model of its nebulous presence in the East.[37]

The expansion of Mediterranean trade, promoted by the mercantilism of the maritime powers – Venice, Holland, France and Britain – has been illustrated vividly by various case studies of individuals, family firms and personal partnerships. The assessment of numerous such case studies was the basis for the model of the world economy that was constructed on a historical scale in the postwar years by F. Braudel and I. Wallerstein, and was destined to have a considerable influence on contemporary historical thought.[38] Italian merchants of the medieval period and the early modern age received intense historical analysis aiming to describe and analyse the rise of merchant capitalism in the Mediterranean. Concomitant with this expansion in trade were migration and the formation of new communities in a "developing" market economy. Crete, the Peloponnese, the Ionian Islands and Chios, together with Izmir, Aleppo and so on, may have represented this market economy for Venetian and Genoese merchants. One of the earliest case studies dealt with the mid-sixteenth century Venetian merchant Andrea Berengo. An early "conquering merchant" of the Venetian economy in Aleppo, he traded Venetian cloth for spices, trying to enter the long-distance trade with India with feeble institutional affiliations.[39] This is a case that offers similar features to many

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[36] T. Roy, "Trading Firms in Colonial India", *Business History Review*, 88 (2014), 9–42.

[37] S. Turner, *Orientalism, Postmodernism and Globalism*, London 1994, 194.

[38] Braudel's work on the Mediterranean has attracted vast attention from coetaneous historians like H.R. Trevor-Roper, "Fernand Braudel, the Annales, and the Mediterranean", *The Journal of Modern History*, 44/4 (1972), 468–479, to his descendants P. Horden and N. Purcell, *The Corrupting Sea: A Study of Mediterranean History*, Oxford 2000, and the Thalassology debate, E. Peters, "Quid Nobis Cum Pelago? The New Thalassology and the Economic History of Europe", *The Journal of Interdisciplinary History* 34/1 (2003), 49–61; P. Horden and N. Purcell, "The Mediterranean and 'the New Thalassology'", *The American Historical Review* 111/3 (2006), 722–40.

[39] U. Tucci, *Lettres d'un marchand vénitien: Andrea Berengo (1553–1556)*, Paris 1957.

other merchants of different ethnic religious origin over a long period of time. The story of a Parsi merchant in the mid-eighteenth century who was a broker to the Dutch East India Company, a principal buyer of merchandise from the Company, and a ship-owner and carrier, offers an early example of capital formation, adaptability and resilience.[40]

Economic migrations as an entrepreneurial venture highlighted the role of several Mediterranean economic centres – such as ports in the Italian Peninsula – as multiethnic trading centres in which pragmatism and pluralism prevailed, as well as being centres of knowledge and entrepreneurial know-how. In general in cosmopolitan economic centres such as Istanbul, Trieste, and Leghorn, local authorities often created beneficial conditions for foreigners, based on doctrines of utility and mercantilism.[41] Greeks and Jews were the predominant commercial groups that competed in various ports with merchants from European state nations. For example we trace this commercial competition in the field of advance buying of agricultural products in Izmir's hinterland, where British merchants could more easily provide cash money to the farmers in order to bespeak raisins for export, rather than the local Greek merchants.[42]

One might argue that a lot of Europe-centred literature was based on Mediterranean merchant capitalism. Although features of "alternate" modernity have been acknowledged in various essays, J. Kocka argued recently that "Capitalism is an essential concept for understanding modernity ... since it can serve as a key for explaining the most important socio-economic changes of the past". He argues what previously has been widely discussed in the relevant historiography as to whether a market economy is directly related to capitalism. Nonetheless capitalism has been discussed as a phenomenon of global history enhanced by transnational transactions. What is of special interest for analysing merchants' behaviour is that "capital is central, which means utilising resources for present investment in expectation of future higher gains, accepting credit in addition to savings and earnings as sources of investment funds, dealing with uncertainty and risk, and maintaining profit and accumulation as goals". Although empires enter into the discussion of merchant capitalism, their geographical expansion especially from the eighteenth century onwards promoted independent merchants' strength by providing them with an institutional framework of protection in the form of various coalitions.[43]

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[40] Gh. Ahm. Nadri, "The Commercial World of Mancherji Khurshedji and the Dutch East India Company: A Study of Mutual Relationships", *Modern Asian Studies*, 41/2 (2007), 315–342.

[41] What have been described as "cities, polities or colonies that were built upon and valued commerce", D. Cesarini "The Jews of Bristol and Liverpool, 1750–1850: Port Jewish Communities in the Shadow of Slavery", in D. Cesarini and G. Romain (eds.), *Jews and Port Cities, 1590–1990*, London 2006, 143.

[42] M.Chr. Chatziioannou, *Family Strategy and Commercial Competition: The Geroussi Merchant House in the 19th Century*, Athens 2003 [in Greek].

[43] J. Kocka, *Capitalism A Short History*, Princeton University Press 2014, 1, 21.

Studies of long distance trade passing through the Mediterranean introduced space allocation in the area and restructuring of local trade forces. Merchant capitalism provoked an intense migration of various merchant-entrepreneurs, the circulation of goods and all forms of capital.[44] A good number of these case studies focus on the Italian peninsula and the Eastern Mediterranean area, structuring a rich agenda of interdependencies, long-distance and intra-Mediterranean trade. Foreign merchants were often presented as agents of Western seaborne empires – Dutch, Venetian, and British – and agents of all practices of exchange and capital accumulation. From the sixteenth up to the nineteenth century European groups of merchants dominated the Mediterranean area, exchanging cloth for staple products while they consolidated their further expansion and dominance in the Atlantic and Indian economies.[45] Nonetheless beyond the formal stages in the evolution of capitalism, regional variations in the pattern of merchant to industrial, and financial capitalism are quite accepted nowadays.

Greek origin and Greek speaking case studies of merchant houses emerged from the market economy of various Mediterranean ports from modern times up to the industrial era adopting national identity in the course of their trading activities. G.A. Melos (1647–1732), a Venice-based merchant of Greek-Spanish origin, from 1712 adopted short-term commercial partnerships and commission trade across the Mediterranean. Melos was supported by other Greek-origin merchants and by his family in international trading transactions and he used his identity to carry on his business in the Greek commercial universe.[46] The Gerussi merchant house covers the whole span of the nineteenth century exemplifying accumulation of capital through a family network in the Mediterranean, demonstrating mobility, adaptability, and resilience through short-term personal partnerships, trading on credit and personal trust.[47] In a socio-economic ambience of high risk and commercial competition various supplementary investments like acquiring whole or part of sailing ships, financial operations, and acquiring land are sides of the same coin – merchant capitalism in the Mediterranean that nurtured generations of profit-seeking petty and medium merchants. We may argue that political power mainly through consular representation was the adjacent domain that many of these merchant capitalists were seeking in order to secure their social

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[44] M.Chr. Chatziioannou (ed.), *Networking and Spatial Allocation around the Mediterranean, Seventeenth– Nineteenth Centuries*, *The Historical Review / La Revue Historique*, VII, 2010 Athens, Institute for Neohellenic Research, NHRF.

[45] L. Blussé and F. Gaastra (eds), *Companies and Trade: Essays on Overseas Trading Companies during the Ancien Régime*, Leiden 1981; E. Eldem, *French Trade in Istanbul in the Eighteenth Century*, Leiden 1999; Claude Markovits, *The Global World of Indian Merchants, 1750–1947. Traders of Sind from Bukhara to Panama*, Cambridge 2008.

[46] Eft. Liata, "G.A. Melos' Trading Network (Venice, 1712–1732): Structural Characteristics and Temporary Partnerships", in M.Chr. Chatziioannou (ed.), *Networking and Spatial Allocation around the Mediterranean*, op. cit., 127–177.

[47] M.Chr. Chatziioannou, *Family Strategy and Commercial Competition*, op. cit.

and economic position.[48] The social and political intermediation of a major diplomatic agent, Joannes Gennadius, is presented in this volume.

The Mediterranean basin did not offer a stable background in the course of centuries for commercial activities. Political upheavals engaging the seaborne empires and the Ottoman Empire were eminent with decisive effects on trade, the structure of firms, and commercial practices. The massive French arrival at Algiers in 1830 also greatly affected the other Maghribi states, like Tunisia. In the second half of the nineteenth century, the North African states found themselves engaged in a struggle for survival in an increasingly antagonistic world where the rules of relative equality and reciprocity in commerce and inter-state relations, which had long characterised the Mediterranean were transformed. In their drive to survive, the North African states underwent a profound series of reforms and transformations that had significant repercussions on their structures and capacities and on their economic relations. Individual responses to those changes, like the Efessios merchant house from the south Peloponnese, presented in this volume, were to diverge from international Ottoman trade to the Greek national economy.

Merchants were a large part of the economically active individuals and groups in the Balkans, the Mediterranean and America in the eighteenth and nineteenth centuries. They offer a common ground of analysis for the advent of capitalism and corporate organisation. Their internal and external analysis offers a rich ground of research, investigating their strengths and weaknesses as well as the opportunities and threats they faced. Much of merchants' performance was conditioned by "primitive" economic terms in Hungary, in Russia, in Asia Minor, or in Massachusetts in the early stages of their history. These merchants often supported initiatives towards "national independence" in the above places. The relevant historiographies usually focus on the role of local embeddedness of economic activities in attaining economic development, a network perspective based on theories of value chains that are enmeshed both in social relations and space. A complementary approach focusing on economic behaviour in history may attach greater importance to cultural investigations and biographical studies, thus encompassing narrations of private lives in wider perspectives leading to a global comparison of merchants. We can claim that the agency of individuals is worth studying and revisiting especially the intermediate individuals and groups, focusing on merchants and their intermediary roles that linked empires to emporia.[49] By following that path one might discover the grains of innovation and alternative routes to modernity. Microanalysis incorporated into broader frameworks

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[48] M.Chr. Chatziioannou, "Merchant–Consuls and Intermediary Service in the Nineteenth-Century Eastern Mediterranean", in An. Yiangou, G. Kazamias and R. Holland (eds), *The Greeks and the British in the Levant, 1800–1960s. Between Empires and Nations*, Farnham 2016, 159–176.

[49] Although the majority of its material derives from Eurasia, it offers interesting interpretations. J. Gommans (ed.), "Empires and Emporia: The Orient in World Historical Space and Time", *Journal of the Economic & Social History of the Orient*, 53 (2010), Introduction, 3–18.

could, finally, be used to interpret structures from a universal perspective. Such a perspective can only be structured through examples, and a totality of historical events only hinted at. Only through such an approach can the correspondences and deviations in macro- and micro-regions be made visible, while in national histories deviations are generally sacrificed – along with correspondences with other national entities – to the claim of "national" particularity.

1

CREATING THE PRE-INDUSTRIAL OTTOMAN-GREEK MERCHANT: SOURCES, METHODS AND INTERPRETATIONS *

A Historiographical Assessment

The main mediator between the rural and the urban economies in the Ottoman Empire was the merchant. There is an essential difference between the trade world and the rural one with the former being more volatile and receptive to change. This feature is largely attributable to the economic migration that is inherent to commercial activity.[1]

The trade networks of different ethnic groups present a range of common characteristics which existed for centuries, such as the organisation based on family bonds. At the same time the merchant, by definition, was open to various social, economic and cultural influences and changes. Economic migration was inherent to trading; even the local merchant moved between the neighbouring settlements to purchase supplies or to retail his merchandise. In the pre-industrial, urban markets the main commercial and financial transactions occurred within a local and regional sphere of influence. The geographic migration of merchants was limited, or ceased even, with the establishment of shops and the growth of retail trade focused on cities, a process which began at the end of the nineteenth century and continued into the twentieth.

The open economic world of merchants developed through the utilisation of business organisations and the networks which extended beyond the limits of national boundaries. From the middle of the fifteenth century until the middle of the eighteenth century, a 'unified economic world' was created in Europe through commercial transactions, established currencies and a common code of ethics amongst merchants. It is commonly assumed that empires seem to resist change while their survival needed new methods of productivity. This international trade was hindered in many places during the nineteenth century by the creation of new national states and the slow dissolution of great empires, such as that of the Ottomans.[2] The role of the Ottoman

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* First published in Lorans Tanatar Baruh & V. Kechriotis (eds), *Economy and Society on Both Shores of the Aegean*, Athens: Alpha Bank-Historical Archives 2010, pp. 311-335.

[1] A new perspective on the subject comes from economic sociology, see for example: Alejandro Portes, 'Economic Sociology and the Sociology of Immigration: A Conceptual Overview', in idem. (ed.), *The Economic Sociology of Immigration. Essays in Networks, Ethnicity and Entrepreneurship*, New York: Russell Sage Foundation, 1995, pp. 1-41; and Mark Granovetter, 'The Economic Sociology of Firms and Entrepreneurs', *ibid.*, pp. 128-209.

[2] Keyder argues about nationalism as a mercantile impulse in the case of Greeks, Serbians and

Empire was crucial in bridging European and Asian economy, although the largest volume of trade was intra-ottoman and not international. Turkish historiography has a long tradition in examining Ottoman trade as a factor of integration of the Ottoman Empire in the world economy, obscuring themes of trade organization, international networks and business firms.[3]

The development of the international class of merchants from early modern times up until the industrial era can be studied in relation to the economic crises and the shifts in regional markets and the centres of world trade.[4] Private enterprise was the 'living organism' that entailed adaptations, differentiations and geographic shifts in the growth of markets.[5] This subject is usually examined in terms that are related to size, survival and success of private enterprises.[6] The first attempts to classify merchants rely on: organisational patterns (family firms, trade networks); the size of the enterprise (small, medium or large); or cultural features (the transmission of commercial know-how and the creation of a business culture).

Already from the end of the nineteenth century, the importance of the archives of large commercial or banking units has been appreciated in European historiography. The fact that a late medieval merchant assembled and maintained a large archive throughout his life was discovered and positively evaluated during the 1870s in the newly established Italian state, as in the case of the Tuscan merchant Francesco di Marco Datini (1360-1410.[7]Florence, Venice, Bruges, Antwerp, Amsterdam, London, were international centers with economies of scale offering representative examples of entrepreneurs and impecunious governments. Throughout the twentieth century these cities were

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Bulgarians: Caglar Keyder, 'The Ottoman Empire', in Karen Barkey and Mark von Hagen (eds), *After Empire. Multiethnic Societies and Nation Building. The Soviet Union and the Russian, Ottoman, and Habsburg Empires*, Colorado: Westview, 1997, p. 33.

[3] This well known historiographic path is led by Huri Islamoglu-Inan (ed.), *The Ottoman Empire and the World-Economy*, New York: Cambridge University Press, 1987; Sevket Pamuk, *The Ottoman Empire and European Capitalism, 1820-1913*, New York: Cambridge University Press, 1987; Resat Kasaba, *The Ottoman Empire and the World Economy. The Nineteenth Century*, New York: SUNY Press, 1988.

[4] Benjamin Kedar, *Merchants in Crisis. Genoese and Venetian Men of Affairs and the Fourteenth-Century Depression*, New Haven: Yale University Press, 1976.

[5] For the pre-industrial period, see Simonetta Cavaciocchi (ed.), *L'Impresa, industria, commercio, banca, secc. XIU-XVJU*, Instituto Internazionale di Storia Economica F. Datini, Prato: Le Monnier, 1990.

[6] Success stories of all kinds of entrepreneurs have always been the favourite field of research. Julian Hoppit argues that: 'enterprise can be properly understood only when due regard is paid to bankruptcy and that the undoubted success of business expansion over the century (18th) has to be placed in the context of the possibility and reality of such bankruptcy'. Julian Hoppit, *Risk and Failure in English Business*, 1700-1800, Cambridge: Cambridge University Press, 1987, pp. 1-17.

[7] It is interesting to observe that over a fifty-year period, there was a refocusing from the hero-entrepreneur to the unknown entrepreneurs in the late medieval Tuscan economy: Iris Origo, *The Merchant of Prato. Francesco di Marco Datini*, Harmondsworth: Penguin, 1963; Richard Marshall, *The Local Merchants of Prato. Small Entrepreneurs in the Late Medieval Economy*, Baltimore-London: Johns Hopkins University Press, 1999.

considered to be the pivotal places of commercial capitalism's growth became the privileged subjects of historical observation. Those individual studies were the basis for the model of the world economy, which in historical terms was formulated by F. Braudel and E. Wallerstein and would influence contemporary historical thought considerably.

Moreover, they imposed a significant influence on the historiography of the Ottoman economy. A school of economic and social history from central Europe following the Braudelian paradigm related Ottoman social and economic history to the world economy, building on studies of Ottoman trade during the fifteenth and sixteenth centuries.[8] The incorporation of the Ottoman economy into studies of the world economy often centred around the examination of trade circuits from Istanbul to Aleppo, ambiguous statistics concerning crop yields and the detailed examination of fiscal sources like the *tahrir defterleri*, which were used as population censuses for the sixteenth century, particularly in the Mediterranean area.[9] The general consensus found in these early works was that the Ottoman Empire acted as an area of supply for Western capitalism.

The view that trade was the affair of foreign subjects in the Ottoman Empire has its roots in Orientalist historiography and, as such, has been interpreted in various ways. The necessity of intervention by foreigners, that is to say Western merchants, in the daily life of the East and their roles in the economic life of the Ottoman Empire can not be explained only through the economic action of buying and selling or by its significance as an activity of intermediaries.[10] The issue has been raised through the study of Orientalism as a model of an oppositional relationship between the dominant West and the indolent East. The organic connection of Orientalism with the spread of European capitalism facilitates the study of the role of foreign merchants in Ottoman society.

The foreign trade of the Ottoman Empire offered merchants of different national, religious and ethnic origins the opportunity to dominate a sphere of business and participate in the flow of daily life in the Ottoman Empire. Their observations and interpretations have been recorded in personal accounts, in commercial and consular correspondence and reports, as well as in the geographic handbooks, manuals of trade and travellers' accounts. They provide the cognitive background to the way the trade in the East was pursued.[11]

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[8] Suraiya Faroqhi, *Approaching Ottoman History. An Introduction to the Sources*, Cambridge: Cambridge University Press, 1999, p. 196.

[9] Heath Lowry, 'The Ottoman Tahrir Defterleri as a Source for Social and Economic History: Pitfalls and Limitations', in Hans G. Majer and Raoul Motika (eds), *Sonderdruck aus Türkische Wirtschafts- und Sozialgeschichte, 1071-1920. Akten des IV. Internationalen Kongresses*, Wiesbaden: Harrassowitz Verlag, 1995, pp. 183-96.

[10] Suraiya Faroqhi, *Approaching Ottoman*..., op. cit., p. 174 ff.

[11] Hamilton Alexander, R. Gibb and Harold Bowen, *Islamic Society and the West. A Study in the Impact of Western Civilization on Moslem Culture in the Near East*, London-New York-Toronto: Oxford University Press, 1950, vol. 1, pp. 7 and 300,

It has been pointed out that national historiographies shaped a rigid national identity by way of bisecting analytical tools such as East-West or Muslim-Christian dichotomies. In the case of the Balkans, in particular, as it is also the case in India, different social strata exclusively appropriated different pieces within the historical past (a process called exclusivism). Thus, the relevant historiography has led to an enclosed model of Empire (Ottoman or British) that includes persons that actually varied in numbers and material realities.[12]

The issue that mainly interests us here is the growth of capitalism. The social roots of capitalism that developed in Western society, and their absence from Eastern society, led to a widespread bisecting view of a progressive West and an inactive East. It was the common view that the prerequisites for capitalism could not exist in the East since it was believed that colonialism preceded European capitalism. This limited any autonomous capitalist growth outside Europe. European capitalism changed the world conditions by creating a world system of economic dependence. Thus, in the 1970s in particular, the study of capitalism in the West becomes the explanatory model of its absence in the East.[13]

Ottoman subjects did not provide an equivalent to the historical records left by the European merchant. The lack of appropriate sources, such as those which focused on the structure of the Ottoman economy and crops production in particular, led to the aforementioned historiographical view point. A subsidiary economy did not rely on indigenous agents of capitalism unless they were foreigners or operated as intermediaries for western capitalists.

At the same time, a common narrative developed stating that the trade of the Ottoman Empire was an affair of foreign merchants and religious or ethnic minorities. The juxtaposition of the foreign and the Ottoman merchants dates from the seventeenth century, an era of crises. Moreover, the study of international Ottoman trade often neglected internal dynamics as well as the factor of continuity in Ottoman economic life, particularly in the nineteenth century. Internal markets were continually active, even after the incorporation of the Ottoman economy into the world economy, since in one aspect the Ottomans remained very good customers to themselves.[14]

The main study of Greek historiography concerned with foreign and transit trade of the Ottoman Empire in Greek-Orthodox hands was shaped during the post-World War II period. The focus was on the exploitation of rural surplus in urban centres, the transit activity that is supported in port-cities and merchant shipping. The history of Greek trade following the foun-

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[12] Cemal Kafadar. *Between Two Worlds. The Construction of the Ottoman State*, Berkeley: University of California Press, 1995, pp. 21 and 35-44.

[13] Bryan Turner, *Orientalism, Postmodernism and Globalism*, London: Routledge, 1994, p. 194.

[14] Caglar Keyder, Y.E. Ozveren and Donald Quataert, 'Port-Cities in the Ottoman Empire. Some Theoretical and Historical Perspectives', *Review*, Fernand Braudel Center, XV1/4, 1993, pp. 528-9.

dation of the Greek state was shaped by general assessments of the Greek economy and of the legislative regulations concerning commercial law, custom regulations and the like. Commercial activity, comprising both imports and exports, was also recorded in local histories and by trade guides of cities where commerce was of a major importance, such as in Ermoupoli on the island of Syros, Piraeus and Patras.

This thematic unit, 'Greek trade', which constitutes an organic part of Greek economic history, essentially begins with the works of M. Sakellariou on the Peloponnese (1939) and N. Svoronos on Salonica (in French 1956, in Greek 1996). Generally speaking, the relevant studies covering the area of Mediterranean trade published in the last three decades of the twentieth century refer to French commercial expansion in the eastern Mediterranean in the eighteenth century and use systematic French consular documentation.

There are two basic parameters which determined the relevant historiographical production. First is the wealth of commercial information offered by the reports of French consuls and merchants in contrast to the lack of Greek data. Second is the long-lasting relationship of Greek historians with French culture and education. In these studies, an idiomorphic bipolarisation is indirectly imposed, something which has a number of consequences. On the one hand, there is the history of maritime trade economy, Greek networks and the West, in this case eastern Mediterranean is exemplified. On the other hand, a part of the relevant historiography is dominated by the activity of the Balkan Orthodox merchant under ottoman dominion, often associated with nation awakening activities.[15]

Although a large number of merchants appear in the archives of various firms, these were individuals who eventually passed on into anonymity. Yet, through their commercial correspondences, bills of lading, bills of exchange and the accounts where their names were recorded, they left their mark on commercial transactions. Those relatively new-comers to the historiography recognise the continuity in the commercial activity, both in terms of time and geographic space. Whether it was being conducted in the Mediterranean, the Indian Ocean or the Atlantic, trade was basically the same when one considers the knowledge employed and the goods exchanged - even if the precise types of cloth or other products were unique to the place of origin and sale. All the above incorporate a complex conjunctive system that was based on the movement of merchants, goods and means of payment, and all of which require a degree of structural comparability and compatibility. A global

[15] Maria Christina Chaiziioannou, 'Ιστοριογραφικές προσεγγίσεις μιας διεθνοποιημένης δραστηριότητας: Το εμπόριο 18ος-19ος αιώνας,' [Historiographical Approaches to an Internalionalised Activity: Commerce, 18th-19th Century], in Ιστοριογραφία της νεότερης και σύγχρονης Ελλάδας, 1833-2002, Δ' Διεθνές Συνέδριο Ιστορίας [Historiography of Modem and Contemporary Greece, 1833-2002, IV International History Conference], Athens: National Hellenic Research Foundation, 2004, vol. 2, pp. 407-23.

approach to big topics regarding issues of civilization and lead by commonalities, connexions and comparisons influenced trade history as well.[16]

The main issues relevant to trade in the eighteenth and nineteenth centuries for Greek scholarship concern the foreign and the transit trade in lands populated by Greek-orthodox under Ottoman rule. The nature of the merchant is often portrayed in the context of the study of Greek Diaspora communities. Even if trade was an internationalised activity that led to international and trans-national transactions by a good number of merchants from Greek lands, there is an absence of comparative studies looking at other groups, such as the Jews and the Armenians.[17] Besides the historiographical approaches to Greek trade, we can also find studies concerned with Greek merchants. The explanatory models that prevailed in the relevant Greek historiography in the 1970s-80s mainly bolstered the independence of the Greek merchant class after the 1780s within the context of Ottoman decline.

The historiographic view based on the decline of the Ottoman Empire has been supported by the corruption and inefficiency of public administration, and the weakening of both the feudal system and the power of the Sultan himself, symptoms that date from the end of the reign of Suleyman the Magnificent. This is a common view that has been developed particularly in the narratives of national histories since it is considered to be an essential condition for the genesis of the new states in the nineteenth century. The decline of the Empire has also been connected to the tendency towards decentralisation which can be observed in the Ottoman administrative system.

Evidence from Private Testimonies: Commercial Archives

A private commercial archive constitutes a different type of record in the realm of social and economic history, different from the reports and memoranda of western consuls and western travellers' accounts. The protagonist here is not a state institution or a general account, but rather a commercial enterprise. Our protagonists are Greek-speaking Orthodox individuals living under Ottoman rule.

The analysis of these enterprises on a small scale allows the reconstruction of a historical event which, using other methods, would have been impossible. Here the historiographical method employs the microhistory technique to study general problems through the reduction in the scale of observa-

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[16] On this view there is a flourishing bibliography from Frank Perlin, 'The Other "Species" World. Specialisation of Commodities and Moneys, and the Knowledge-Base of Commerce, 1500-1900', in Sushil Chaudhuri and Michel Morineau, *Merchants, Companies and Trade. Europe and Asia in the Early Modern Era*, Cambridge: Cambridge University Press, 1999, pp. 145-72, to Kenneth Pomeranz and Steven Topik, *The World that Trade Created. Society, Culture and the World Economy, 1400 to the Present*, New York: M.E. Sharpe, 2006.

[17] For a recent view, see Ina Baghdiantz McCabe, Gelina Harlaftis and Ioanna Pepelasis Minoglou (eds), *Diaspora Entrepreneurial Networks. Four Centuries of History*, Oxford-New York: Berg, 2005.

tion.[18] The historical observation of businessmen on a micro scale can mobilise various methodological approaches that lead not to the notion of eclecticism but rather to the notion of complementarity.

Microhistory and the history of enterprises have offered me the methodological tools already employed in my thesis (1989).[19] The microanalysis of sources permits a closer look at aspects of social and economic history and brings to light neglected fields of general history, such as individual feelings and personal experiences. Case studies enable us to penetrate the everyday commercial life in a range of different places and lead to an interpretation of local variations and the evolution of family networks. The history of enterprises leads us to a biographical approach of private enterprise, which is a dynamic organism revealing a field of research full of contrasts. The field of biography or of collective prosopographical approaches from the business world offers the opportunity of critical appraisal of diverse theoretical schemas.

Recent studies on colonial Asian trade, though referring to demographic movements and commercial transactions, have enriched the commercial capitalism debate of previous decades. Questions such as ideology, subjectivity, language and hybridism have been addressed while there has also been a tendency to establish a new terminology and to re-explore the subject of trade groups active as intermediate agents or trade Diasporas within transnational empires.[20]

A comparative study of the economic behaviour of merchants acting in different periods and different places reveals several common features and practices. For instance, the Dutch merchants Jansen and Bernard Van den Broecke in Livorno in the first half of the seventeenth century,[21] Dimitrios Kourmoulis in Venice in the last quarter of the eighteenth century[22] and the Smyrniot Geroussi family in the first half of the nineteenth century present a common typology, adopting similar entrepreneurial strategies in the adaptation and expansion of their economic activities. They all share the experience of migrating

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[18] For the Italian historiography on Microhistory, a field already developed since the 1970s, see Giovanni Levi, 'A proposito di microstoria', in Peter Burke *La storiografia contemporanea*, Roma-Bari: Laterza, 1993, pp. 111-34; Carlo Ginzburg. 'Microstoria: due o tre cose che so di lei', *Quaderni Storici* 86, 1994, pp. 511-75

[19] Maria Christina Chatziioannou, Οικογενειακή στρατηγική και εμπορικός ανταγωνισμός. Ο οίκος Γερούση στον 19ο αιώνα [Family Strategy and Trade Competition. The Geroussi Merchant House in the 19lh Century], Athens: Cultural Foundation of National Bank of Greece, 2003, pp. 9-10.

[20] Philip Curtin, *Cross-Cultural Trade in World History*, Cambridge: Cambridge University Press, 1984; James Clifford, 'Diasporas', *Cultural Anthropology*, 9/3, 1994, pp. 302-38.

[21] Marie-Christine Engels, *Merchants, Interlopers, Seamen and Corsairs. The Flemish Community in Livorno and* Genoa, *1615-1635*, Hilversum: Verloren, 1997.

[22] Ben Slot, 'Ό Δημήτριος Κουρμούλης και το διεθνές εμπόριον των Ελλήνων' [Dimitrios Curmulis and the International Trade of the Greeks], *Μνημοσύνη* 5, 1974-75, pp. 115-49.

on the borders and within the boundaries of three empires: the Dutch, the Venetian and the Ottoman.

Between the eighteenth century and the middle of the nineteenth century we find that merchants represented the dominant social and cultural model in the Diaspora communities or the local societies of Greek-orthodox populated regions under Ottoman domination. Merchants developed a market economy whose features illustrated, under certain circumstances, a distinct economic culture. At the same time local markets formed closed communities which offered particular cultural models. Trade led to the opening of the social circle in which not only family enterprises but also transnational networks belonging to the same ethnic group participated.

The study of a family enterprise in the Mediterranean area reveals relationships, places, goods and practices that dominated in commercial life over a long duration. The study of the Geroussi merchant house was supported mainly by archival material that provides direct and indirect accounts of three generations of the family firm, whose commercial activities cover almost the entire nineteenth century.[23] The Geroussis's house can be classified among a group of medium-sized merchants active at the beginning of the nineteenth century in the maritime trade of the eastern Mediterranean. The term intermediary or middleman, often used in a pejorative manner, refers to their role as intermediary merchants in the foreign trade of the Ottoman Empire. The activities of the Geroussi house place it among the merchants that extended the limits of local trade and partook in international transactions through the security of the family enterprise and the Greek communities of Smyrna and Trieste.

The family enterprise is one of the most durable facets of social and economic activity among the Greeks. Through the microanalysis of this enterprise, several general issues are observable. These include the importance of personal relations in economic transactions, the strategic use of commercial capital in the Ottoman and Greek-Orthodox populated lands based on the means of transaction and the complementary economic operations of shipping and insurance-credit enterprises.

The Geroussis merchant house constitutes an example of a family network that was created before the Greek revolution of 1821. From Smyrna and Trieste, it expanded into the Aegean port of Syros and finally relocated to Patras, the export port for currants in the Greek kingdom. The family business was inherited by three brothers, the protagonists of the archival material. Its capital consisted of liquid assets, a network of personal relationships and the essential commercial know-how that they had acquired from their business activities in Smyrna and Trieste. On this basis, the three Geroussis Brothers built their commercial network between the years 1825 and 1835 upon a commercial nucleus that had been established by the previous generation of the family. Their first business diversification was the expansion of their family network

[23] For information on the Geroussi merchant house, see Maria Christina Chatziioannou, 'Οικογενειακή στρατηγική...', op. cit.

into the transit port of Syros in the critical years between the end of the Greek revolution and the inception of the Greek state.

Thus, the organisation of the merchant house was analysed on the basis that the axis of family relations was the decisive element of this type of enterprise. In Smyrna, Syros and Trieste the three brothers managed their capital through multiple short-term commercial partnerships which have brought to light a number of other merchants whose economic activities coincided with the Greek revolution, the Russo-Turkish wars and the Egyptian crisis. The profitable trade system of the Geroussis brothers soon reached its limits as it was constrained by meagre financial resources. So the business strategy of the older brother designated that the family and family capital transfer to Patras in the Modern Greek state. This relocation guaranteed the acquisition of land property and national citizenship.

The creation of the Greek national state offered the opportunity for the final diversification of business activities. The Geroussi brothers did not establish a well-known dynasty or long-lasting firm in the nineteenth-century Ottoman and Greek business world. However, their example is, perhaps, a confirmation that the spirit and the character of the merchant's world is influenced by the nature of the ambition and the degree of success or failure of these medium-sized firms.

The Geroussi merchant house belonged to the typology of international merchant houses: it was a commercial enterprise that operated simultaneously in two or more countries.[24] The successful international commercial presence for the Geroussis was not coincidental; the third generation upgraded their commercial presence in England by taking advantage of the first dynamic Greek agricultural export trade, the currants.

Greek houses that began trading in the Ottoman Empire quickly sought out one western agent, an action which was decisive in that it introduced them to the international economic arena. The weaker the economic system due to risk and uncertainty, the bigger the investment in personal faith and in bonds of kinship. The schematic classification of strong and weak or big and medium merchants can better be described in qualitative rather than mere quantitative terms. The study of strategy which assisted different merchant houses to survive in the arena of economic competition highlights aspects of entrepreneurship to be studied. The importance of personal networks that emerged from the firm's operations within the circum-Mediterranean area makes the case for the description of networks as intermediate forms of organisation, while Ottoman-Greek networks, like those of eastern Asia were the only forms of 'economic institutions' to carry on international competition.[25]

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[24] Stanley Chapman, 'The International Houses. The Continental Contribution to British Commerce, 1800-1860', *The Journal of European Economic History*, 6/1, 1977, pp. 5-9.

[25] The abuse of historical data or evidence from certain economists and economic historians has been disputed, Mark Casson and Mary Rose, 'Institutions and the Evolution of Modern Business: Introduction', *Business History*, 39/4, 1997, pp. 1-8.

The Efessios merchant house offers us a similar typology to the Geroussi family network. Through the private archive of a merchant house we attest trade relations between the southwestern Peloponnesus and Tunisia from the late eighteenth century to the middle of the nineteenth century. When both Greece and Tunisia were part of the Ottoman Empire the Efessios family based in Calamata established a trade network between Calamata, Malta and Tunis.[26]

The family firm had the typical structure that has often been observed in the Mediterranean with a partnership between brothers or cousins, known in earlier times as a *fratemitas*. Expansion of the firm was achieved through the migration of family members to major port cities, while financial resources increased through pre-banking practices. A tightly controlled network of acquaintances was present and active around the family firm, assisting it financially. The trade pattern of the Efessios merchant house can be compared to that of previous periods; economic transactions were articulated around family and ethnic minority trade networks.

Most Ottoman regions in the circum-Mediterranean area participated in international exchanges as suppliers of foodstuffs for daily sustenance and raw materials for the weaving industry. A basic argument here concerns the ways cultural features and geographical vicinity can provoke, facilitate and energise trade links. Aside from the general estimates on the Ottoman Empire's foreign trade, intra-Ottoman and intra-Mediterranean exchanges have a visible role in the relevant literature.[27] In the Ottoman Empire, shared fashion in dress and common culinary habits created cultural bonds which stimulated the intra-Ottoman trade of everyday items, such as clothing and food products. Everyday needs, fashion and taste were formed by a complex standard of living that characterised certain aspects of economic and cultural life, Christian and Muslim alike. The main exponents of this multicultural identity, exemplified through apparel like the fez, were the suppliers and economic agents of these commodities, the merchants and entrepreneurs themselves.

Observing the general geographical expansion of the Greek Diaspora, we may include Tunisia, since, as part of the Mediterranean economy, it participated in the commercial exchanges of Greek migrant entrepreneurs, even though it did not constitute a vital economic hub for the Greek mercantile networks in international exchanges. Tunisia's twin Mediterranean and Ottoman identities were the assets which made it attractive and familiar to Greek migrant entrepreneurs. Tunisia's geographic proximity to western ports along with its familiar socio-economic and cultural background as an agricultural country of-

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[26] Maria Christina Chatziioannou, 'Shaping Greek-Tunisian Commercial Relations in the Ottoman Mediterranean World. The Efessios Merchant House', *International Journal of Maritime History*; XIX/1, 2007, pp. 161-80.

[27] Suraiya Faroqhi, 'Trade: Regional, Interregional and International', in Halil Inalcik and Donald Quataert (eds), *An Economic and Social History of the Ottoman Empire, 1300-1914*, Cambridge: Cambridge University Press, 1997, pp. 474-530.

fered a range of entrepreneurial activities. In the pre-industrial period of Mediterranean exchanges, geographic proximity and economic complementarity were strong assets in the creation of capitalistic enclaves nourished by the common consumption of everyday items. Trade relations based on consumption uses could cut across religious and ethnic divides.

The family firm continues to be a favorable field of observation for social studies in the intertwining of cultural values and economic behaviour. Modern historiography on the family enterprise has identified the need for an in-depth analysis to determine the ethical and social values of businessmen. One of the main historiographical questions concerns the effect of the social and cultural values on economic decisions.

The discussion on the family form of enterprise brings to light the intertwining of two fundamental subjects that occupy historians: the organisation of enterprise and its cultural characteristics. If we accept that discussions on the organisational structure of the enterprise during the eighteenth and nineteenth centuries present an important polymorph and that the family form is dominant the cultural parameters of enterprise are also of significant interest. A shared business culture in commercial and industrial enterprises was often reproduced through apprenticeship and tacit knowledge in family networks. In the social context within which transactions have a personal character, cultural values often have local characteristics. In each business network, the centre of cultural change was located in the urban centres where the distribution of goods was concentrated and where there were frequent demographic shifts. The ethical aspects of business culture influenced the economic behaviour of businessman by dictating special principles of behaviour which permitted certain practices and prohibited others. For example, one's responsibility and reputation for undertaking moral obligations were characteristics that could convince potential partners in an enterprise that they would not fall victims of speculation and fraud. Finally, business culture could be the basis of a long-lasting competitive advantage for an enterprise.

The typical organisational form of a family enterprise has been described in all the studies of interpersonal commercial relationships in the Greek-Orthodox populated lands and in the Greek Diaspora. As an institution it survived political and economic changes with remarkable resilience. The family constituted the creative cell of the enterprise and simultaneously a protective shell ensuring its safety. Family bonds protected and maintained the family name, which often functioned as security and a guarantee in social and economic transactions. Through the family, the business strategy was organised utilising liquid assets, land and property or utilising the transformation of capital through the work of its members. However, this concentration in the same family of various economic activities – broker and banker, for example – might have constituted one of the main causes of restricted growth in the organisational forms. At the same time the family enterprise was maintained through the tight bonds of interdependence, hierarchy and gender relation-

ships, where sentiments of violence, hatred and competition were cultivated, sentiments which were not independent from the economic action.

An example of family dispute in the cosmopolitan ambience of Smyrna in the last decades of the nineteenth century was that concerning the estate of another medium-sized Greek merchant and entrepreneur from the Ottoman Empire, Ioannis Martzellas was born in 1812 in Smyrna, then a city of 150,000 residents, of which roughly 40 per cent were Greek.[28] Ioannis Martzellas was one of the Greek Smyrniot merchants involved in commerce with the Netherlands, a business which dated back to the eighteenth century.[29] There is historical evidence that after 1770, a large portion of the Dutch trade out of Smyrna was in Greek hands. Cotton exports outweighed all other export products from Smyrna, and Greek merchants operated under the protection of the Dutch. Enterprises based in Chios with representatives in Istanbul, Smyrna and at least one western European harbour, such as Venice or Amsterdam, dominated the trade of felt and woollen cloth in the markets of Smyrna and Istanbul.[30]

Ioannis Martzellas was of the second generation of merchants from Chios and Smyrna; as with the previous generation, pursued short term economic profits and conformed to the same cultural model of nurturing national sentiments through philanthropy and evergetism. His family, along with the Korais family, had made its fortune from the Dutch trade in the Mediterranean. Their personal enrichment via trade was accompanied by charitable activities within the community.

In August 1883, the merchant Ioannis Martzellas passed away in Smyrna. His story reveals a web of personal relationships that through micro-historical analysis, illuminates aspects of the Greek-Orthodox community in the multi-ethnic market of the Mediterranean. Beneath the community bonds and family cohabitation, disagreements and rivalries can be detected. Two years after his death, the history of the Evangelical school of Smyrna was

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[28] Konstantinos Ikonomou, ''Πολιτειογραφία: αυτοσχέδιος διατριβή περί Σμύρνης,' [City Survey: Improvised Treatise on Smyrna], offprint from the review *Ερμής ο Λόγιος*, 1317, pp. 16-23.

[29] His father Petros Martzellas was a merchant in Amsterdam and his mother Angeliki was the daughter of Ioannis Mayrogordatos and Christina Kana, sister of one the founders of the famous Evangeliki school in Smyrna. Petros Manzelias had twelve children and of these, three girls and two boys, Ioannis and Nikolaos, survived: Matthaios Paranikas, *Ιστορία της Ευαγγελικής Σχολής Σμύρνης* [History of the Evangelical School of Smyrna], Athens: no p.h., 1885, θ'-ι'.

[30] Thus in 1797, the 'Martzella brothers' being settled in Amsterdam along with other merchants, J. Mayrogordato, G. Pitzipios, D. Skilitzis, Tomazakis, M. Paterakis, were called upon to provide to the Sublime Porte contributions to the Ottoman military, as practised by all inhabitants in the Ottoman Empire: J.G. Nanninga (ed.), *Bronnen tot de geschiedenis van den Levantschen handel* [Sources of the Levant Commercial History] 4/1, 1765-1826, 's-Gravenhage, 1964, p. 583 's-Gravenhage, 1966, pp. 1363-4.

printed and the book was dedicated to its main benefactor, Ioannis Martzellas.[31] To a large extent, the school was maintained thanks to income from rent and its wealth of assets, but it also received alms and contributions. Donations by Smyrna merchants for the foundation and operation of this school are well known. With a cycle of roughly forty years, the Evangelical school was destroyed by fire: in 1778, 1842 and 1881; each time, the cost of rebuilding was undertaken by a new generation of Greek merchants in Smyrna. After the last fire, the merchant Ioannis Martzellas spent 700,000 *gurus* (7,000 Ottoman lira) and was honoured as the school's major benefactor. His name was associated, according to the definition of 'benefaction' of the time, with noble work and kindness. We also know that at the time he died, Ioannis Martzellas was the treasurer of the Evangelical school.[32] Soon after the death of his brother Ioannis, Nikolaos Martzellas began a legal fight disputing ownership of his brother's estate since the latter did not have any other relatives in Smyrna apart from his two elderly sisters. Nikolaos Martzellas traded in Marseille and London but had returned to Smyrna after receiving the news of his brother's death. In the meantime, all of Ioannis's fortune had been channelled into the Evangelical school and Greek Orthodox charitable institutions of Smyrna. The sense of unity within the local community had been strengthened through a succession of benevolent actions and charity. According to Nikolaos, his brother's personal keys and money were always to be found mixed up with those of the Evangelical school. It was also usual for him to keep common ledgers for his personal accounts and that of the Evangelic school: 'he lent to the Evangelical school important sums for the alleviation of urgent debts'.[33] It was a practice that should not necessarily lead us to assume that there was corruption, but rather that there was a conflict between the private and community wealth in Smyrna, especially since the Evangelical school was a community institution that had been created and maintained exclusively by the merchants there. At the same time, this particular example demonstrates the absence of a genealogical continuity for I. Martzellas. The Evangelical school could become the home and the posthumous memorial for an old heirless merchant.

Ioannis Martzella's fortune was calculated, according to a report composed by his brother, at 45,000 Ottoman lira, much more than the sum that he had spent repairing the Evangelical school back in 1881. After his death, the

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[31] The school had been founded back in 1773. In 1778, it was burnt down and was further repaired with the financial contribution of various Greek merchants, see Matthaios Paranikas, *Ιστορία της Ευαγγελικής Σχολής Σμύρνης*..., op.cit,

[32] *Ibid.*, p. 72.

[33] This building on 15 Avraam road had been bought back in 1862 by the two brothers, Ioannis and Nikolaos Martzellas in their sister's name, an Ottoman subject, since they themselves being foreign subjects under western protection did not have the right to possess a real estate property in Smyrna. See his published pamphlet: Nikolaos Martzellas, *Περίληψις των συμβάντων κατά την αποβίωσιν του εν Σμύρνη Ιωάννου Μαρτζέλλα, λαβούσαν χώραν την 31/12 Αυγούστου 1883* [A Summary of the Events upon the Passing Away of the Smyrniot Ioannis Martzellas that Took Place on 31/12 August 1883], Athens: no p.h., 1885, p. 6.

school administrators opened up his two safes which contained his decoration, various documents, insurance papers, bills, stocks and cash. The opening of his safes had taken place with the consent of the two elderly sisters in Smyrna. These sisters were described by Nikolaos as 'morons'. An important issue was that this idiomorphic posthumous donation also included a building. When Nikolaos returned to Smyrna after the death of his brother, he found the house sealed. The administrators of the Evangelical school had removed everything to raise funds for the Greek charitable institutions of Smyrna. The two sisters had also approved this action. Nikolaos Martzellas protested, invoking his French citizenship and calling upon the Dutch consul to step in and resolve the affair.[34]

This particular case presents an example which could be interpreted as a coincidental family conflict or one which contests the model of introverted social reproduction in the Greek community of Smyrna. Family and community institutional forms had a strong local character. A new aspect in this family affair is the fact that it was published in the form of a pamphlet. The proclamation of a family dispute was certainty discomposing the intended uniformity of the Greek community of Smyrna. In Marzellas's case, we notice Greek merchants using western nationality and western consular institutions for their economic transactions while preserving introverted social models in their family and community circle. Cultural diversification, mentality and gender issues between members of the Greek community in Smyrna can be disguised in Marzellas's case under family inheritance problems.

Concluding Remarks

The systematic study of private fortunes, family firms, merchant houses and trading companies can give rise to different methodological orientations; the Ottoman Greek merchant and his entrepreneurial activity being organic part of them. The study of the internal and external development of the firm, suggests that the historian has to deal with aspects such as organisational structure, diversification, vertical and horizontal development, business strategies and managerial competences an agenda guided by Business History. The preliminary choice of theoretical frameworks that lead to explanations and interpretations of historical developments gives rise to the main problem regarding the rationalization of the complexity of the historical reality.[35]

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[34] *Ibid.*, p. 7.

[35] There is a variety of reviews and books dealing with Business History issues. For a representative example, see Geoffrey Jones, *Merchants to Multinationals. British Trading Companies in the Nineteenth and Twentieth Centuries*, Oxford-New York: Oxford University Press, 2000; Michael Dietrich and Jackie Krafft, 'The Firm in Economics and History: Towards an Historically Relevant Economics of the Firm', *EconPapers*, discussion papers, 2008, http://lial.archives-ouvenes.fr/_docs/00/21/11/96/PDF/Varietiesofcapitalism.pdf.

The history of enterprises, related with economic history and political interpretations, is a study that often leads to consider the wider problems of merchant or industrial capitalism and inequalities in world social and economic development. Following Braudel and Wallerstein paths, this historiographical agenda was shaped after their works. Based on empirical research a large literature on Venetian, Genoese and other pre-industrial merchants formed a corpus of works that deal with the historical evolution of markets, towns and trade mainly in the Mediterranean region. The study of merchant capitalism became the central theme in many of these works configuring Marxist interpretations.[36] Recent historiographical approaches draw away from the study of capitalism as private ownership, market oriented commercial activity, political and socio-economic interpretations and tend to concentrate to the study of economic behaviour in history including cultural investigations, biographical approaches and encompassing the narratives of private lives in wider contexts.

As a final remark here we could take into consideration Charles Kindleberger's observation. He had worked on world economics and he had also shaped world economy. It wouldn't be pointless to cite him here in the following:

> A scholarly but sharp confrontation between a 'cliometrician, skilled in the use of economic theory and sophisticated econometrics in writing economic history, and a traditional historian, relying on a wide range of evidence from archives, reports, contemporary accounts, biographies and the like and 'vague, multidisciplinary, heuristic models', suggests that neither approach has a marked advantage over the other, and that each must be employed by its practitioners with great care.[37]

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[36] From the vast bibliography, see Frederic Lane and Jelle Riemersma (eds), *Enterprise and Secular Change*, London: G. Allen &r Unwin, 1953. On merchant capitalism M. Dobb, Fr. Perlin, J.L.Van Zanden are a few of the names that shaped the relevant discussion.

[37] Kindleberger was a recognized authority on international economic relations and international monetary relations. He was one of the main architects of the Marshall Plan after the Second World War. Charles Kindleberger, *Historical Economics, Art or Science?*, Berkeley: University of California Press, 1990, p. 26.

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2

GREEK MERCHANT NETWORKS IN THE AGE OF EMPIRES (1770-1870)*

The formation and evolution of Greek merchant capitalism within the Ottoman Empire, particularly since the last quarter of the eighteenth century, is a subject that has attracted the research of many Greek historians. From very early on, transport and trade activities within the Ottoman economy attracted groups from different ethnic origins and religions. The Greek population in the Ottoman lands was characterized by great mobility until the first decades of the nineteenth century, and commercial emigration was influenced by both non-economic and economic factors.[1]

The non-economic factors that determined commercial emigration during the early industrial period were place of origin and family and local ethic-value systems (including religion, language, customs, knowledge/technical know-how). The economic factors behind this mobility are mainly equated with commercial activities and the specialization of certain groups of particular areas in certain crafts: stone building from the regions of Epirus and the Peloponnese; painting from the regions of Epirus and western Macedonia; sponge fishing from the Dodecanese islands.

The commercial emigration of Greeks spread throughout the unified territory of the Ottoman Empire from the seventeenth century onward and was subordinate to local and central Ottoman authorities. The vast area of the Ottoman Empire that extended from the Balkans to Asia Minor, the Middle East and North Africa included the geographical area which later became the modern Greek state in the southeast tip of the Balkan peninsula. Trade in agricultural products, raw materials and manufactured goods (mainly cloth) developed in the ports and inland markets of the Ottoman Empire, which were in close contact with corresponding ports from the Black Sea to the Italian peninsula, France, Holland and Great Britain. The activities of the Greek traders were not usually connected to local production, but were the link in the chain of the movement of trade from the East to the West. As Ina McCabe indicates for the Armenians, organized groups of Greek trading families were formed in the Ottoman Empire and eventually expanded in the East and West and formed

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* First published in Ina Baghdiantz McCabe, Gelina Harlaftis & Ioanna Pepelasis Minoglou (eds), *Diaspora Entrepreneurial Networks: Four Centuries of History*, Oxford and New York: Berg, 2005, 371-382.

[1] For a bibliography on the Greek diaspora, as well as evaluation of the meaning of terms such as 'diaspora', 'enclave', 'community', see Hassiotis 1993. For a brief note on Greek commercial migration, see Chatzioannou 1999: 22-38.

the extended networks of Greek diaspora entrepreneurship (see also Harlaftis, 2005).

Thus sea trade became the axis of the economic development of the eastern Mediterranean, and the port cities of Smyrna, Constantinople, Thessaloniki, Alexandria, Taganrog and Odessa provided the mechanism for linking the agricultural production of the hinterland of the Ottoman and Russian Empires with western Europe. Nevertheless, an extended network of inland routes, despite its inferior infrastructure, developed and spread from the southern Balkan peninsula of the Ottoman Empire to central Europe and thus to the adjacent Hapsburg and Russian Empires.

An interesting and under-researched subject is the coexistence of various ethnic groups within the borders of the great empires, ethnic groups that could offer competitive, similar or complementary services to an economic centre. For example, historical research might be able to confirm the withdrawal of Jewish merchants from certain Mediterranean markets in the seventeenth century and their replacement in these economic gaps by Greeks, or the coexistence of Greeks and Armenians in other cases. The establishment of these mobile, organized ethnic groups of trading families in the main economic centres of the great empires offered them access to a vast area for the expansion of their networks, and the ability to manage their business from a centre that provided commercial intelligence. Great empires, like the Hapsburg, the Russian and the British, attracted these organized ethnic groups of trading families and provided them an ideological framework, a sense of economic belonging, often with conciliatory advantages.

Different ethnic minorities mobilized by the same economic motives migrated toward the economic centres of these Empires offering a unique experience for migration and for gaining knowledge of new countries, new ideas and new practices of trading. The experience of ethnic coexistence may be the subject of social anthropology, but it is certainly an important issue in regard to the economic and social behaviour of migrant entrepreneurs. For example, we come across Greeks living, operating and competing as merchants along with Slavs in Pest, Trieste and Vienna, with Jews in Odessa, and with Germans and Italians in London and Manchester. The 'homogeneous' social and economic environment offered entrepreneurial opportunities. The host countries, as new social and economic environments, offered new entrepreneurial opportunities along with new cultural and entrepreneurial models.

It is to be expected that all trade diasporas were not identical, although we can draw interesting comparative characteristics, whether we are referring to the Armenians of the seventeenth century in New Julfa, or to the Greeks in eighteenth-century Smyrna. As Jonathan Israel (2005) clearly indicates, the diasporas are not homogeneous even in regard to their own internal organization. Recent studies of merchant communities, diasporas and trade networks provide new dimensions and perspectives through a comparative approach. Finally, we may have to completely reconsider this major issue that is generally known as *Greek Diaspora*, a concept that has frequently been promoted in

a rhetorical way for political reasons by Greek national historiography (Tomadakis 1953; Psiroukis 1975).

In the discussion about ethnicity,[2] various approaches have been undertaken, tackling the concepts of 'ethnic group' and 'ethnic community'; the underlying question, however, is always the issue of national identity. From these various analytical approaches to the issue of ethnicity, we will choose that of the ethnic network. Thus an ethnic network based on group solidarity, kinship and common culture provides to its members economic advantages plus economic resources.

The close relationship between the ethnic group and entrepreneurship has taken the forefront recently in the relevant literature. Particularly, when entrepreneurial groups with common historical background and cultural values - the Jews, for example - found themselves in different host countries under different circumstances, they followed different entrepreneurial models (for example see Godley 2001). The entrepreneurial activity was often based on family and national bonds that provided financial, social and psychological security along with specialized knowledge. The concept of entrepreneurship has various definitions in economic theory. The importance of entrepreneurship in trade is brought to the fore by the Austrian school of Hayek and Kirzner, who focus their attention on the way private information is used in competitive markets in order to counterbalance continuous fluctuations. According to this theory, the entrepreneur acts as the agent whose aim is profit earned particularly under the irregular circumstances of the market (Casson 1990: 46, 73).

The analysis of the ethnic group and entrepreneurship brings out the cultural features of this relationship. Studying entrepreneurial groups such as the Jews with their common historical background and common cultural values, scholars come across different entrepreneurial paths and models that developed in their different places of settlement. This interesting point has been raised in recent research and has been further enriched by sociological and social anthropological approaches. Why should we study the relation between ethnic group and entrepreneurship? It is well known that ethnic groups adjust themselves to the conditions and circumstances found in their place of establishment. It is indispensable to focus on the collateral relation between ethnicity and entrepreneurship and to analyse a system of relations and values shared between people with common ethnic background and migrant experience.

In order to understand the relationship of the ethnic group and entrepreneurship we shall examine three interrelated factors: first, the structure of the conditions of the market; second, the special features of the group (selective migration, culture, creation of social networks); and third, the strategy of the group (the relation between opportunities and ethnic characteristics) (Aldrich

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[2] On the meaning of ethnicity, see Hutchinson and Smith 1996.

and Waldinger 1990: 115-35). These factors developed in different periods of time and geographical areas, and can be traced in the merchant networks that were formed by diaspora trading groups. The cohesion of the period from 1780s to 1870s enables us to study common characteristics and entrepreneurial practices in the Greek merchant networks.

The Chiots and the Vlachs formed networks that expanded from their place of origin to their place of settlement. The two networks shared three well-known common characteristics: religion, language and place of origin.[3] However, they present a distinct difference: the Vlachs are considered to be an ethnic group distinguished by specific cultural features, while the Chiots are characterized by their place of origin.

It is of particular interest that the Chiots were conscious of being a distinct entrepreneurial group (and their contemporaries regarded them as such), whereas the Vlachs, who were an entrepreneurial group with special cultural characteristics (language), did not regard themselves as an entrepreneurial group, nor were they regarded as such by the others.[4] Nevertheless the importance of both groups was pivotal for the social and economic formation of Greek-diaspora merchant communities.

The economic emigration during the Ottoman Empire leads us to the history of the trade diaspora. The theoretical discussion of the 'trade diaspora' was initiated by Abner Cohen. This concept refers to an ethnic group socially interdependent but dispersed in various communities. The field of research initially focused on entrepreneurial groups in Western Africa and Southeast Asia (Cohen 1971; Dobbin 1996).[5] A central issue was whether the emergence of these entrepreneurial minorities should be attributed to the sorts of economic factors that exist in every society of capitalist development or whether it is just a vague response to economic and political circumstances. Commercial transactions provided new sources of income to the powerful states that were formed in Europe during the seventeenth and eighteenth centuries and in southeast Asia during the nineteenth century. Within this framework, and under these circumstances, certain groups of minorities - such as the Jews and the Chinese - were activated with an immediate response to the needs of the commercialization of goods. The reasons for this response do not lie only in economic or cultural interpretations (Reid 1997: 36-7).

My purpose here is to examine closely the case of the different subgroups that made up part of the central core of the Greek diaspora from the last quarter of the eighteenth century until mid-nineteenth century. We will

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[3] For the dynamics of these characteristics in Greek diaspora communities, see Kitromilides 1999, 131-45.

[4] The matter here is not Vlach identity but the economic activities of a population group of Vlach-speakers from the southern Balkans, known mainly from place of origin and surname. The learned class of Vlachs had Greek education. On the topic of education, see Konstantakopoulou 1988 and Katsiardi-Hering 1995: 153-77.

[5] For common culture as evidence of solidarity in mercantile diaspora groups, see Curtin 1984: 1-3.

focus on three types of network, the first and the second belonging to a lesser-known part of the Greek diaspora, the inland trade routes. The first is the network of the Vlachs from Epirus and western Macedonia, particularly from the mountain region of Pindos (northwest of modern Greece), which concentrated on inland transport trade toward the Ottoman and the Hapsburg Empires (Pest, Vienna). The second network is one that was composed of organized commercial groups from Epirus which directed their entrepreneurial activities toward the Adriatic port-cities of Venice and Trieste, as well as to the inland routes that led to the Russian Empire (Nizna, Moscow). The third network is the most famous one, the islanders of the Chiot maritime transport trade who conducted their activities from the Ottoman to the British Empire (London, Manchester) and covered almost every corner of the Greek entrepreneurial diaspora (Chatziioannou and Harlaftis 2007).

One of our main questions here is whether we can identify sub-groups in the Greek diaspora with special internal features and external motives.[6] We know that Greek, Serb, Vlach and Albanian merchants, inhabitants of regions of the Ottoman Empire, had been trying in the eighteenth century to acquire economic access mainly to Hungary and Transylvania, but to Russia as well (Cicanci 1981, Bur 1986:17-85; Papastathi-Tsourka 1994). What is mainly missing is to confront sub-groups of the same ethnic group, or different ethnic groups in the same territorial domain: on one hand inland migrations and entrepreneurial ventures in the Ottoman, Hapsburg and Russian Empires and on the other sea-route migrations and business activities in the British Empire.

Greek merchants who traversed the overland routes in the Ottoman period departed mainly from towns in Thessaly, Epirus, Albania and Macedonia, heading for transit stations in the Balkans, Central Europe and Russia. Overland trade routes started from Yannina and Metsovo in Epirus, or Siatista, Kozani and Serres in Macedonia, frequently using old Roman routes such as the *Via Egnatia,* passing through such cities in the Balkans and Central Europe as Sibiu, Brasov, Kecskemet, Miskolc, Zemun, and in many cases terminating in Pest and Vienna, capital of the Hapsburg monarchy, or accordingly in Nizna and Moscow in the heart of the feudal economy of imperial Russia.

Traian Stoianovich, in his classic study 'The Conquering Balkan Orthodox Merchant', describes the gradual evolution of Balkan merchants since the seventeenth century, from land carriers, thieves and pirates, to agents accepting orders and dabbling in money-lending, then to independent merchants and bankers aiming to political activities, and finally to politicians with parallel business activities (1992: 63-4). The above hierarchy of the Balkan merchant, predicated on a linear evolution, corresponds to a more complex historical reality. It is difficult to identify the activities, in the case of

[6] These sub-groups have been described by Scott (2000: 20) as '... an informal association of people among whom there is a degree of group feeling and intimacy and in which certain group norms of behaviour have been established'.

Balkan and Ottoman merchants at least, before the middle of the nineteenth century. To complicate matters further, the Austrian authorities, in the framework of a bureaucratic evaluation and registration of the population, imposed a categorization of 'classes' on all Balkan merchants which could not possibly include the variety and complexity of their business activities. The most appropriate approach, that of Stoianovich, evaluates business activities in the main city-centres of the Balkan overland trade, where the geographical place of origin provides a first criterion for the classification of merchants on land routes.

A region/cradle of commercial tradition and business culture can be located along the overland trade routes: the settlements in the Pindos mountains in both Epirus and western Macedonia (Siatista, Kastoria, Kozani, Vlasti, Moschopolis), the homeland of Greeks, Vlachs and Albanians, all Ottoman subjects who can be categorized as 'minorities' within the Ottoman state, and who competed with Serbs and local merchants in the main economic centres where they emigrated. Moschopolis has been described as the place of origin of a large percentage of merchants of Vlach origin: in the registration of merchants in 1766 (1767) in Vienna, 12 out of 82 Greek merchants were from Moschopolis[7] and in the overall table for the same period (1770), compiled by Stoianovich, Moschopolis is listed as the place of origin of 98 merchants out of 362-70 in Croatia, Srem, Semlino, Vienna and Tokai (Stoianovich 1992: 17).[8]

Thus, these small mountain towns with domestic wool industry, commercial connections, and experience in organizing land transport produced an organized group of Vlach merchants with expanded networks, among which are included many distinguished entrepreneurs, the most illustrious of whom are the three generations of the Sinas family in Budapest and Vienna (Laios 1972). The Moschopolis merchants' business methods in Pest and Vienna remain to be identified and will probably prove to be similar to those of the Chiots in many respects.

The degree of success of entrepreneurial ventures depends on various factors, both external and internal, and comparison of the economic emigration of sea and land routes can fill out the picture of the Greek merchant-entrepreneur. I submit the following hypothesis: sea trade opened up business horizons for most of the members of the Greek economic diaspora and created a commercial tradition contrary to what happened to the corresponding overland trade. It is known that sea trade created surplus commercial capital through the captain-merchant who offered both services in sea transport and the means of transport, the ship. The carriers on land routes (*kiratzidhes*) do not seem to have played the same role in Greek commercial transactions. Par-

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[7] Registrations of the population in Austria and Hungary started during the reign of Maria-Theresia. See for example Gurther 1909 and Enepekides 1959. The registration mentioned here is reproduced in Stoianovich 1992: 17.

[8] A bibliography for Moschopolis is gathered in Peyfouss 1989.

ticularly important for land trade are non-economic factors, such as Ottoman assaults as well as local national uprisings, which threatened economic practice and upset commercial transactions in most of the small Balkan markets, the cradles of Greek merchants, such as Moschopolis, Philippoupolis, Meleniko etc. The importance of the quest for national identity, a quest that impregnated the multi-ethnic communities of the diaspora, combined with the political absolutism and economic feudalism of the places of settlement, should be stressed in connection with the early commercial diaspora of overland emigration to the Balkans, Central Europe and Russia. We can trace two common features in the formation of Greek merchant networks inside great empires. The first is that Greek merchant communities (*paroikies*) embraced all sub-groups of the same ethnic group. The comparison between the Greek communities in Austro-Hungarian and Russian economic centres (Pest, Vienna, Trieste, Nizna, Moscow, Odessa) during 1780-1830 and those in Britain (London, Manchester) during 1830-1870 share many similarities, namely the creation of a community, at the heart of which lay the Church, religion being central to the cohesion of the group as it offered social philanthropy to the weaker members of the community, thus providing a common and stable background for economic survival and differentiation. The second feature is that maritime transport and inland transport of foodstuffs, furs, leathers and cloth were organized on the same model - that is, social networks. The sub-groups present the same characteristics of an introvert social group that is reproduced through endogamy and reproduction of common cultural patterns, offering certain similarities with guilds. The transformation of social networks to trade networks was easily achieved through chain emigration, based on close relations with persons living in the place of origin.

Until the mid-nineteenth century, Greeks in the commercial enclaves of the Italian peninsula were engaged in a general import-export trade with the centres of the Ottoman Empire. Trade was based on tightly controlled merchant-commercial information and markets. One of the main functions of Greek merchants in the Italian peninsula, and particularly in the large Austrian port of Trieste (as is revealed by the relevant sources, see Katsiardi-Hering 1986), was commissioning merchandise from Ottoman lands and Greece, alongside personal business affairs. The client in the eastern port commissioned the buying and selling of merchandise or currency of interest to him, and the merchant in the western port executed these orders in the most profitable way, charging credit and issuing bills of exchange in his client's name, and keeping the agreed commission. Thus the expatriate-merchant provided his fellow merchant in Ottoman territory and Greece with knowledge of the western market through his active participation in commercial negotiations (Chatziioannou 2003). The same trade practices would follow similar patterns in other Greek merchant communities as well.

Knowledge of trade and transport of the same commodities, ways of penetrating the local market and a common language or dialect are some of the

basic reasons for cooperation between the first immigrants. The transition from simple middle-man trade to complex multi-national entrepreneurial activity indicates the formation of primary capital accumulation, the consequent successful management of a limited capital through social connections which led to access to abundant financial sources. The Mediterranean ports of the Italian peninsula had open, extra-dependent economies and did not belong to a unified state until 1862. The diaspora entrepreneurial group that stood out during the late eighteenth century in the Italian peninsula is that of the emigrants from the region of Epirus in northwest Greece. Emigrants from this region were found in all Greek settlements in the Italian peninsula in the eighteenth century.[9]

The Epirotes, the Vlachs and the Chiots constituted distinct groups within the Greek merchant communities. They formed different merchant networks sustained by maritime and inland transportation that traded agricultural, pastoral and manufactured goods within and outside the borders of the Ottoman Empire. The strengthening of the Chiot network in comparison to that of the Epirotes and that of the Vlachs may be attributed to the comparative advantages of maritime trade over land trade. Epirotes and Vlachs never managed to constitute a homogeneous force in the diaspora trade centres in which they settled, namely Moscow, Venice and Vienna, whereas Chiots formed 'cartels', wherever they established immigrant communities, particularly in London, maintaining strong ties with their native island (Chatziioannou and Harlaftis forthcoming). The Chiot success can equally be attributed to the more mature capitalist conditions that sustained it. The structure, the patterns and the evolution itself of the entrepreneur in the Habsburg Empire were strongly influenced by the court as well as by the imperial bureaucracy.

In contrast, in the British Empire the development of the liberal businessman provided different social patterns for the newcomers, the Chiot merchants. Establishment in Britain offered the Greek-diaspora merchants of the nineteenth century the unique experience of a competitive entrepreneurial environment, in addition to living within a society with a rigid class system which provided a variety of social and cultural patterns. Every diaspora Greek was aware of the social and economic rules of Victorian England. The archetype of the British entrepreneur, his business culture and practices, gave the prototype to Chiot entrepreneurship. England became the most important junction for the path and development of Greek trade networks. The liberal British political and economic framework provided all the right conditions for entrepreneurial competition: Greeks were brought face to face with the Germans, the Jews, the Scottish, the Irish - all ethnic groups that developed due to the family formation of their companies. That the Greeks competed with these ethnic groups is evident, and the ones that were able to withstand and were

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[9] Emigrants from Epirus constituted 13 per cent of the Greek community of Venice from the late sixteenth century until 1866 (Kyriakopoulou-Kyriakou 1978: 263-6. The history of the Durutti family, migrants from a small village of Epirus in the port of Ancona in the early nineteenth century is a typical example (Chatziioannou 1997: 17-41).

more resilient during the nineteenth century were able to assimilate socially and culturally into British bourgeois life, with the prime examples being Eustratius Ralli and Michael Rodocanachi.

The presence of the Vlachs in the Austro-Hungarian Empire can be detected from early on. The central administration in Vienna, in order to defend the southern borders of the Empire against the Ottomans, had formed, according to one historiographic interpretation, an informal defensive system that used the Vlachs as a 'zone-fence' which expanded from Belgrade along the river Sava to Vidin and Bucharest. The organization of this defensive system was facilitated by the particular social organization *(zantruga)* that was common in the southern Balkans (Wace and Thomson 1914; Nouzille 1991: 255-6). The concentration of the population of Vlachs along the boundaries brought the Vlach groups in contact with the roads of communication from the southern Balkans to central Europe. It is obvious that during a time and place when the differences between transporter and merchant were rather blurred, land transport could be made easy by the chain establishment of various groups of Vlachs in the main trading urban centres of the Balkans and central Europe. A known land route that led from Moschopoli to Salonica, then to Zemun and finally to Budapest, made the Vlachs, if not the only at least one of the few closely knit groups of merchants which carried on commerce between the Ottoman and Hapsburg Empires (Kasaba 1988: 20-1).

In short, we would characterize land economic emigration more limited than maritime economic emigration. Sea trade gave more opportunities for capital formation since the merchant captain not only owned the ship but also participated in the ownership of the cargo and in any profit. The equivalent *kiratzides* (land transporters) did not play the same role in the commercial transactions. In this way, land transport did not lead to the formation of an entrepreneur of the type which sea transport produced and which consequently led the Chiots to ship ownership (Harlaftis 1996). And in this case the place of establishment of the diaspora merchants proved the most important factor in the transformation of their business.

The period between 1875 and 1914 has been described by E. Hobsbawm under the old-fashioned title *The Age of Empires*. His study emphasizes the beginning of a new era for the international economy, focusing on the colonial features of the new imperialistic economy, affecting mostly the distribution of international trade (Hobsbawm 2000 [1987]: 61). The diaspora merchants, closely connected with the evolution of international transport and trade, would confront a critical turning point by the last quarter of the nineteenth century.

Looking back to the Ottoman-based Greek commercial migration that had been moving for over a century and had expanded through sea and land routes to Amsterdam, Calcutta, Beirut, Alexandria, Tunis, Minorca, etc., we may observe that by the last third of the nineteenth century such commercial migration was almost over. A major factor here was the slow disintegration of

the Ottoman Empire and the formation of the Greek national state. The formation of the Greek state (1828) and the associated return and settlement of expatriates marks the first watershed in the history of Greek emigration. This was a crucial historical moment for the whole of the Greek merchant diaspora,[10] offering a strategic turning point for declining merchant communities or a reorganization of business firms. Some of the old merchant networks of the Vlach and Epirote groups vanished, whereas others like the Chiot networks modified their organization and strategy following the paths of imperialistic expansion.

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[10] For a political view of the term 'diaspora' see Constas and Platias 1993: 3-2.

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3

THE FORMATION OF THE CHRISTIAN COMMERCIAL NETWORKS IN OTTOMAN IZMIR, EIGHTEENTH TO NINETEENTH CENTURY*

Communities and Commercial Networks

Izmir, Giaur (Infidel) Smyrna, is accepted as the historiographical model of a commercial port city in the Mediterranean dating from the large territorial and economic upheavals of the Ottoman Empire, at least from the seventeenth century. In the historical development of this commercial city we can identify three main themes that made it unique: a) Izmir was one of the ports that participated in and shaped world merchant capitalism in the Mediterranean, similarly to Genoa, Venice and Marseilles, b) the city's export trade, along with the positive trade balance of the Ottoman Empire, was fuelled by the agricultural products of Izmir's hinterland and informed the historiographical perception of Ottoman economic history which obscures the role of Muslim merchants in other areas, c) Izmir assembled a multinational and multiethnic Christian and Jewish commercial world unparalleled as to its dynamism and longevity, due to the timely formation of international commercial networks.

This competitive commercial port city in the Mediterranean, in the centre of the Anatolian coast, favoured communications and transport, especially after the decline of Bursa and Aleppo, as well as the shifting of intercontinental communications. From the mid-eighteenth century the economic vitality of the city was built on the dynamic commercial networks of the Dutch, French, and British. European traders relocated to Izmir and organised networks of agents, wholesalers and intermediaries, who scoured Izmir's *sanjak* (province) disrupting, in the long-term, the productive structures of the Ottoman Empire.

Turkish historian R. Kasaba has analysed two phases of development in the history of this port which experienced devastating earthquakes (1688, 1778) and often suffered from epidemics. The first phase dates from the first half of the seventeenth to the mid-eighteenth century, and the second from the mid-eighteenth to the early twentieth century.[1] The class of local merchants

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* This article was first published in Greek, Μαρία Χριστίνα Χατζηιωάννου, "Η συγκρότηση των χριστιανικών εμπορικών δικτύων στην οθωμανική Σμύρνη, 18ος-19ος αιώνας", in I. Καραχρήστος and Π. Ποτηρόπουλος (eds), *Σμύρνη: Η ανάπτυξη μιας μητρόπολης της Ανατολικής Μεσογείου (17ος αι. – 1922)* [Izmir: Development of a metropolis of the Eastern Mediterranean (17th c. – 1922)], *Proceedings of the International Scientific Conference*, Imittos, September 20–23, 2012, Academy of Athens, *Publications of the Hellenic Folklore Research Centre* 32, 2016, 95–109 (revised).

[1] R. Kasaba, "Izmir", *Review*, XVI/4 (1993), p. 388.

from Izmir's first heyday included Jews and Armenians. In the second phase, European merchants turned against them with ad hoc alliances to reduce the position of the local group in regional trade.[2] The Jewish Sabbatai Zevi, son of a commercial agent in the early seventeenth century, originated from Izmir. He was proclaimed as the Messiah of a Jewish group and then, after he converted to Islam, became the founder of a peculiar religious movement with messianic characteristics, the *Donme*.[3] What is interesting here is that this movement was supported by Jewish merchants, who constituted a particular group in Izmir, the *Smirli*,[4] an example that might suggest social and economic empowerment of local groups through trade, which led to political and religious challenges and confrontations. The interpretation of the rise of Christian commercial networks in Izmir during the second phase of development, from the mid-eighteenth to the early twentieth century and the known commercial competition between ethno-religious trade communities, can be enriched by examining individual case studies, their business organisation and behaviour. The importance of the organisation and strategy of these networks and their ability to restructure in the face of international market challenges as well as managing internal problems, has been researched.

Initially a supply centre for Istanbul and the Mediterranean North African countries (Algeria, Tunis, Tripolitania), Izmir slowly turned into an international trade centre, a business islet on the Asia Minor coast. The main feature differentiating it from other Ottoman business centres was that this port was connected to and depended directly on Western commercial capitalism not through processing activities, such as Bursa's silk industry, but through trade and transport, which were the main activities of Orthodox, Catholic and Protestant European traders. The decline of Jewish and Armenian merchants in Izmir can also be explained by the strengthening of commercial exchanges with Amsterdam, Trieste, and British ports at the expense of Marseilles, a shift in the world economy to which it seems that Jewish and Armenian commercial networks could not respond with flexibility or simply diversified elsewhere. In the interim the Armenian merchant houses of Marseilles that traded silk fabrics were left out of the competition.[5] The reduction in the transactions of the Armenian merchant houses in Izmir should not be related to the number of Armenians in the city which, according to some calculations

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[2] Ibid., p. 394.

[3] G. Koutzakiotis, *Awaiting the End of the World in the 17th Century. The Jewish Messiah and the Great Interpreter*, Institute of Historical Review, n.120, Athens 2011, 76–789 (in Greek).

[4] Philip Mansel, *Istanbul. City of the World's Desire 1453–1924*, London 1995, 141–142; I. Eisenberg, [entry] "Dönme", in *E. Brill's First Encyclopaedia of Islam, 1913–1936*, vol. II, Leiden 1987, 1073.

[5] O. Raveux, "Entre réseau communautaire intercontinental et intégration locale: la colonie marseillaise des marchands arméniens de la Nouvelle-Djoulfa (Ispahan), 1669–1695", *Revue d'histoire moderne et contemporaine*, 59/1 (2012), 83–102.

totalled 7,000 in 1891 and are often mentioned in historical documents together with the Jews and the Greeks, under the umbrella term 'Levantine'.[6]

The study of the strategy elaborated by different commercial houses in order to survive and expand, highlights aspects of entrepreneurship within the Mediterranean commercial world. The weaker the economic system of trade and finance, due to the risk, uncertainty, and lack of institutions, the greater was the investment in personal faith and kinship links, a characteristic that often made it impossible to achieve business diversification within these commercial networks. The history of Izmir's commercial networks and trade influenced a large part of the relevant historiography on the Ottoman economy and supported conceptual schemes concerning the dependence theory of the centre and the periphery, and unequal exchanges. Subsequently focus was given to non-Muslim communal organisation and ethnic coexistence based on trade.[7]

The first phase of Izmir's development was accompanied by the reorientation of the Bursa-Istanbul-Izmir overland trade. Western demand favoured the export of raw materials from Izmir, such as silk which was no longer intended for local manufacturers in Bursa and Istanbul, but which took the maritime route to Western industry. In the period when long-distance trade shifted to trading goods from the rural hinterland of Izmir, the commercial networks of foreign communities were set up there[8]. From the mid-eighteenth century, the city's economic vitality was built on new dynamic commercial networks, and Dutch, French, and British commercial companies. European merchants relocated to Izmir and organised networks of commercial

[6] G. Dédéyan, "Les 'traducteurs de Smyrne': une ambiance comparatiste?", *Revue de littérature comparée*, 336/4 (2010), 412. For earlier uses of the term, F. V. Tagliaferri, "In the Process of Being Levantines. The 'Levantinization' of the Catholic Community of Izmir (1683–1724)", *Turkish Historical Review* 7 (2016), 86–112.

[7] The general historiographical view is represented by works such as H.A.R. Gibb and H. Bowen, *Islamic Society and the West*, London 1950; B. McGowan, *Economic Life in Ottoman Europe. Taxation, Trade and the Struggle for Land, 1600–1800*, Cambridge 1981; H. Islamoğlu-Inan (ed.), *The Ottoman Empire and the World Economy*, Cambridge 1987; R. Owen, *The Middle East and the World Economy, 1800–1914*, New York 2011. For different views on Izmir's history, E. Frangakis-Syrett, *The Commerce of Smyrna in the Eighteenth Century (1700–1820)*, Bibliotheca Asiae Minoris Historica, no. 2., Athens 1992; D. Goffman, "Izmir: From Village to Colonial Port City", in E. Eldem, D. Goffman and Br. Masters (eds), *The Ottoman City between East and West: Aleppo, Izmir, and Istanbul*, Cambridge 1999, 79–134; S. Zandi-Sayek, *Ottoman Izmir: The Rise of a Cosmopolitan Port, 1840–1880*, Minneapolis 2012.

[8] Foreign travellers who roamed Asia Minor during the nineteenth century described Izmir and its hinterland: See Ch. Texier, *Asie Mineure. Description géographique, historique et archéologique des provinces et des villes de la Chersonèse d'Asie*, Paris 1862, 306–308. Some recognised the possibility of exploiting the rich uncultivated lands between Izmir and Magnesia. See W. Nassau senior, *A Journal Kept in Turkey and Greece in the Autumn of 1857 and the Beginning of 1858*, London 1859, 192. Indeed, the production of agricultural commodities increased fivefold in the region of Izmir: R. Kasaba, *The Ottoman Empire and the World Economy: The Nineteenth Century*, Albany 1988, 120–122.

agents, wholesalers and itinerant traders who roamed the *sanjak* of Izmir, in the long-run disrupting the productive structures of the Ottoman Empire.

In the late sixteenth century, Izmir numbered 2,000 inhabitants, while in 1770 to 1780 it numbered about 30,000 people. In order to have a benchmark, we will do a comparison with Istanbul which, in the late seventeenth century, numbered 600,000 inhabitants of whom about 250,000 were Greeks.[9] The great difference however between the Greeks of Izmir and Istanbul is not the difference in numbers, but the different type of social evolution, since in Izmir this social evolution entailed a career in trade. By contrast given the historical past of Byzantium, Istanbul managed social clashes and ideological confrontations – such as that between Phanariots and wealthy merchants from the eighteenth century – differently.[10] The pursuit of government positions and functions, the diplomatic and consular intermediation, as well as the financial operations of Istanbul's Greeks encouraged a bourgeois development with a different basis from that of corporate organisation, the pre-purchase of agricultural products, and the organisation of maritime trade by the Greeks of Izmir.

Already from the eighteenth century, the development of trade in Izmir was the main reason that attracted diverse people from the Asia Minor hinterland, Thessaloniki, Aleppo, Bursa and Istanbul, to that port city. Those from the Greek geographical area of the Ottoman Empire who settled in Izmir came mainly from the Aegean islands and the Peloponnese.[11] These settlers contributed to the establishment and development of an "autonomous" market in the Ottoman Empire that constantly attracted newcomers. Of all the Greek settlers in Izmir, the group that would benefit most, because of the geographical proximity of their island to the dynamic Ottoman port, were the Chians. Even though Izmir did not have a good road network with its hinterland and rail connections were built only after the mid-nineteenth century, it quickly became the most important commercial hub of the region.[12] Since the eighteenth century many commodities of the Ottoman world like silk, wool, cotton,

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[9] On the coexistence of different trading communities in Izmir and the organisation of the Greek community, see: M.-C. Smyrnelis, *Une société hors de soi, identités et relations sociales à Smyrne aux XVIIIe et XIX siècles*, Paris 2005; D. Goffman, *Izmir and the Levantine World, 1550–1650*, [Publications on the Near East, University of Washington, 5], Seattle 1990, 83.

[10] The Phanariots were an elite group of Greek Orthodox powerbrokers who dominated the administration of the Western Ottoman Empire from the 1600s until the Tanzimat reforms. There are several accounts on the Phanariots, on their social differentiation, Chr. Patrinelis, "The Phanariots before 1821", in the *Proceedings of the Scientific Conference, Rums in the Service of the Sublime Porte, Athens, January 13, 2001*, Athens 2002, 21 (in Greek).

[11] Trade with the Aegean islands attracted inhabitants of Cycladic descent to Izmir, before the Treaty of Küçük Kaynarca (1774). V. Sfyroeras, "Migrations and Settlements of Cycladic Inhabitants to Izmir during the Turkish Occupation", *Mikrasiatika Chronika* 10 (1963), 164–199; D. Goffman, *Izmir*, op. cit., 68–85. For the selective migration of Chians to Izmir, see E. Frangakis-Syrett, *Chian Merchants in International Trade, 1750–1850*, Athens 1995, 20–25.

[12] S. Anagnostopoulou, *Asia Minor 19th Century–1919. The Greek-Orthodox Communities: From the Rum Millet to the Greek Nation*, Athens 1997, 331 onwards (in Greek).

dyes, fruits (raisins, figs), and rugs were gathered and exported from its port. From the export products we can detect the dynamics of the main commercial cultivations: cotton and raisins. During this period, almost one third of all annual exports passed through the port of Izmir.[13]

The Orthodox group of Izmir's Greeks established a unique political and cultural centre of influence for a whole constellation of neighbouring Greek Orthodox inhabitants. Along with these non-Muslim commercial communities, powerful local Ottoman families benefited from the increased European demand for raw materials accompanying the industrial revolution. The frequent trade relations resulted in the intensification of farming in the rural hinterland of Izmir. The relationship of the areas of production to the export port of Izmir depended on the geographical distance, but mostly on finding an appropriate business partner; an indispensable conjunct with agricultural production.

A contemporary account of the early nineteenth century is characteristic: "The four groups of the Ottomans, the Jews, the Armenians and Greeks each have their own Common [corporation], and all together a joint corporation, the so-called *Kazanion*, from which they pay accordingly the specified royal taxes". A cross-community "corporation" existed in an Ottoman environment but Ottoman Turks had also been affected by the uniqueness of this market, as revealed in the name "the Smyrniot Turks".[14] Beneath the general picture of communal and family coexistence, we can detect contradictions and inconsistencies. An important aspect of the development of trade in Izmir from the late eighteenth century was that it was based on a very diverse local group of traders with international economic access, who constituted the trade communities of Izmir. European Catholics but also Protestants and Orthodox of different origins organised economic and social life in the port, looking for links to local agricultural production. Many latent private stories determined the public market place, and are often difficult to recognise today due to economic or national expectations projected on the local level.

Izmir – Amsterdam: Corporate Transitions and Internal Conflicts

The penetration of the Ottoman economy by the Dutch starts after 1612 and the Capitulation Act of Sultan Ahmed I, who granted them trading rights. Essentially after 1650, Dutch commercial interests were apparent in the Aegean, focusing on Izmir. Cotton dominated as the export product of Izmir and Greeks operating in a free-trade regime under the protection of the Dutch. These were mainly Chian businesses with agents in Istanbul, Izmir and a

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[13] E. Frangakis-Syrett, *The Commerce of Smyrna*, op. cit., 119.

[14] K. Economou, "Politeiografía. Impromptu Dissertation on Izmir", *Hermes o Logios, Z ΄*, 1817, 520–530.

Western European port. The centre of Dutch diplomacy in the Ottoman Empire was the embassy in Istanbul. It was an embassy with a long history and influence on the Greek intelligentsia from the seventeenth century, the golden age of the Netherlands at all levels of trade growth, scientific development and religious pursuits. The Dutch scientific and commercial interest in Istanbul matched that of Greece, while at the same time it enabled Greek interests in obtaining direct access via Dutch diplomacy. In this way, a circle of Greeks – from Giorgos Karantzas to the Giannena merchant, Ioannis Agoras – with shared economic interests was formed around the Dutch embassy in Istanbul. These webs of networking relations strengthened Greek-Dutch encounters in the Mediterranean.

According to known sources, among the recognised Greek merchants who traded with Izmir from Amsterdam, were Adamantios Korais and Stamatis Petrou, Ioannis Prigos and Dimitrios Kourmoulis.[15] From the material available, it is obvious that the main problem for Izmir's merchant houses was financing the volume of their trade. The geographical and economic diversification of Greek firms relied heavily on reducing the cost of purchases and the transport cost of products, since they could not bear the cost of pre-purchases of agricultural products. The limited funds of Greek merchant houses were not sufficient to cover the range of their commercial activities, so they resorted to external borrowing. In addition to that, warfare and political aberrations slowed the circulation rate of goods and hence capital, often leading to bankruptcies and corporate reorganisation. Thus the solution to finance trade was internal borrowing from their family or ethnic-religious group, getting access to European financial sources (French, British), or the use of creditworthy bills of exchange.[16]

The development of a merchant house and the diversification of a Christian network from Ottoman Izmir in Amsterdam during the last quarter of the eighteenth century is evidenced in the clear testimony of the Chiot Adamantios Korais, who described the transnational textile trade between the two major commercial ports. Korais writes:

> My father sold silk, trading in the so-called Vezestenion [market] of Izmir ... He desired to extend his trade by sea to Holland, as his father-in-law and my

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[15] S. Petrou, *Letters from Amsterdam*, ed. and introd. F. Iliou, Athens 1976; E. Skouvaras, *Ioannis Prigos 1725–1789: The Greek Community in Amsterdam, the School and Library of Zagora*, Athens: Historical and Folklore Society of Thessalians 1964; B.J. Slot, "Dimitrios Kourmoulis and the International Trade of the Greeks in the Years 1770 to 1784", *Mnemosyne* 5 (1974–5), 115–149 (in Greek). The latter's archive is located at the state archive in The Hague (Algemeen Rijksarchief) and a doctoral thesis is being drafted on this merchant house at the History Department of the National and Kapodistrian University of Athens.

[16] B.J. Slot, "Relations Between the Netherlands and Greece from the XVIIth Century until Kapodistrias", *Parnassos* 19 (1977), 263–285 (in Greek).

> grandfather had done, but he desired to collaborate with a man he was familiar with there, and not to trade through the Dutch, as my grandfather did.[17]

This personal trading firm operated first in Izmir's market and used the Dutch network for its international exchanges in Amsterdam. In the next generation this firm took over the management of international transactions in Amsterdam too. Shortly afterwards, Greek ships carried goods to Great Britain on behalf of the Levant Company. Greek commercial maritime networks were slowly being set up throughout the Mediterranean, Northern Europe and the Black Sea, based on kinship relations and shared local values.[18]

In the early nineteenth century (1819) a communal conflict broke out between Greek intermediaries of foreign merchant houses and Greek commercial networks in Izmir. This was yet more evidence of the quantitative increase both in members of the Greek community and the wealth they had accumulated there. This growth led to a consequent social differentiation and an increase in personal demands and aspirations. A known conflict with ideological and social parameters was the one that erupted in the Greek community after the establishment of the Philological Gymnasium (1808), a new educational institution.[19] The conventional Evaggeliki scholi, which had as its motto the phrase "The birth of wisdom comes from fear of the Lord", confronted the Philological Gymnasium, which had been established by "men of Izmir who innovated". It should be noted that in the early nineteenth century the first generation of merchants of the Greek-Dutch commercial networks who had supported the Evaggeliki scholi had either died or retired.[20]

The history of a family dispute in a Greek merchant house based in Izmir, and reconstructed mainly from information that was made public in a pamphlet, is a valuable testimony that illuminates the history of the Greek community and the socio-cultural differentiations that took place within family commercial networks in the course of the nineteenth century. The house of Petros Martzellas was established in the eighteenth century, based on transactions between Izmir and Amsterdam. In the second generation, along with his sons Ioannis and Nikolaos, he had expanded his trade relations to Marseilles and London. Petros Martzellas of Ioannis, was a Greek merchant based in Holland, and his mother Angeliki was the daughter of Ioannis Mavrogordatos and Christina Kana, sister of one of the well-known founders of

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[17] *Life of Adamantios Korais written by himself*, Paris 1833 (in Greek). http://www.snhell.gr/testimonies/content.asp?id=104&author_id=68; S. Petrou, *Letters*, op. cit., 85–86.

[18] E. Frangakis-Syrett, *Chian Merchants in International Trade* op. cit., 100–101; D. Vlami, *Trading with the Ottomans: The Levant Company in the Middle East*, London & New York 2015.

[19] F. Iliou, *Social Struggles and Enlightenment. The Case of Izmir (1819)* [Study of Modern Hellenism, Theory and History Studies, 3], Athens 1986 (1st edition 1981), 10, 13 (in Greek).

[20] For example, I. Kanas had died in Bornova in 1798. M. Paranikas, *History of the Evangelical School of Izmir*, Athens 1885, 80 (in Greek).

the Evaggeliki scholi in Izmir.[21] Petros Martzellas had 11 children of whom three girls – Chrysoula, Stamatia and Magdalini – and two boys, Ioannis and Nikolaos, had survived.[22] He belonged to the merchants of Izmir who had supported Dutch trade and knew Adamantios Korais.[23] In 1797 the "Martzella brothers", Ottoman subjects who had settled in Amsterdam along with the merchant houses of I. Mavrogordatos, G. Pitzipios & Co., D. Skilitzis & Co., Tomazakis & Co., and M. Paterakis, were called upon to provide contributions to the Sublime Porte for Ottoman military operations, as were all Ottoman subjects and Dutch citizens who were living in the Ottoman Empire.[24]

Petros Martzellas' elder son Ioannis was born in 1812 in Izmir. At that time the city had 150,000 residents, of which roughly two fifths were Christian Greeks.[25] Ioannis was one of the second generation merchants of Izmir who had supported a tradition of Greek-Orthodox economic and cultural life, based on the same beliefs, practices and organisation patterns as previous generations. His family, similar to that of Korais, had made its wealth through the Dutch trade in the Mediterranean. Their personal enrichment through trade and material prosperity had been strengthened by charitable activities in the Greek community. We know that when Ioannis Martzellas died he was the treasurer of the Evaggeliki scholi. A merchant's active participation in the public life of his ethno-religious community was a common practice in all Greek communities in the Ottoman Empire and the Diaspora world.[26] In August 1883, the merchant Ioannis Martzellas passed away in Izmir. His story reveals a web of personal relationships that through microhistorical analysis, illuminate aspects of transformations of the Greek community in that Ottoman Mediterranean market. Beneath the community bonds based on language,

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[21] Letter of Adamantios Korais (Paris) to Alexandros Vasiliou (Vienna), 9 September 1812, in Adamantios Korais, *Correspondence*, editorial board K. Th. Dimaras, Alkis Angelou, Katerina Koumarianou and Emmanuel N. Frangiskos, vol. 3 (1810–1816), Athens 1979, 232 (in Greek).

[22] M. Paranikas, *History of the Evangelical School*, op. cit., i-j.

[23] In fact he had asked him to send to him from Amsterdam an edition of "Hierocles' Jests". Letter of Adamantios Korais (Paris) to Alexandros Vasiliou (Vienna), 9 September 1812, in Adamantios Korais, *Correspondence*, op. cit., 232. This is an edition by Korais himself, see M. Chios, *Jests of Philosopher Hierocles*, Paris 1812, in Em. Frangiskos, (ed.), *Adamantios Korais, Foreword to the Ancient Greek Writers*, Athens 1988, vol. II, 141–180 (in Greek).

[24] See reference to the Dutch ambassador in Istanbul, 3 May 1797 in J.G. Nanninga, *Bronnen tot de geschiedenis van den Levantschen Handel*, vol. 4/1 (1765–1826), 's-Gravenhage 1964, 583. A year earlier the Martzella brothers had loaded 213 frames of figs and 62 small frames of raisins from Izmir to Amsterdam, in a collective charter, shipping agricultural products valued at 113,125 florins, in cooperation with St. Isaia, M. Paterakis, D. Skylitzes, Tomazakis and another six Dutch merchants. See J.G. Nanninga, *Bronnen tot de geschiedenis van den Levantschen Handel*, vol. 4/2 (1765–1826), 's-Gravenhage 1966, 1363–1364.

[25] K. Economou, "Politeiografía", op. cit., 19.

[26] See the example of Trieste; O. Katsiardi-Hering, *The Greek Community of Trieste: 1751–1830*, [Library of Sofia N. Saripolou / National and Kapodistrian University of Athens, Faculty of Philosophy, 52], Athens: National and Kapodistrian University of Athens, Faculty of Philosophy, vol. 1, 1986, 39 af. Specifically in relation to the establishment and operation of schools, 251–306 (in Greek).

religion, and family partnerships, disagreements and rivalries can be detected that challenge historiographical assumptions and beliefs that ethnic communities were supported by perpetual "natural" bonds of trust.

Two years after Ioannis Martzellas' death, Matthaios Paranikas printed in Athens the history of the Evaggeliki scholi of Izmir and dedicated it to its main benefactor, Ioannis Martzellas himself.[27] He stated that the school had been established in 1773. A few years later, in 1778, it was destroyed by fire and rebuilt with contributions from the merchants I. Kanas, I. Mayrogordatos, I. Omirou, M. Kourmouzis, and D. Bahatoris. To a large extent, the school had been maintained thanks to its large real estate assets, rents, but also the "alms" and "contributions" it received. The donations made by Izmir merchants for the foundation and operation of this school are quite well known.[28] Roughly every 50 years, the Evaggeliki scholi suffered damage by fire: in 1778, 1842 and 1881. Each time, the cost of reconstruction was undertaken by a new generation of merchants in Izmir. After the last fire, the merchant Ioannis Martzellas spent 700,000 *kuruş* and for this he was named as the school's "Great benefacto".[29] According to the definition of "benefaction" of the time, his name was associated with noble work and kindness.[30]

This example presents a peculiarity, which could be interpreted as part of a coincidental family conflict or as an economic and cultural differentiation at the end of the nineteenth century which contested the introvert model of the Greek Orthodox community of Izmir. The new element in this family matter is the fact that since it was printed in a pamphlet, it was publicised. Soon after the death of his brother, Nikolaos Martzellas began a legal battle disputing the ownership of his brother Ioannis' private property, who most probably did not have any other male relatives. Nikolaos Martzellas lived in Marseilles and London for business reasons but had returned to Izmir after receiving the news of his brother's death. In the meantime, all of Ioannis' fortune had been channelled into the Evaggeliki scholi and charitable foundations of Izmir. The sense of unity within the local community had been strengthened through years of benevolent actions and charity.[31] In the case of Ioannis, always according to his brother, his personal keys and money were always to be found mixed up with those of the Evaggeliki scholi. It seems it was known that he kept common ledgers for both his personal accounts and those of the Evagge-

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[27] M. Paranikas, *History of the Evangelical School*, op. cit.; θ' ι.

[28] F. Iliou, *Social Struggles*, op. cit.

[29] M. Paranikas, *History of the Evangelical* School, op. cit., 72.

[30] A. Gazis, *Greek Dictionary for those who Study old Authors, First edition, editing and correction Spyridon Vlantis, first volume, A-T,* In Venice, Printed M. Glyki of Ioannina 1809, f. 1746 (in Greek).

[31] For a similar case in the Greek-Orthodox "nation" in Venice, M. Grenet, "Moralités marchandes et charité communautaire", *Rives méditerranéennes* [En ligne], 49, mis en ligne le 15 novembre 2015, URL: http://rives.revues.org/4740.

liki scholi: "He constantly lent to the Evaggeliki scholi important sums for the alleviation of its urgent debts".[32]

These entangled transactions should not necessarily lead us to interpret them as signs of corruption, but rather that there was a different view of private and community wealth in Izmir, especially since the Evaggeliki scholi was a community institution that had been created and maintained exclusively by the merchants there. At the same time, this specific example demonstrates the effect of the absence of a genealogical continuity. The Evaggeliki scholi could become the "home" and the posthumous memorial for an heirless merchant. Ioannis Martzella's fortune was calculated, according to a report prepared by his brother, at 45,000 Ottoman lira, an amount slightly higher than the sum he had spent repairing the Evaggeliki scholi back in 1881. After his death, the school administrators opened his two safes which contained a medal, various documents, securities, bonds, debit receipts, shares of the Lavrion mining company and Archangelos insurance company, as well as cash. That was a typical merchant's fortune of his time. The opening of his safes had taken place with the consent of Ioannis' two elderly sisters in Izmir, Stamatoula and Magdalini, whom Nikolaos described as "dotard" and "senile old ladies". The most important issue was that this peculiar posthumous donation also included a building on 15 Abraham Street, in Izmir. The property had been purchased in 1862 from the two brothers, Ioannis and Nikolaos Martzellas, in the name of their sister, Magdalini, who had Ottoman citizenship, as the two brothers, who were foreign nationals, had no right to landed property in Izmir.[33] When Nikolaos returned to Izmir after his brother's death, he found the house sealed. The administrators of the Evaggeliki scholi had removed everything to raise funds for the charitable institutions of Izmir, with the approval of the two women. Nikolaos Martzellas protested, invoking his French citizenship and even asked the Dutch consulate to step in and resolve the dispute.[34]

In this case the multiethnic community of Izmir, through consular agency, was asked to offer a solution to a Greek Orthodox family, involving contradicting hereditary problems and communal practices. One brother, left behind at the nerve centre of the family network in Izmir, had remained attached to the practices of the Greek Orthodox community, serving both the unity of the family and community. The other brother, having resided in Europe and conducted economic activities in Marseilles and London, had distin-

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[32] N. Martzellas, *Summary of Events during the Demise of Ioannis Martzellas from Izmir, which took place on 31/12 August 1883*, Athens 1885, 6 (in Greek).

[33] Property ownership rights were granted to foreign nationals with the law of 1868, see D. Nikolaidis, *Ottoman Codes: Collection of the Complete Laws of the Ottoman Empire, Decrees, Circulars, Directives and Regulations, volume II, Laws, Circulars and other Relevant Materials relating to the Provisions of the Civil Code Books*, Istanbul 1890, 1561–1563 (in Greek).

[34] Martzellas, *Summary of Events*, op. cit., 7.

guished family unity from community unity and was claiming his personal rights.

Corporate Organisation and Entrepreneurship

The organisation of the French trade from Marseilles to Izmir was initially based on the settlement there of about 50 merchants under French protection, even before the mid-eighteenth century. As part of the development of trade, in 1759 the powerful house of Roux in Marseilles established a "*commandite*" in Izmir called Garavaque-Cusson, with an operating capital of 60,000 francs, aimed at controlling the economic activity in Izmir's market more effectively.[35]

The continuous nineteenth-century growth in trade volumes brought changes in the organisation of Izmir's commercial networks. The breakthrough in the development of the Ottoman economy was the granting of capitulations, trade agreements between the Ottoman Empire and European countries, which favoured the unimpeded movement of British and French goods in the East. The impact of these conditions was catalytic for the Ottoman Empire's foreign trade, but also for its organisation. The Europeans, who increased the volume of transactions, used local merchants as intermediaries to ensure their access to the interior of Asia Minor, but also displace other smaller commercial networks from the region by bringing economic competition to its zenith.[36]

It is well known that the Anglo-Ottoman Trade Agreement of 1838 had expanded Izmir's trading activities, so that after 1845, 20 new blocks of buildings had been built on the northern side of the city to welcome Greeks, Maltese and other new settlers. The Tanzimat reforms promulgated in the Ottoman Empire between 1839 and 1876 among other changes had inaugurated a mixed commercial court, via the Ottoman Citizenship Act (Tabiyet-I Osmaniye Kanunu) in 1869, which established Ottoman citizenship irrespective of ethnic origins. A new institutional framework was set up that redefined the terms of social power. Urban ownership could yield revenue but

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[35] S. Lupo, "'Vous m'aves si fort imposer de ne pas répliquer…'. Réseaux et hiérarchie dans une commandite marseillaise à Smyrne au XVIII s., *Historical Review* 7 (2010), 38–39; and analytically S. Lupo, *Révolution(s) d'échelles: Le marché levantin et la crise du commerce marseillais au miroir des maisons Roux et de leurs relais à Smyrne (1740–1787)*, Thèse de doctorat en Histoire, à Aix-Marseille, dans le cadre de Ecole Doctorale Espaces, Cultures, Sociétés (Aix-en-Provence) 2015.

[36] S. Pamuk, *The Ottoman Empire and European Capitalism, 1820–1913: Trade, Investment and Production*, Cambridge Middle East Library, New York 1987, 18–21; E. Frangakis-Syrett, "Implementation of the 1838 Anglo-Turkish Convention on Izmir's Trade: European and Minority Merchants", *New Perspectives on Turkey*, 7 (1992), 91–112; E. Frangakis-Syrett, "Commerce in the Eastern Mediterranean from the Early Twentieth Century: The City-port of Izmir and its Hinterland", *International Journal of Maritime History*, 10/2 (1998), 138–141.

could also attribute social identity beyond the narrow limits of ethnic identity.[37] The late V. Kehriotis identified the contradictions in the Ottomanisation of the Greek Christians and Turkish Muslims of Izmir since the local municipal assembly there had from 1868 paved the way for a broad participation in public affairs by the middle classes regardless of their ethnic origins.[38]

Although we know that the Tanzimat reforms gave a new impetus to Izmir's trade and attracted new settlers, we also know that a number of merchants were pushed out of competition in Izmir's market. The key example here is the Geroussi merchant house established by the three brothers, Sotiris, Manolis, and Konstantinos. They were born in the late eighteenth century, and were raised in Izmir, which had already emerged as the most important commercial hub in Asia Minor and a main port for the export of the agricultural, livestock and manufacturing production of Ottoman Anatolia. The Geroussi brothers had founded a merchant house in Izmir and Trieste before the 1821 Greek Revolution, but the fluctuating conditions of the revolutionary decade led them to expand their entrepreneurial activities and opt for a flexible company structure. They benefited from the developing shipping port of Hermoupolis – where Manolis Gerousis had been living since 1823 – and organised a personal network, which served the circulation of agricultural products and the import of manufactured goods. In 1826 Sotiris Gerousis moved to Trieste, which was a key place for the merchant house, since it linked the house to international trade and European markets.

Through the family organisation, the Geroussi merchant house mobilised simple corporate forms of capital funding and formed a flexible commercial network in the Eastern Mediterranean area serving international trade from the late eighteenth century up to the first decades of the nineteenth century. The profitable business organisation and commercial operations were heavily dependent on the timely and correct use of commercial information, which had to be in harmony with the given supply and demand of the market. Economic forecasting consisted of careful market observation of competitors' moves, assessment of economic and political factors, and self-evaluation of individual capabilities within the family business strategy. The role of local partners in Ottoman Izmir and Modern Greek Hermoupolis consisted of the evaluation and transmission of accurate and secure information to Trieste.

Following the pattern of the family merchant house of the Geroussi brothers and capital organisation via simple commercial partnerships, a versatile commercial network was formed in the Eastern Mediterranean that served the international trade of open borders until the first decades of the nineteenth century. Profitable business organisation depended heavily on the timely and efficient use of commercial information matched to the given supply and de-

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[37] S. Zandi-Sayek, *Ottoman Izmir*, op. cit., 42–43.

[38] V. Kechriotis, "Protecting the City's Interest: The Greek Orthodox and the Conflict between Municipal and Vilayet Authorities in Izmir (Smyrna) in the Second Constitutional Period", *Mediterranean Historical Review*, 24/2 (2009), 207–221.

mand of the market. Economic forecasting was summarised through careful surveying of the market, the observation of competitors' moves, the assessment of economic and political factors, as well as the assessment of individual capabilities within the general business milieu. The main characteristic which constituted an obstacle to capitalist evaluation was that information and goods circulated at the same speed and this delayed the movement of capital and limited the perspectives of a long-run business strategy.

The most profitable business for the medium-sized Greek houses of the Ottoman Empire, such as the Geroussi Brothers, was to provide small loans in Izmir's market. The strategy was to lend money in the *East* with a high annual rate while paying a much lower exchange difference in the *West*. The second profitable business option was to undertake exports for third parties (commissions) from Izmir to Trieste. Success meant achieving quick and frequent transport orders for agricultural products purchased at low prices from Izmir to Trieste. The positive export trade was balanced with the import of foreign exchange. Finally, a last but necessary operation was to import manufactured goods from the *West*, an operation that was of little interest to local merchants, as Izmir was a market with limited consumption demand in the first decades of the nineteenth century.

Trade and movement of goods along with the organisation of a trusted commercial network formed the basis of business activities for the merchant houses of Izmir. The Geroussi brothers' merchant house has bequeathed us a valuable archival testimony to the world of trade transactions in Izmir.[39] The Geroussi house in Izmir followed the typology of international houses, like those described by Stanley Chapman; that is, a trading company that operated simultaneously in two or more countries.[40] Already in the eighteenth century it was known that trade required the mobilisation of several partners through small personal partnerships like the *commandite*. The accomplishment of an international economic presence for the Geroussi brothers was not attained following religious or political persecution. It was entrepreneurial strategy that led them to leave Izmir behind; when they could not compete with stronger merchant houses they chose not to remain trapped in the Ottoman market. Following their entrepreneurial strategy, they reorganised the establishment of all three brothers' trade activities in the rising market of Modern Greek Patras in the 1830s.

The study of the strategy with which different houses survived highlights aspects of entrepreneurship in economic competition. The central problem of every merchant was to choose which opportunity would be most advantageous in a competitive world of buyers and sellers, as the future was unknowable and economic forecasts were extremely difficult. The probability

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[39] M.C. Chatziioannou, *Family Strategy and Commercial Competition. The House of Geroussi in the 19th Century*, Athens 2003 (in Greek).

[40] St. Chapman, "The International Houses. The Continental Contribution to British Commerce, 1800–1860", *Journal of European Economic History*, 6/1 (1977), 5–9.

of a loss of capital (financial or social) and reduction of profits was prevalent in their transactions.

Among the high internal and external risks faced by the merchant houses in Izmir were family disputes and rivalries that affected partnerships, natural hazards (earthquakes, fires, weather hazards, and plagues), military conflicts, maritime piracy, and undeveloped technology to mitigate risks, such as an inadequate system of lighthouses. There were some recurring risks and therefore a primary control system was set up. The insurance market for ships and cargo that developed in the West during the eighteenth century did not provide for all types of losses, such as delays in trade and seasonal endemic recessions in the markets. This made speculative trading inevitable, since commercial decisions were asymmetric with the information on which they were based.

Maritime trade was the more convenient choice than supra-regional transactions for Greek merchants with small capital. Wealth was rarely inherited, until the first decades of the nineteenth century. What could more easily be passed on from one generation to another was a system of personal relations, individual creditworthiness and good reputation – social capital. Merchants who participated in this value system were able to choose, earn, accumulate, invest and, of course, insure. The key in a commercial world of risk and uncertainty was sound access to foreign credit – access to sources of cash in order to deal with frequent risks. The City of London was the rising financial centre at the beginning of the nineteenth century.[41] The organisation of a network based on family and locality is similar in commercial firms operating at different places and at different times. The techniques they invented, the business strategy they adopted to solve the problems of funding for their exchanges, finding different markets for the same goods, and the formation of parallel and small partnerships, characterise the typology and demonstrate the particularity of each commercial enterprise. In markets like Izmir where various ethnic and religious groups gathered, entrepreneurship could be individuated in different groups. The business incentives developed within these groups were also incorporated in their cultural values.

Epilogue

Summing up this survey on commercial network organisation, strategy and behaviour, we observe that Izmir began to emerge as a trade magnet in the seventeenth century, attracting Jewish and Armenian merchants, while Greek, French, English, and Dutch merchants slowly started settling in this new commercial hub, in order to compete in other markets and with other mer-

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[41] The Geroussi merchant house transferred from Ottoman Izmir in the 1830s to the Greek state and from there got access to London. M.C. Chatziioannou, *Family Strategy and Commercial Competition*, op. cit.

chants, like the Venetian merchants in Aleppo. At the same time, the Ottoman administration focused on supplying the palace, the army and Istanbul, while discouraging the development of coastal cities where the existence of competing foreign commercial networks would lead to rising commodity prices. The Ottoman administration saw foreign trade as a source of revenue from customs duties, mainly from the trade in luxury goods, while the increase in international trade of local agricultural goods could escape Ottoman state control, as indeed happened. After the Passarowitz Treaty (1718) the development of European trade in the Eastern Mediterranean was large in terms of volume and value, and this is what led to the growth of the port city of Izmir. The entry of European merchants and trade with European ports brought social and political clashes and differentiations at all levels of private and public life.

However, the interpretive use and misuse of the European trade hegemony has not altered the image of European-Ottoman trade, as it has been shaped mainly by the historiographical production of Turkish, French, American, and Greek historians from the 1980s to the present day. The study, however, of the merchant houses and networks reveals another historiographical issue, that of corporate organisation, of financial support and the comparative study of national and religious business behaviour. Finally, the micro-analysis of these networks and commercial houses may still enrich the often one-dimensional interpretations of this port city, shift away from macro-Ottoman views, and begin to individuate the dynamics of change differently.

4

THE DEVELOPMENT OF A TRADITIONAL FIRM DURING THE FIRST HALF OF THE NINETEENTH CENTURY*

The Adriatic Exchange System

The history of the Durutti family is one of the most representative examples of the Greek merchant diaspora during the first half of the nineteenth century.[1] Its course from the mountains of Epirus under Ottoman rule to the Greek community of Ancona, the Adriatic port of the Papal States, and thence its settlement in the newly-founded Greek kingdom, underlines significant aspects of modern Greek economic and social history. The case of the Durutti family conforms to a classic economic migration pattern of Greek Diaspora before the war of national independence. From a highland village with cottage-industrial activities conducive to commercial migration, the Durutti entered the wider Adriatic system, to which they were no strangers, since a large part of Epirus as well as the Ionian Islands had been participants for a long time.

The Durutti family hailed from Kalarytes, a Vlach village within the geographical, administrative and economic ambit of Ioannina, the administrative centre in Epirus. A large part of the Kalarytians' trading transactions during the eighteenth century took place in Ioannina, the principal product being the coarse woollen cloth known as *skouti* which was used for making the capes or *capotes* worn by shepherds and farmers in Greece and Albania, as well as mariners in the Adriatic Sea. *Skouti* was a second-class textile compared to those produced by the western woollen mills *(londrinia* etc.).[2] Kalarytes forms part of the complex of mountain communities then belonging to the Ottoman Empire and extending from Zagora in Pelion and Samarina in Pindos to Skodra in Albania, involved with the domestic production of woollen cloth.

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* First published in C. Agriantoni, M.C. Chatziioannou, *Metaxourgeion, The Athens Silk Mill*, n. 61, INR/NHRF, Athens 1997 (revised).

[1] A preliminary study of the parallel economic behaviour of the Durutti family and the Gerousis and Skouze merchant families, has been presented in two papers: Maria Christina Chatziioannou, "The Greek State as a New Area for Entrepreneurial Activities", *VIth International Congress of Southeast European Studies-Greek papers* (Sofia, 30 Aug.–5 Sept. 1989), Athens 1990, 243–247; Maria Christina Chatziioannou, "Modes of Adaptation of Greek Firms in the Greek Kingdom: Innovation or Continuity", *L'enterprise en Grèce et en Europe XIXe – XXe siècles*, Athens 1991, 103–108.

[2] N. Παπαδόπουλος, *Ερμής ο Κερδώος, ήτοι Εμπορική Εγκυκλοπαίδεια* [N. Papadopoulos, Hermes Kerdoos, that is Commercial Encyclopaedia], vol. I, Venice 1815 (reprint of the Cultural Foundation ETVA Athens 1989), 266. The word *skouti* is also used in the Vlach and Albanian languages.

It should be noted that *skouti* cloth is frequently confused with the capes made from it in the larger urban centres (e.g. by the guild of cape-makers at Ioannina),[3] and consequently it is not always possible to distinguish information on the textile from that on the garment. However, when the sources mention Kalarytian cape-makers they probably imply the village of origin of the *capotades*. The late eighteenth century brought on the one hand a decline in *skouti* production in the mountain villages. On the other, it left a commercial know-how and sound commercial capital to the merchants dealing in this commodity. The overall experience proved to be invaluable for their entrepreneurial development.

The traveller W.M. Leake's description of Kalarytes is particularly pertinent since he visited it at a critical time, the early years of the nineteenth century, during which significant socio-economic changes were taking place there. It was a typical mountain settlement with small-scale cultivation of wheat, vegetables and fruit trees on terraces around it. The Kalarytians traded for cereals, wine and oil in Arta, wheat flour in Trikala and European goods in Ioannina. The increase in commercial transactions led to the abandonment of agriculture, since it was a more viable proposition to import cereals than to tend such poor soil; so a part of the old arable land had been turned over to pasturage.[4] The import of foodstuffs to Kalarytes is an indication of an upgrading of the economy, a result of the intensive trading transactions which led to the growth of stock-raising in this highland community, the consequent conversion of fields to grazing land and the concurrent development of a primary domestic or cottage industry,[5] perhaps within the context of proto-industrialisation in Greece.

The principal product traded by the Kalarytians during the eighteenth century was woollen cloth. Though the percentage share of stock-raising, manufacturing and agriculture in the total output of the village is not known, it is, however, certain that the production and distribution of woollen cloth constituted the vehicle for the highland settlement's participation in the wider economic system of the Adriatic. So, through the production of woollen cloth that was made into *capotes* and distributed via Ioannina, the Kalarytians entered the exchange system of the Adriatic. Leake observes that the overcoats travelled to the Italian peninsula, Spain, Austria and Russia. The wealthiest merchants did not return to Kalarytes but emigrated to trading centres; the middle-income merchants frequently returned as shopkeepers and craftsmen; and the

[3] Γ. Παπαγεωργίου, *Οι συντεχνίες στα Γιάννενα τον 19ο και τις αρχές του 20ού αι.* [G. Papageorgiou, The guilds in Ioannina in the 19th and the early 20th century], Ioannina 1982, 37.

[4] Leake visited Kalarytes twice, in 1805 and 1809. W.M Leake, *Travels in Northern Greece*, London 1835, (reprint) Amsterdam 1967, vol. I, 274–285 and vol. IV, 207–209.

[5] Cottage industry or domestic industry is used as the equivalent of the term 'οικιακή βιοτεχνία', used by Vasiliki Rokou in her study of Greek highland communities: Βασιλική Ρόκου, *Υφαντική Οικιακή Βιοτεχνία. Μέτσοβο 18ος–20όςαι.* [Vasiliki Rokou, Cottage weaving industry. Metsovo 18th – 20th century], Athens 1994.

poorer strata were porters and shepherds.[6] A similar social stratification was observed in the neighbouring, also Vlach, village of Matsouki, the inhabitants of which traded overcoats in the Ionian Islands and the coastal towns of the Adriatic. The merchants often emigrated to Corfu, while the other villagers remained at home as overcoat-makers, carriers and shepherds.[7] The same coarse woollen cloth as that from Kalarytes, black or white in colour, was produced at Vlacholivado (Livadi) in Thessaly. Through their commercial connections in the Adriatic, Kalarytians also traded the Livadian textile through the port of Thessaloniki. Leake notes the production further north, at Skodra, of white woollen cloth, a better version than the black that was woven throughout the mountainous regions of northern Greece.[8] It does indeed seem that the weavers and tailors of the highlands did not create an economic strike force but remained betwixt countryside and town, whereas the merchants trading their product, avoiding the restrictions of the producers, became the vital economic and social cell of the early communities of Greeks abroad.[9]

Prior to the nineteenth century the Adriatic was a closed circuit controlled by Venice and Ragusa (Dubrovnik). The people of the Adriatic cooperated on several levels: in seafaring, trade and techniques. Italians, Slavs, Albanians, Greeks and Jews, residing on its eastern and western shores, participated in a community that worked and exploited materials, since men and information moved along the sea routes, relatively quickly and at the same pace.[10] The fact that certain products could either be traded or used in their semi-processed form in local or international manufacture, created a flexible network of economic activities. We could add that in some cases this Adriatic system extended from Venice to Sicily (Messina) and Corfu; its centre of gravity shifted during its centuries-long history and historical watersheds sometimes promoted the northern and sometimes the southern Adriatic, from Venice, to Ragusa, Ancona, Durazzo (Dyrrachion) and lastly to Trieste and Fiume. In Greece the western ports participating in the Adriatic exchange system were the Ionian Islands (mainly Corfu), Sayada, Salaora and Patras. The exchange system of the southernmost section of the Adriatic, which concerns us, seems to have been established during Roman times, via the Via Egnatia that ran from Bari and Brindisi on the Italian coast and continued opposite to Dyrrachion.

Characteristic of the entire Adriatic area was the frequent movement and migration of people on both sides. For the Epirotes in particular it is as-

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[6] W.M. Leake, *Travels in Northern...*, op. cit., vol. I, 274–277.

[7] Ibidem, vol. I, 284–285.

[8] Ibidem, vol. I, 45, vol. III, 335–336.

[9] Vasiliki Rokou, *Υφαντική Οικιακή Βιοτεχνία...*, op. cit., 55–61.

[10] According to F. Braudel the Adriatic is the most cohesive region of the Mediterranean. Some ideas on the technical heritage of the Adriatic are examined by J.-C. Hocquet, "Patrimonio tecnico e integrazione culturale in Adriatico: alcuni aspetti", *Quaderni Storici*, 40/1 (1979), 31–53 and S. Anselmi, *Adriatico: studi di storia secoli XIV–XIX.*, Ancona, Clua 1991.

sumed that their emigration to the opposite coast of the Italian peninsula began in the sixteenth century, to the south, first to Sicily, then to Naples and Calabria[11] continuing towards the west side of the Italian peninsula at Leghorn (Livorno).[12] By the eighteenth century Epirotes were living in the major Italian Adriatic ports of Venice, Ancona and Trieste. A group of cape-makers was formed in Venice in 1764, and the presence of Kalarytian cape-makers at Trieste from at least 1781[13] bears witness to the dynamism of this economic activity.

Special mention should be made here of the manufacture of woollen overcoats in the Ancona region (Matelica), in the hinterland of which woollen cloth is known to have been produced from the sixteenth century. This textile was inferior in quality to and more expensive than the Greek counterpart, or even that woven at Ancona by the Greek community. Known as *zagara* or *caravano,* it was also produced by locals after 1810 and was in great demand.[14] There were evidently intense competition conflicts; so when G. Fiaccarini received an award in 1808 as the number-one producer in Matelica of the famed nautical *cappotti alla greca* (Greek-style overcoats), "that were first made in Arta", he met with strong opposition from the established producers. Indeed the accusation was levelled that the overcoats were of Greek provenance or at least made by the Greek community in Ancona.[15] So the production and distribution of coarse woollen cloth became one of the most important points of contact between Epirus and the Italian peninsula in the Adriatic area.

Competition from industrialised textile production, with its advanced technology and equipment, brought a crisis in woollen-cloth manufacturing in the Papal States and a large part of the local workforce turned to silk as a raw

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[11] We refer indicatively to the emigration of Kortisios Vranas and Dimitrios Reres, see Ξ.Α. Σιδερίδης, "Κορτήσιος Βρανάς ο Ηπειρώτης" [X.A. Siderides, Kortesios Vranas the Epirote], *Ηπειρωτικά Χρονικά*, 3/3 (1928) 249–271 and ibidem, "Η ηπειρώτις οικογένεια Ρερέ", [The Epirote family Reres] *Ηπειρωτικά Χρονικά*, 3/1–2 (1928), 160–168.

[12] The first permanent settlement of Greeks in Leghorn is attested in 1567; some years later 80 Greek families were living there. Μαρία Καζανάκη-Λάππα, "Ο ξυλόγλυπτος σταυρός της Ευαγγελίστριας του Λιβόρνου (1643) και οι σταυροί επιστυλίων στα κρητικά τέμπλα" [Maria Kazanaki-Lappa, The wood-carved cross in the Evangelistria at Leghorn (1643) and the architrave crosses on Cretan iconostases], *Ευφρόσυνον. Αφιέρωμα στον Μ. Χατζηδάκη*, vol. 1, Athens 1991, 219–220. The presence of Epirotes in Leghorn can be recognised after 1760, see Ν. Τριαντάφυλλου, *Οι κώδικες γάμων και βαπτίσεων της ελληνικής κοινότητας Λιβόρνου (1760 κ.εξ.)* [N. Triantaphyllou, The codes of marriage and baptism of the Greek community in Leghorn (1760 et seq.)], Patras 1986.

[13] Γ. Πλουμίδης, "Έλληνες καποτάδες στη Βενετία (18ος αι.)" [G. Ploumidis, Greek cape-makers in Venice (18th century)], *Δελτίο Ιστορικής & Εθνολογικής Εταιρείας*, 27 (1984), 20–24; Ολγα Κατσιαρδή-Hering, *Η Ελληνική παροικία της Τεργέστης (1751–1830)* [Olga Katsiardi-Hering, The Greek community in Trieste (1751–1830)], vol. II, Athens 1986, 396–397.

[14] The term *zagara* probably derives from the place of origin, Zagora or Zagori (?) in Epirus. S. Anselmi, "Introduzione e manifattura di cappotti alia greca nelle Marche pontifichie, 1751–1830", *Economia* e *vita sociale in una regione italiana tra Sette e Ottocento*, Urbino 1971, 181–193.

[15] Idem, 187.

material or semi-processed product. Trade in silk remained in the hands of the woollen-cloth merchants. It is a common phenomenon in pre-industrial societies for wool and silk to be mobilised alternatively or concurrently by producers and entrepreneurs. This fact brings us closer to the entrepreneurial model of the Durutti family from Kalarytes, which moved from wool to silk in the early nineteenth century.

Settlement in Ancona

An old port on the Adriatic, Ancona has ancient Greek roots. It later came under Byzantine influence, and so remained until the seventh century. From the thirteenth century its gradual emergence as a naval power brought it into strong competition with Venice, as a result of which it was blockaded commercially from the northern Adriatic and established close relations with the Slav merchants of Ragusa, Zara, Spalato and Senia.[16] According to Slavonic sources, Slav merchants settled in Ancona from the late fourteenth century, while by the middle of the sixteenth century some 200 Greek trading companies are said to have been set up there.[17] It is only natural that the commercial activity of Ancona was interlinked with that of neighbouring Senigallia and consequently with its fair. In 1732 Ancona became a free port (*porto franco*); works were carried out to improve the harbour and there was a notable increase in the volume of shipping. Consequences of this were direct connections with the economic powers of the time, a revitalisation of certain aspects of agriculture and manufacturing, and lastly an increase in population.[18] So Ancona with Senigallia became the focus of trade in the Papal States. A multiethnic community of merchants – Jews, Greeks and Slavs – set the economic tone of the city. The port of Ancona remained a major centre of the transit trade in cereals throughout the eighteenth century. During the following century its maritime power waned, following the fortunes of other Mediterranean ports that had developed on the basis of trade in local rural products. The high taxes levied on the merchant marine in the early nineteenth century also resulted in the reduction of transactions, and it seems that in any case the already-doomed Senigallia fair ceased then too. In contrast, Trieste emerged as the leading power in the Adriatic. A. Caracciolo's early study of Ancona has shown the inability of

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16 Apart from the classic study in the Braudelian mode, of A. Caracciolo, *Le port franc d'Ancone. Croissance et impasse d'un milieu marchand au XVIIIe siecle*, Paris 1965, there is a rich bibliography on Ancona and its environs (Marche), to which Sergio Anselmi was the main contributor.

17 The number presumably covers all the Balkan merchants settled in Ancona, T. Stoianovich, "The Conquering Balkan Orthodox Merchant", *The Journal of Economic History*, 20/2 (1960), 234–313.

18 A. Caracciolo, "L'economia regionale negli anni della costituzione del porto franco di Ancona", in S. Anselmi (ed.), *Economia e societa: le Marche tra XV e XXs.*, Bologna 1978, 155.

capital to stimulate rural transformation and the creation of modern investments in the countryside, so that even in the most prosperous phases of the eighteenth century it did not manage to achieve an autonomous economic development. The burgeoning of transactions at this time, observed also in the Kingdom of the Two Sicilies, is not an indication of true development but, on the contrary, implies submission to stronger economies.[19]

The history of silk in the hinterland of Ancona goes back a long way and is directly linked to that of wool. However, only in the eighteenth century did silk become an important export product, initially as cocoons and then as semi-processed silk. Undoubtedly the productive potential of a semi-processed raw material known as Fossombrone silk and its distribution in the European market left a wider profit margin for investors in this sector and created a local labour market. This seems to have prompted the development of reeling that was focused on Fossombrone where at least half the production of the Marche region was concentrated. In 1766 Fossombrone had 164 cauldrons shared between the reeling mills (*filatures*). The quality of handmade Fossombrone silk ensured international demand for the product, primarily in the London market. In parallel a small, local silk-textile industry developed. The craftswomen became well-known, creating a labour market in the Papal States and a good specialisation in processing silk noils (coarse silk).[20] Professional migration had been a *modus vivendi* for female silk workers since the early eighteenth century. In 1873 an Italian newspaper, extolling their skills, noted that women from Fossombrone had even gone as far as Greece to find work, presumably to the Durutti silk mills in the southern Peloponnese.[21]

Transformations in the silk industry began in the nineteenth century. Although Fossombrone silk maintained its reputation until the early decades of the century, the production processes changed. In the papal census of 1824, silk working in Fossombrone is recorded as a developing sector and in 1839 the first foreign steam-powered reeling and spinning mill was introduced. Moreover, in 1873 the old experience in processing silk noils was exploited in-

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[19] A. Caracciolo, *Le port franc d'Ancone...*, op. cit.; see also Elena Termite, "Il porto di Ancona e gli approdi di Senigallia, Numana e Sirolo", in S. Anselmi (ed.), *La provincia di Ancona. Storia di un territorio*, Bari 1987, 243–260. On the Greek community in Trieste see Olga Katsiardi-Hering, *Η ελληνική παροικία...* op. cit., vols 1–2. On the Greek presence in Senigallia, see Όλγα Κατσιαρδή- Hering, *Λησμονησμένοι ορίζοντες ελλήνων εμπόρων. Το πανηγύρι στη Senigallia (18ος–αρχές 19ον αιώνα)* [Olga Katsiardi-Hering, Forgotten horizons of Greek merchants. The Senigallia Fair (18th–early 19th century)], Athens 1989, 24; A. Caracciolo, "L'economia regionale...", op.cit., 155, 241, 261.

[20] Giuliana Careras, "L' industria serica a Fossombrone", *Quaderni Storici dell Marche*, 1/1 (1966), 126–131.

[21] R. Savelli, *Filande e filandaie a Fossombrone. Segmenti di storia dell 'industria serica*, Rome 1981, 66–72; Μαρία Χριστίνα Χατζηιωάννου, "Η τύχη των πρώτων ιταλών μεταξουργών στο ελληνικό κράτος" [Maria Christina Chatziioannou, The fate of the first Italian silkworkers in the Greek state], *Μνήμων*, 13 (1991), 121–138.

dustrially at Jesi.[22] However, towards the end of the century, competition from steam-powered reeling in the heartland of the united Italian peninsula marginalised Fossombrone silk; at that time there were 37 *filatures* with 34 steam-powered cauldrons, while in the Bergamo region – and not at Como, the largest Italian silk-producing centre – in Lombardy there were 85 reeling factories with 83 steam-powered cauldrons.[23] The history of the most profitable product in Ancona's foreign trade had ended.

To return to the Greek community at Ancona, which was created by migrant merchants during the Ottoman occupation of their homeland, two concentric unities can be distinguished in its history. Firstly, the general commercial networking of the city and its economy, which directly affected the community's activities and secondly the micro-history of the community itself in relation to the status quo in Greece.

The Durutti, along with other Epirote merchants, pioneered the route bringing woollen cloth to the Italian coast of the Adriatic. A host of products were in fact traded, but wool – like silk – was a very versatile commodity. Both are raw materials capable of mobilizing manufacturing tasks, from elementary to highly complex, attaching great importance to human labour and technical skills. A typical trade itinerary was: Kalarytes, Ioannina, Corfu, Ancona, Senigallia. The Greek presence at Ancona evidently increased after it was declared a *porto franco* in 1732, which date can be taken as the *terminus ante quem* for the creation of the Greek community there. However, the Greek merchant diaspora in the ports of Venice, Leghorn and Ancona goes back much earlier, being associated with the type of itinerant Balkan merchant described by Stoianovich.[24] We are able to surmise that the brothers Georgios and Christodoulos Durutti were not the only members of the family represented in the Greek merchant diaspora in the Italian peninsula in the eighteenth century. The evidence concerns one Giovanna Donati or Dorutti, presumably Ioanna Durutti, from Ancona, who was living in Venice before 1785 with her husband Dom. Bandiera.[25] These are the forebears of the famous revolutionaries of the Italian Risorgimento, Attilio and Emilio Bandiera, who, after a two-year exile in Corfu (1842–1844), were executed by firing squad following an unsuccessful insurrection in the southern Italian peninsula. Their

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[22] F. Amatori, "Alle origini dello sviluppo industriale marchigiano: gli anni dall'Unita alla prima guerra mondiale", in L. Avagliano (ed.), *L 'Italia industriale nelle sue regioni: bilancio storiografico*, E.S.I. 1988, 108–109.

[23] The data are taken from: "L'industria della seta in Italia", *Annali di Statistica*, fasc. XXXVII, Rome 1891, 45–48.

[24] T. Stoianovich, "The Conquering Balkan Orthodox Merchant".

[25] Their son, Francesco Bandiera, was born in 1785 and married Anna Marisch, a Bosnian noblewoman settled in Corfu, P. Donazzolo, *I Viaggiatori Veneti Minori*, in the series: *Memorie della Reale Societa Geografica Italiana*, Rome 1867, vol. XVI, 338–339. On the Bandiera family see the relevant entry in the *Dizionario Biografico degli Italiani*, published by *Enciclopedia Italiana Treccani*, vol. 5.

family tree and history evidently constitute a representative example of the social and economic exchanges of the Adriatic coasts.

During their residence in Ancona the Durutti developed socio-political and economic spheres of action, which were harmonised and enhanced by the successive generation. The first sphere includes Georgios Durutti's (1770–1836) activities during the Greek War of Independence (1821), his relations with Count Ioannis Capodistria, the subsequent relations of his family with King Otto and his appointment as Greek consul in the papal port. The second sphere includes the economic activities that began from general trade and ended in the secondary sector of silk-reeling. Here the dynamism of the second generation of the Durutti family is evident.

The Greek community of Ancona, like that of Trieste, participated in the War of Independence mainly by providing financial aid and supporting Greek refugees.[26] Ancona had the geographical advantage of being the transit station from Greece to many Italian cities – Rome, Bologna, Pisa, Padua, Pavia – which meant that Greek students, merchants, politicians and intellectuals passed through that port and many of them met members of the Greek immigrant community there. One of those who stopped at Ancona during the early years of the Greek War of Independence was Georgios Mavromichalis, en route to the Congress of Verona (1822) and it was there that he met G. Durutti; it is likewise historically documented that G. Durutti had made the acquaintance of Bishop Ignatius of Hungaro-Wallachia, since it was he who introduced him to Capodistria in 1827.[27] Another well-known Greek jurist and intellectual raised in the Italian peninsula, Markos Renieris, enjoyed a long friendship with the Durutti family.[28] Ancona was also the port of entry for many Greek students en route for Italian universities; the relevant description by Eirinaios Asopios in his memoirs from the Italian peninsula remains the best relevant source.[29] Asopios had met G. Durutti, from whom he learnt of the difficult relations between the Greek Orthodox Christians and those of other

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[26] Γ.Π. Παπαγεωργίου, "Συμβολή στην ιστορία της ελληνικής παροικίας της Αγκώνας κατά τον 19ο αι." [G.P. Papageorgiou, Contribution to the history of the Greek community in Ancona during the 19th century], *Δωδώνη, 4* (1975), 295–340 and on the contribution of the Greek community in Trieste see Olga Katsiardi-Hering, *Η ελληνική παροικία της Τεργέστης...* [Olga Katsiardi-Hering, The Greek community in Trieste...], op. cit., vol. I, 335–342.

[27] On relations between the Mavromichalis and Durutti families see Μ.Π. Βρετός, *Εθνικόν Ημερολόγιον 1866* [M.P. Vretos, National Diary 1866], 348. Athanasios Durutti described Capodistrias' sojourn in Ancona and published a letter from Ignatios to his father, see ΑΘ. Δουρούτης, "Ο Κυβερνήτης της Ελλάδος εν Αγκώνι τω 1827" [A. Durutti, The President of Greece in Ancona, in 1827], *Αττικόν Ημερολόγιον*, vol. ΚΑ, 1887, 411–422.

[28] In 1841 the judge of the Supreme Court, M. Renieris, was relieved of the post of abitrator between the State and C. Durutti on account of his long-standing friendship with the latter; Ar. Pilikos was appointed in his stead. See General State Archives (G.S.A.), Otto Archive, Ministry of Interior, file 252, 5/17 Dec. 1841.

[29] Ειρ. Ασώπιου, "Αναμνήσεις Ιταλίας (1845–1852)" [E. Asopiou, Memories of Italy (1845–1852)], *Αττικόν Ημερολόγιον*, vol. ΙΣΤ (1882), 117–140.

faiths in the papal city.[30] The Durutti took advantage of Ancona's privileged location, creating a network of social relations in which Constantine G. Durutti (1809–1878) was the leading figure. Social networking was a stable characteristic of his strategy, and he advised his father, in 1830, to offer warm hospitality to Ioannis Argyropoulos, brother of the Great Dragoman of the Porte, who was en route to Pisa with his nephew, particularly since the Argyropouloi were recommended by his friend St. Stravopodis, a merchant from Zante.[31] When King Otto visited the Italian peninsula in 1836 he stayed at Ancona as a guest of the Durutti, while C. Durutti awaited his favourable approval for setting up the silk mills at Sparta.[32]

The leading role of G. Durutti in the Greek community was obvious, which is why he was appointed first consul of the Kingdom of Greece in Ancona, on 17 August 1833. Constantine Durutti had applied for this post on his father's behalf,[33] which move bespeaks the dynamism of this young man who was to become a driving force in the family. It should be noted that in this same period another expatriate Epirote, Panayotis Pallis, was appointed Greek consul in Leghorn. The following year G. Durutti proposed to the Greek Foreign Minister, Alexandros Mavrokordatos, the widening of the Greek kingdom's diplomatic relations with the other ports and cities of the Papal States. Indeed, in 1835 G. Durutti acquired the right to appoint consular agents elsewhere in this state. Concurrently the first diplomatic consultations began between the newly-founded Greek state and the Pontificate.[34]

In 1837 diplomatic discussions commenced in Rome concerning the drafting of a treaty on trade and shipping between Greece and the Papal States.[35] During this period when the foundations of Greek diplomatic relations were being laid, no great importance was attached to Greek-Pontifical relations. However, in contrast to the low level of inter-state cooperation, G. Durutti's experience from four years of serving as consul can be assessed as commercial experience and an opportunity to penetrate the economy of the Papal States.

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30 Ειρ. Ασώπιου, *Παλαιά και Νέα* [E. Asopiou, Old and New], vol. 1, Athens 1903, 67–68.

31 The Greek Literary and Historical Archive (E.L.I.A.), Durutti Archive (1823–1873), file 3, C. Durutti (Corfu) to G. Durutti (Ancona), 1 April 1830 (two letters with the same date. This nephew can be identified as Pericles Argyropoulos (Constantinople 1809 – Athens 1860), who in 1843 became a professor in the Faculty of Laws at the University of Athens, see Δ.Α. Δημητριάδης, *Απάνθισμα βιογραφικόν των από της συστάσεως του Ελληνικού Πανεπιστημίου εκλιπόντων τον βίον καθηγητών αυτού (1837–1916)* [D.A. Dimitriadis, Biographical anthology of the late professors of the Greek University since its founding (1837–1916)], Athens 1916, 93–98.

32 Maria Christina Chatziioannou, Η τύχη..., op. cit., 124.

33 Service of Diplomatic & Historical Archives (Y.D.I.A.) of the Greek Ministry of Foreign Affairs, Consulates and Vice-consulates of Greece, file 37:7, 1833.

34 Y.D.I.A. file 37:6, 1833 and file 36:3, 1834. The first diplomatic settlement concerned the franking privilege on correspondence via Ancona to the Ionian Islands and the Greek State (Corfu – Patras), Y.D.I.A. file 11:21, 1834.

35 Y.D.I.A. file 11:21, 1837.

The direct benefits of this early diplomatic post were meagre for the Durutti. After G. Durutti's death an acrimonious letter from C. Durutti informed the Greek Ministry of Foreign Affairs that his brother Ioannis (1798–1852), who had in the meanwhile been appointed as replacement, was obliged to resign, since their father had received no remuneration as consul, not even recompense for his expenses.[36]

As we shall see below, C. Durutti had essentially left Ancona after 1825 and his father died there on 4 November 1836,[37] not long after Athanasios Durutti (1816–1901) also settled in Greece. So the only member of the family who remained in the port was the eldest son, Ioannis. A final expression of the family's ties with the community there is C. Durutti's letter of June 1849. The fall of the revolutionary Republic of Rome in 1849 brought down with it the democratic guard of Ancona, which after a harsh siege capitulated to the Austrians on 22 June 1849.[38] C. Durutti, at that time in Trieste, tried to save his brother Ioannis and the 40 remaining Greek merchants in the port. This was an opportunity for him to stress the role of the Greek state as protector and rallying point for Greek subjects:

> The Royal steamship scheduled to cross the Adriatic gulf, will need to deviate from its regular route for just a few hours. But these few hours will save Greeks in danger, and will set a most striking example for all that no-one enjoys Greek nationality in vain, and that should the need arise, and even in foreign parts, the paternal Government of the Royal Highness the King of Greece is guardian of the interests of its subjects.[39]

These lines emphasise eloquently C. Durutti's confidence in the fledgling Greek kingdom, to which he had meanwhile transferred his business activities.

The gradual population increase and economic development from the late eighteenth till the early nineteenth century led to the creation in the Greek communities of the Adriatic, of a body of merchants and craftsmen that was self-sufficient and quite separated from the local population. Acceptance by this body constituted the necessary social and economic passport for entry of young Greek travellers. The socio-political network that the Durutti had begun to form in Ancona, in combination with their experience of Ottoman Greek ex-

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36 His consular income was negligible (200 drs) and he requested 750 drs remuneration, as well as the corresponding salary of the secretary of the Consulate, Kyriakos Marinis. Y.D.I.A. file 37:7, 1838. Letter of C. Durutti (Athens) to [Constantine Zografos] the Ministry of Foreign Affairs (Athens), 22 March 1838.

37 G.S.A., Small collections, K 19α, Durutti collection (1793–1863), see commercial circular of the Durutti company, Ancona 13 March 1838.

38 G. Candeloro, *Storia dell'Italia moderna (1846–1849)*, vol. 3, Feltrinelli Economica, Milan 1979, 441.

39 Service of Diplomatic & Historical Archives (Y.D.I.A.) of the Greek Ministry of Foreign Affairs, Consulates and Vice-consulates of Greece, file 37:1, Trieste. Letter of C. Durutti (Trieste) to the Greek Consulate (Trieste), 24 May/5 June 1849.

pertise from Epirus and commercial activities in the Italian peninsula, was the launching pad for their business activities, of which the culminating venture was the rationalisation of silk working in Greece.

The Commercial Activities of the Durutti Family

Archival material attests the commercial activity of the Kalarytian brothers Georgios and Christodoulos Durutti in the Adriatic from the late eighteenth century.[40] Apart from these two, there was an uncle (?), Dimitris Durutti, whose residence in Kalarytes is verified from 1804 to 1825.[41] The commercial diaspora of the family led Georgios to Ancona in 1793 and Christodoulos to Trieste; the latter's sojourn there is confirmed from 1797 until his death in 1807.[42] During this period a commercial network was formed in which relatives and fellow villagers participated, and in which woollen cloth was of predominant importance. It is clear that local agents familiar with this commodity distributed it from settlements in north-western Greece under Ottoman occupation to the Greek communities of the Italian peninsula. The network of the Durutti associates originated in Venice with the Kalarytian merchant Georgios Tourtouris, member of the Greek community there since 1788.[43]

In Trieste the partnership Durutti, Bogdanos and Company was involved with general import-export activities as well as commercial commission orders. The members of the partnership, apart from Christodoulos Durutti, were Georgios Bogdanos and Georgios Papaioannou from Elassona, and Ioannis Damianos from Arta. In Ancona Georgios Durutti collaborated with Dimitris Papas, a fellow Kalarytian merchant and, lastly, at Leghorn with the partnership Bachomis and Paraschis. The Bachomis family had been trading in Leghorn since 1760, and like the Paraschis family was also from Kalarytes. Theodoros Paraschis was based in Ioannina from at least 1799, while his eldest son Konstantinos Th. Paraschis was active in Venice (1799–1800) and

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40 Γ. Παπαγεωργίου, "Μαρτυρίες για τις δραστηριότητες Καλαρρυτινών εμπόρων (τέλη 18ου αι.–1821) με βάση το αρχείο Γ. Δουρούτη" [G. Papageorgiou, Evidence on the activities of Kalarytian merchants (late 18th century –1821) on the basis of the G. Durutti Archive], *Επιστημονικό Συμπόσιο στη μνήμη Νίκου Σβορώνου (30 και 31 Μαρτίου 1990)*, Athens 1993, 75–106.

41 G.S.A., Small collections, K 19α, Durutti collection (1793–1863), Letter of Apost. and Athan. Kaloyorgis (Trieste) to G. Durutti and Co. (Ancona), 26 August 1804, 16; E.L.I.A., Durutti Archive, file 1, Letter of C. Durutti (Corfu) to G. Durutti (Ancona), 28 Dec. 1825.

42 G.S.A., Small collections, K 19α, Durutti collection (1793–1863), 55, letter from the Kalarytian merchant G. Michos (Trieste) to G. Durutti and Co. (Ancona), 26 August 1807.

43 G. Tourtouris is identified as the wealthy uncle of I. Kolettis, who financed his studies in Pisa, see Χρ. Στασινόπουλος, *Λεξικό της Ελληνικής Επαναστάσεως* [Chr. Stasinopoulos, Dictionary of the Greek Revolution], vol. 2, Athens 1971, 421. For his residence in Venice, Άρτεμη Ξανθοπούλου-Κυριακού, *Η ελληνική κοινότητα της Βενετίας (1797–1866)* [Artemis Xanthopoulou-Kyriakou, The Greek community in Venice (1797–1866)], Επιστημονική Επετηρίς Φιλοσοφικής Σχολής Θεσσαλονίκης, suppl. no. 19, Thessaloniki 1978, 240.

Leghorn (1800–1810).[44] In 1798 G. Durutti married Th. Paraschis's daughter, Helen. So the ties of the Kalarytian commercial network were sealed by a marriage alliance.[45]

G. Durutti's commercial correspondence gives an insight into the geography of domestic manufacture and woollen cloth exchanges in the Adriatic. In 1796 woollen cloth from Zagora was exported to Venice, and in 1804 Kalarytian woollen cloth was sent to Trieste. From the Ioannina market Theodoras Paraschis kept contacts with the mountainous stock-raising area where woollen cloth was produced. He himself wrote that in 1804 D. Papas, G. Durutti's partner, went to the mountainous settlement of Livadi and bought 20 cargoes of *skouti* and 12 of *Vlach skouti,* an indication that since both were of Vlach provenance, maybe the latter was woven in the Vlach manner. Leake, who passed through Livadi during this period, confirms that the trade in white and black woollen cloth was in the hands of Kalarytians, who sent it to their agents in the Adriatic via Thessaloniki. He also informs us that their output was 15–20 cargoes;[46] G. Durutti distributed 20 cargoes of cloth from Livadi in the Adriatic in 1804, a quantity repeated in 1808, while his compatriot G. Tourtouris seems to have purchased 60 cargoes of Livadian woollen cloth in 1805.[47] The sea lane via Thessaloniki to the Adriatic ports was the expected maritime route for merchandise coming from Livadi. The villages of Aspropotamos, on the borders of Epirus and Thessaly, were the other traditional area of woollen cloth production. But in those cases where the commercial mission to purchase woollen cloth combined Livadi and Aspropotamos the route was Ioannina-Livadi-Aspropotamos and the exporting port was Sayada.[48] On a mission to purchase 120 cargoes of woollen cloth, G. Tourtouris passed

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44 Olga Katsiardi-Hering, *Η ελληνική παροικία...*, op. cit., vol. II, pi. Δ, 583, 589. For Bachomis see K.N. Triantaphyllou, *Οι κώδικες γάμων και βαπτίσεων...*, op. cit., passim. Furthermore, Christodoulos Bachomis from Kalarytes received monetary assistance as a refugee in Ancona, in 1824, G.P. Papageorgiou, Συμβολή στην ιστορία..., op. cit., 328. Konstantinos Paraschis from Kalarytes was registered in the Greek community in Venice from 1799, Artemis Xanthopoulou-Kyriakou, Η ελληνική κοινότητα..., op. cit., 244. G. Papageorgiou, Μαρτυρίες..., op. cit., 92.

45 A typewritten draft of George Durutti's biography has been deposited at the E.L.I.A. along with the Durutti Archive, see Χρ. Ζιούλα, *Βιογραφικό σημείωμα Γεωργίου Ι. Δουρούτη* [Chr. Zioulas, Biographical note on Georgios I. Durutti] (typescript), Athens 1976, E.L.I.A., Durutti Archive.

46 G.S.A., Small collections, K 19α, Durutti collection (1793–1863), letter of G. Tourtouris (Venice) to G. Durutti (Ancona), 14 March 1796, 3 and Apost. & Athan. Kaloyorgis (Trieste) to G. Durutti & Co. (Ancona), 26 August 1804, 16. From the same collection, letter of Th. Paraschis (Ioannina) to G. Durutti (Ancona), 23 November 1804, 18; W.M. Leake, *Travels in Northern Greece...*, op. cit., vol. I, 335–336.

47 In 1808 G. Durutti tried to settle partnership accounts with his brother, which included 10 bales of 'Livadi skouti' and 13 of 'Vlach', G.S.A., Durutti collection, letter of G. Durutti (Corfu) to I. Stamatakis (Leghorn), 22 July 1808, 65. In the same collection, letter of Th. Paraschis (Ioannina) to G. Durutti (Ancona), 3 May 1805, 23.

48 On the commercial importance of Sayada, a small port in Epirus, see Γ. Σιορόκας, *Το γαλλικό προξενείο της Άρτας (1702–1789)* [G. Siorokas, The French consulate in Arta (1702–1789)], Ioannina 1981, 382.

through Ioannina to Livadi and thence to the Vlach village of Vetrenikos at Aspropotamos, where he was set upon by thieves.[49] Clearly the mountain passes were hazardous for merchants covering inland routes.

Through the business letters of the latter years of the eighteenth century the commercial network of the first expatriate Kalarytians in the Adriatic area emerges clearly, showing that the shared place of origin drew together economic interests, guaranteeing commercial trust and deep knowledge of specific commodities. In the context of general import-export trade, knowledge of woollen cloth at first provided them with a comparative advantage over other merchants in the Italian markets, giving them sufficient time to accumulate trade capital. This was achieved by the first generation of diaspora merchants. By the end of the eighteenth century, however, this type of business activity, the transit trade in woollen cloth in the Adriatic, had reached its limits. Nonetheless it was knowledge of woollen cloth and trade that launched the Durutti family into international trade. Many years later, in 1836, when C. Durutti was already oriented towards silk-reeling, he wrote inter alia from Ancona – almost out of the blue one could say – that the *skouti* woven by the Aspropotamians of Thebes was better than that from Euboea, an opinion that should be regarded as expressing deeply rooted commercial and technical knowledge and expertise.[50]

The year 1825 was a turning point in the activities of the Durutti merchant house. The Greek War of Independence was still in full swing and C. Durutti settled on Corfu for business reasons, initially residing and working with his trade partner Ioannis Damaskinos and from 1829 operating on his own. These were the years of 20-year-old C. Durutti's apprenticeship. For almost a decade he managed his family's business affairs from Corfu, where his activity seems to have aroused the rivalry of local merchants. The Durutti merchant house evolved and progressed as the old type of itinerant merchant who travelled, financed, bought and sold commodities gave way to the new type of sedentary merchant who directed commercial enterprises and mobilised business collaborations.[51]

After Corfu, C. Durutti discovered promising business prospects in the newly-founded Greek kingdom, where he settled permanently, taking his younger brother Athanasios with him. The eldest brother Ioannis stayed in

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[49] Tourtouris was finally freed by the Stoumara brothers from Epirus, G.S.A., Durutti collection, letter of Th. Paraschis (Ioannina) to G. Durutti (Ancona), 3 May 1805, 23.

[50] He was probably referring to refugees from Aspropotamos who had settled in Thebes and were networked around their old technique of woollen cloth production, Benaki Museum, Durutti Archive, file 2, letter of C. Durutti (Athens) to [G. Durutti, Ancona], 28 April/10 May 1836.

[51] This period is covered by the Durutti collection in the E.L.I.A., files 1–7 (1823–1835). Of the rich historiography concerning different types of merchants, I cite here Ch.P. Kindleberger, "Commercial Expansion and Industrial Revolution", *The Journal of European Economic History*, 4/3 (1975), 615.

Ancona, and in 1829 married Sosani Prinari from Kalarytes,[52] the last act symbolic of the ties of the Durutti family with both its place of origin and the closed society of migrant merchants in the Italian peninsula. This is the same tight social and economic system as that reproduced in different geographical regions by other ethnic religious groups, such as the Diaspora Jews.

In the early years of British Protection (1815–1864) in the Ionian Islands, Corfu emerged as a large entrepôt for the Greek mainland, then in the throes of the War of Independence. There was, furthermore, a growing demand for staple commodities in the island's interior. The large urban concentration of Corfiotes and foreigners (87% of the total population), in conjunction with the island's low agricultural production,[53] made supplying the growing city of Corfu a highly profitable enterprise. C. Durutti handled grain and flour entering the port from Dalmatia, which had long-standing and close commercial ties with Ancona, Sebenico, Spalato, Senia, the Murlacia, as well as regions of the Italian peninsula; Abruzzo, Apulia and Naples. Grain also reached Corfu from Alexandria, as well as from more distant parts such as Odessa and Taganrog, destined not only for the Ionian Islands, but also for the western harbours of Epirus, Central Greece and the Peloponnese.

During this period C. Durutti faced an extremely complicated political situation; the struggles in the regions under Ottoman rule on the one hand and the irregular circumstances prevailing during the on the other created a climate of economic instability. He observed that the "mainland is hungry", "the mainland is closed", and that the harbours through which products were supplied and distributed were often blockaded because of belligerent conflicts. So the surest commercial activity was the import of staples, "eatables", to Corfu from the Italian peninsula. These included various Italian cheeses, salt cod, rice, pasta, beans, broad beans, garlic and onions, which became the main import products.[54]

The main export product that C. Durutti pursued at that time was wool rather than woollen cloth, indicating that although the cottage-industry of the mountainous areas was in decline, manufacturing activities in the Papal States continued to absorb raw material from Greece. The wool that C. Durutti exported to Ancona was sold in Rome as *lana di lavoro* that is wool for processing. The correspondence of the Durutti merchant house shows that the geo-

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[52] E.L.I.A., Durutti Archive, file 2, letter of C. Durutti (Corfu) to G. Durutti (Ancona), 27 November 1829.

[53] Γ. Προγουλάκης, "Στην Κέρκυρα τον 19ο αιώνα: πλεονασματικά χωριά και ελλειμματικές εκμεταλλεύσεις" [G. Progoulakis, In 19th-century Corfu: surplus-producing villages and loss-making exploitations], *Τα Ιστορικά*, 7 (1987), 64–66.

[54] It is characteristic that in times of famine maize, cheaper and more readily available, was preferred to wheat, see E.L.I.A., Durutti Archive, file 2, letter of C. Durutti (Corfu) to G. Durutti (Ancona), 2 March 1829 and 17 December 1829. Disputes between the Albanians, who in 1830 closed the ports of Aghia Saranta and Nivitsa, were particularly damaging to the smooth circulation of trade, ibidem, file 3, letter of C. Durutti (Corfu) to G. Durutti (Ancona), 19 March 1830 and 7 March 1830. The profit on three crates of dried cuttlefish, for instance, was 11%. Ibidem, file 3, letter of C. Durutti (Corfu) to G. Durutti (Ancona), 10 September 1830.

graphical breadth of wool production was considerably greater than that of woollen cloth production. The Aspropotamians, from the old network of the woollen cloth trade, while continuing to produce cloth, now loaded wool as well, at Sayada or Corfu. Concurrently, C. Durutti accumulated in Corfu for export to Ancona, wool from Santa Mavra (Lefkada) and Cephalonia, from Preveza and Albania. One Molivadas seems to have played an important role as a middleman in the Corfu market.[55]

The wool from Roumeli was mainly loaded at Mesolongi and Dragamesto (Astakos), for Ancona. But Mesolongi was a place where Durutti had no commercial acquaintances. He himself noted, "Mesolongi is near but it needs astute buyers for the wool and I know nobody". It is clear that for the purchase of export goods C. Durutti relied on middlemen who were in contact with the producers, in contrast to the previous generation of Kalarytian merchants who were personally in touch with the woollen cloth weavers. Only the Aspropotamians still kept a closed organisation in the production and distribution of their product.[56] On the other hand, C. Durutti had already created a powerful commercial network since he was able to confront the intense commercial competition in Corfu – a small and difficult market in any case – with cargoes of wool cheaper than those bought from Ismailia and Galatsi.[57]

The wool trade, associated as it is with the seasonal migration of flocks, is related to geographical mobility that is also affected by non-economic factors; in 1830, for instance, Durutti notes that civil strife among the Albanians forced the transhumant stock-raisers to descend to Thessaly, as a consequence of which the wool was collected at Volos. It is characteristic that Durutti planned, from Volos again, the export of a cargo of Bulgarian wool, perhaps to avoid the network of Jewish merchants who controlled the wool trade in Thessaloniki.[58] Of course, for Thessalian wool export by sea from Volos to Ancona was more profitable and secure than the combined inland and maritime route Trikala-Sayada-Ancona. In any case the sea route was the most profitable. Alongside wool C. Durutti also exported bargain commodities

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[55] Ibidem, file 3, letters of C. Durutti (Corfu) to G. Durutti (Ancona), 7 June 1830 and file 4, 3 September 1830, file 4, C. Durutti (Corfu) to D. Durutti (Ancona), 10 July 1930, file 4, C. Durutti (Corfu) to G. Durutti (Ancona), 20 July 1830, file 3, C. Durutti (Corfu) to G. Durutti (Ancona), 7 June 1830 and file 4, 10 July 1830.

[56] Ibidem, file 7, C. Durutti (Corfu) to G. Durutti (Ancona), 3 July 1835 and Mich. Iatros (Nauplion) to G. Durutti (Ancona), 3 July 1835, file 6, C. Durutti (Corfu) to G. Durutti (Ancona), 7 April 1832, file 5, C. Durutti (Corfu) to G. Durutti (Ancona), 16 January 1831. There is just one mention of the arrival in Corfu of a Metsovian with a cargo of 2000 okas of wool, ibidem, file 5, C. Durutti (Corfu) to G. Durutti (Ancona), 29 June 1831.

[57] He had a recommended agent there and credit in Constantinople, or Odessa, ibidem, file 6, letter of C. Durutti (Corfu) to G. Durutti (Ancona), 7 April 1832.

[58] Ibidem, file 3, letters of C. Durutti (Corfu) to G. Durutti (Ancona), 7 June 1830 and file 5, C. Durutti (Corfu) to G. Durutti (Ancona), 17 March 1831. N. Svoronos, *Le commerce de Salonique au XVIIIe siècle*, Paris 1956, 187–193. K. Kostis, "Structures sociales et retard économique. Salonique et l'économie de la laine XVI–XVIII s.", *Etudes Balkaniques*, 26/1 (1990), 100–114.

to Ancona, such as linseed from Ithaca and bronze scrap from the remnants of the armoury of the Greek War of Independence.[59]

A different export commodity brought C. Durutti to the southern Peloponnese: acorns. Acorns were exported from Gytheion (Marathonisi) and Areopolis (Tzimova) to Ancona, their final destinations being Rome and Leghorn.[60] Demand for acorns intensified after 1835 and the place from which they were exported was definitive for Durutti, since it led him to another rural product of the southern Peloponnese: silk. The buying price of wool had begun to rise beyond the control of the Durutti firm and purchases were made with a down-payment of half the value of the cargo.[61] So buying acorns in the southern and central Peloponnese became C. Durutti's main target, since the Kea island acorns were bought by merchants from Syros. The acorn market had the relative advantage over the "hierarchically organised" wool market in that it was more easily manipulated, "those having acorns are poor people and have no other produce, and they cannot keep their products unsold for very long".[62] So great were delays in payment for goods imported to the Greek kingdom that all the importer's profit was lost and only the export of cheap but profitable products, such as acorns, could offset the extended circulation of merchant capital.

A second turning point in C. Durutti's economic orientations came in 1834. Here the distinctive difference was not the shift in the locus of commercial enterprises from Corfu to the Peloponnese, but in the focus, the actual product. The product that was gradually to stand out on account of its economic vigour at the time was silk. The main bulk of export cargoes of wool to Ancona was replaced by acorns: from the cottage-industrial product (woollen cloth) and the raw material for manufacturing (wool), the Durutti trading firm moved to a secondary raw material, acorns, and from there to silk – of decisive importance for its future direction. On the other hand the imports of food had been replaced by construction materials,[63] which were destined for the rebuilding of urban centres in Greece, such as Nauplion. Between 1834 and 1836 C. Durutti was moving between the Peloponnese, Ancona and Athens,

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59 E.L.I.A., Durutti Archive, file 5, letter of C Durutti (Corfu) to G. Durutti (Ancona), [...] 1831. During the same period the Geroussi merchant house was involved in the profitable export of old copper to Trieste, Μαρία Χριστίνα Χατζηιωάννου, *Οικογενειακή στρατηγική και εμπορικός ανταγωνισμός. Ο οίκος Γερούση στον 19ο αιώνα* [Family strategy and commercial competition: The Geroussi house in the 19th century], Athens: MIET, 2003, 97–99, 155–156.

60 Durutti's main agents in Gytheion were I. Tzatzopoulos and I. Nikopoulos, E.L.I.A., Durutti Archive, file 8, 1837. Moreover, the Durutti family were also old acquaintances of the powerful Mavromichalis family in Mani.

61 In 1838 the buying price of wool rose from 73–75 lepta to 154 lepta, to fall again later. Ibidem, file 9, letter of C. Durutti (Nauplion) to I. Durutti (Ancona), 28 February 1838 and C. Durutti (Nauplion) to I. Durutti (Ancona), 29 September 1838.

62 Ibidem, file 9, letter of C. Durutti (Nauplion) to I. Durutti (Ancona), 1 January 1838.

63 A typical order for building materials, see G.S.A., Durutti collection, letter of C. Durutti (Marathonisi) to G. Durutti (Ancona), 7 January 1834, 234.

and around 1837 he made his home temporarily in Sparta, in the south Peloponnese.

During his sojourns in Corfu and the Peloponnese, western Greece and the Italian side of the Adriatic had been the cardinal axes of transactions. After settling in Athens he continued to export acorns, cocoons and oil from the southern Peloponnese to Ancona and Trieste, augmenting his commercial contacts.[64] Early in the 1840s C. Durutti, based in Athens, opened the Smyrna-Ancona or Trieste axis for the Durutti firm.[65] Characteristic of each phase of his trading activities is his steady involvement with a basic product, first wool, then a cheap one, acorns, and subsequently an expensive commodity, silk. The volume of exports was of course liable to fluctuations, largely due to variations in rural production.

We may assume that the Durutti had a fairly stable network for consuming 'Greek' products in the Italian peninsula, in contrast to other diaspora merchants whose export cargoes showed an ad hoc variety. Between 1830 and 1850, the Durutti merchant house supplied the manufacturing activities of the Papal States with raw materials, primarily wool, acorns and silk. Wool was the hallmark of the Durutti firm in the first half of the nineteenth century, and even in 1844 when C. Durutti was unable to buy it in Acarnania, south of Epirus, on account of political unrest, he advised his brother to obtain it from Trieste, apparently to supply their customers' demands. It seems that during this period British commercial interest intensified competition in the Greek wool markets.[66] On the other hand silk, production of which was small-scale and scattered, became the object of a new venture. From Athens, C. Durutti investigated the production of silk in the province of Phthiotis, in central Greece. Moreover, on entering the Kea acorn market, he learnt that the island produced 150–200 okkas of silk of the same quality as that from Andros, suitable for commercial exploitation.[67] It was through the commercial potential of silk, and with this as his guide that C. Durutti embarked on the business of silk mills in the southern Peloponnese.

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[64] Durutti's commercial agents were: P. Alexandrakis (Kalamata), Al. Poulakis, P. Albanakis, S. Makris (Gytheion), D.K. Kousoulakos (Areopolis), An. Iliadis (Krokees), E.L.I.A., Durutti Archive, files 10–11, 1840–1842. This archival material includes a printed commercial circular of Vakkas and Monastiriotis, Nauplion 1.8.1845 and a handwritten commercial circular of the Papadakis firm, Athens 1.8.1845, ibidem, file 17.

[65] Ibidem, file 11, letter of C. Durutti (Athens) to I. Durutti (Ancona), 9/21 December 1843; file 12 N. Moraitinis (Smyrna) to G. Durutti (Ancona), 7/25 July 1842.

[66] Ibidem, file 13, letter of C. Durutti (Athens) to I. Durutti (Ancona), 9/21 June 1844. The buying price increased from 72 lepta in 1843 to 85 lepta in 1844, on account of the high British duty, ibidem, file 13, letter of C. Durutti (Athens) to I. Durutti (Ancona), 14/26 May 1844.

[67] Ibidem, file 18.I, letter of Monastiriotis (Lamia) to C. Durutti (Athens), 12 July 1846; file 18, V. Iosiph (Kea) to C. Durutti (Athens), 24 April 1846.

The Silk Mills in the Southern Peloponnese

The C. Durutti silk mill at Sparta has been rightly designated as a "protected workshop" characteristic of the early years of the Greek kingdom. It was in effect a business endeavour that tried to amalgamate the technical experience of silk production from the Italian peninsula (Fossombrone-Ancona) with the productive potential of the southern Peloponnese, an enterprise supplementary to trading transactions and deriving from the wider Adriatic exchange system.[68] The Durutti were and remained merchants for almost a century and a half, until the later founding of their silk mill at Athens. The new factor that appeared here was that the local reelers *(manganaraioi)* could produce virtually as much silk as the Durutti mills at Sparta and Messene, but they were still dependent on the international merchant, since the only commercial channel to European consumers was via the Durutti. Thus the economic chain, of local producers, silk-reelers, international merchant and European markets remained unbroken.

Durutti decided to invest in a factory in the part of Greece which was the paramount producer of non-industrialised silk, the southern Peloponnese. Peloponnesian silk belonged to that quality of hand-reeled silk of Mediterranean provenance which, even when traded to French and English silk mills, was very little utilised. The hand-reeled silk of Fossombrone was the last defender, until the early decades of the nineteenth century, of an old tradition in which the silk-reeler was held in high importance. But in the world of silk, the simplicity of the process from rearing the cocoon to reeling the silk filament, is matched by the difficulty of transition to a superior technique because it demands a sophisticated technological milieu. It is a very refined and delicate process with serious technical and social complications.[69]

All the time C. Durutti was preparing the silk mills at Sparta and Messene, and even when these were operating, his involvement in the import-export trade with Ancona never ceased. His inroad into the Peloponnese was facilitated by the collaboration of an old-established and experienced local merchant, Michael Iatros, representative of the Nauplion "land gentry". His collaboration with M. Iatros, and to a lesser degree with the Tsakonian E. Tsouchlos aimed at penetrating the Greek kingdom and widening the family's networking there. By the same token, the two Peloponnesian merchants acquired an able and experienced business partner in the proximate sphere of the Greek Diaspora. In 1835 C. Durutti and E. Tsouchlos signed an eight-year contract with the government, according to which they leased the right to collect the tithe on cocoon production in the Peloponnese and on the national mulberry groves in Laconia, they were ceded free land for building the silk mills

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[68] Χριστίνα Αγριαντώνη, *Οι απαρχές της εκβιομηχάνισης στην Ελλάδα τον 19ο* αιώνα [Christina Agriantoni, The beginnings of industrialisation in 19th-century Greece], Athens 1986, 33ff; Μαρία Χριστίνα Χατζηιωάννου, Η τύχη..., op. cit., 121–123.

[69] L. Cafagna, *Dualismo e sviluppo nella storia d'Italia*, Venice 1989, xxv.

and, lastly, they were granted the exclusive privilege of producing silk of Italian type.[70] It seems that problems soon clouded the collaboration with E. Tsouchlos, on account of his high personal debts to the Greek state, according to M. Iatros. C. Durutti and M. Iatros also became lessees of the tithe on the olive oil in Mystras and Kalamata.[71]

The trials and tribulations of building the silk mills at Sparta and Messene (Nisi), as well as the import and installation of the equipment, have been described elsewhere, as has Durutti's friction with the Italian silk workers brought from Ancona to throw and reel the Peloponnesian silk. Italian silk workers operated the mills from their inauguration until at least 1845.[72] Conflicts with these Italians on the one hand and local rivalries on the other forced Durutti to look for specialist silk workers with a more dependent labour relationship, in Livadia. It seems that in 1844 the chief Italian silk worker, Teresa Loviselli, was replaced by a Greek woman from Livadia, a place which had a long tradition in weaving woollen and cotton cloth. She migrated seasonally from her base (Livadia, Athens, Piraeus – by sea to [Kalamata], Messene, Sparta) for 40–43 days, for a daily wage of 4 drachmas.[73] It becomes clear that, at the local level, social resistance to the rationally-organised production of the silk mills constituted a structural impediment to transplanting the urban silk-reeling of Fossombrone to the rural area of the southern Peloponnese.

The principal positive factor in this enterprise was the Durutti family's social network that stemmed from the Greeks who passed through Ancona and reached the leading citizens of the Peloponnese, and even to King Otto himself. A social milieu of reference and support, it had been created in the time of the commercial diaspora of the Kalarytian merchants in the Greek communities of the Italian peninsula. From the moment C. Durutti settled in Greece, his social capital was his personal network and his liquid assets; there was some patrimonial land in the Ottoman-occupied region of Ioannina but it was not mentioned or used. With his social capital C. Durutti organised and financed the silk mills, while continuing his mercantile activities with M. Iatros between the Peloponnese and the Italian peninsula, following the old eighteenth-century system of transactions. However, it is clear from their commercial correspondence that the capital for financing the silk mills also came from Ancona; perhaps the value of Durutti's trade with Greece was balanced in this way.

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[70] Κ. Σπηλιωτάκης, *Το αρχείον του Μιχαήλ Ιατρού (1802–1893)* [K. Spiliotakis, The Michael Iatros Archive (1802–1893)], *Τετράδια Εργασίας Κ.Ν.Ε./Ε.Ι.Ε.*, 6 (1983). Christina Agriantoni, *Οι απαρχές...*, op. cit., 20–35

[71] E.L.I.A., Durutti collection, file 8, letter of M. Iatros (Nauplion) to G. Durutti (Ancona), 26 May 1837; file 7, M. Iatros (Nauplion) to G. Durutti (Ancona), 17 November 1836.

[72] Μαρία Χριστίνα Χατζηιωάννου, Η τύχη..., op. cit., 121–131.

[73] E.L.I.A., Durutti Archive, file 13, P. Dimitriou (Nisi) to C. Durutti (Athens), 23 August 1844 and a letter from Eleni Sousanitza (Sparta) to C. Durutti (Athens), 14 October 1844, in which she asks for an advance on her payment.

All the equipment and building materials, as well as the silk workers, were transferred from Ancona. The cost of the silk mills can be estimated at least partially: 36 of the 44 cauldrons at Sparta and 24 of the 42 at Messene, together with the reeling machines (filatories), cost 1,516.75 scuda, the nails and timber 590.38 scuda, and freight from Ancona 300 scuda. The total, excluding the architect's fee and the masons' wages, adds up to 2,407.13 scuda [2,672 drs]. As a measure of comparison it is noted that 5,000 okas of wool in 1835 fetched 745 scuda [827 drs] at Ancona.[74] The overall value, even if it reached as much as 4,000–4,500 drs, was not excessive for the fixed outlay of a "protected" processing activity. The problem was, however, that this outlay was burdened with operating costs in the first years, without satisfactory output in a newly born state where money was particularly expensive.

The Durutti-Iatros-Tsouchlos silk mills began operating in 1837. The name Tsouchlos does not appear after the first contracts, whereas close economic interests linked C. Durutti with M. Iatros, who also kept Ioannis Durutti in Ancona informed in detail. Iatros and Durutti continued to procure cargoes of acorns, as well as of local silk, for the markets of Ancona, Rome and Leghorn. In the silk mills at Sparta and Messene, from 10 pounds of cocoons they obtained one oka of good silk and from 12 pounds one oka of Italian-type silk, which cost twice as much to produce as the first.[75] At Fossombrone 14 pounds of cocoons were required to produce one pound of good silk, in order to be competitive in the market.[76] In the summer of 1837 the first sample of Italian-type silk produced by the Durutti silk mills was distributed as follows, four crates for the Rallis Brothers in London, via the merchant L. Lazaros in Patras who was loading currants at Aigion, two crates for Clark and Company on Zakynthos, who were presumably also loading currants for England, two crates for Ancona and another four crates for the same port, via Nauplion.[77] Silk followed the route of currants for England, indicating that it was still a supplementary commodity. The selling price of Italian-type silk in London was 26 shillings to 26 shillings and 6 pence, but because the Durutti silk required further processing it was sold at the lower price of 19 shillings.[78]

The early years of the silk mills were fraught with internal and external difficulties; not least the intrinsic problems of the business and the drop in European demand for silk of Fossombrone type. In 1838 there was a 20%

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[74] Ibidem, file 7, letter of M. Iatros (Nauplion) to G. Durutti (Ancona), 29 October 1835; file 8, M. Iatros (Nauplion) to G. Durutti (Ancona), 24 March 1837 and 26 June 1837. For the final number of cauldrons see K. Spiliotakis, Το αρχείον..., op. cit., 28.

[75] E.L.I.A., Durutti Archive, file 8, M. Iatros (Nauplion) to G. Durutti (Ancona), 26 June 1837.

[76] Giuliana Careras, L'industria serica a Fossombrone..., op. cit., 131.

[77] During the same period not only seasonal Italian skilled workers travelled from Gytheion to Ancona, but also cargoes of acorns, E.L.I.A., Durutti Archive, file 8, letter of M. Iatros (Athens) to G. Durutti (Ancona) 30 Nov. 1837.

[78] Ibidem, file 8.1, letter of Durutti (Ancona) to C. Durutti, 20 September/2 October 1837; C. Durutti (Gytheion) to I. Durutti (Ancona), 31 December 1837 and file 9, M. Iatros (Nauplion) to I. Durutti (Ancona), 31 May 1838.

decrease in the harvest of cocoons, as a result of a "hot wind", and prospects were inauspicious for the next three years. In Sparta that summer the silk mill was buying cocoons daily from wherever it could in order to keep its 40 cauldrons working, which produced at least 342 okas of pure silk, while in the silk mill at Messene another 125 okas were produced.[79] During the 1840s the quality of the thrown and reeled silk produced in these mills was not standardised and by the time their small output became competitive the demand for Fossombrone-type silk in the London market had plummeted.

In 1840 the selling price in Patras for silk reeled "in the Italian manner" was so disadvantageous that, according to M. Iatros, it would have been more profitable to sell cocoons than to unravel the filament; even worse, another seven crates of silk remained unsold. The selling price for their silk in Marseilles was 17% lower than the current market selling price, on account of its quality. According to the specialist controller from Fossombrone, L. Buffoni, the quality of the silk from the Sparta mill had still not been standardised in the following year.[80] Although this mill was the larger and better equipped of the two, its product was evidently defective. So in 1841 Ioannis Durutti opted to sell the silk from both Sparta and Messene at a good price in Ancona, since it was not sufficiently competitive for the London market. Eventually, after the mills had been operating for six years, 15 crates of silk from the Messene mill were sold in London at the desired price, while eight crates from Sparta remained unsold. By 1844–1845 operation and production seem to have been normalised in both silk mills. Labour relations were also calm after the disputes with the Loviselli couple and the master reelers. So the Messene mill chief silk worker, who was a woman from Livadia, reached a production level of five litres a day with 180 drams per cauldron. In September 1844 C. Durutti shipped 20 crates of silk from Piraeus to Tambakos and Geralopoulos in London, while in the same month Athanasios Durutti departed for Marseilles.[81]

By the time some kind of equilibrium was achieved in production and sales it was 1846, when the conceded protection privileges ceased to have effect; not that local producers had not abused the two mills' exclusive privilege of producing thrown and reeled Italian-type silk. Though Durutti and Iatros soon lost

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[79] Ibidem, file 9, letter of M. Iatros (Nauplion) to I. Durutti (Ancona), 31 May 1838; C. Durutti (Sparta) to I. Durutti (Ancona), 13 July 1838; M. Iatros (Nauplion) to G. Durutti (Ancona), 13 August 1838, 30 August 1838, 29 September 1838.

[80] Ibidem, file 10, 1, letter of M. Iatros (Nauplion) to G. Durutti (Ancona), 15 March 1840 and 31 July 1840, Durutti (Ancona) to C. Durutti (Athens), 2 August 1841 accompanied by a letter from L. Buffoni (Fossombrone) to G. Spadoni (Ancona), 18 July 1841.

[81] Ibidem, file 11,1 letter of Durutti (Ancona) to C. Durutti (Athens), 5/17 October 1841; C. Durutti (Athens) to I. Durutti (Ancona), 9/21 December 1843; file 13, Petros Dimitriou (Nisi) to C. Durutti (Athens), 23 August 1844. In 1845 C. Durutti went to Sparta, where he drew up a contract with the Italian, P. Barbuti. Advantageous to the firm, it encompassed everything from growing mulberry trees to superintending the two silk mills, file 15, contract 28 April 1845, file 13, letter of C. Durutti (Athens) to I. Durutti (Ancona), 9/21 September 1844 and 9/21 October 1844.

the monopoly on production, it seems that they managed to commercially control the independent local manufacture. The Italian-type silk produced in the Sparta and Messene mills was destined for the London, Marseilles or at least the Ancona market, because there was no opportunity of consumption in the Greek kingdom. Nonetheless the silk produced by local independent reelers from Mystras also aimed at the European market, to which Durutti-Iatros had the only entrée. In 1846 the reported sales for Italian-type silk were indeed disappointing, both from London from Tambakos, Mikroulakis and Mavrogordato and Marseilles, where the selling price of silk produced by a local reeler had fallen by 15%. So the conservative merchant M. Iatros observed that, since there was no demand for silk of Italian type and Peloponnesian cocoons were expensive to buy because production was small, it was perhaps not sound to stock cocoons for the silk mills. In contrast, the local independent *manganaraioi*, who had been throwing and reeling Italian-type silk with considerable profit for two years in succession, pre-purchased cocoons indiscriminately, without knowing the selling prices for silk in London and Marseilles.[82] The comparative advantage of the international merchant who had access to commercial information is thrown sharply into relief in this instance. Indeed while the Mystras silk workers were buying cocoons at high prices, ignorant of the selling prices in Europe, some others, the Chiot merchants, entered the cocoon market fully aware of its behaviour in this critical period. M. Iatros likewise foresaw the slump in demand for hand-reeled Italian-style silk in the markets of London and Marseilles in 1847. The general economic situation worsened in 1848, when the European market was disturbed by political uprisings.[83]

Here, more or less, ends the story of the first silk mills in the southern Peloponnese. In the eyes of F. Strong, a harsh critic of the Greek kingdom in its early stages, the granting of the protective privilege to an "Italian" firm – the Durutti – whose business did badly, was a dismal failure, since their silk was useless in the markets of London and Manchester, and was only consumed in Lyons as weft for making ribbon. Forty years later, the Frenchman H. Belle was more lenient in his criticism of the same enterprise. He was the first to acknowledge as the main reason for its failure the competition of the itinerant *manganaraioi*, who by his day had been completely ousted by industrial competition.[84] Both opinions are broadly speaking correct, the only thing they ignored were Durutti's commercial outlets. In 1855 N. Damaskinos, possibly a

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82 Ibidem, file 18, letter of M. Iatros (Nauplion) to G. Durutti (Ancona), 19 May 1846, 26 October 1846 and 8 December 1846; file 19, M. Iatros (Nauplion) to G. Durutti (Ancona), 28 April 1846.

83 Ibidem, file 19, letter of M. Iatros (Nauplion) to G. Durutti (Ancona), 3 August 1846; file 19, M. Iatros (Athens) to G. Durutti (Ancona), 13 April 1847 and 25 July 1848.

84 F. Strong, *Greece as a Kingdom*, London 1842, 182–183. The centre of silk ribbon production was Saint Etienne, near Lyons. H. Belle, *Trois années en Grèce*, Paris 1881, 348. The destructive competition between local filatory operators as a contributive factor to the failure of the same silk mills is also pointed out by Christina Agriantoni, *Οι απαρχές...*, op. cit., 26, 38.

relative of Durutti's business partner in Corfu, extolled C. Durutti's business enterprise that gave Greek silk a new dimension as an export commodity, announcing the beginning of the Société Sericicole and requesting from the government new protective measures for silk;[85] demonstrating that many Greek entrepreneurs still sought a powerful protective state.

However, the most important result of the silk mills at Sparta and Messene was not their output per se, but the fact that they signalled the shift to a new era in the economy of the Greek world, during the 1830s and 1840s. Regarding the history of the Durutti firm, the passage from trading woollen cloth to agricultural raw materials, to wool and eventually to silk, enhanced the infrangible dynamic of commercial activity, as well as the direct dependency on European industrial production. Silk ensured the economic continuity of the business, since silk – even with its problems – was the first processed product to put Greek business in the European market. The entrepreneurial path of the Durutti was initially defined by the mountain economy of Epiros and the economic perspectives of the Greek community in Ancona. Traversing the Adriatic system of exchanges, the passage to the Greek kingdom marked the smooth end of a long entrepreneurial journey

Fragmentation in the Family

Historiography has been much concerned with family issues in the economic and social domain of the firm. However, only after studying a particular firm can the historiographic aspect of the family business be enriched. I believe that the biographical analysis of the firm, by overcoming traditional historiography's fixation on the individual and the case study, as well as modern historiography's tendency to create models based on general and quantitative data, offers one of the most fruitful methodological processes that surpass unsubstantiated statistical generalisations.

The Durutti family started out from a specific traditional economic network in Ottoman-occupied Greece and a diasporic Greek community in the Italian peninsula, in which the difficulty of access to European credit institutions, the insecurity of the foreign milieu and other limiting factors led to the predominance within the Diaspora community of the merchant family network, extended through marital alliances, as well as coalitions with compatriots. Moreover, the small-scale trade in *capotes* (overcoats) and woollen cloth in the eighteenth century set the boundaries of the family's social capital and

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[85] N. Damaschinos, *De la sericulture en Grèce*, n.d., 363–366. The author should be identified as N. Damaschinos (Corfu 1834 – Athens 1910), who was a lawyer in Paris from 1856 to 1865, in which year he became Professor of French Law at the University of Athens, subsequently moving to the chair of Commercial Law in 1884, see D.A. Dimitriadis, *Απάνθισμα βιογραφικον...*, op. cit., 167–170.

mobility. The structure of this family business came into conflict with new business strategies. So in the nineteenth century a complicated contradiction was reached: on the one hand the domination of a specific merchant group that bequeathed its wealth from one generation to the next and had a controlled policy of marital alliances and commercial patterns, and on the other hand trade itself was a free zone with open economic and social perspectives. Economic continuity belonged not to families that were rooted locally, but to merchant houses that moved with the times.

The archival material used for the history of the Durutti family is dispersed in the General State Archives (G.S.A.), the Benaki Museum and the Greek Literary and Historical Archive (E.L.I.A.). There are also documents in the Service of Diplomatic and Historical Archives (Y.D.I.A.) of the Greek Ministry of Foreign Affairs, concerning the diplomatic activities of the Durutti in Ancona, as well as in the personal archive of M. Iatros, concerning Constantine and Athanasios Durutti.[86] The material covers mainly Georgios Ioannis Durutti (Kalarytes 1770 – Ancona 1836), paterfamilias of the Epirote family, his two sons, Constantine (Kalarytes 1809 – Athens 1878) (see fig. 3) and Athanasios (Kalarytes 1816 – Athens 1901) (see fig. 4), and to a lesser extent his eldest son Ioannis (Kalarytes 1798 – Ancona 1852), the only one who remained with his father in Ancona, while the other two settled in Athens after the founding of the Greek state. This material does not permit us to follow equally the course and relations of Georgios Durutti's family. Throughout C. Durutti's sojourn in Corfu his correspondence with his family in Ancona was prolific. His father addressed him in Greek as "Κωσταντή Γ. Δουρούτη" (Kostanti G. Dourouti), while he himself signed in Italian as Costantino di Giorgio Durutti, the first differentiation between the old vocabulary of the merchant and a turn towards western habits. It was Constantine Durutti who opened up a new dimension in Georgios Durutti's family merchant house, and Athanasios Durutti followed in his footsteps. In contrast, the first-born Ioannis Durutti not only stayed in Ancona, where he died, but also adhered to the old commercial system. It is not fortuitous either that he married a Kalarytian girl, Sosana Prinari. The Prinari family must have belonged to the first wave of Kalarytian emigrants and was installed at San Severo, a fertile agricultural region of Apulia where it had landed property.[87] The second half of the 1830s was particularly important for the transformation of the structure of the Durutti merchant house. We learn

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86 See G.S.A., Small collections, K. 19β. Correspondence of the Durutti commercial house (1793–1863). Benaki Museum, Durutti Archive, files 1–2 (1804–1840). E.L.I.A., Durutti Archive, files 1–22 (1823–1873); Y.D.I.A. Consulates and vice-consulates of Greece/Trieste; K. Spiliotakis, *Το αρχείον Μιχαήλ Ιατρού (1802–1893)*, *Τετράδια Εργασίας K.N.E./E.I.K*, 6 (1983), there is a series of old microfilms of the archive in the I.H.R./N.H.R.F; There are also letters of G. Durutti in a section of the D. Postolakas Archive, in the Benaki Museum, see Φ. Μπουμπουλίδης, "Ειδήσεις και κρίσεις περί του αγώνος 1821–1824 εκ του αρχείου Δ. Ποστολάκα" [Ph. Bouboulidis, News and judgements on the struggle 1821–1824 from the D. Postolakas archive], *Δελτίο Ιστορικής & Εθνολογικής Εταιρείας*, 12 (1957–58), 15.

87 Sosana's father, Christodoulos Prinaris, died in 1834 and in the 1840s problems arose with his heirs, E.L.I.A., Durutti Collection, file 10, (copia lettere) of I. Durutti.

from the business circular of 13 March 1837, that after the death of the head of the family in Ancona, the G. Durutti merchant house – presumably it was an unlimited company – kept the same name and Ioannis Durutti had the right of signature. At the end of 1837 the 20-year-old Athanasios Durutti went first to Sparta and then to Nauplion – where he suffered from a fever – and had the aspiration to study in the newly founded university at Athens.[88] Athanasios Durutti had been taught Greek by well-known scholars, at Ancona by D. Vranas and in Greece by G. Gennadios and N. Vamvas. In the end he studied law in Paris, in 1842, and became the intellectual businessman of the family, joint founder of the silk mill in Athens as well as author of pamphlets in support of the silk industry.[89] His relations with politician A. Koumoundouros and the Diaspora entrepreneurs, the Zappas brothers, as well as with the French politician Emile Olivier, in conjunction with his economic activity are enough to place him among the modern newcomers to the Greek state, who apart from wealth and social capital had higher education and introduced radical ideas about Greece's economic transformation.[90]

The Kalarytian network of the merchant diaspora generation was breached in the newly established state. The betrothal of Marigo, daughter of Michael Iatros, to C. Durutti was an expected consequence of a close economic and social relationship that illustrates the values and lifestyle of the time. During the first year of the silk mills' operation, C. Durutti was anxiously ordering from his brother in Ancona the entire household furnishings for his forthcoming marriage: "I assure you that I cannot endure and would rather be dead than not fully prepared. Think on it that I am in a foreign land, that this prospective alliance arouses the curiosity of many, and I have no desire to be affronted at this crucial event for the dignity of our house and [for] it to be suggested that I achieved this unmerited".[91] It is also obvious that the two Durutti brothers, who were guests in M. Iatros's home, were impressed by their host's real estate property, an economic asset unknown to them from the diaspora community in Ancona. So Athanasios noted that Constantine was to receive a large dowry with an income of 600 distela per annum [= 3,600 drachmas], and that each day M. Iatros was taking him on the rounds of his estates at

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[88] E.L.I.A., Durutti Collection, file 9, letter of C. Durutti (Nauplion) to I. Durutti (Ancona), 1 January 1838.

[89] See Αθ. Λουρούτης, *Καθ 'ην στιγμήν πρόκειται να συζητηθεί το τελωνιακό δασμολόγιο. (Εκθεσις περί αναπτύξεως μεταξουργείας)* [A. Durutti, Any moment the tariff of customs duties will be discussed (Report on the development of silk-reeling)], Athens, 14/2/1855, 15/11/1855, 27/ 9/1856, in which he asks the Greek government to increase the export duty on cocoons, to permit the free import of cocoons and the tax-free export of silk.

[90] E. Olivier (Marseilles 1825 – Saint Gervais les Bains 1913) was a politician and author of the book *L' Empire liberal, etudes, recits et souvenirs, 1895–1901*, see the relevant entry in *Larousse XX s.*, vol. 5. The information on A. Durutti's studies and social relations is taken from his obituary; see *Ποικίλη Στοά* (1912), 596–597.

[91] E.L.I.A., Durutti collection, file 9, letter of C. Durutti (Nauplion) to I. Durutti (Ancona), 15/27 January 1838.

Kiveri, Avdibei, Melissa (small communities around Nauplion), Mystras, Kalamata and Corinth; in 1838 he collected 40,000 [litres] of raisins from his estates and he had 10 houses in Nauplion that gave him an income of 4,000 distela a year.[92]

This much expected match had been announced for Easter 1838 with K. Schinas as best man. He was a founder-member of the newly established Athens university (1837) and friend of the leading politician I. Kolettis, whom it seems the Durutti knew too.[93] However, it was postponed because of sickness and absences of relatives, and finally cancelled with Marigo's death. Throughout 1838 the Iatros and Durutti families were worried by the successive complications of the bride-to-be's illness, as well as by Athanasios's recurrent fevers, an outcome of his stay in the marshes of Mystras.[94] Though this wedding never took place, the marital alliance with the Iatros family was successfully completed later, in 1847, with the marriage of Florence M. Iatros (1832–1930) to Athanasios Durutti.[95]

The relationship between Michael Iatros and Constantine Durutti proved to be long, with rises and falls; two different types of businessmen combined their social capital in the promising economic prospects of the Modern Greek kingdom. In Michael Iatros's will, drawn up in 1868, it seems that the two partners had bills outstanding from the silk mills and from the current account between them. It is also clear that their relations had cooled, since they communicated via a third party. As the last gesture of good will, Iatros wrote off the last accounting difference between them, of the order of 15,000 drachmas, and as much money again for the expenses Constantine had incurred in his engagement to his daughter.[96]

The trust C. Durutti showed in the Modern Greek kingdom assumed some favourable conditions for business and personal life that were not always met. King Otto's transfer of the capital to Athens offered C. Durutti the most important parameter a businessman desires, secured business opportunities. These were commercial opportunities, with proposals for new import-export ventures in collaboration with L. Korck & Sons, from Trondheim in Norway, and processing opportunities through the possibility of setting up new workshops.[97] The liquorice workshops that had mushroomed in the Patras area from

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[92] Ibidem, file 9, letter of C. Durutti (Nauplion) to I. Durutti (Ancona), 15/27 January 1838.

[93] The Durutti brothers had themselves announced the wedding to the mother of the politician and neighbouring villager I. Kolettis. Ibidem, file 9, letter of Ath. Durutti (Nauplion) to I. Durutti (Ancona) 15/27 January 1838 and C. Durutti (Nauplion) to I. Durutti (Ancona). For the first university; see Κ.Θ. Δημαράς, *Εν Αθήναις τη 3η Μαΐου 1837* [K.Th. Dimaras, In Athens on 3 May 1837], Ε.Κ.Π.Α. series History of the University no. 1, 1987, 29–40.

[94] E.L.I.A., Durutti Collection, file 9, letter of C. Durutti (Nauplion) to I. Durutti (Ancona), 16 April 1838 and Ath. Durutti (Nauplion) to I. Durutti (Ancona), 30 April/12 May 1838.

[95] K. Spiliotakis, Το αρχείον Μιχαήλ Ιατρού..., op. cit., 34, 47.

[96] Parliament Library, Renieri Archive, file 7877, no. 427.

[97] See copies of C. Durutti's letters (1846), E.L.I.A., Durutti Collection, file 18. Christina Agriantoni, *Οι απαρχές της εκβιομηχάνισης*..., op. cit., 79.

the 1830s evidently flourished in Athens too, so that Constantine Durutti wrote to Ancona, "I see that there are many liquorice factories in Greece and more appear every day, if you find a good technician send him to me so that we can set up a joint factory of this kind, I have a good place with enough material".[98] Again the problem lay in the transfer of technical know-how; on the other hand the factor favourable to any kind of business in the Greek kingdom was the relatively easy acquisition of land. All the new residents of the kingdom, foreign and Greek, were seizing the opportunity of becoming land owners, and C. Durutti was no exception. A very attractive offer in all respects was made to him in 1841: the village of Xerochori (Istiaia) in Euboea, with 40 *zevgaria* of arable land, 350 hectares of vineyards, fruit trees, woodlands and 70 families, was up for sale, so that the community could pay off its debts, for the sum of 115,000 drachmas.[99]

The Durutti moved to Athens in 1839 and rented a small house in Ermou Street in the centre of the commercial district. In 1844 C. Durutti mentions the repairs he made to his residence, which comprised three dark rooms and two 'crooked' ones; he bought another 300 square cubits adjacent to it for 2,260 drs, in order to build a sunny house, 200–240 square cubits in area, worth 8,000 drachmas. The leap in the price of land in Athens in the 1840s and the difficulties in finding urban housing in the early years of the Greek kingdom have been noted elsewhere.[100] Also striking is the high cost of building. Consequently the letting of properties became a profitable enterprise, in which C. Durutti engaged in Piraeus. On a plot of land he owned by the sea, close to the Customs House – at that time under construction – he put up jerry-built warehouses which he calculated would bring in a net profit of 12% per annum.[101] These are indications that C. Durutti was active in the Athens property market, until the major company purchase of the G. Cantacuzenos building complex on the site of "Chesmeno Lithari", now the neighbourhood of Metaxourgeion.

However, C. Durutti's installation in Athens during the early years of the Greek state caused financial and social difficulties that were reflected in his

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[98] E.L.I.A., Durutti Collection, file 13, letter of C. Durutti (Athens) to I. Durutti (Ancona), 9/21 October 1844.

[99] Ibidem, file 10, letter of A. Stamatakis (Chalkida) to C. Durutti (Athens), 21 November 1841. On the earlier history of the settlement of Iksirohor in the Istaia region, see Evangelia Balta, *Rural and Urban Population in the Sancak of Euripos in the early 16th* c., reprint from the *Αρχείον Ευβοϊκών Μελετών*, 29/1 (1990), Athens 1992, index.

[100] The house was three-roomed and cost 50 drachmas a month; they paid 30 drachmas a month for a servant and ate in the hotel. Benaki Museum, Durutti Archive 144/125, letter of [Ath. Durutti] (Athens) to G. Durutti (Ancona), 1 Dec. 1839; E.L.I.A., Durutti Collection, file 13, letter of C. Durutti (Athens) to I. Durutti (Ancona), 9/21 July 1844; Cf. Ευτυχία Λιάτα, *Τιμές και αγαθά στην Αθήνα (1839–1846)* [Eftychia Liata, Prices and goods in Athens (1839–1846)], Athens 1984, 49–50.

[101] The building was rented to a foreigner for four years, at 120 drachmas a month, and was used as a workshop for processing liquorice. E.L.I.A., Durutti Collection, file 13, letter of C. Durutti (Athens) to I. Durutti (Ancona), 9/21 Oct. 1844.

family relations. It should be noted that like Athanasios, Constantine suffered from fevers, possibly contracted while living in the marshy southern Peloponnese. Poor health in a new country confronting many difficulties, political unrest, a host of opportunists and self-styled entrepreneurs, led the twenty-seven-year-old C. Durutti to break down in 1836 "I didn't want to stay in Greece enduring all the miseries, endangering my life, the brothers have neither cause nor right to despise me, I have suffered for 15 years already and I am fed up ...".[102] After G. Durutti's death the rift between Ioannis and Constantine widened. The youngest brother, Athanasios, was studying and charting a different course; he was the "pure" industrialist, since he had never been involved in trade. The two elder brothers, who were essentially running the family merchant house, clashed, as Constantine wrote to his elder brother in 1844, "because you want to be superior to the others and you think that because you are the first-born brother the others are your slaves, and you assume that the respect they show you is shown out of need rather than affection".[103] The demise of the patriarchal type of commercial firm was drawing nigh, and the path towards individual activities was wide open from here onwards; henceforth collaborations were imposed by the needs of the enterprise itself and not by the family.

Athanasios's and Constantine's departure from Ancona was catalytic for the reorientation of the family business within the new economic prospects of the Greek state. Both belonged to the diaspora Greeks, as an informal group, in which local networks were also obvious. So the Durutti had close relations with Sotiris Gerousis from Smyrna, who also settled in Patras at this time, as well as with their fellow Epirotes I. Kolettis and G. Stavros. With some of them, relations were so close that Sotiris Gerousis asked C. Durutti to intervene on his behalf for the post of manager of the Patras branch of the National Bank of Greece.[104] However, when the Director of the National Bank of Greece had proposed C. Durutti as an assessor in bank affairs, in 1842, he himself had declined, "from my brief stay in this place I know neither the persons

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[102] Even the Greek washerwomen were no good; Athanasios complained to his sister-in-law Sossana that "they ruined the clothes" and that his underpants were patched, Benaki Museum, Durutti Archive, 155/125, letter of [Ath. Durutti] (Athens) to I. Durutti (Ancona), 31 December 1839; 144/63–64, C. Durutti (Athens) to [G. Durutti (Ancona)], 10 May 1836.

[103] E.L.I.A., Durutti Collection, file 13, letter of C. Durutti (Athens) to I. Durutti (Ancona), 24 June/6 July 1844.

[104] Maria Christina Chatziioannou, The Greek state..., op. cit, 20. In 1844 Kolettis ordered 10–12 bottles of *soumada* (almond cordial) from the Durutti's commercial network, E.L.I.A., Durutti Collection, file 13, letter of C. Durutti (Athens) to I. Durutti (Ancona), 9/21 July 1844; file 17, S. Gerousis (Patras) to C Durutti (Athens), 3 May 1845. Constantine and Athanasios Durutti supported the efforts of the National Bank of Greece from the outset; see indicatively I. Βαλαωρίτης, *Ιστορία της Εθνικής Τραπέζης της Ελλάδος* [I. Valaoritis, History of the National Bank of Greece], vol. I, Athens 1902 (reprint M.I.E.T. 1980), C. Durutti (1843) p. 13, Ath. Durutti (1853) p. 28 n. γ', (1868) p. 49 n. α'.

nor the relationships of the borrowers".[105] By the mid-nineteenth century, after the founding of the Athens silk mill, the "Metaxourgeio", Constantine Durutti's incorporation in the modern Greek state was complete. A fact in no way fortuitous for a merchant who had from very early on paid attention to his social relations, focusing on a new place of residence accompanied by the formation of a prolific social network.

The Durutti firm, with all its kin and local ties discussed above, characteristic of an early capitalist society, represents the structural versatility of a business that over the span of a century covered the whole spectrum of economic activities, from commercial transactions to the purchase of real estate, to industry, with the exception of exclusively financial activities. The purchase of land as social capital has been shown to be an economic initiative that fits all types of Greek entrepreneurs. The singularity of each case study lies in the analysis and interpretation of its entrepreneurial model, as well as in the examination of the well-timed mobilisation of social and economic capital to take on the demands of both the home and the foreign market.

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[105] Historical Archive of the National Bank of Greece (I.A.E.T.E.), II, Archives of Governors and Managers, Stavrou Archive, file 7 (1552) subfile 20/1, letter of C. Durutti (Athens) to G. Stavrou (Athens), 21 June 1842.

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SHAPING GREEK-TUNISIAN COMMERCIAL RELATIONS IN THE OTTOMAN MEDITERRANEAN WORLD: THE EFESSIOS MERCHANT HOUSE[1]

A Mediterranean Neighbourhood

Although Tunisia was never a vital economic hub, it nevertheless became part of a Greek commercial network that stretched as far east as the Black Sea. Both its Mediterranean and Ottoman identities made it attractive to Greek entrepreneurs. Moreover, its geographic proximity to western ports; its familiar socio-economic and cultural milieu; and its status as an affluent agricultural country offered a range of mercantile opportunities. Although Greece did not have strong economic ties with Tunisia in the eighteenth and nineteenth centuries, its merchants did take advantage of a widespread western network led by Jewish and French merchants. Migrants from the northwest Peloponnesus constituted a large part of the small Greek presence (250 persons) in Tunis in the mid-nineteenth century.[2]

The "Ottomanization" of Tunisia was a slow process that grew out of the Ottoman-Spanish rivalry in the Mediterranean.[3] Tunisia was part of the Ottoman Empire from the sixteenth to the late nineteenth century, while in the late seventeenth and early eighteenth centuries the so-called "Barbary Pirates" threatened maritime enterprise in the region. The Anglo-French rivalry in the western Mediterranean was heightened by the British occupation of Gibraltar (1704) and the establishment of a protectorate in Malta (1813), both of which threatened long-standing French commercial relations throughout the Mediterranean world. Despite political and military upheavals, commercial activities in the Mediterranean were facilitated by geographical proximity. Cultural bonds were created between different ethnic and religious groups inside the vast territory that comprised the Mediterranean basin.

Ottoman possessions in the Mediterranean were important suppliers of foodstuffs and raw materials. Greek and Tunisian products were carried to a variety of Mediterranean ports, thus creating a web of direct and indirect

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[1] First published in *International Journal of Maritime History*, XIX/1 (2007), 161-180.

[2] M. Kharalambis Poulos, "Les Hellenes," in C.H. Dessort, *Histoire de la ville de Tunis* (Algiers, 1926), 151-155; and H. Kazdaghli, "Communautés méditerranéennes de Tunisie. Les Grecs de Tunisie du Millet-i-rum a l'assimiliation française (XVIIe-XX siècles)," *Revue des mondes musulmanes et de la Méditerranée*, Nos. 95-98 (2002), 449-476.

[3] For a detailed description of the formative years of the Tunisian beylicate, see Jamil M. Abun-Nasr, "The Beylicate in Seventeenth-Century Tunisia," *International Journal of Middle East Studies*, VI, No. 1 (1975), 70-93.

commercial relations. Trade was conducted by both land and sea. French, Jews and Italians had always had a preponderant role in Tunisian trade in grain and wool, and in European ports, mainly Marseille and Leghorn, Greek merchants became acquainted with this commerce, since both cities were major centres of Greek mercantile networks.[4] In the pre-industrial period, geographic propinquity and economic complementarity were strong assets. Cultural relations based upon trade could overlap religious and ethnic differences.

A comparison of Tunisia and the Peloponnesus in the Ottoman period suggests similar developments. The Ottoman conquest of Tunisia brought to power a *beylerbey* (provincial governor) in the new *eyelet* appointed by the Porte. There were three major power groups: the janissaries, who were mainly Muslim-born Anatolians; the corsairs, who for the most part were converts from Rumelia; and the representatives of the Porte. Tunisia gradually adopted the Ottoman political ideal of a strong centralized state dependent upon a salaried army and administration.[5] While this was occurring, the Ottomans gradually conquered a large part of what was to become the modern Greek state. Their campaign against Peloponnesus (1458-1687) was interrupted by a Venetian conquest and ended with the Peace of Passarowitz in 1718, which ceded the territory to the Ottomans. A *pasha,* the Morowalesi, governed the peninsula, and by the late eighteenth century local Christian autonomy became stronger. Local notables such as P. Benakis and P. Mavromihalis in Calamata accumulated wealth and power and prepared for the revolution in 1821 that led to independence.[6] During the Ottoman occupation a local Greek elite based on trade, tax farming and piracy came into being. As well, throughout the eighteenth century French merchants became interested in agricultural exports and in the market for manufactured goods in the main Peloponnesian ports of Methoni, Coroni, Nauplio and Patras. After the French Revolution, trade with France declined throughout the eastern Mediterranean, creating openings for British economic interests and local entrepreneurs.

Peloponnesus and Tunisia shared some important characteristics. Both were agricultural areas which exported goods to other ports in the Ottoman Empire and Western Europe. Over time, they established a complementary relationship based mainly on the maritime transport of food and raw materials.

Tunisia went through a period of internal conflict and revolt (1702-1814), and recent studies indicate the strengthening of bonds between local administrations and the weakening of the power of Europeans in the Regency, as well as a moderation of the *corso* due to peace treaties between the Porte and several European countries. Under the rule of Hammuda Pasha (1774-

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[4] For the Greek community in Leghorn, see Despoina Vlami, *To fiorini, to stari kai i odos tou kipou. Ellines emporoi sto Livorno 1750-1868* (Athens, 2000, in Greek).

[5] Asma Moalla, *The Regency of Tunisia and the Ottoman Pone, 1777-1814* (London, 2002), 139.

[6] Martha Pylia, "Les notables moreotes, fin du XVIII début du XIXe siècle: fonctions et comportements" (Unpublished PhD thesis, Université Paris I-Sorbonne, 2001), 203-213.

1814), the frontier culture declined in this part of North Africa, and Turkish became the official language. The whole Husaynid *beylical* period up to 1881, when Tunisia became a French protectorate, has been considered as a "semi-national dynasty." It was an era of the peaceful merger of Tunisian and Ottoman cultures. Driven by the idea of Islamic solidarity, the Tunisians fought alongside the Ottomans in Navarino (1827) and during the Crimean War (1854-1855), thus coming into direct conflict with Greek national aspirations.[7]

Between 1801 and 1805, and again in 1815, the United States Navy weakened Mediterranean piracy by attacking Tunis and other corsair bases along the Barbary Coast of North Africa.[8] This represented direct American intervention during a period of Anglo-French commercial competition. As a result of the loss of its revenues from piracy, the Tunisian government was plunged deeply into debt. The chief creditors were France, Italy, and Britain, all of which had imperial ambitions in northern Africa. As piracy waned, Greek merchants expanded their activities in Tunisia. But this was still not easy, since the Americans considered any vessel flying the Ottoman flag an enemy, and the Hydriots, under the Greco-Ottoman flag, were terrified at the prospect of being captured, especially when rumours were spread by Tunisian merchants that the US had sunk a small Levantine ship.[9] Indeed, there were few protections or rules governing Mediterranean commerce at this time. For example, when a hostile Tunisian ship stuck on the rocks off the island of Hydra in 1814, the captain obtained a loan from a Hydriot officer to repair his ship using bills of exchange drawn on Smyrna.[10]

During the Tanzimat era, Tunisia went through its own Western-oriented reformation under Ahmad Bey (1837-1881).[11] By the mid-nineteenth century, Tunis had a population of 100,000, most of whom were Muslims. It also hosted a foreign community, which included 5,000-6,000 Maltese and 4,000-5,000 Italians. The ruling group of the city was the *baldis,* the Arab bourgeoisie, whose economic and social power derived from their artisanal activities. Next to them were the *mamluks,* who represented the political elite

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[7] Tunisia constituted one of the pillars of opposition towards the reform policies of Selim III; see Moalla, *Regency of Tunisia*, 141.

[8] J.A. Field, Jr., *America and the Mediterranean World, 1776-1882* (Princeton, 1969), 49-58.

[9] Hydra, 16 September 1804, *Archion Kinotitos Hydras 1778-1832* (Piraeus, 1921, in Greek), II, 176.

[10] Smyrna, March 1814, in ibid., V, 97-98.

[11] Khelifa Chater, *Dépendance et mutations précoloniales. La régence de Tunis de 1815 a 1857* (Tunis, 1984), 570-571 and 587-588; L. Carl Brown, *The Tunisia of Ahmad Bey, 1837-1855* (Princeton, 1974); and Jean Ganiage, *Les Origines du Protectorat français en Tunisie 1861-1881* (Paris, 1959).

close to the *beylical* government. Many of these people were former white slaves from the Caucasus or the Aegean islands.[12]

Mediterranean Trade Routes

The importance of the *corso* in the Mediterranean is well known. From the seventeenth century Muslim and Christian corsairs, acting both individually and in small fleets, created a competitive equilibrium in the area which transcended religious divisions. This was the period when the Maltese corsairs were at their peak, and their "illegal" transactions became an integral part of the Mediterranean commercial world.[13]

In the eighteenth century, Malta played a crucial role in economic relations with the northwest African coast (Magreb) by purchasing prize ships and cargoes. The island's main economic advantages were capital and commercial expertise, both accumulated during a long period of trade and piracy. Those advantages enabled Maltese merchants to serve as middlemen between northern European manufacturers and southern European consumers. This position enabled Malta to play an important regulatory role in the commercial activities of the western Mediterranean equivalent to that of Venice in the Adriatic. The strong Maltese presence in Tunisia is well documented,[14] although Greek enterprises there still need to be explored.

The importance of Malta as a naval and military base on the Mediterranean sea routes also offered a variety of opportunities to its neighbours. Due to its strategic importance, the island also became a hub of political intrigue. It is well known, for example, that Italian political exiles who favoured the *Risorgimento* hatched various conspiracies and campaigns on the island.[15] Moreover, the Greek-Ottoman merchant marine frequently used Malta as a trading post. Greeks from Messolonghi and Hydra used the Maltese flag from the eighteenth century, and in the first decade of the nineteenth century cargoes of oil, cotton, wool, raisins, silk, vermilion and Cretan soap were exported from Greek ports to Malta. Indeed, the volume of Greek shipping en-

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[12] William L. Cleveland, "The Municipal Council of Tunis, 1858-1870: A Study of Urban Institutional Change," *International Journal of Middle East Studies*, IX, No. 1 (1978), 35-37

[13] Dionysios A. Zakythinos, *L'Hellénisme Contemporaine* (Athens, 1939), 8-9. Among the rich historiography on the corsairs of Barbary and Malta, see especially Peter Earle, *Corsairs of Malta and Barbary* (London, 1970).

[14] In 1856, the Maltese in Tunisia constituted the majority of the European population; Chater, *Dépendance et mutations précoloniales*, 588.

[15] In 1825 the Western-minded Greek politician, An. Polyzoidis, and the French philhellene, M. Raybaud, tried unsuccessfully to organise in Malta a military campaign in favour of independence; see Katerina Gardika, "O Anastasios Polizoidis kai i elliniki epanastasi," *Mnemon*, No. 1 (1971), 46-47 (in Greek)

tering Maltese ports in 1818-1820 was estimated to be almost as large as that of Greek vessels in the eastern Mediterranean during the same period.[16]

Between the mid-eighteenth and the early nineteenth century, Greek merchants controlled a large part of the external trade of the Ottoman Empire with Western Europe and a substantial share of intra-Ottoman commerce. Throughout this period trade in agricultural products and raw materials increased in the markets of the Ottoman Empire which were in frequent contact with ports in the Italian peninsula, France, Great Britain, the Netherlands and the Black Sea. The need for access to centres of distribution led to the creation of family enterprises whose members were dispatched to various cities.[17] It is in this context that Greek commercial migration spread to the eastern Mediterranean, the Black Sea and ports in Western Europe.

In the seventeenth century the most important destinations for Tunisian exports were Marseille, Leghorn and Malta, and Tunisia's main trading partner was still France. French and Jewish merchants dominated this trade. A representative Jewish trading house in Tunisia was Jacob and Raphael Lombroso, from Leghorn, who traded between Marseille and Tunisia, importing Spanish wool for the manufacture of the Tunisian *fez.* The French merchant Nicolas Beranger exported Tunisian wheat and acted as an agent for Marseille's merchants and Leghorn's Jews. A tight commercial triangle was created between Leghorn, Tunisia and Marseille that enabled such people to profit from the French-Ottoman capitulations.[18] Marseille was the main import port for Tunisian grain, oil, wool, wax, sponges and leather. By the late eighteenth century the terms of this trade were shifting in favour of Tunisia: between 1776 and 1789, for example, the value of Tunisian exports increased three-fold while exports from Marseille remained stable.[19] But what is most important is that Marseille, with a large merchant marine, was the gateway to Tunisia for various products from Spain, Italy, Egypt, Syria and the West Indies. In short, Marseille was an indispensable intermediary in Tunisia's external trade.[20]

In 1736, the French consul in Tunisia, Saint Gervais, complained in his *Memoirs* that there were few Christian merchants in the country; despite consular protection, there were only six from France, although they did dominate trade with Marseille and Toulon. Jews carried out the commercial transactions with Italy, and English merchants were increasingly important in trade with

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[16] Vasiles Kremmydas, "Aspects des relations entre la Grèce et Malte (1810-1821)," in Kremmydas (ed.), *Afieroma ston Niko Svorono* (vol. 2., Rethymno 1986) 11, 223-231.

[17] Maria Christina Chatzioannou, "L'emmigrazione commerciale greca dei secoli XVIII-XIX: una sfida imprenditoriale," *Proposte e ricerche*, XXII (1999), 22-38.

[18] Minna Rozen, "Les marchands Juifs Livournais a Tunisia et le commerce avec Marseille a la fin du XVIIe siècle," *Michael*, IX (1985), 95-100.

[19] Mongi Smida, *Aux origines du commerce français en Tunisie. Les traites capitulaires* (Tunis, 2001), 104.

[20] Ibid., 102-103.

the Levant.[21] Although the resident French merchants were few, Marseille remained by far Tunisia's main trading partner. In 1788, for example, Marseille was listed as the destination for thirty-seven percent of the ships from Tunisia, followed by Malta and Leghorn, while the majority of departures for the Ottoman Empire went to Alexandria.[22]

Marseille and to a lesser extent Leghorn were the main destinations for Tunisian agricultural products. Oil and wool were mainly absorbed in French manufacturing.[23] Marseille was also the principal destination for the small quantities of similar Peloponnesian exports. The soap factories of Marseille used oil and soda from the northwest African coast as they used olive oil from the Greek territories. It was in Marseilles and Leghorn that Greek merchants became acquainted with Tunisian products, above all the famous *fezzes*.

Nascent Greek mercantile enterprises had to cope with the perils of the *corso* at sea but still participated in the trade in Tunisian *fezzes*. The trade in grain carried out by the fleet from Hydra was directed mainly towards Leghorn and Marseille. These vessels not only had to cope with Barbary and Maltese corsairs but also with Greek pirates. The best-known Greek corsairs, the Maniots from the southern Peloponnesus, preyed on traffic between the Aegean and the western Mediterranean. Mani was a densely populated region which shared several demographic and economic similarities with Malta.[24]

The war for Greek independence was a turning point in Greek-Tunisian relations.[25] These became openly belligerent, since the Greek fleet was engaged in a war with the Ottomans who were supported by Tunisian ships. But at the same time, the woollen Tunisian *fez* continued to be an important piece of Greek apparel. During the Husaynid dynasty and after the establishment of the Greek state, Greek-Tunisian trade was still conducted either by Greek mercantile networks based in Marseille and Leghorn or through nearby ports. Among the pioneers in this commerce were merchants from the southern Peloponnesus. Both regions had similar trading and consumption patterns, and their similar cultural backgrounds encouraged trade

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21 Saint Gervais, *Mémoires Historiques qui concernent le gouvernement de l'ancien et du nouveau Royaume des Tunis avec des réflexions sur la conduite d'un consul* (Paris, 1736), 317 and 328; Cf. Brill's, *Encyclopaedia of Islam*, VIII, 842.

22 Daniel Panzac, *Commerce et navigation dans l'Empire Ottoman au XVIIIe siècle* (Istanbul, 1996), 180.

23 Ibid., 181-184.

24 Mani faced a continuous migration from its lands in the seventeenth through the nineteenth centuries; see V. Panayotopoulos, "I shedon nisos Mani. To geografiko ipovathro mias makras istorikis diadromis," in Y. Saitas (ed.), *Mani Témoignages sur l'espace et la société. Voyageurs et expéditions scientifiques (XVe-XIXe s.)* (Athens, 1996, in Greek), 34. For Malta, see Carmel Vassallo, *Corsairing to Commerce: Maltese Merchants in XVIII Century Spain* (Msida, 1997), 1-3.

25 Tunisian relations with the Levant became more difficult after 1822 because of the Greek war of independence and Greek corsairing activities; see M.-H. Cherif, "Expansion européenne et difficultés Tunisiennes de 1815 a 1830," *Annales E.S.C.*, XXV, No. 3(1970), 726.

both in the Ottoman period and immediately after the achievement of Greek independence.

The Efessios Merchant House

The private archive of one merchant house testifies both to the commercial relations between southwest Peloponnesus and Tunisia and to the role of Malta as an intermediary in the nineteenth century. During the period of Greece's conquest by the Ottomans the Efessios family from Calamata established a commercial network between Calamata, Malta and Tunisia.[26] Their business was based on the exchange of Peloponnesian and Tunisian agricultural and manufactured products. The family firm was a partnership between brothers and cousins that in earlier times would have been called *fraternitas.* Expansion came about through the migration of family members to major port cities, and financial resources were increased through a variety of practices typical of merchants in the days before banks. A tightly-controlled network of acquaintances assisted the family firm financially. The trade pattern of the Efessios merchant house can be compared to that of the Lombroso and Beranger in previous eras. Economic transactions were conducted through family and ethnic trading networks. The main trading axis remained Tunis-Marseille, and the Effessios family established bases in both. But the family did not neglect the opportunities of using Malta and Leghorn as well.

Calamata was prosperous in the nineteenth century. Its main comparative advantage was its geographic position, and it had a long history of involvement in commerce with Adriatic and western Mediterranean ports. It was a station for sailing ships *en route* from the Aegean islands to Italian and French ports. In the middle of the nineteenth century the economic elite of the town of 1219 people, out of a total population of 22,599, consisted of merchants, "industrialists" and landowners.[27] Wealthy families gained local political prestige by trading silk, oil, figs, vallonea and vermillion; processing olive oil; manufacturing silk; and being tax fanners.

The Efessios family had been based in Calamata since 1700 and owned a respectable estate.[28] During the second half of the eighteenth century documents show that the family acquired property in the area. The founding fathers of the family firm, Nicolettos and Stamatis, were cousins who had

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[26] The private archive of the Efessios merchant house in the eighteenth to twentieth centuries has been microfilmed with the assistance of Elias Efessios, Jr. and is currently being processed at the Institute of Neohellenic Research (NHRF) in Athens.

[27] Y. Bafounis (ed.), *Statistiki tis Ellados. Plithismos tou etous 1861* (reprint, Athens, 1991, in Greek), 78-79.

[28] D. Doukakis, *Messiniaka kai idia peri Fawn kai Calamatas* (Athens 1911, in Greek), 259-261. Elias Efessios, or Vovos, was considered the main merchant importing fezzes from Tunisia; see 0. Chrysospathis, *Istoria tis Calamatas* (Athens 1936, in Greek), 35.

been partners since the mid-eighteenth century. Stamatis' line, however, was eclipsed due to a lack of male descendants, while Nicolettos' branch has survived to the present. His family members intermarried with other local notables in Calamata, such as the Benakis and Mavromihalis.[29]

Nicolettos's principal heir was Elias Efessios (1789-1867), an adventurous young man who at the beginning of the nineteenth century left his birthplace and went to Smyrna, where he stayed with an Armenian family. He began to sail on the dangerous seas between Calamata, Smyrna and Alexandria at a time when all three were part of the Ottoman Empire. In 1816 Elias moved to Tunis and began to trade. He initiated the creation of a commercial network by establishing correspondents in Malta and Zante; from 1823 to 1828, the Maltese trade was handled through Nicolettos Efessios. After the creation of the Greek state, Elias moved back to Calamata; married a woman from the family of his Constantinople correspondent; and extended the family by fathering seven children. One of his daughters, Charikleia, married Petros Ant. Mavromihalis, the mayor of Calamata and a descendant of a well-known Maniot family. Elias became a successful entrepreneur who profited from family expertise and continued to accumulate wealth for many years to come.

Table 1
Efessios Merchant Network Locations (1831-1861)

Network Suppliers	Entrepreneur Suppliers	Information Agents Co-ordinator	Network
Constantinople			
Corfu			
Coroni			
Hydra		Leghorn	
Kyparissia	Calamata	Malta	Tunis
Leontari			
Mistras			
Nissi			
Patras			
Pyrgos			
Zante			

Source: Efessios Archive, Commercial Correspondence, 1839-1850, and Bills of Lading, 1831-1861.

[29] The relations are certified by marriage contracts and documents of real estate purchases in the Efessios' private archive.

Elias Efessios was the "entrepreneur-coordinator" of the family firm.[30] He developed a network (see table 1) throughout the western Peloponnesus (Coroni, Kyparissia, Leontari, Mistras, Nissi, Patras and Pyrgos) and two of the Ionian islands (Corfu and Zante). It is evident that geographic proximity was important for the collection of economic information and the provision of goods. Constantinople, the capital of the Ottoman Empire, was an important trade connection, especially for the *fez.* The ports of Malta and Livorno supplied commercial information to Efessios' agents and were trading posts for certain goods. Apart from Calamata, Tunis was the other branch of the supply network. The entrepreneur in Calamata managed the information flow and organized transactions from there to Tunis, frequently via Malta.

Between 1831 and 1861, 133 bills of lading have been preserved in the Efessios archive (see figure 1). They show the trade orientation of Elias Effessios before his death. During this period, this Peloponnesian family continued to take advantage of an established trade network. Malta was an indispensable stopover on the route to Tunisia, and a reliable representative there was always a necessity. The network connecting Calamata, Malta and Tunisia was established through local partners trading foodstuffs, dyes and *fezzes.*

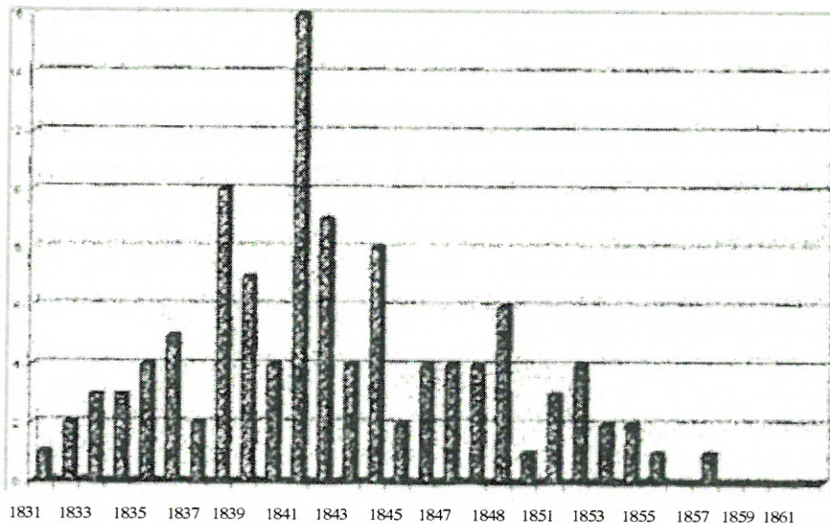

Figure 1: Bills of Lading of Efessios Trading House, 1831-1861
Source: See table 1.

It is clear based upon the bills of lading that the peak period of activity was 1838-1849, the decade following Elias Efessios' relocation to Calamata and the formative years of his personal trading network. In the same decade

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[30] Mark Casson, *The Entrepreneur. An Economic Theory* (Aldershot, 1991), 57.

voyages between Calamata and Tunis, which constituted the majority of trading ventures, were mainly in exports from Tunis (see appendix 1).[31]

Over the thirty-year period the dominant export from Calamata to Tunis was silk, accompanied occasionally by vermillion. In the other direction only fifteen cases of red *fezzes* were shipped from Tunis to Calamata along with dried octopus, stockfish and occasionally butter, rosewater and dates. This trading pattern is reflected in the firm's business correspondence: petty commodities accompanying the most expensive trading items such as silk and *fezzes*. This pattern has been observed in similar case studies in periods when foreign competition was intense and medium-rank merchants could not purchase those goods in greatest demand.[32] The withdrawal of the famous Tunisian *fezzes* from the Efessios' commercial exchanges cannot be explained by a decline in consumer demand, since *fezzes* continued to be worn throughout Greece until the late nineteenth century. Another explanation might have more validity: that a large part of domestic demand was satisfied by a new manufacturer who commenced production in Athens in 1839, offering an assortment of *fezzes* that competed with Tunisian exports.[33]

The export cargoes from Tunis to Calamata included 164,000 silver coins (Spanish *colonati, talers* and *francs).* This amount certainly was not accounted for solely by remittances for Greek exports, so we need to seek an alternate explanation. One hypothesis worth testing is that the founding of the Greek state created a demand for European coins for domestic commercial transactions and that Tunis was an excellent locale for their acquisition.

The Efessios merchant house reflected new economic realities when it moved away from traditional trades. In the southern Peloponnesus silk had long been produced and manufactured in Calamata and its hinterland, as was vermillion. Similarly, *fezzes* and dried octopus from Sfax had long been staples of Mediterranean trade. But all these products were relics of an increasingly outmoded trading pattern. Navigating in dangerous seas and carrying traditional products throughout the Mediterranean basin reflected the economic needs of a different era.

After the creation of the Greek state, Calamata moved away from its Ottoman past and its commercial relations with Tunisia. Light industries were introduced after the mid-nineteenth century, manufacturing silk, flour, spirits, oils and soap. The town's population increased steadily, and credit was tight. Private lenders and small banks thrived. Indeed, Elias Efessios' descendants owned a small private bank in Calamata after the 1860s, adapting rapidly to the new economic situation through adaptation. As a result, the geographic expansion in Mediterranean trade was replaced by a reliance on the local economy, and the firm was renewed through diversification.

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[31] See appendix 1.

[32] The situation was similar in Smyrna for the Geroussi family; see Maria Christina Chatziioannou, *Oikogeneiaki stratigiki kai emporikos antagonismos. O oikos Geroussi ston 19o aiona* (Athens 2003, in Greek).

[33] Christina Agriantoni, *Oi aparhes tis ekviomihanisis stin Ellada ton 19o aiona* (Athens 1986, in Greek), 398.

Appendix 1

Date	Consignor	Place	Consignee	Place	Ship (Flag)	Cargo
1831	Efessios, Elias	Calamata	Gialias, P.	Tunis	Greek	826 *okes*, silk *tzekinia*
1832	Gialias, P.	Tunis	Efessios, Elias	Calamata	Greek	1 case red *fez*, tobacco
1832	Efessios, Elias	Calamata	Gialias, P.	Tunis	Ionian	525 *okes* silk, figs, 126 *okes* vermilion
1833	Gialias, P.	Tunis	Efessios, Elias	Calamata	Greek	82 quintals octopus
1833	Gialias, P.	Tunis	Efessios, Elias	Calamata	Greek	3100 Spanish *colonati*
1833	Efessios, Elias	Calamata	Gialias, P.	Tunis	Greek	24 sacks silk, figs, 6 sacks vermilion
1834	Efessios, Elias	Calamata	Gialias, P.	Tunis	UK	2 sacks silk, 1 sack vermilion
1834	Efessios, Elias	Calamata	Gialias, P.	Tunis	Greek	2 sacks silk
1834	Efessios, Elias	Calamata	Gialias, P.	Tunis	Greek	21 sacks red silk, figs
1835	Gialias, P.	Tunis	Efessios, Elias	Calamata	Greek	1050 silver coins (Spanish *colonati*, *talers spathati*
1835	Efessios, Elias	Calamata	Gialias, P.	Tunis	Greek	4 sacks silk
1835	Efessios. Elias	Calamata	Gialias, P.	Tunis	Greek	16 sacks silk
1835	Gialias, P.	Tunis	Efessios, Elias	Calamata	Greek	2070 silver coins (Spanish *colonati*, *talers spathati*
1836	Efessios, Elias	Calamata	Gialias, P.	Tunis	Greek	9 sacks silk, figs, dresses
1836	Argyropulos, An.	Tunis	Efessios, Elias	Calamata	Greek	19 quintals octopus
1836	Gialias, P.	Tunis	Efessios, Elias	Calamata	Greek	2652 silver coins (Spanish *colonati*, *talers spathati)*
1836	Efessios, Elias	Calamata	Gialias, P.	Tunisia	Greek	26 sacks silk
1836	Tzatzonis, K.	Patras	Efessios, Elias	Calamata	Greek	7 sacks silk
1836	Gialias, P.	Tunis	Efessios, Elias	Calamata	Greek	567 silver coins (Spanish *colonati*, *talers spathati)*

Date	**Consignor**	**Place**	**Consignee**	**Place**	**Ship (Flag)**	**Cargo**
1837	Gialias, P.	Tunis	Efessios, Elias	Calamata	Greek	1646 silver coins (Spanish *colonati, talers spathati*
1837	Efessios, Elias	Calamata	Gialias, P.	Tunis	Greek	26 sacks silk
1838	Gialias, P	Tunis	Efessios, Elias	Calamata	Greek	4173 silver coins (Spanish *colonati, talers spathati)* 15 diamond rings
1838	Gialias, P	Tunis	Efessios, Elias	Calamata	Greek	19 quintals octopus, 21 straw bags, dates, tobacco
1838	Efessios, Elias	Zante	Efessios, Elias	Calamata	Greek	1 case fez, treated silk, cloth items
1838	Gialias, P	Tunis	Efessios, Elias	Calamata	Greek	3000 silver coins (talers, francs)
1838	Gialias, P	Tunis	Efessios, Elias	Calamata	Greek	4000 silver coins (talers, francs)
1838	Gialias, P	Tunis	Efessios, Elias	Calamata	Greek	634 silver francs of Marseille
1838	Gialias, P.	Tunis	Efessios, Elias	Calamata	Greek	500 silver coins *(talers reginas* with no holes)
1838	Efessios, Elias	Calamata	Gialias, P.	Tunis	Greek	29 sacks silk, figs
1838	Berfounis, K.	Trieste	Zacharias, Demetrio	Calamata	Greek	2 cases glasses
1838	Gialias, P.	Tunis	Efessios, Elias	Calamata	Greek	2920 silver coins *(talers, francs)*
1838	Gialias, P.	Tunis	Efessios, Elias	Calamata	Greek	1000 silver coins *(talers, francs)*
1838	Efessios, Elias	Calamata	Gialias, P.	Tunis	Greek	1 sack silk
1839	Efessios, Elias	Calamata	Gialias, P.	Tunis	Greek	7 sacks silk
1839	Gialias, P.	Tunis	Efessios, Elias	Calamata	Greek	silver coins
1839	Gialias, P.	Tunis	Efessios, Elias	Calamata	Greek	4053 silver coins *(talers, francs)*
1839	Efessios, Elias	Calamata	Gialias, P.	Tunis	Greek	Silk, figs

Date	Consignor	Place	Consignee	Place	Ship (Flag)	Cargo
1839	Gialias, P.	Tunis	Efessios, Elias	Calamata	Greek	1000 silver coins *(talers, francs)*
1839	Gialias, P.	Tunis	Efessios, Elias	Calamata	Greek	1000 silver coins (talers, francs)
1839	Kyriakopoulos, Pr. Gialias, P.	Constantinople	Efessios, Elias	Calamata	Greek	1000?
1839	Gialias, P.	Tunis	Efessios, Elias	Calamata	Greek	Octopus, tobacco
1840	Gialias, P.	Tunis	Efessios, Elias	Calamata	Greek	1000 *talers*
1840	Gialias, P.	Tunis	Efessios, Elias	Calamata	Greek	3000 silver coins *(francs* without holes)
1840	Efessios, Elias	Calamata	Gialias, P.	Tunis	Greek	Silk 30 sacs, vermillion
1840	Gialias, P.	Tunis	Efessios, Elias	Calamata	Greek	750 *francs*
1840	Giamari and Bastogi	Leghorn	Efessios, Elias	Calamata	Greek	280 bales stockfish
1841	Vassallo, Giuseppe	Sfax	Efessios, Elias/ Scouteridi, G.	Calamata/ Zante	Sardinia	151 quintals octopus
1841	Efessios, Elias	Calamata	Argyroulakis, An.	Tunis	Greek	1 parcel silk
1841	Efessios, Elias	Calamata	Gialias, P.	Tunis	Greek	7 sacks silk, 2 sacks vermillion
1841	Efessios, Elias	Calamata	Gialias, P.	Tunis	Greek	18 sacks silk, 1 sack vermillion, 18 pieces cheese
1841	Kyrousis, I.	Tunis	Efessios, Elias	Calamata	Greek	*500 francs*
1841	Gialias, P.	Tunis	Efessios, Elias	Calamata	Greek	1000 *francs*
1841	Gialias, P.	Tunis	Efessios, Elias	Calamata	Greek	1169 *francs*
1841	Gialias, P.	Tunis	Efessios, Elias	Calamata	Greek	*750 francs*
1841	Gialias, P.	Tunis	Efessios, Elias	Calamata	Greek	3026 silver coins *(talers, francs)*
1841	Kyrousis, I.	Tunis	Efessios, Elias	Calamata	Greek	300 *francs*
1841	Ardiropoulos, An.	Tunis	Efessios, Elias	Calamata	Sardinian	307 ox heads

Date	Consignor	Place	Consignee	Place	Ship (Flag)	Cargo
1841	Gialias, P.	Tunis	Efessios, Elias	Calamata	Greek	860 *francs*
1841	Gialias, P.	Tunis	Efessios, Elias	Calamata	Sardi-nian	3000 *francs*
1841	Gialias, P.	Tunis	Efessios, Elias	Calamata	Sardi-nian	1891 *francs*
1841	Efessios, Elias	Calamata	Sturaitis, I.	Zante	Ionian	1 sack silk
1841	Kyrousis, I.	Tunis	Efessios, Elias	Calamata	Greek	159 *francs*
1841	Gialias, P.	Tunis	Efessios, Elias	Calamata	Greek	2750 silver coins *(tal-ers, francs)*
1842	Efessios, Elias	Calamata	Gialias, P.	Tunisia	Greek	30 sacks silk, 4 sacks vermillion, figs, salami
1842	Gialias, P.	Tunis	Efessios, Elias	Calamata	Greek	300 talers, 6 dresses
1842	Gialias, P.	Tunis	Efessios, Elias	Calamata	Greek	1500 francs
1842	Gialias, P.	Tunis	Efessios, Elias	Calamata	Greek	2549 francs
1842	Efessios, Elias	Calamata	Gialias, P.	Tunis	Sardi-nian	13 sacks silk
1842	Gialias, P.	Tunis	Efessios, Elias	Calamata	Sardi-nian	29 talers
1842	Gialias, P.	Tunis	Efessios, Elias	Calamata	Sardi-nian	2400 silver coins (talers, francs)
1842	Gialias, P.	Tunis	Efessios, Elias	Calamata	Greek	2080 silver Elias coins (talers, francs
1842	Gialias, P.	Tunis	Efessios, Elias	Calamata	Greek	2000 francs
1843	Efessios, Elias	Calamata	Gialias, P.	Tunis	Ionian	12 sacks silk
1843	Efessios, Elias	Calamata	Gialias, P.	Tunis	Ionian	I sack silk, 27 bales leather
1843	Gialias, P.	Tunis	Efessios, Elias	Calamata	Greek	4000 silver coins (talers, francs)
1843	Gialias, P.	Tunis	Efessios, Elias	Calamata	Sardi-nian	2100 silver coins (talers, francs)
1844	Gialias, P.	Tunis	Efessios, Elias	Calamata	Greek	904 francs
1844	Gialias, P.	Tunis	Efessios, Elias	Calamata	Greek	2000 francs
1844	Efessios, Elias	Calamata	Gialias, P	Tunis	Ionian	2 sacks silk, 1 packet leather

Date	Consignor	Place	Consignee	Place	Ship (Flag)	Cargo
1844	Gialias, P.	Tunis	Efessios, Elias	Calamata	Greek	7410 silver coins (talers, francs)
1844	Gialias, P.	Tunis	Efessios, Elias	Calamata	Greek	1000 francs
1844	Gialias, P.	Tunis	Efessios, Elias	Calamata	Sardi-nian	500 *talers*
1844	Gialias, P.	Tunis	Efessios, Elias	Calamata	Tuscan	6000 silver coins *(talers, francs)*
1844	Efessios, Elias	Calamata	Bagdante-lou, G.	Zante	Ionian	978 *francs*
1844	Gialias, P.	Tunis	Efessios, Elias	Calamata	Greek	27 sacks silk, figs
1845	Theodo-rou, G.	Calamata	Efessios, Elias	Tunis	Ionian	9 sacks silk, vermillion, figs
1845	Efessios, Elias	Calamata	Efessios, Elias	Patras	Greek	4 sacks silk
1845	Efessios, Elias	Tunis	Karalias, I.	Calamata	Sardi-nian	1000 *talers*
1846	Efessios, Elias	Tunis	Karalias, I.	Calamata	Greek	*Muhamiz,* dates
1846	Efessios, Elias	Tunis	Karalias, I.	Calamata	Austri-an	4000 *scuds*
1846	Efessios, Elias	Tunis	Karalias, I.	Calamata	Sardi-nian	*1000 francs*
1846	Efessios, Elias	Tunis	Efessios, Elias	Malta/ Calamata	Greek	10 cases *fez,* garments, kina, marble, wool, *la-troni,* butter, caviar, 1 French chandelier, 9000 *talers*
1847	Efessios, Elias	Calamata	Krassako-poulos, El.	Tunis	Greek	8 sacks silk
1847	Krassako-poulos, El.	Tunis	Efessios, Elias	Calamata	Sardi-nian	4000 *talers*
1847	Manida-kis, Chr.	Tunis	Efessios, Elias	Calamata		250 silver coins (talers, *francs)*
1847	Krassako-polous, El.	Tunis	Efessios, Elias	Calamata	Greek	3500 *talers*
1848	Krassako-poulos, El.	Tunis	Efessios, Elias	Calamata	Greek	4500 *talers,* 1 case *fez*

Date	Consignor	Place	Consignee	Place	Ship (Flag)	Cargo
1848	Efessios, Elias	Calamata	Krassako-poulos, El.	Tunis	Greek	12 sacks silk, figs, *trahana*
1848	Efessios, Elias	Calamata	Manidakis, Chr.	Tunis	Greek	Silk
1848	Krassako-poulos, El.	Tunis	Efessios, Elias	Calamata	Tuscan	1 case *fez*
1849	Gabeli Hag, Halifa	Sfax	Efessios, Elias	Calamata	Tuscan	157 quintals octopus, pis-tachios
1849	Efessios, Elias	Calamata	Kahigiana-kis, P	Zante		300 Mexican *talers*
1849	Efessios, Elias	Calamata	Charala-mbus, G.	Patras		2000 *francs*
1849	Efessios, Elias	Calamata	Krassako-poulos, El.	Tunis	Tuscan	8 sacks Ver-million, 16 sacks silk, figs, oats, pork.
1849	Charalam-bus, G.	Patras	Alamagkas, I.	Malta	Greek	10 sacks silk.
1849	Alekso-poulos, N.	Tunis	Efessios, Elias	Calamata	Greek	???
1849	Efessios, Elias	Calamata	Krassako-poulos, El.	Tunis	Greek	32 sacks silk
1849	Efessios, Elias	Calamata	Krassakopoulos, El.	Tunis	Greek	Silk, cheese, Figs, tobacco
1849	Krassako-poulos, El.	Tunis	Efessios, Elias	Calamata	Greek	*6000 francs*, rosewater
1850	Krassako-poulos, El.	Tunis	Efessios, Elias	Calamata	Greek	8000 francs,1 case fez, butter, rose-water.
1851	Efessios, Elias	Calamata	Krassako-poulos, El.	Tunis	Greek	20 sacks silk, cheese, figs, tobacco, cav-iar, sausages
1851	Krassako-poulos, El.	Tunis	Efessios, Elias	Calamata	Greek	2000 *talers*.
1852	Efessios, Elias	Calamata	Krassakopoulos, El.	Tunis	Greek	12 sacks silk, vermillion, figs, cheese, caviar.
1852	Efessios, Elias	Calamata	Krassako-poulos, El.	Tunis	Russi-an	8000 silver coins *(talers, francs)*

Date	Consignor	Place	Consignee	Place	Ship (Flag)	Cargo
1852	Krassako-poulos, El.	Tunis	Efessios, Elias	Calamata	Sardi-nian	5000 *francs,* 12 flasks rosewater, *Muhamiz.*
1852	Efessios, Elias	Calamata	Krassako-poulos, El.	Tunis	Russi-an	15 sacks silk, 8 sacks ver-million, cav-iar, cheese, sausages.
1853	Niculi, Dion-isio	Sfax	Efessios, Elias	Calamata	French	32 sacks octopus, 7936 *rotoli.*
1853	Krassako-poulos, El.	Tunis	Efessios, Elias	Calamata	Greek	7500 *francs,* rosewater.
1853	Alama---gkas, I.	Malta	Efessios, Elias	Calamata	Greek	1 iron double bed.
1854	Krassako-poulos, El.	Tunis	Efessios, Elias	Calamata	Sardi-nian	1 case *fez.*
1854	Krassako-poulos, El.	Tunis	Efessios, Elias	Calamata	Sardi-nian	1100 *francs,* 1 case *fez.*
1854	Efessios, Elias	Calamata	Ralli, Skilitzi, Argenti	Marseille	Greek	8 sacks silk.
1855	Krassako-poulos, El.	Tunis	Efessios, Elias	Calamata	Sardi-nian	8395 francs.
1855	Alama-gkas, I.	Malta	Efessios, Elias	Calamata	Greek	47 sacks octopus.
1856	Francesos I.	Syros	Efessios, Elias	Calamata	Greek	1000 francs.
1856	Francesos I.	Syros	Efessios, Elias	Calamata	Greek	966 francs, 197 pounds Sterling.
1856	Diamanti-des, G.	Syros	Efessios, Elias	Calamata	Greek	11,262 golden drh.
1857	Krassako-poulos Bros.	Tunis	Efessios, Elias	Calamata	Greek	1 *case fez.*
1860	Alama-gkas, I.	Malta	Efessios, Elias	Calamata	Greek	311 bales stockfish, 2 cases iron, 3 cases porce-lain, wool, orange ex-tract.
1860	Alama-gkas, I.	Malta	Efessios, Elias	Calamata	UK	334 quintals stockfish, empty cases.
1861	Petroko-kinos	Syros	Efessios, Elias	Calamata	Greek	16 sacks octopus.

Source: See table 1.

6

GREEK MERCHANTS IN VICTORIAN ENGLAND*

Contextualising Greek Trade Migrations

Recent historiographical trends have pointed up trade diasporas, transnational networks of merchants and bankers (Curtin 1984; Baghdiantz McCabe et al. 2005). These debates have extended the idea of diaspora, very often used rhetorically by national historiographies and aspirations, into a field for conceptualising many interconnected processes. It is also evident that the long history and the long-lasting implications of the historical diasporas, or 'victim diasporas' (e.g. Jewish, Greek, Armenian), can make diaspora one of the most problematic conceptual alternatives to nation-based historical narratives.

Diaspora historiography has often emphasised cultural bonds, transnational organisations and networks linking people across geographical boundaries, thus opening the way to more global approaches. The problem that emerges from this viewpoint, which examines the diaspora as a set of transnational and emotional ties, is that it often disconnects the diaspora from any historical context. The diaspora is presented as a coherent unit of geographically dispersed people bound by sentiment, culture and history. What, however, are these cultural bonds? They can be described as a set of human beliefs and values viewed as holistically bounded deterministic entities. Nonetheless, a cultural analysis may focus on how discourse, representations, social behaviour and organisation are historically shaped. It may analyse the mechanisms and assumptions by which culture shapes the life of diasporic people or groups, exacting a more sophisticated and historical understanding of culture (Clifford 1994: 302-38; McKcown 1999: 306-37). Key questions about ethnic or religious diasporas have often created more problems than they have solved. Standing back a little, as it were, from the ethnic diaspora label, we will focus here on the main economic activity of diasporic groups: trade. Curtin defined trade diasporas, as communities of merchants living among aliens in associated networks (Curtin 1984: 3). The historiographical shift to 'world history' placed emphasis on the importance of trade diasporas. Traders facilitated the exchange of goods and also served as transmitters of ideas (Pomeranz and Topik 2006: 9-11).

Attributing economic value to ethnic minorities engaged in trade has been a long-standing historical tendency. It has often obscured the role of central government, political authorities and institutions, to the extent that

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* First published in D. Tziovas (ed.), *Greek Diaspora and Migration since 1700: Society, Politics and Culture*, Farnham: Ashgate 2009, 45-60.

ethnic trading minorities have sometimes been presented as agents of progress and liberalism against totalitarian empires.

The world of the Greek trade diaspora was created during the period of Ottoman rule, when a large part of the population migrated, mobilised primarily by economic factors. These migrants engaged in commerce or supplied specialist skills. This economic migration of Greeks spread within the 'unified' territory of the Ottoman Empire, which included the geographical area corresponding to the later Greek state. Trade was an economic activity which introduced a large number of local merchants, as well as diaspora merchants from the Ottoman Empire, into international and inter-ethnic transactions. Business transactions were the platform upon which merchants of different origin, nationality and religion met in the economic centres of the Ottoman, Russian, Hapsburg and British Empires. Merchants and their activities shaped the market economy, the characteristics of which, to a certain extent, constituted a homogeneous culture. Did all deterritorialised social agents of the same origin share a system of beliefs, opinions and mercantile practices? Did the common search for opportunities constitute a homogenous social and cultural identity?

The organisation of mercantile migration from Ottoman-ruled Greece to the territories of the Hapsburg, Russian and British Empires was based on the creation of networks capable of providing power and consequently profit to members of the group. A family or an ethnic/local group could combine, utilise and circulate economic and cultural capital through characteristic institutions, by projecting collective dynamism and imposing terms of moral economy - combining cultural mores and economic activity - on its members. The organisation of the Greek networks in the territories of the aforementioned empires presents common traits (Chatziioannou 2005b: 371-82).

The great empires attracted ethnic groups of merchants in the preindustrial period by offering economic opportunities, institutional organisation and an ideological frame of reference to each ethnic/religious group. Frequently the empires's institutional framework offered homogenising advantages to the group itself. The different ethnic minorities, motivated by the same economic incentives, migrated to the economic centres of those empires. The process of migration offered a unique opportunity for acquiring knowledge of the new countries, as well as of new ideas and new business practices. Processes of transformation in identity, culture and cultural tradition sometimes pass unnoticed in national narratives. In any case the common aim for all the ethnic or religious diasporas was the accumulation of capital, which was based on personal labour, family help and individual ingenuity in exploiting business opportunities.

To the set of working methods analysing diaspora, community, networks, we could add those of entrepreneur and entrepreneurship. Entrepreneurship is examined according to the ability to manage information and can be examined as a constitutive element of human capital, like technical specialisation and a capacity for organisational management. In the nineteenth cen-

tury the entrepreneur was shaped by a complex web of typical and atypical economic factors, as well as by a series of psychological ones. An interpretation based on psychological evidence enhances the incentive for fulfilling personal achievements, in which the main reward is satisfaction with the achievement itself, while monetary reward is the outward symbol of this success. The special incentives that define non-economic factors, such as psychological security, recognition and prestige in the community, are differentiated even within different generations of the same family (Wilken 1979: 17-21).

The history of the Chiots after the devastation of their island in 1822 confirms the importance of the psychological factor, that is the importance of a group's violent loss of economic and social status in shaping the entrepreneur and causing them to strive to regain an ideal social position. The same history also creates collective memory, which underpins entrepreneurial activity. The story of Loukis Laras, written in the 1870s by Dimitrios Vikelas, describes the moral trajectory of a victim of the Greek revolution of 1821, who survives financial ruin and moves to England. It is the success story of a self-made man, a member of a distinguished local group engaged in a constant quest for business opportunities (Llewelyn Smith 2006; Chatziioannou 2004).[1] Thus the group is constituted in the space of migration and from it emerges the charismatic personality of the entrepreneur.

Whereas we can satisfactorily gauge the participation of Greek migrants in commerce and other activities in their place of settlement in the Ottoman Empire, the Black Sea ports and the Italian Peninsula in the eighteenth century, we know very little about the impact of British economic and social development on the business activities and business culture of the Greeks in Britain (London, Manchester, Liverpool) in the nineteenth century. Apart from a thorough overview of the mercantile shipping (Harlaftis 1996: 55-62), we know very little about the pattern of life of the Greek immigrants in any of these cities or what form their business activities (mainly in Manchester and Liverpool) took.

Britain became a crossroads in the development of Greek trading companies. The organisation of the Greek communities in London, Manchester and Liverpool followed the model of the Greek communities of the previous phase in the Italian Peninsula, and was the launching pad principally for Greek migrant entrepreneurs from Mediterranean ports and other Anatolian cities, as well as from the Greek state after the 1830s. The cultural model of the British businessman was a strong factor in reinforcing and maintaining Greek entrepreneurship there (Chatziioannou 2005a: 145-66).

The liberal British political and economic climate offered conditions conducive to business competition for newcomers: Greeks, Germans, Jews, Scots and Irish. These were well-structured entrepreneurial groups in the

[1] On Vikelas see the contribution by Dimitris Tziovas to D. Tziovas (ed.), (Chapter 11).

nineteenth century, operating mainly through family enterprise. Competition de facto developed mostly in the field of business activities, and the most successful and enduring enterprises were to go through a process of social and cultural integration into bourgeois British life: the Ralli, Rodocanachi and Ionides families being cases in point. Settlement in Britain in the nineteenth century offered Greek expatriates the unique experience of a competitive business environment and coexistence with a socially stratified society. Adapting G. Simmel's thesis on sociological interest analysis may help us understand the importance of competition. Simmel wrote on the interests that drive people to form social relations, and argued that it was only through these social relations that such interests could be expressed. Competition in this context implies parallel efforts, whereby one tries to do what one's competitor does rather than destroying them (Smelser and Swedberg 2005: 350).

Long before the nineteenth century London was the pre-eminent centre for almost all types of trade in England. The City underwrote a great part of the financial transactions in the country's provinces; the Royal Exchange became the primary meeting place for merchants and several hundred brokers who acted as intermediaries (Kynaston 1994: 9-11). From the end of the eighteenth century the development of other economic centres such as Manchester and Liverpool was spectacular.[2] In the first decades of the nineteenth century, Greeks - the majority Chiots - from London arrived in Manchester, along with other European entrepreneurs. The Chiots, with the same enterprise with which they had grasped the challenge of Syros and Piraeus in the Greek state, discovered industrial Manchester and the port of Liverpool. These were the years following the abolition of the Corn Laws (1846), and Greeks continued to develop their commercial activities through importing agricultural products from the Eastern Mediterranean (e.g. raisins, cotton, wheat) to England (Ilarlaftis 1996: 40 51).

Free trade became an important feature of British imperial ideology. Alongside trade, ideology and migration were the wheels of economic and social progress in Britain by the mid-nineteenth century. Economic liberalism became a standard aspiration in British politics. Free trade meant the repeal of tariffs. The abolition of the Corn Laws was a major initiative in favour of free trade which forced the decline of protectionism. The leading British industries were in textiles and metallurgy, and depended on export markets. A British-centred globalism was created. British industries imported raw materials from all over the world. Cotton was imported from the USA, but the American Civil War (1861-5) and the Union blockade led to major reform of this market and an increase in cotton imports from Egypt and India (Black 2004: 192-6).

[2] From as early as 1780 every merchant and manufacturer in Manchester had created a partnership with a merchant-banker in London (Chapman 1992: 43). In 1830 the first passenger railway in the world had been inaugurated between these two cities, but until the middle of the century commercial traffic between the two cities went via the rivers and the ship canals (Kidd 1993: 32). In the winter of 1864 some Greeks attended a theatrical performance on this railway line (see Greek magazine *Pandora*, 1 February 1864, 559).

With the repeal of the Navigation Acts in Britain, in the mid-nineteenth century, free trade took off, resulting in a 15-fold increase in the volume of intercontinental trade between 1850 and 1914, and an almost 11-fold increase in investment in shipping over the same period (Fisher and Nordvik 1986). There were seminal technological changes in the maritime sector too, with corresponding adaptations in some European and North American ports. Liverpool was one of the old ports that successfully adapted to the new needs (Hyde 1971).

For British history the last decades of the nineteenth century were the time when imperialism and colonial expansion were at their peak, with serious economic, social and cultural transformations taking place in the country and the colonies. Colonialism was a key concept at this time. The conquest of Egypt in 1882 consolidated Britain's position in the Mediterranean, limiting French expansion in the region and securing the route to India via the Suez Canal. It should be stressed that the Greeks were present and economically active in Egypt from the 1830s. As a result of the major territorial expansion in the 1880s and 1890s, Britain had dominion over one-fifth of the world's land surface by the eve of the twentieth century (Black 2004: 230). The peopling of the Empire became a vast and complicated enterprise. Nowadays it is admitted that the migrant's life-changing decisions were shaped perhaps less by the policies of governments and emigration societies than by local conditions, private incentives and support from family, friends and community through multifaceted networks (Harper 1999: 75-6). The British were migrating to the colonies and international centres and foreigners were establishing themselves in Britain, grasping economic opportunities mentioned in the outline above.

Greek migration to Britain was a voluntary process based on trade. The expansion of imperial trade opened up new opportunities related to export-import activities for established and aspiring merchant entrepreneurs. Besides, there was a cultural background that may have helped Greek migrants to settle down and penetrate the British economic and social environment, as numerically small groups. Even before the mid-nineteenth century classical studies were flourishing in British universities, organising Greek language courses, encouraging travel to Greek archaeological sites, promulgating Neoclassicism in architecture and the liberal arts (Jenkyns 1980; Turner 1981). All these developments coincided with the boosting of Greek mercantile activities in Britain.

Greeks usually created introvert communities in their place of settlement, as they had done in the previous phase of trade migration. They established and restructured trade networks based on personal trust, which enabled them to enlarge and finance commercial operations. Most Greek immigrants were involved with their business affairs, attending their religious services and nurturing their national pride, mainly through their support of Greek language and culture. These were also the key elements of social and economic

life for the first Greek-born merchants in London (Magriotis 1986), Manchester and Liverpool. Mutual aid, hard work, discipline and a strict hierarchy were the essential elements that had enabled Greek mercantile networks to flourish economically in the Eastern Mediterranean from the last quarter of the eighteenth century and they continued to obtain in Britain in the early nineteenth century. Right from the start the Greek language and the Orthodox Christian religion were the cohesive elements for the Greek migrants, but these had a different impact where Greek communities were created from the eighteenth century onwards.

If, for example, we consider Orthodoxy as the main common cultural factor that enabled Greek merchants to establish themselves in the Black Sea and the Sea of Azov, or as the common cultural platform between Greek and Serb migrants in the Balkans and Central Europe, we must consider what the pivotal cultural element was that helped Greeks establish themselves in Britain and to become naturalised British citizens. In this case it is not the 'Conquering Balkan Orthodox Merchant' (Stoianovich 1960) who sets the tone of the socio-economic milieu, but a British merchant-banker, industrialist, cotton merchant and/or antiquarian.

In addition to the liberal economic climate, we must take into consideration the rigorous dedication of the British bourgeoisie to education and art, which led to the establishment of Greek classical studies in British universities, the revival of Neoclassical architecture and art, and the fashion for collecting artworks from ancient civilisations (e.g. Greek, Roman or Chinese), and the promotion of avant-garde artistic movements. An exemplary figure was Sir Thomas Phillipps (1792-1872), an affluent and devoted collector of books and manuscripts. Phillipps was easily seduced by the notorious forger of Greek manuscripts Constantine Simonides during the years 1853-63 in London (Munby 1967: 202-17). In Victorian England the cultural features that combined antiquarianism, bibliophilia and a love of learning with classical moral and aesthetic values facilitated the Greeks' assimilation into a flourishing bourgeois society.

In this respect it is important to mention three generations of the Ionides family and George Eumorfopoulos (1863-1939), all leading art collectors in Victorian London. George Eumorfopoulos's parents were Aristides, an importer of Russian wheat in Liverpool, and Mariora Scaramanga, a descendant of a well-known international mercantile family originally from Chios. Eumorfopoulos became a collector of oriental ceramics, married Julia Scaramanga and worked for the Ralli brothers for over 30 years (Manginis 2001-2 and 2003). Another significant example of integration is the participation of some second-generation Greeks in England in the Pre-Raphaelite movement. Marie Spartali-Stillman (1843-1927), daughter of Michael Spartali an import-export merchant in London, a Pre-Raphaelite artist herself, was friends with and modelled for artists like Ford Madox Brown and Dante Gabriel Rossetti. The versatile artist Maria Terpsithea Zambaco (1843-1914), daughter of the cotton merchant Dimitrios Cassavettis and Efrosini Ionides participated ac-

tively in this same movement as well as working with Spartali-Stillman (Marsh and Gerrish Nunn 1997: 131-7). The Pre-Raphaelite movement in the second half of the nineteenth century was an artistic circle looking for patrons, which perhaps made it all the more open to foreigners. Victorian bourgeois culture and lifestyle could have been the main vehicle for a complex process of transformation in identity, ethnic culture and tradition in the circles of the Greek trade diaspora in England.

Grasping Economic Opportunities in England

Manchester, the 'shock city' (Briggs 1968: 56) was the place that Disraeli described in 1843 as the Athens of his time. He was referring by implication to the progress of a Neoclassical city in a prosperous era. Nineteenth-century Manchester was dominated by a class-ridden society in which employers and employees were separated not only by work, income and accommodation, but also by social values and behaviour patterns, in other words by different lifestyles (Davies and Fielding 1992: 1-2). The rapid industrialisation of the city also reinforced its commercial character. Nearby Liverpool became the centre for buying raw cotton and Manchester the world centre for selling manufactured cotton goods, a city full of warehouses and mills. In the last decades of the eighteenth century, not only had trading houses been established there, but also the renowned Manchester Literary and Philosophical Society (1781), since peculiar social and economic conditions had been formed which led to the enhancement of the typology of merchants and industrialists, better known at the time as the 'Manchester man' (Kidd 1993: 21-32, 72-80).[3]

In this highly socially stratified city, several foreign communities were established during the nineteenth century: German, French, Italian, Greek and others (see Tabic 3.1). It is of major interest to identify certain cultural features that determined intra-ethnic and intra-religious relations and rivalries. John Scholes has bequeathed us a precious primary source,[4] a register of all foreign merchants who relocated to Manchester between 1784 and 1870. In this manuscript he reports that the Greeks first arrived in Manchester in 1828, 'as transporters to Constantinople only one or two for a time', and then they became more numerous around 1834-5. This reveals the importance of the international Eastern Mediterranean centre (Constantinople) as one of the major exit points for Greeks and other 'Orientals' heading for England.

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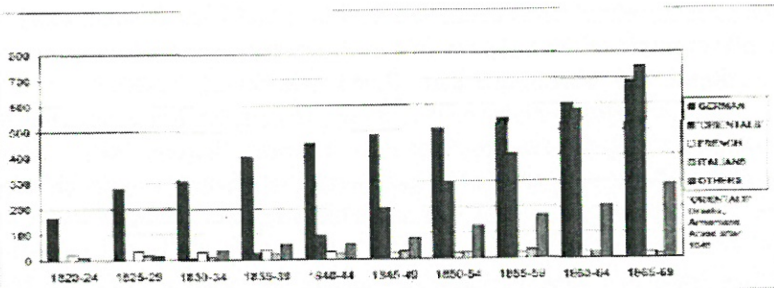
3 For the organisation and the volume of trading transactions see Redford (1934 and 1956) and Farnie (1979).

4 Manchester Central Library, Scholes' Manchester Foreign Merchants, MS FF 382-S35. John Scholes (1837-1924?), signs as 'compiler of the manuscript collection of merchants being foreigners A.D. 1870 in the city of Manchester'. He also declares that he was son of James and Sarah, and grandson of Samuel and Margaret.

The first nucleus of Greek merchants[5] assembled for their religious services in Cheetham Hill Road in north Manchester, in the area where the Town Hall (1853-5) and the Spanish and Portuguese synagogue (1874) were later erected. A private house served as the Orthodox church of the Annunciation until 1848;[6] some years later the church was transferred to the neighbouring district of Strangeways.

What is striking is that although John Scholes acknowledges a considerable difference in religion and customs of 'oriental merchants' coming from the East, he implies that Greeks, Turks, Armenians and Arabs somehow formed one body of foreign merchants, since they were shipping goods 'to the same quarter of the globe'. Nonetheless, he reiterates a common view of his time, that 'a Greek was always a Greek and is a Greek', and he distinguished the Greek firms established in Manchester, describing Eustratio Ralli 1828 as 'the most antique firm in the city'.[7] At the same time, he paid tribute to the 'the great monetary house' of the German Nathan Mayer Rothschild of Manchester (1801-11), and the Greek houses of Michael Ralli (1838), Ralli & Mavrojani (1840), Antoni Laskaridi (1833), Stephen Franghiadi (1834), Calvocoressi Bros (1837), Negreponte Bros and Coronio (1837), Argenti-Scchiari and Co. (1840), G.M. Mavrogordato & Co. (1840) and Paul Cababe (1840). He went on to praise the Armenian Hadjick Capamagian & Co. (1838) and the Turkish consul and merchant Abdullah Yalibi (1846-7).

Table 1 Ethnic/national groups in Manchester (1820-70)



Source: J. Scholes, Manchester Foreign Merchants, MS FF 382-S35 (Manchester Central Library).

[5] Archive of the Greek community of Manchester, from the series of unclassified manuscript registers. Register containing the regulations of the Orthodox church in Manchester.

[6] See the account of the Greek Orthodox community in the local newspaper *Manchester Examiner & Times*, 9 May 1860, 7.

[7] The much praised merchant had died in London while Scholes was still finishing his account of foreign merchants in Manchester.

Notes

a. Ethnic and national groups first appeared in Manchester in the early 1820s with a small number of entrepreneurs (190) which had almost decupled over a period of 50 years (1790).
b. The first immigrants were Germans who made up 82 per cent of the foreign community between 1820 and 1830.
c. In the same years the French and Italians were arriving too. Even though they were present from the early 1820s, they remained a small minority throughout the next 50 years.
d. From the middle of the nineteenth century 'Orientals' (comprising Greeks, Turks, Armenians and Arabs) arrived in large numbers and by 1870 they outnumbered all other ethnic and national groups in Manchester.

The increased presence of merchants from the East in the 50-year period 1820-1870 was a consequence of the Anglo-Turkish Commercial Treaty of 1838, which initiated the mass introduction of Manchester cotton goods to the Ottoman Empire. That was the beginning of a long-lasting domination of British manufactured goods which was only ended by World War I (Redford 1934: 199).

Although Greece had been an independent state since the 1830s, associated with an identifiable ancient culture and with consular representation in England, it seems that it was as part of the East or the 'Orient', as in the case of John Scholes's testimony, that Greece's presence in nineteenth-century England was sometimes perceived. Since the early nineteenth century Armenians had been moving to Manchester from Constantinople alongside the Greeks and they used the same church. The first Armenians settled there as silk merchants in 1835. By 1862 it is estimated that there were 30 Armenian businesses in the city and their religious services had by then separated from the Greek Orthodox, as was the case with the Orthodox Serb merchants in Trieste who established a new church of their own in 1869. The Holy Trinity Armenian Apostolic Church in Manchester was consecrated in 1870 in the south of the city.[8] We can assume that in the early years of settlement, in the 1840s to 1860s, Greeks and Armenians led parallel lives in Manchester due to their common origin in the Ottoman Empire. The initial close relationship of the Greeks with their fellow Orthodox Albanians and Serbs is a phenomenon well known from the Greek communities in the Italian Peninsula, the Balkans and Central Europe. It seems that religious services were initially celebrated together by Orthodox Greeks and Armenians, but they went their separate ways after the enlargement of their respective trading groups in Manchester. The first concern of the migrant merchants was to bring together the pan-

[8] Greeks and the Serbs shared a common church in Trieste from 1753 up to 1782 (Katsiardi-Hering 2001: 522). For the Armenians in Manchester see George (2002; 4).

Orthodox community and to found a church with public-benefit facilities. The next concern of the Greek community was to take care of its dead. In 1872 they acquired part of the Ardwick Cemetery for the burial of Greek Orthodox residents in Manchester.[9]

On 8 May 1860 the Orthodox church of the Annunciation was founded in Higher Broughton, in north Manchester where the majority of Greek immigrants resided. The foundation stone was laid along with an urn containing an issue of the *Manchester Examiner & Times* newspaper and Greek and British coins.[10] This was a characteristic act that underlines a successful collaboration and coexistence. The principles of free trade were one of the major issues concerning local society in the first phase of the Chiot migration in Manchester. Advocates of the Free Trade Movement and C.P. Scott, the Unitarian editor of the *Manchester Guardian,* had publicly thanked the Greeks for their support (Frangopoulos 1969: 118-19). Even so the Greeks of Manchester had been characterised by British writers as the most inward-looking community (Frangopoulos 1963-5: 203). The reasons for this should be sought in the social structures and the cultural alienation vis-a-vis other immigrant groups. Other migrants from the East (such as Armenians or Turks) surrounded the Greek presence in Manchester until the mid-nineteenth century. Although the first Greek migrants were the Chiot merchants, from the 1840s onward the Greek presence in Manchester was reinforced by other commercial entrepreneurs, profiting from the economic opportunities arising from British free-trade policy. In the last quarter of the nineteenth century Greeks had a distinct national and religious character, and faced an economic transition due to the restructuring of the trade economy, while assimilation into the local society for second-generation Greeks in Manchester had already begun.

Liverpool was a vital hub in the wider world of commerce and of the British Empire, and the basis of its prosperity lay in the triad: shipping-trade-port development. It was only natural that the inhabitants, locals and immigrants, who set up their businesses on the basis of this economic scheme, should enjoy more and different opportunities than those in many other places in Europe. Between 1701 and 1801 the population of Liverpool increased almost 14-fold, from 5,715 to 78,000 inhabitants, and in the course of the nineteenth century it grew eight-fold to 685,000 inhabitants in 1901 (Sharpies 2004: 10). The city attracted countless immigrants, mainly from Ireland, where the famine in the 1840s resulted in mass emigration to Liverpool, bringing about an increase in its Catholic population and the building of many Catholic churches. Liverpool held first place in British trade with America, as well as in passenger transport in the nineteenth century. The city's commer-

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[9] Ardwick Cemetery in Manchester was opened in 1838 and closed in 1950.

[10] See the account in the local newspaper *Manchester Examiner & Times*, 9 May 1860, 7. It had been designed by British architects in the Neoclassical style and T.P. Vryzakis had been invited from Munich to execute the wall-paintings. It was consecrated on 6 October 1861, see the report from Manchester by Parmenidis (1861).

cial character gave a 'practical tone' to its public life. Liverpool kept its commercial character, despite the economic and political changes that took place in the first half of the nineteenth century. A conspicuous Stock Market for commodities was built behind the City Hall between 1803 and 1808, and around it sprang up civic buildings in which transactions were conducted. Furthermore, the city acquired its Neoclassical architectural style, the prevalence of which in the period 1815-40 should be emphasised here. Liverpool then was frequently compared with the maritime cities of antiquity and the adoption of the Greek Revival style took on a special symbolism, beyond mere imitation or fashion (Sharpies 2004: 12, 13).

What brought Greeks to Liverpool in the nineteenth century and in what numbers? The settlement of Greek merchant-entrepreneurs in Liverpool, as in nearby Manchester, is conspicuous in the Victorian Age (1837-1901), the period in which the Greek state was concurrently organising its national and political identity. The number of Greeks who settled in Liverpool in the Victorian age was relatively small. In the British census of 1881, of a total population of 500,000, only 180 declared Greece as their place of origin or birth.[11] Of these, 80 had British surnames. These were British citizens who came from Greece. How can they be accounted for? It is probable that in 1864, when the Ionian Islands passed from being a British Protectorate to incorporation in the Greek state, most of the Britons returned home. A portion of the repatriated Greek-born British from the Ionian Islands is encountered in the British censuses, declaring Greece as their place of origin and indeed specifying Corfu, Zakynthos and so on.

Among the Greek surnames registered in Liverpool are the international families of Chiot entrepreneurs, such as Ralli, Rodocanachi, Schilizzi, and others less well known. Most of the Greeks recorded in the 1881 census had been born in Liverpool or its outskirts; that is, they were the second generation of immigrants from Greece, whose parents had made their home in the great port city of northwest England during the 1830s. This pioneering group of immigrants had been professionally involved with commerce and resided in one particular part of the city. Names and places of origin conferred a distinctive ethnic identity.

In their daily life in Liverpool, the most characteristic architectural reference point for the group of immigrants from Greece was the Orthodox church of St Nicholas, which is still standing. Built by British architects between 1864 and 1870, it was, according to British sources, modelled on the plan of the Byzantine church of St Theodore at Constantinople (Sharpies

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[11] I would like to thank Prof. R. Lee for permitting me access to the census data gathered for the *Mercantile Liverpool Project*, University of Liverpool.

2004: 245).[12] It is interesting to note here the identification with the Byzantine heritage attributed to the nineteenth-century Greeks of Liverpool.

England in the mid-nineteenth century not only offered opportunities for a career in business but also excellent conditions for studying, in the framework of a general promotion of science and technology. The typology of the Greek migrants in England in the nineteenth century encompasses the Chiot merchant corresponding more or less to Vikelas's hero of Loukis Laras, the self-made man who survived the massacre of Chios (1822), an entrepreneur recovering from a trauma, for whom sentiments of loss, anger and sorrow become the motivation for achievement and success. The Chiot merchant of the post-massacre period can also be compared to the merchants of the previous phase, those in the Greek communities of the Italian Peninsula and Central Europe. Such men were merchant partners in Greek networks scattered across port cities of the Mediterranean. These networks extended to London, Manchester and Liverpool after the 1830s, and were focused on the same type of activities.

Vikelas and his hero Loukis Laras, the Melas family (Yeoryios, Konstantinos, Vassilios and Leon), Stephanos Xenos, and many others represent the same type of Greek merchant migrants in Britain, a Mediterranean entrepreneur. They were descendants of merchants or had been trained in the ambiance of Greek commercial networks active in the Eastern Mediterranean from the late eighteenth century. They were prominent merchants who were involved in inter-Ottoman trade and who also participated in the international business of Ottoman trade with Britain. This group collaborated with an equally high-profile group based in Constantinople: Greek financiers such as Andreas Syngros.[13] By the time Syngros visited London in the 1870s the changing trading pattern in the Greek mercantile community there was apparent: 'I had observed in the Greeks in London the destructive tendency towards profiteering and neglect of the serious trade through which our fathers, with greatest patience and parsimony of expenses, had amassed those significant fortunes and had succeeded in becoming most essential factors, mainly in those branches of trade, that is grain, *tiftic,* etc., as import goods to England, and all manner of colonial products as export goods from there to the whole of the East' (Syngros 1908, vol. 2: 267). From the mingling of the Mediterranean merchants and the Stock Exchange speculators, the new type of Greek migrant-entrepreneur emerged in the last quarter of the nineteenth century; the merchant who established family-based multinational companies involved in trade, shipping and finance, like the Vagliano brothers. The great traders followed an entrepreneurial path from the Levant to the City of London, becom-

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[12] The church of St Theodore was converted in the fifteenth century into the Molla Gurani mosque and still stands in the district of Vefa. For a plan and longitudinal section of the church/mosque see Kinmtayif (2001: 28-31).

[13] Syngros disliked the English weather and way of life, but contested with financial practices of the City (Syngros 1908, vol. 2: 234-9).

ing merchant bankers, ship-owners and participating in joint-stock companies (Chatziioannou and Harlaftis 2007: 13-40; Harlaftis 2007: 237-68).

The changing entrepreneurial path of the Greek merchants in Britain is also noted by Stefanos Xenos. His testimony as to the changing pattern of trading in London is revelatory:

> Mr. Andrew W. inherited from his father a small but respectable and profitable business. The father had traded after the old style. His mode was safe but not brilliant. He preferred reasonable but secure profits to grand possibilities attended by great risks. In short, he was a man of the old school. I need not remark that the City of London is very different to that which obtained forty years, or even twenty years ago. Many a stately commercial fabric of the present day is based solely upon paper. (Xenos 1869: 309)

It was trade that ensured cultural continuity in the Greek communities of Britain. In the final years of the nineteenth century the typology of Greek merchants in Britain diversified in order to correspond to the needs of the British imperial economy.

In the Victorian age Greek merchants flourished in the general export-import trade, participated in the Egyptian cotton boom from the 1860s and had a strong presence in the trade in grain and currants to London and Liverpool. In the last quarter of the nineteenth century many of them either fell into decline, like the Melas and Xenos merchant houses, or continued to make profits by speculating on the London Stock Exchange. In many cases their descendants ceased to be merchants. From the last decades of the nineteenth century and well into the twentieth, Greeks and Greek-speaking subjects of the dissolving Ottoman Empire continued to migrate to England as merchant entrepreneurs. Some of them became employees in the long-lasting and prosperous Greek merchant house of the Ralli brothers. This firm, one of the best examples of multinational companies, constitutes a unique example in business history of an international company of Greek origin (Jones 2000: 24-5). I would suggest that the main connecting node in the Greek networks in England were the Ralli brothers who gathered a number of Greek migrants to work in their branch offices. Among them were Argyris Eftaliotis, Alexandras Pallis and Dimitrios Fotiadis, who not only accrued business know-how but also created a Greek literature of their own.

Greeks in England shared common cultural features concerning the preservation of their language and Christian Orthodox religion. They also acquired bourgeois tastes prevalent in Victorian England such as the appreciation of the arts and art collecting. The presence of some strong mercantile networks like that of the Ralli brothers created the prevailing view of Greeks as people who tended to cluster together and form interrelated networks, a view that has been vindicated - especially for London. The fact that the Ralli family were among the earliest Greek arrivals in London (1818), the most

renowned and successful paradigm, as well as an enduring focal point for other Greek migrants, helped to create this view. Greeks in Manchester and Liverpool constituted a world of their own; by settling in and adapting themselves to a highly competitive environment, where other ethnic and national groups were economically active at the same time. Greeks in London, Manchester and Liverpool acted as intermediaries for British trade throughout the nineteenth century by importing raw materials and commodities from the Eastern Mediterranean and exporting textiles from Lancashire. By the 1870s Greeks in London had become more involved in financial transactions or shipping. These opportunities for business diversification were accessible there, while the Greeks in the other two English centres continued their previous activities until they faded away before World War I, giving way to the newcomers of a similar culture, the Cypriots (Frangopoulos 1969: 118-19).

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7

BETWEEN TRADITION AND MODERNITY: JOANNES GENNADIUS AT THE END OF THE NINETEENTH CENTURY*

As I was researching the papers and books of Joannes Gennadius for a presentation on him for the 2010 "Day for Remembering Joannes Gennadius" organized by the Association of Friends of the Gennadius Library in Greece (the "Philoi") together with the Director of the Gennadius Library, I became conscious of the parallels presented by his age and the situation today, 1878 and 2011 what do these two years in the history of the Greek state have in common? Then and now, we have the weakness of the Greek state's ability to borrow and the presence of international evaluators. Gennadius was an innovative diplomat who contributed to the solution of the most important national problem of his time, the restoration of the country's creditworthiness within a framework of national irredentism. Today economists and politicians negotiate proposals and solutions, constantly rearranging the context of public history in order to legitimize their views. History is called upon once again to show not only its usefulness but also its scholarly skill. In this essay in reading the history of Joannes Gennadius, I will make use of especially rich archival and historiographical source material for his life and work (I refer to Gennadius's own archives as well as the edition of his correspondence with Trikoupis published by Lydia Tricha) and will endeavor to draw it into a new methodological framework. Taking the ideas worked out by Eric Hobsbawm in his book *The Age of Empire: 1875–1914* as my point of departure along with more recent approaches, I shall inscribe the case of Gennadius within the historical context of the British Empire and the Greek state. In the age of empires, the world of Europe would give rise to different rates of development and would form cohesive bonds with the other continents through the movement of goods, people, capital, and ideas. It is the period that exemplifies the development of globalization.[1]

In the 19th century, modernity was identified with the Industrial Revolution and the new social, economic, and political changes connected with it. Conceptually, modernity is related to a complex assemblage of institutions, with each of these institutions undergoing a variety of changes and modifica-

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* First published in *The New Griffon*, 12: *Hidden Treasures at the Gennadius Library*, The American School of Classical Studies at Athens 2011, 13-26.

[1] The Gennadius Library holds his archives and has published a considerable number of small volumes devoted to his life and work while maintaining a well-documented website. As an indication of this activity, I cite Nicol 1990 and Tricha 1991. For the general historical framework, see Hobsbawm 1989, 2000.

tions in the course of time. In this particular presentation, we are interested mainly in the political, economic, and cultural processes that determine the establishment of the civil state and the development of the capitalist world economy.[2] This theoretical proposition can be historicized through the paradigm of Joannes Gennadius. In this period, Joannes Gennadius was an agent who moved between the modern Greek state, a modern form of political organization — the traditional version is characterized by a society loosely organized in communal, guild, or kinship social networks — and the Greek diaspora, a heterogeneous community which is distinguished by an "imagined solidarity" with the modern Greek nation-state. Here, the idea of "imagined community" is being elaborated in the sense in which Benedict Anderson introduced it in 1983 when he published his homonymous study of the phenomenon of nationalism.[3] Joannes Gennadius was a diplomatic representative of the modern Greek state in the last quarter of the 19th century. In this capacity he lived, observed, and dealt with the potent processes of national organization of the political, economic, and cultural life in the modern Greek state within the framework of global economic developments. On the economic level, this period is associated with international lending, global trade, and the development of big business. Anthony Giddens, taking as a given that the central institutions of western modernism were capitalism and the nation-state, has maintained that globalization is one of the most visible consequences of modernity.[4] Joannes Gennadius was very active during the period in which the globalization of Europe was developing. He had grasped the rules of the economic game of globalization, recommending that the nation-state be strengthened not only by means of the Greek example — Greek state, Greek diaspora, Greeks of the East (the Ottoman Empire) — but also through the Armenian demand for the creation of an independent Armenian state.

In the 19th century, globalization meant intensive trade in commodities, ideas, and capital between continents. Essentially, it had to do with the development of inter- national trade through the increasing integration of international markets at the end of the 19th century. This period, a time in which Europe was without military conflicts (1871–1914), was favorable to financial aggrandizement and international lending. At the same time in the East, the period of the Sultan Abdul Hamid's reign (1876–1909) and the Young Turk movement (1906–1908) were distinguished by conflicting ethnicist claims, with Armenians and Greeks as the principal groups inside the

[2] Hall, Held, and McGrew 2003, Introduction, pp. 16–20

[3] Anderson (2006, pp. 6–7) defines the nation as "an imagined political community" that is imaginatively conceived as "inherently limited and sovereign." He explains that the nation is an "imagined" commun- ity because its members do not know most of the people of whom the nation is composed; it is never a matter of them meeting or of hearing about them, "yet in the minds of each lives the image of their communion." According to Anderson, communities must be distinguished not according to their falsity or genuineness, but by the style in which they are imagined. See also Kitromilides 1989.

[4] Giddens's thesis is discussed by McGrew (2003).

Ottoman Empire, that culminate in the Balkan Wars as well as in the Armenian genocide of 1915. After the Congress of Berlin in 1878, the Greek and Armenian diaspora in Britain united in their common involvement with international commercial transactions, would meet with Joannes Gennadius as principal agent in the negotiations.[5] The story of Joannes Gennadius's role in Greek diplomacy has been the object of a fair amount of scholarship; Joannes Gennadius indisputably constitutes one of the most significant figures in the world of 19th-century Greek diplomacy, as he combined wide-ranging erudition with an aptitude for negotiating and the British paradigm of the culture of collecting. If the reception of technological innovation represents a sample for measuring the spread of modernity, then it is worth dwelling on the fact that, in 1896, Gennadius paid for 10 lessons in riding a bicycle in traffic in London, a small personal detail, yet one of substance, that associates him with his age's most modern means of transport, according to Hobsbawm.[6]

Most contemporary scholarship revolves around the collections of Joannes Gennadius, which constituted the core of his gift to the American School in 1922 for the creation of the library in Athens which bears his name. It is a gift that might have been dictated by strong political claims since, as has recently been maintained, with this gift he sought American recognition of the Greek campaign in Asia Minor, the American Protestant philhellenic standpoint at a crucial point in Greek irredentist policy.[7] Gennadius's posthumous fame has been based to a great degree upon the superb brilliance of his creation, the Gennadius Library; it is the collections themselves that have conferred value on their creator. We lack a biography that can come to terms with this diplomat and collector, who was shaped by the interweaving of

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[5] The relevant material relates especially to 1896. See Gennadius Library, American School of Classical Studies, Joannes Gennadius Archive, Scrapbook 014, vol. 2, : 1) letter of Edward Atkin, who on behalf of the Duke of Westminster asked Gennadius to participate in a demonstration (October 19, 1896) of pro-test against the acts of violence that were being perpetrated in Turkey; 2) Ticket of participation in the demonstration of protest against the acts of violence in Turkey on October 19, 1896; 3) Invitation from the Anglo-Armenian Association to a dinner and anniversary sermon on October 26, 1896; 4) Informa- tion leaflet from the Anglo-Armenian Association about the anniversary sermon of the Armenian priest Canon Charles Gore at St. Andrew's Church in London on October 26, 1896; 5) Announcement by the Byron Society that it would welcome all Armenians from the surrounding areas who wanted to partici- pate in the annual celebration organized by the Anglo-Armenian Association October 26, 1896, and had no place to stay, from the Daily News, October 21, 1896; 6) "The Public Feeling. Peace and Dishonour," a report on the annual celebration of the foundation of the Anglo-Armenian Association, and on the acts of violence by Turks against Armenians, from the Daily Chronicle, October 27, 1896; 7) "ORDER OF PROCEEDINGS (subject to alteration) and DRAFT RESOLUTIONS to be Submitted to the St. James's Hall Meeting Monday, October 19th, 1896, at 8 p.m.," regarding a series of acts and proposed statement connected with the meeting to protest the acts of violence that were being committed against various ethnic groups in the Ottoman Empire, and especially about the slaughter of the Armenians.

[6] Hobsbawm 1989, p. 52

[7] Papadopoulos 2008, pp. 455–456.

modern Greek history with British liberalism from the last quarter of the 19th century down to the period between the two World Wars.

The archival corpus of the correspondence constitutes a valuable source for the history of Joannes Gennadius. Correspondence constitutes a social practice which displays relationships with others, signifies exchange and reciprocity, pursues some goal, and refers to old and new relationships. Correspondence is at once impersonal and personal: it combines stereotypical expressions with the expression of sentiments.[8] Gennadius's incoming correspondence contains a mixture of letters of a public nature that have to do with his official position in the diplomatic sphere with many private letters from the world of the Greek diaspora. As a whole, the correspondence shows him as a mediator between the modern Greek state and the world of the Greek diaspora.

From the wealth of material in the Joannes Gennadius archive, I would just like to emphasize the significance of the well-known scrapbooks, the albums that contain clippings and photographs. Albums, which were a particularly widespread social phenomenon in the Victorian period, contain material that allows one to approach the identity of the person who compiled them. These albums became popular not only with women and children in 19th-century England, but also with men from different socio-political spheres.[9] Joannes Gennadius's compilation of scrapbooks (116 volumes) connects him with new models of social behavior. A new method of organization is evident from the study of the totality of his archive, which refers to the formation of a private archive with a personal entrepreneurial strategy.

Gennadius signifies the archetype of the social agent, who participates in the social life of Victorian England, in the circles of the Greek diaspora and of international diplomacy. Gennadius himself constituted the principal representative of diplomatic mediation in Greek-British relations during the last quarter of the 19th century through to the First World War. Of particular importance was his participation in the Congress of Berlin (1878), since he had been involved in the diplomatic negotiations concerning the admission of Greece to the conference. This congress was a stage in the advance of nationhood of different religion-based ethnic groups from the Ottoman Empire.[10] Greece's main demand in this period was still the expansion of its borders and consequently the issue of national irredentism that constituted the main characteristic of Gennadius's politics.

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[8] Moullas 1992.

[9] Hunt 2006. For example, the politician and businessman Lynch Davidson (1873–1952), who lived in the American state of Texas at the same time as Gennadius, left a series of 21 political scrapbooks that he compiled between 1920 and 1931; see the Dolph Briscoe Center for American History, The University of Texas at Austin: http://www.lib.utexas.edu/taro/utcah/02079/cah-02079.html (accessed May 16, 2011).

[10] Kofos 2001, p. 181.

Joannes Gennadius handled two crucial issues connected with Greece's position in the international markets during the last quarter of the 19th century: the settlement of the debt resulting from the first loan to Greece in 1824–1825 and the problem of the import tax on currants levied by the Americans and the British, at a crucial stage of the "currant crisis" at the end of the 19th century. At the same time, he played a significant role in the world of the Greek trade diaspora in Britain from the last quarter of the 19th century all the way to the period between the two World Wars.

Already at the time of the Dilessi Murders (1870) and the unjust accusations made against Greece because of an unfortunate isolated incident, Gennadius had indicted Britain's anti-Greece stance together with the loans of 1824–1825. He held back on making Greece's unjust exclusion from international money markets public, accusing the British of Turcophilia and imperialism. In the period of preparations for the Congress of Berlin, Gennadius's handling of the problem of Greece's borrowing at the time when the nation rose up against the Turks intensified. He recounted the case of the loans for Greek independence, which had shut Greece out of borrowing in the international money markets as well as the assertion of its political claims, according to his testimony.[11]

In 1878, the law "Concerning the settlement of the old loans of the years 1824 and 1825," an arrangement for administering the debt between the Greek government on the one hand, represented by Joannes Gennadius, secretary at the Greek Embassy in London, Themistokles Malikiopoulos, and N. A. Nazos, and on the other the representatives of the holders of foreign securities and especially of Greek bonds. After many months of negotiations with the Corporation of Foreign Bondholders and the Committee of Greek Bondholders, Gennadius concluded an agreement on September 4, 1878; after being approved by the bondholders, it was debated and approved by the Greek Parliament, with Theodoros Deligiannis as Prime Minister. The main points of the agreement were 1) instead of the total demanded amount of £10,000,000, which included the initial principal and the unpaid interest, it was agreed the sum of £1,200,000 would be paid; 2) the debt would be paid off in 33 years with a grace period; 3) new bonds equal in value to the reduced sum and bearing 5% interest were to be issued for the liquidation of the loans. Every £100 bond issued in 1824 was to be exchanged for £31,12. Every £100 bond issued in 1825 was to be exchanged for £30,10. The detached coupons were to be funded at the rate £11,12% in bonds of the same issue; 4) the Greek's government's mortgaging of the proceeds from the stamp duties (£4,400) together with the income from the Customs office on Corfu constituted a guarantee for the annual payment of £75,000.[12]

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[11] Gennadius 1870, pp. 160, 164, 172.

[12] Mauro and Yafeh 2003.

Here we are interested in Gennadius's activity as intermediary with a newfangled institution of his time, the Corporation of Foreign Bondholders, an association of British investors that had been set up in 1868 and was licensed by the Board of Trade in 1873.[13] This organization laid claim to the smooth coordination of foreign loans by the debtor countries in the international securities market for bonds, particularly in the period 1870–1913. It was precisely at this period that Britain and other countries lent enormous capital sums to emerging markets. The Corporation of Foreign Bondholders managed to attain successful settlements with highly indebted nations such as the Ottoman Empire, Spain, Greece, Portugal, Mexico, Argentina, and Brazil. The involvement of Joannes Gennadius in this settlement acted as a catalyst for the Greek state.

Beyond the sphere of international financial markets, international trade in agricultural products was the other sector which interested the Greek state's foreign economic policy. In 1888, a new tariff on the import of currants had been debated in the U.S.A. and the Greek government sent Joannes Gennadius from London to avert its impact. A little while later Gennadius sent a copy of Antoine Pecquet's *Discours sur l'art de négocier* (1737) to the U.S. State Department, obviously as an act of courtesy.[14] It is known that at the end of the 1880s, the most dynamic sector of the 19th-century Greek agricultural economy had fallen under the wheels of the currant crisis. The demand for a reduction in the import tax on Corinthian currants, according to Gennadius, was above all concerned with the increase in the consumption of the product in the American market, and not with the reduction in the product's transport cost or in the increased profits to Greek producers. At any rate, independent of the justification for his goal, Gennadius's intervention was instrumental in this case as well.

From early on, Joannes Gennadius had developed close ties with Anglophone Protestant education as a result of his association with John Henry Hill, founder of the well-known school in Athens, as well as his studies at the British Protestant College in Malta. The study of Protestantism was one of the topics that excited Gennadius's interest. He chose to settle in England and to work at the merchant firm of Ralli Brothers, with the mercantilist conviction that commerce contributed to general progress: "I was desirous of gaining commercial experience, in the belief that I would be able to use it later on for the advancement and development of the country."[15]

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13 Mauro and Yafeh 2003, pp. 6–14. For the administration of loans, see the Greek government official gazette (ΦΕΚ) 82 for December 28, 1878, Law ΨΛΔ; the same text was also published as a leaflet in 1879. For a full analysis, see Levandis 1944, pp. 27–28.

14 See his "Autobiographical Notes" (Gennadius Library, American School of Classical Studies, Joannes Gennadius Archive, Series III, Box 11, Folder 11.1) and the thank-you letter he received from A. W. Dulles in Washington, August 24, 1922 (Series I, Box 5, Folder 5.4).

15 Quoted from Gennadius's letter to S. Parasyrakis, December 18/30, 1897, Gennadius Library, American School of Classical Studies, Joannes Gennadius Archive, Series III, Box 11, Folder 11.1.

The social relationships which Gennadius systematically cultivated in Britain permitted him to develop a personal network of diplomats, politicians, intellectuals, and businessmen. The social life of the London clubs allowed him to mingle on familiar terms with Greek and British entrepreneurs such as the Rallis and the Rothschilds. And so it was in 1890 that he wrote to Charilaos Trikoupis to say that he could act as an intermediary with Nathaniel M. Rothschild (1840–1915) in connection with the loans of that period: "when an opportune moment presents itself, I will repeat my exhortations to Lord Rothschild, whom I meet frequently in society. Furthermore, at a time of personal financial difficulties, Gennadius was able to seek employment at the mighty branch of the Rothschild firm in Vienna, and had the social ease and facility to apply to Stephanos Rallis and to the British royal court for the sale of books from his library.[16] His experience on the international diplomatic stage and in the world of international business allowed him to handle major economic issues pertaining to the Greek state's foreign borrowing and the export trade (in currants), as mentioned above.

Joannes Gennadius developed a personal strategy, entering the sphere of diplomacy and taking up leading positions in the Greek state's diplomatic corps from the last quarter of the 19th century on, with the spread of panhellenism as his aim, analogous to comparable ideological currents of the period. Many texts from his pen articulate the quest for the unity of Hellenes in the Greek state, in the East (the Ottoman Empire), and in the diaspora. An "imagined solidarity" interwoven with personal relationships is recorded in his correspondence and a large number of published texts.[17]*Diplomacy, not commerce, offered Gennadius the opportunity to play a significant role in Greek-British relations, developing liberal political models during the period when Britain's global political and economic power increased. In his capacity as an employee of Ralli Brothers, and as a high-placed member of Greece's diplomatic service, he was not permitted to publish his views freely, so that much of what he wrote was unsigned or circulated under a pseudonym. Yet both of those posts were what allowed him to be at the center of information and to associate with businessmen, politicians, intellectuals, and religious leaders.

Joannes Gennadius's personal archive shows off his activities as a systematic social intermediary in providing services to a circle of his compatriots. Gennadius maintained a very wide circle of personal contacts and favors through an abundance of letters. For instance, a member of the prominent Vallianos family firm had asked that Gennadius have a young relative appointed to the Greek embassy in London. After this request was fulfilled, a

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[16] Tricha 1991, pp. 142, 340, 19, 237, 257.

[17] Gennadius's personal papers and documents offer a rich source for his relations with Diaspora Greeks. For Gennadius and the Eastern question, see Ailianos 2007.

check for FF 5,000 was offered to Venizelos by Gennadius in 1917.[18] This testifies that positions at embassies and consulates were much sought-after because they conferred the value of social capital and above all functioned as access points to an information network. Gennadius's services as a personal go-between, however, seem to have supported a network for funding political activity as well, especially that of Eleftherios Venizelos.

A diplomat's position could become an object of public criticism, or of adulation. Gennadius became a principal figure in patronage relationships not only with the Greek and British bourgeoisie, but also with his fellow-countrymen, who would mobilize flattery, complaints, and emotional black-mail with patriotic outbursts.

A typical instance of this is represented by Gennadius's relationship in 1918 with an employee of the Bank of Athens in London. Nicolas Milo Vlassis came from Cheimara and boasted of the Epirote ancestry he and Gennadius shared; he regarded the latter's success and/or failure in the diplomatic service as a mutual concern. Vlassis defended Gennadius's public image in London: the emigrant from Cheimara in London wrote to Gennadius in Greek, at the same time also made remarks and rhetorical phrases in Greek and Albanian in the Greek alphabet, such as "They will throw our fez in the mud," emphasizing the value of their manly honor. Again, in public debates among gatherings of Greeks in London, where Gennadius was accused of giving preference to a Jewish supplier to the Greek public sector, Vlassis responded rather threateningly to the accuser, "Surely you've become bored with living to speak thus about Gennadius, because the Ambassador is an Epirote and does not deign to do what you are saying." This relationship of devotion and mutual support was apparently reciprocated, because Gennadius interceded so that the emigrant from Cheimara in London would be hired by the shipowner Antonis A. Empeirikos (1870–1931) as secretary on his estate in England at a higher wage than the Bank of Athens paid, and with housing and food provided free. Vlassis, who had been located in London as an employee of the Bank of Athens, obviously could not communicate well with the group of Greek businessmen in Britain who had already become Anglicized by the end of the First World War. Rather, he came from the world of the Mediterranean, which has been described in terms of the gender-based behavioral code of honor and shame, a code linked to the client-patron system. The lack of understanding between Vlassis and Empeirikos, the clash of different codes of behavior in Victorian England, led to the annulment of their collaboration, an event that was publicized in the British press.[19]

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18 Athanasios S. Vallianos (Paris), letter to Gennadius in London, May 16/29, 1917, Gennadius Library, American School of Classical Studies, Joannes Gennadius Archive, Series I, Box 6, Folder 6.6.

19 N. M. Vlassis, letters to J. Gennadius, April 23/May 6, 1918; May 8/21, 1918; January 26/February 8, 1918 (Gennadius Library, American School of Classical Studies, Joannes Gennadius Archive, Series I, Box 2, Folder 2.9); newspaper clipping, "A Greek Secretary and his Employer"

The post of Greece's diplomatic representative in a foreign country served, smoothed, and facilitated the affairs of Greek subjects. A group of commercial entrepreneurs of Greek origin had dealings with Gennadius that reveal their international identity and dealings with the Greek state. For example, the international firm Paterson, Zochonis & Co., Ltd., which was founded at the end of the 19th century by the Scot George Henry Paterson and Georgios V. Zochonis from the Peloponnesus, had branches in Manchester, Liverpool, Marseille, and much of West Africa, including Conakry (Guinea), Sierra Leone, Monrovia (Liberia), and Lagos and Calabar (Nigeria). From the firm's second generation, Vasilis G. Zochonis requested that a passport be issued for his niece so that she could travel to Switzerland. The niece was a British subject, but her father was a Greek subject. Many people of Greek descent in the business world of international transactions would acquire British citizenship in the course of the 19th century; for them, the official services provided by Greek diplomatic authorities were superfluous.[20] As has already been mentioned, Joannes Gennadius from the beginning combined the life of an emigrant in London with working together with the commercial house of Ralli Brothers in 1862. He remained in this position for a period of time for which we have little information despite the fact that during this interval he evidently made his acquaintance with the Greek world of international commerce. He left Ralli Brothers because of issues of political behavior. Gennadius's relationship with the Ralli family, or to be more precise with certain members of the family, nevertheless remained close to the end of his life in England.[21] Gennadius managed a network of intermediations between the Greek state and Greeks of the diaspora connected with the Ralli family. Since the mid-19th century, the family network that was the Ralli Brothers' multinational company extended from Britain to Europe, America, Asia (Turkey, Iran, and India), and Africa. Their network of informants and the development of their enterprises was extensive, following the routes taken by the spread of British colonialism and international business deals.[22] The Rallis could provide capital and/or jobs in the offices of their commercial establishment. The position of broker at one of the most important firms in England conferred a high degree of authority to Joannes Gennadius as well. Thus did the University of Athens professor Neokles Kazazis thanks Gennadius, via a mutual acquaintance, for the role he played in having Kazazis's son hired by the house of Ralli Brothers. Another instance was when the dire financial situation of a

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(Series I, Box 5, Folder 5.5). On the subject of honor in the Mediterranean, see Campbell 1964; Pitt-Rivers 1965.

[20] V. Zochonis (Manchester), letters of July 5, 1917, and July 23, 1910, to J. Gennadius, Gennadius Library, American School of Classical Studies, Joannes Gennadius Archive, Series I, Box 2, Folder 2.9

[21] In 1897, for example, Stephanos Rallis invited Gennadius to attend a show put on by the students at Bedford College: Gennadius Library, American School of Classical Studies, Joannes Gennadius Archive, Scrapbook 014, vol. 2.

[22] Vourkatioti 2006.

diaspora Greek was communicated to Gennadius by the man's sister so that Gennadius would intervene for him with Ralli Brothers.[23] Business-related introductions by means of a network of friends represented a supportive prerequisite for establishing oneself as a professional, but at the same time were an authoritative advertisement for services provided with success and effectiveness.

Gennadius's position in the Greek community in London as well as in British society more generally, especially after his marriage to Florence Laing in 1902 established him as a receiver of announcements for consumer products, either for his personal use or to advertise and promote them commercially.[24] His relations with the world of learning in England are as evident from his ties to universities (King's College, London, as a member of the committee for the Koraes Chair), institutions (the Anglo-Hellenic League, the Classical Association, the University of Reading), and learned journals (Revue des Études Grecques), as from the requests that his compatriots directed to him. Greeks who wanted to study in Britain asked Gennadius for letters of recommendation, or for contributions toward financial help in their studies. The requests he received were both direct and indirect, for example, a thank-you letter from a Greek in London to Gennadius for his intercession interceding to obtain his election to a research center (the Institution of Mining and Metallurgy, since 2002 The Institute of Materials, Minerals and Mining), and a request for financial aid from a Greek studying at the London School of Economics. Requests also came from individuals in Gennadius's personal network. A businessman from Ithaki associated with the company Drakoulis Ltd., which was a steamship broker and trader in charcoal, asked Gennadius in his quality as a noted intellectual to write a letter of introduction for the son of the ship owner I. Matsoukis, also from Ithaki, in order for him to enroll at an Oxford college.[25] In London's Greek community, finding employment could be facilitated by means of a favorable introduction from Gennadius.

Gennadius's connections with the commercial and political world of the Greek community in Britain, as well as in the eastern Mediterranean, developed during his residence in London through his identity as a diplomat and his involvement with the book trade. It was a result of meticulous organization, which is also mirrored in the arrangement of his personal archive. Within

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[23] See the letters from N. Argyriades in Istanbul (June 12/25, 1910) and Marietta Kephala (February 28, 1921) to Gennadius in London: Gennadius Library, American School of Classical Studies, Joannes Gennadius Archive, Series I, Box 2, Folder 2.9 and Box 1, Folder 1.11.

[24] Accordingly, among Gennadius's preserved papers are circulars advertising pens from a British firm, along with an offer to have them photographed by Elliott & Fry, a famous photographic studio of Victorian England: Gennadius Library, American School of Classical Studies, Joannes Gennadius Archive, Series I, Box 2, Folder 2.8, dating from 1930, 1931, and 1932.

[25] Gennadius Library, American School of Classical Studies, Joannes Gennadius Archive, Series III, Box 11, Folder 11.7; see also Series I, Box 2, Folder 2.9, containing letters to Gennadius from N. Mavrokordatos (November 12/24, 1898) and V. Akylas (April 29, 1917), L. Tzikaliotis (May 29, 1919), and Drakoulis (May 27, 1921).

his correspondence, Gennadius classified one bundle of letters as "English, socially, 1917–1925," and another "Requests from various persons and thanks regarding their affairs." He himself archived various thank-you letters from the governors of the Bank of England, Englishmen of the highest bourgeois social class, in the set "Congratulatory letters to various persons," while a comparable set bore the title "Letters of condolence to various persons," containing letters mainly from the world of the Greek community of London.[26]

In the course of his career, Gennadius acquired great authority, and his views on the Eastern Question were welcomed in more extended English social circles and among the Greeks of the diaspora. I. L. Chalkokondylis, managing editor of the newspaper Νέα Ἡμέρα (New Day) of Trieste, asked him for books and opinion pieces on Greece and the Eastern Question. Gennadius's interest in the "Greek East" was intense; he had become known throughout a wide circle of Greek intellectuals such as Alexandros Pallis and Angelos Simiriotis.[27]

In addition, Gennadius acted as an intermediary in connection with monetary support for the publication of books, as in the case of Z. D. Ferriman's *Some English Philhellenes* (1917). For this book, he had drawn a check for £150 from Athanasios Vallianos, with whom he had already openly had social and financial dealings. The British writer Percy F. Martin asked leave to publish a portrait of Gennadius in his book *Greece of the Twentieth Century*, with a foreword by Andreas Andreades and a dedication to King George I.[28] From the plethora of letters, it becomes understand- able that social exchanges with Gennadius ranged from desirable to necessary in English and Greek diaspora intellectual circles that maintained a variety of interests in regard to Greece and the Levant.

The promotion of certain titles and copies of books created a self-renewing chain of relationships and readings, as well as of advertisement for those books. Gennadius sent copies of an edition of Korais's letters — supposed to have been privately published by Pandelis Rallis — to a Chian businessman of the diaspora.[29] This act can also be interpreted as an effort to em-

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[26] Gennadius Library, American School of Classical Studies, Joannes Gennadius Archive, Series I, Box 2, Folder 2.9.

[27] Letters to Gennadius in London from Chalkokondylis in Trieste, June 15, 1900, and Simiriotis in Athens, February 26, 1923: Gennadius Library, American School of Classical Studies, Joannes Gennadius Archive, Series I, Box 5, Folder 5.3, and Box 6, Folder 6.5. Simiriotis's letter indicates that a copy of the polyglot Constantinople Pentateuch was printed in 1547 by Eliezer (Albert) Soncino for ex-Greek Jews of the Karaite persuasion was on sale in Athens for £300.

[28] Gennadius Library, American School of Classical Studies, Joannes Gennadius Archive, Series I, Box 5, Folder 5.3, and Series III, Box 11, Folder 11.1: letters to Gennadius in London from John Mavrogordato, February 25, 1918, and Percy F. Martin, May 11, 1912. Martin's book was published by T. F. Unwin of London in 1913.

[29] Gennadius to Philip Chrysovelonis, January 18, 1928, Gennadius Library, American School of Classical Studies, Joannes Gennadius Archive, Series I, Box 6, Folder 6.3. The work in question is probably Korais [1898] 2011. Gennadius had been engaged with Korais's works as well: see Gennadius 1903.

phasize the connection "Chios– Greek diaspora–Chian entrepreneurs." Years earlier, in 1881, Gennadius himself had advanced this connection by publishing Loukis Laras: *Reminiscences of a Chiote Merchant during the War of Independence*, his own translation into English of Demetrius Vikelas's Λουκής Λάρας (1879). The story of Loukis Laras from Chios, written in the 1870s, created the moral exemplar of a victim of the Revolution of 1821 who survived and immigrated to England. The book is the story of a self-made man, a member of a particular local group, with an international financial network and success in business. The choice to become involved in the buying and selling of books became Gennadius's characteristic attribute in England. Equipped with the cultural tools of an intellectual, he distinguished himself within the community of Greek businessmen in Britain. Through his copious letter-writing, he exchanged views on various issues — publications, education, the Eastern Question — which renewed his great authority and leading position in Greek Diaspora circles as well as among the philhellenes in London society at the dawn of the 20th century.

The departure of a Greek diplomat from his post usually meant a series of ceremonious farewell meetings that Greek communities in England would organize. In Gennadius's case, we can speak of a farewell period (1918–1919) after the end of the First World War. Greek politicians, with Eleftherios Venizelos at their head, and the members of the Greek communities in Britain publicly expressed their gratitude to Gennadius after roughly a half-century of service in the Greek diplomatic corps. Loukas E. Rallis in London took a leading part in the organization of farewell banquets, farewell speeches, and farewell gifts.[30] Georgios V. Zochonis from Manchester, as president of the Greek community there, invited Gennadius to such a dinner, leaving the date open. At the same time, he took advantage of the opportunity by requesting that Gennadius intercede on behalf of his nephew so that the latter, who was in Switzerland, could serve in the Greek rather than the British army. The dinner was in fact arranged for the end of 1918. The Greek communities of Manchester and Liverpool provided both the organizing committee and the 58 guests, as well as speeches and an assurance on Gennadius's part that the matter of Zochonis's nephew was progressing well. The detailed description of the reception, the assembled diners, and the speeches for Gennadius was circulated in print, and it gave the opportunity for strong Venizelist sentiments to be expressed, for Gennadius's anti-Turkish and anti-Bulgarian politics to be praised, for the dimensions of the Megali Idea to be set forth by Gennadius himself, and for the Greek ancestry of the assembled diners to be noted. The

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[30] N. Giannakopoulos to Gennadius, December 31, 1918, and June 25, 1919: Gennadius Library, American School of Classical Studies, Joannes Gennadius Archive, Series III, Box 11, Folder 11.5. Even Venizelos himself was present at an official farewell dinner.

main accounts refer to the public praise of Gennadius, with political references, while no mention is made of financial questions.[31]

Joannes Gennadius was a descendant of the urban middle class that took part in the Greek Revolution of 1821, of a world that was shaped by Greek education and Orthodox religion as much on the part of his father George Gennadius as on his mother Artemis Benizelou's side. Gennadius entered British life during the period when the British Empire was growing and when Europe was rising as a modern economic and cultural entity. This was the time at which his personal social network was assembled. The 1860s represented a preparatory stage when he was becoming acclimatized to England through contact with Greek diaspora circles and trade networks. After 1875, from his post as a diplomatic representative of the Greek state, he would make his way into the world of British liberal politics. After 1902 and his English marriage, the philo-European cultural tendencies of Edwardian society would open up opportunities that even today have not been recognized or viewed in combination with the period of Venizelism in Greece.

Gennadius created a personal network — a result of careful management — that surpassed the bonds of family and local kinship. At a time when capital and markets were becoming globalized, he maintained a multifaceted relationship between the Greek diaspora and the Greek state. The interconnections between where he was brought up and where he settled highlight the question of the political nationality and cultural identity of Greek emigrants in England. Joannes Gennadius understood that in this discussion the nation-state complex constituted an institutional cause of the end of the diaspora, as it would lead to assimilation by the social and political environment of the place of residence or, less often, to repatriation back to the nation-state.[32]

Joannes Gennadius, by virtue of his position at key nodal points in European centers and in the international networks of the Greek diaspora, represents a version of the "globalization" of his time, which was not limited to the economic level but rather forged on the level of social relationships. He managed client-patron networks that had their roots in traditional forms of power and that continued to function uninterruptedly even in the modern period. Gennadius's story reveals a course that intersects with economic power, state authority, and cultural values.

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[31] Zochonis to Gennadius, November 29, 1918, and December 12, 1918, Gennadius Library, American School of Classical Studies, Joannes Gennadius Archive, Series III, Box 11, Folder 11.5. See also the pamphlet "Το εν Μαγκεστρία Συμπόσιον της 29/12 Δεκ. 1918 εις τιμήν της Α.Ε. του κ. Ι. Γενναδίου αποχωρούντος της ενεργού υπηρεσίας. Οι εκφωνηθέντες λόγοι," published in Manchester in 1919.

[32] Gilroy [1994] 1999.