

GREEK MERCANTILE ACTIVITIES IN THE
EASTERN MEDITERRANEAN, 1780-1820

This study focuses on the mercantile activities of Greeks whose bases were mainly Smyrna, but also other ports in the eastern Mediterranean, with western Europe and vice-versa. Many of these Greek merchants formed part of an extended family company, which had branches all over the eastern and western Mediterranean, and who cooperated with each other. This extended family company expanded continuously from one port to another in the Mediterranean, usually maintaining a head office in the eastern Mediterranean. The period under study, 1780-1820, is the most crucial period in the economic development of the Greeks in the eastern Mediterranean in the eighteenth and early nineteenth centuries. Spectacular rates of capital accumulation and economic growth occurred in this period which enabled them to set up these multiple trading bases.

The reasons for this growth were both economic and political. The last decades of the eighteenth and the beginning of the nineteenth centuries, coincided with an expansionary phase of the world economy, and the beginnings of the Industrial Revolution in Britain, which led to a remarkable increase in the productivity of the British textile industry. The needs of western Europe, and particularly of Britain, for raw materials and markets for their finished products also increased. The eastern Mediterranean was one such market. Smyrna, the biggest international port in the eastern Mediterranean at the time¹, experienced spectacular economic growth in its trade with western Europe². The French Revolution of 1789 and the French Revolutionary and Napoleonic Wars that followed, in the years 1792 to 1815, brought French economic domination in the eastern Mediterranean, since the beginning of

1. *Archives de la Chambre de Commerce de Marseille*, Marseilles, Série I, 19-20, États des marchandises envoyées en Levant et Barbarie (1749-1789); and Série I, 26-28, États des marchandises venant du Levant et de Barbarie (1700-1789). Hereafter this archive will be cited as *ACCM*.

2. Frangakis, Helen, *The Commerce of Izmir in the Eighteenth Century, 1685-1820* (unpublished Ph. D. thesis, University of London, 1985), pp. 173-176.

the century, to an end. The military confrontation between the two major European powers, Britain and France, forced on France and Britain the opening-up of their trade monopolies to facilitate their trade at a time when free trade was "in the air" but not yet an established state policy. Between 1792 and 1815 France, seeing its merchant marine beleaguered by the continuous attacks of British privateers and warships, turned to neutrals in order to facilitate its trade. It repealed its law that excluded foreigners from trading in Marseilles three times until the law stood in favour of the foreigners³. When the law was not in force French goods, sent to Smyrna from Marseilles and consigned to Greek merchants, could be confiscated by the French consul in the Levantine port⁴. Increasingly though the French authorities became more accommodating as French merchants found it either too difficult or too expensive to trade on their own with the Levant⁵. In some cases cooperation on an individual basis between a French merchant and a Greek shipper, or merchant, had started even before the French Revolution, for the French were already experiencing difficulties in their Levant trade⁶.

The Continental System, 1806 to 1814, placed obstacles in the trade of Britain with France's satellites, allies, and associated powers, which included most of Europe. Britain, with a rapidly expanding economy, sought the eastern Mediterranean market in a larger scale than ever before. It also relaxed the monopoly laws governing British trade with the Levant. The peace that Britain signed with the Ottoman Empire in 1797 was followed a year later by the first Greek ships to leave Smyrna for London⁷.

Although by the end of the Napoleonic Wars the more dynamic economy of Britain had replaced French economic domination by British in the Levant there existed a gap of forty years or so, 1780-1820, during which the Greek merchants, along with the other Ottoman *raya* merchants, Armenian and Jewish, took over a large part of the trade of the eastern Mediterranean ports with the West, hitherto carried out largely by European merchants. The Europeans, armed with the capitulations (trade agreements contracted between the Ottoman Empire and a number of western European countries and which

3. *Archives Nationales de France*, Paris, Série AE Biii 242, Sur l'article 30 de l'ordonnance du 20 Sept. 1810, Commerce de Levant, 28 Sept. 1814. Hereafter this archive will be cited as *ANF*.

4. *ANF*, AE Bi 1065, Consul Amoureux, Smyrna, 23 Dec. 1791 to Minister, Paris.

5. *ANF*, Série F12/1850 A, État général des maisons de commerce, Smyrna, 1820.

6. *ANF*, AE Bi 168, Consul Benincasa, Ancôna, 6 Nov. 1786 to Minister, Paris.

7. *Public Records Office*, London, Series SP 105/121, Consul Werry, Smyrna, 30 June 1797 to Levant Company, London. Hereafter this archive will be cited as *PRO*.

favoured the latter) had hitherto enjoyed certain legal advantages over their *raya* counterparts. Added to this, were the monopolistic principles of their national economies and their superior organization, in terms of transportation and insurance, which combined to further exclude the *rayas*, for most of the eighteenth century, from a large part of the eastern Mediterranean trade with the West. Whatever exclusivity the Europeans enjoyed came to an end in the first quarter of the nineteenth century⁸. The *raya* community that benefitted most from these changes, even more than the Jewish or the Armenian, was the Greek mercantile community. This can be seen from their remarkable expansion in ports all over the Mediterranean, and beyond, in a short period of time, and their dominant position in the carrying trade, particularly within the eastern Mediterranean.

The reasons for this are multiple and some of them originate in the decades preceding 1780. Indeed even before 1780, the Greeks were able to take advantage of every weak link in the monopoly network that France and Britain had sought to establish. The free port of Livorno was a haven for clandestine and semi-clandestine trade between western Europeans who wanted to avoid the cumbersome monopolistic laws of their own countries and chose to associate with *raya* merchants and the latter, who operated freely from Livorno⁹. From the 1760s and 1770s Greek commercial houses, originating mostly from Smyrna, but also from Istanbul, such as Petrocochino, Prassacachi Brothers, Skaramangas were established in Livorno¹⁰. The Greeks were at no time the only Ottoman *raya* community trading in the Italian ports and Jewish merchants figured prominently, during most of the eighteenth century, particularly in Livorno¹¹. Yet in the last quarter of the century, it would appear, the Greeks did start overtaking the other *raya* communities in the trade of the Italian ports with the eastern Mediterranean. They also challenged the position of the western Europeans, who were established in these ports and were trading with the Levant. Apart from Livorno, the Greeks were particularly prominent in Messina, Ancôna, and Trieste¹². The following observation was made by the French consul in Trieste in 1782:

8. Frangakis, Elena, "The *Raya* Communities of Smyrna in the Eighteenth Century, 1690-1820: Demography and Economic Activities", *Actes du Colloque International d'Histoire. La ville neohellénique. Héritages ottomans et état grec*, Vol. 1 (Athens, 1985), pp. 27-42.

9. PRO, SP 105/115, Levant Company, London, 21 June 1699 to Consul Raye, Smyrna.

10. Zolotas, I., *Ιστορία της Χίου* (Athens, 1926), vol. III, Pt. 1, pp. 301, 312, 366-367.

11. ANF, AE Biii 243, Miège, Renseignements sur le commerce du Levant, Livorno, 13 May, 1825. Hereafter cited as Renseignements.

12. Katsiardi-Herring, Olga, *Η Ελληνική Παροικία της Τεργέστης, 1751-1830* (Athens, 1986), 2 vols, *passim*.

The trade of Trieste with the Levant is practiced mainly by the Greeks whose principals are in the Ottoman Empire. Until recently their trade was limited; their capital outlays were not very considerable and their activities were limited to Morea, Salonica and Smyrna; the increase that has taken place in the last two to three years is due to the Dutch who have been bringing to Trieste silk and cotton from the Levant and then taking it by land to Holland, Imperial Germany, and Switzerland. They use the same route for their exports of cloth and bulky goods to the Levant¹³.

In 1785, 22 percent of Messina's imports came from the Levant and 6 percent of its total exports went to the Levant with Smyrna accounting for a third. In that year, 9 percent of Smyrna's imports came from Genoa, Livorno, and Messina and an equal amount of its exports went to those ports¹⁴. Silk cloth exports to the Levant which were, to a large extent, handled by Greeks, constituted an important sector of Messina's Levantine trade. Apart from silk cloth the Greeks also dealt in olive oil, which they purchased from the islands of the Aegean Archipelago and transported it to Messina, usually in their own vessels. From Messina the oil was transported, in Genoese vessels, to Genoa and Livorno where it was treated. The final destination was the soap manufacturers in Marseilles where the cargo was smuggled in without paying the 20 percent duty levied on all foreign trade. Oil transported to Marseilles in this way was cheaper than if it were bought in the Aegean islands, by French merchants, and transported to Smyrna and then on to Marseilles in French ships¹⁵. In addition to these goods the Greeks carried from Messina, as well as from other Italian ports, specie to the eastern Mediterranean¹⁶.

After 1793 Marseilles was no longer able to dominate the trade of the eastern Mediterranean with western Europe, as it had done formerly, supplying not only the French with Ottoman goods, but also Imperial Germany, Switzerland, and Belgium. Genoa, Livorno, and Trieste took over this role. Furthermore, in the years 1793 to 1814, as Marseilles could not send French goods to the Levant by sea either, it had to use overland routes to Livorno, Genoa, Trieste, and Ancôna. These ports thus became the markets for French

13. *ANF*, Série Marine B/7, 446 Bertrand, 19 Oct. 1782 in *Commerce des ports de l'Europe*, 1 Feb. 1783. The Dutch were using a land route because the British were blockading their ports in the last years of the American War of Independence, 1781-1782.

14. *ANF*, AE Bi 859, Consul l'Allement, Messina, 14 Jan. 1786 to Minister, Paris.

15. *ANF*, AE Bi 859, Consul l'Allement, Messina, 3 Sept. 1785 to Minister, Paris.

16. *ANF*, AE Bi 859, Consul l'Allement, Messina, 4 Feb. 1786 to Minister, Paris.

goods to the eastern Mediterranean supplying western Europe with Ottoman goods, too¹⁷. As the Adriatic coast was relatively calm and free of British attacks and privateering until 1809, the ports of Trieste and Ancôna, in particular, benefited from Marseilles' loss of trade. Until 1789 Marseilles accounted for over half of the trade of Smyrna with western Europe, which itself accounted for over half of the Ottoman Empire's trade with the West. In 1801 to 1803, during the Peace of Amiens, 51.2 percent of Smyrna's exports to the West went to Trieste and Ancôna and 44 percent of its European imports came from these two ports¹⁸. As trade was directed to these ports the Greeks, who were well established there, were in a good position to take hold of a large part of this trade. The better established the Greeks were in the Italian ports, the more successful they were likely to be in penetrating major economies as those of France. Such were the fears expressed by the French consul in Smyrna, M. Fourcade, in 1820. He was right:

...The Greeks who have for the last fifty years been cherishing the hope for a happier future without success, have ended by forming numerous establishments in Italy, which despite our exclusion of them, will form a barrier which we can overcome only by attracting them into our economy...¹⁹.

Holland was equally important to Greek economic development. Unlike Britain and France, Holland had a liberal policy that allowed foreign merchants to establish commercial houses in its ports. Mavrogordatos, who had one of the most solvent commercial houses in Smyrna²⁰, was amongst the first, together with d'Issay to set up business in Amsterdam in the 1760s. In 1762, during the last year of the Seven Years' War, over two dozen Greek companies or individual merchants sent goods to Smyrna from Rotterdam and Amsterdam, on Dutch ships²¹. Although most of these houses were exporting Dutch and other European-made cloth to Smyrna and elsewhere in

17. *ANF*, AE Biii 243, Renseignements.

18. *ARA*, Totaal Bedrag van de Invoer en Uitvoer te Smirna in de jaren, 1801-1803, in J. G. Nanninga, ed., *Bronnen tot de Geschiedenis van den Levantschen Handel. Vierde deel, 1765-1826* ('S-Gravenhage, 1966), pp. 1542-1571.

19. *ANF*, AE Biii 242, Consul Fourcade, Mémoire, Smyrna, 1820. Hereafter cited as Mémoire.

20. *ibid.*; see also, *ANF*, F/12 1850 A, État général des maisons du commerce ottoman établies à Smyrne, 1820.

21. *ARA*, Consulaatarschief Smirna, 2dd, de Invoer en de Uitvoer met Nederlandschen Scheppen te Smirna, 22 Feb.-22 Aug. 1762, in Nanninga, *Bronnen...derde deel, 1727-1765* ('S-Gravenhage, 1952), pp. 715-763. In this bitter Anglo-French conflict Holland was neutral.

the eastern Mediterranean and importing into Holland Ottoman raw materials, a good number of these houses speculated in money too. From the late 1760s, as the monetary problems of the Ottoman economy grew, so did its chronic shortage of specie intensify. One of the most effective ways to alleviate the Ottoman market of specie shortage was to import bullion, in specie or in bills of exchange. Until the 1780s trade in money was mostly in the hands of western European merchants. It was not so for the bills of exchange whose circulation by hand was much more difficult to monitor. Ottoman *raya* merchants, therefore, actively participated in this sector.

Bills of exchange were used in the following way: when the market of Smyrna experienced acute shortage in a certain foreign currency (foreign currencies circulated together with, and sometimes instead of, the local currency) bills of exchange in that currency were sent to the port. It was a lucrative enterprise for these bills were high in demand and could be cashed at a high rate of exchange vis-à-vis the Ottoman currency. A high proportion of bills of exchange written in Smyrna or Istanbul were eventually drawn upon in the international financial centres of Amsterdam, Livorno, Venice, and Genoa²². Greeks, established in Holland, did not only enter the commercial sector of the Dutch economy but also its international financial and speculative networks. It greatly aided their rate of capital accumulation for profits from speculation were almost double those from trade at the time²³. Apart from trade, the house of Mavrogordatos was also active in monetary speculation²⁴. In the early 1800s, there were many Greek merchants in Dutch cities who could claim residence of several decades in the country and exercise political rights in the municipalities although they maintained close economic contacts with the eastern Mediterranean²⁵.

In 1787, over fifty Greek companies or individual merchants sent goods to Smyrna from the Dutch ports. Although in 1762 the number of Greek merchants sending goods to Smyrna from Holland did not outnumber their

It saw, therefore, its Levantine trade increase and was thus better able to allow Ottoman *raya* merchants in it.

22. Eldem, Edhem, "La circulation de la lettre de change entre la France et Constantinople au XVIIIe siècle", *L'Empire Ottoman, la République de Turquie et la France*, eds, H. Batu and J. L. Bacqué-Grammont (Istanbul-Paris, 1985), p. 91.

23. *ACCM*, I, 26-28.

24. Eldem, "La circulation", p. 97.

25. Algemeen Rijkarschief, 'S-Gravenhage, Arschieff van de Nederlandsche legatie te Constantinopel, no. 132, July 1803 in Argenti, Philip, *Diplomatic Archive of Chios, 1577-1841* (Cambridge, 1954), Vol. I, pp. 36-45.

Jewish and Armenian counterparts, who were also active in the Dutch trade, in 1787 they clearly did outnumber them²⁶. A reason for Greek predominance in the Dutch trade also, was probably the fact that the Greeks had control of the cloth trade in the market of Smyrna, and in most of western Anatolia, and the Aegean islands both wholesale and retail. This gave them a leverage with the Dutch exporters of European cloth into Smyrna. Cloth was the single most important commodity exported by the Dutch in the Levant. In fact between 1784 and 1818, they practically took over Dutch exports of cloth to Smyrna and to the rest of Anatolia²⁷. Other factors also contributed to the predominance of the Greeks in the eastern Mediterranean trade in general, including that of the Dutch and of the Italian ports: their ability to enter sectors other than trade in goods or monetary speculation, such as the carrying trade, and their ability to expand simultaneously into a very large number of ports in the Mediterranean and in western Europe.

The following example is representative of how it happened. After a family council in 1804, it was decided that Peter Schillizi Homerides should leave from Smyrna for Marseilles, taking a ship-load of goods for sale and letters of introduction to merchants and friends of the family. Having sold these goods, he returned to Smyrna for a brief period of time before going back to Marseilles to found, in 1805, the house of Peter Schillizi Homerides. After five years of successful business Homerides dissolved the company. By then the British, who were blockading the French coast, had for the most part stopped the trade of Marseilles with the Levant. After a brief sojourn in Paris, in October 1814 Homerides reached Costanza, through Salonica, taking advantage of the land route, with a considerable amount of goods. Soon after that, as the seas were open once more after the end of Anglo-French hostilities, he returned to Marseilles where he reopened his company²⁸. Besides the Schillizi, the Ralli family (both were Chiot families whose businesses originated mostly in Smyrna although they were active also in Istanbul) is another good illustration of the complexity of the Greeks' mercantile activities and the speed with which they expanded their businesses. In 1815, Pandia and Augustus Ralli together with John and Eustratio Petro-

26. *ARA*, Consulaatarchief Smirna, dd³, De Invoer en de Uitvoer met Nederlandschen Scheppen te Smirna, 22 Aug. 1786 - 22 Feb. 1787, in Nanninga, *Bronnen...vierde deel, 1765-1826*, pp. 1428-1466.

27. *ARA*, 349, Fremeaux, van Lennep and Enslie to van Haaften, 29 June 1782; and *ARA*, 120, Rapport fait à M le chargé d'affaires Testa sur les drapiers par J. de Hoschepied, Smyrna, 19 Feb. 1818 in *ibid.*, pp. 339-341 and 950-951.

28. Homeridis Schillizi, Peter, *Βιογραφία Αυτοσχέδιος* (Athens, 1871), Vol. 2, p. 6.

cochino set up the company of "Ralli Argenti" in Marseilles, as the French branch of the house of "Sechiari & Argenti" based in Smyrna, with a second branch in Istanbul under the name of "Petrocochino & Argenti"²⁹. In 1818, two other Ralli Brothers, John and Stratis, left Livorno to set up a corresponding branch in London. They traded in silk and cotton from Persia and Anatolia, through Smyrna and Istanbul and exported to the eastern Mediterranean British cloth and French silk stuffs. Five years later, they set up the company of "Ralli & Petrocochino" in London and imported there wheat from the Black Sea³⁰.

The Greeks also displayed extreme agility in taking advantage of new trading opportunities and in shifting their commercial ventures to new trade routes, as the old sea routes during wartime became full of privateers and usually led to ports that were blockaded. In 1785, the port of Odessa was declared a free port. By 1820 an important Greek mercantile community was already established there. The house of Rodocanachi was amongst the most important houses in Odessa with branches in Smyrna, Istanbul, Marseilles, the Italian and Dutch ports, and after 1820, in London, too³¹. It dealt in Russian wheat, British cloth, French silk stuffs, cotton, wool, olive oil, and other Ottoman foodstuffs and raw materials, and specie. With the beginning of the French Revolutionary Wars sea routes leading to French and French-controlled ports became almost impassable. A number of land routes thus came into use. One route started at Constanza (the point of departure of Schillizi Homeridis in 1814) and went along the Danube to Vienna; another route was a tortuous land passage from Salonica through Yugoslavia to southern Switzerland and then on to Marseilles, or on to northern Switzerland and then on to western Europe³². The Greeks used these routes exten-

29. Echinard Pierre, *Grecs et Philhellènes à Marseille de la revolution française à l'indépendance grecque* (Marseilles, 1973), pp. 62-79.

30. Syriotis, Mikes A., "Ο οίκος των Αδελφών Πάλλη", *Chiaka Khronika* (1911), Vol. 1, pp. 101-110; Karidis, Vyron, "Greek Shipping in the Black Sea, 1815-1856: The Evidence from South Russian Ports" (unpublished paper given at the 1987 *International Symposium of the Modern Greek Studies Association*, Providence, Rhode Island).

31. Herlihy, Patricia, "Greek Merchants in Odessa in the Nineteenth Century", *Harvard Ukrainian Studies* (1979-1980), Vols III/IV, pp. 399-420; see also, Records of Baptisms from the chapel of "Our Saviour", Finsbury Park; Saint Sophia Parish Records Archive, Bayswater, London, 1830s; G. M. Rodocanachi, Merchant, 9 North Buildings, Finsbury Circus and Rodocanachi, son & Co., Merchants, 26 Finsbury Circus, see *Robson's Commercial Directory of London...for 1841* (London, 1841), p. 815.

32. A. B. Cunningham, ed., "The Journal of Christophe Aubin: A report on the Levant Trade in 1812", *Archivum Ottomanicum* (1983), Vol. 8, pp. 24-25.

sively. In the land route to Marseilles they carried cotton and colonial coffee to the French port in return for Orleans-made fezzes and French cloth from Languedoc and Lyons. It was a very profitable trade³³.

The Greeks also carried out a considerable trade, from their bases in Smyrna and Istanbul, with Austria³⁴. In 1789, Greek houses established in Vienna traded in cotton which they got from Smyrna, and at times, from Volos, too. They used their contacts in the port of Trieste in order to acquire specie to send to Smyrna or Volos to purchase cotton with. To transport the specie to the Levantine port they used western European ships. The French consul in Smyrna saw this as an additional source of consulage, and placed an extra levy on all specie carried in French ships on behalf of foreigners. The French consul in Trieste, however, proposed the abolition in Smyrna of this levy. The French, he argued, no longer had the monopoly of the carrying trade in the Mediterranean and Greek merchants could very easily charter another nation's ships. In fact, the British first lowered and then abolished altogether levy on specie carried in their ships on behalf of foreign merchants³⁵. Buying with cash in the eastern Mediterranean at the time gave the purchaser a distinct advantage and a discount on the price. In 1811-1812, British cloth, coffee, sugar, spices, and dyes rose suddenly in price in the market of Smyrna due to large purchases made for Russia and Austria where these goods were much in demand³⁶.

In the 1780s and 1790s, the Greeks used their status as *beratlees* (holders of Imperial licenses that gave them special privileges allowing them to operate under the protection of a European Power) to their advantage at a time when the *berats* gave a valuable opening to the international trade and particularly to the British trade, which was the last to abandon protectionism³⁷. Yet, by the early 1800s a lot of British trade with the eastern Mediterranean was carried out away from the confines of the Levant Company. British merchants were bringing British cloth to Malta or Corfu (after both islands came under British control) contracting Greek merchants, who were already established there, to send the cloth out to their partners, or associates in the eastern

33. *Archives du Ministère des Affaires Étrangères*, Paris, Série CCC, Vol. 8, Consul David, Mémoire sur Scio, Chios, 1823-1825. Hereafter this archive will be cited as *AMAE*.

34. *ANF*, AE Biii 242, Mémoire.

35. *ANF*, AE Bi 1087, Consul Fraunmery, Trieste, 27 Jan. and 24 March 1789 to Minister, Paris.

36. *ANF*, F12/1850 A, Consul Fourcade, Smyrna, 14 April 1812 to Minister, Paris.

37. *PRO*, SP 105/129, Consul Werry, Smyrna, 13 Aug. 1804 to Levant Company, London.

Mediterranean, and predominantly in Smyrna³⁸. They started to trade with Britain from the early 1800s as the most dynamic economy of western Europe was in the process of abandoning monopoly regulations. In 1804, the Smyrna Factory of the Levant Company, which had hitherto held the exclusive right, officially at least, to British trade with the port, complained vigorously of the infiltration of Greek merchants into its business to the head of the Levant Company in London through their consul in Smyrna, Mr. Werry:

...from a thorough conviction that the limited trade allowed to *beratlees* only, will not prevent other Greeks from carrying on a simulated trade to England, on which supposition the merchant and the factory will be equally sufferers. It is needless to repeat what many gentlemen in Your Worshipful Company are so well informed of the decay of the opulent Dutch establishments here occasioned solely by the Greeks being permitted to trade to Holland, and the French who had granted a free trade to Marseilles...³⁹.

In London, Greek merchants came and settled from 1820 onwards. The first Greeks to be recorded as merchants, settled in London, were Eustratio Ralli & Co., and Ralli & Petrocochino, in 1820, operating from Billiter Square and Bond Street respectively⁴⁰. These merchants traded mainly in Russian wheat. Their associates, established in Istanbul, also played a key role in this network of trade. In 1825 the Levant Company was abolished altogether leading to a free trade between Britain and the eastern Mediterranean.

The ability of the Greeks also to break the predominance of western European nations, and principally of the French, in the carrying trade, not only within the eastern Mediterranean, but also between the eastern Mediterranean and western Europe, and at times within western European ports, was paramount in their process of capital accumulation. Carried out mostly during wartime such carrying trade, though risky, was particularly lucrative. Neither the Armenian nor the Jewish mercantile communities ventured in this sector, which may partly account for the greater economic growth of the Greeks.

Besides the western Anatolian coastline, the Greeks were particularly active in the carrying trade of the Italian ports with the Levant. In the 1760s,

38. *PRO*, SP 105/132, Consul Werry, Smyrna, 9 July 1809 to Levant Company, London; see J. Blow Williams, *British Commercial Policy and Trade Expansion, 1750-1850* (Oxford, 1972), pp. 364-365.

39. *PRO*, SP 105/129, Consul Werry, Smyrna, 31 Jan. 1804 to Levant Company, London.

40. *Robson's Improved London Directory...for 1820* (London, 1820), p. 471.

the French were the only nation involved in the carrying trade of Ancôna with the Ottoman Empire, although they had already suffered a serious setback during the Seven Years' War (1756-1763)⁴¹. After the end of the Russo-Ottoman War (1768-1774), the Greeks were able to buy a large number of ships at low prices from Russian privateers⁴². With the outbreak of the American War of Independence, the French and the British carrying trade between Ancôna and the Levant fell into the hands of the Greeks. So that, whereas in 1777 there were only three or four Greek ships by 1785, there were twenty to twenty-five Greek ships active in this route, which represented almost a third of the ships employed in this carrying trade⁴³. However, Greek ships were small, on the average under 100 tons, whereas French ships were over 200 tons, with the result that the bulk of trade between Ancôna and the Levant was still carried by French ships⁴⁴. At about the same time, Greek ships started to become prominent in the carrying trade of Genoa and Messina with the Levant⁴⁵. In 1782, during the last year of the American War for Independence trade between Messina and Marseilles was so severely disrupted as to make it unprofitable for the French to carry any goods in this route. The result was that Greek ships, as neutrals, took over part of this trade carrying foodstuffs and other raw materials from southern Italy to Marseilles and Lyons⁴⁶. In 1784, Greeks in Messina were planning to hire French ships with capacities of 150 to 200 tons to expand their carrying trade since the Ottoman foodstuffs that Greek ships brought to Messina even after passing through the hands of several Italian and French merchants undersold similar goods sent through official channels to Marseilles. At the same time, the Court of Naples, to which the port of Messina belonged to, was promising Greek merchants to lift some restrictions which limited their trading activities⁴⁷. The profits that they were able to amass were very considerable. Despite the fact that none of these ships were ever of a size similar to French carriers their proprietors were able, within a short time, to move from the carrying trade to establishing

41. *ANF*, AE Bi 271, États des batiments, 1756-1753.

42. *ANF*, AE Bi 861, Consul du Mensil, Mitylene, 25 March 1777 to Minister, Paris.

43. *ANF*, AE Bi 859, Consul l'Allement, États des batiments, Messina, 27 Aug., 22 Oct., 10 Dec. 1785; 11 Feb., 8 April, 27 May, 17 June, 16 Sept., 21 Oct., 18 Nov. 1786; 6 Feb., 22 May, 18 Sept., 2 Oct. 1790.

44. *ANF*, AE Bi 859, Consul l'Allement, Messina, 14 Jan. 1786 to Minister, Paris.

45. *ANF*, AE Bi 168, Consul Benincasa, Ancôna, 13 Feb. 1784 to Minister, Paris.

46. *ANF* AE Bi 859, Consul l'Allement, Messina, 22 May 1784 to Minister, Paris.

47. *ANF*, AE Bi 168, Consul Benincasa, Ancôna, 19 Aug. 1785 and 30 July 1782 to Minister, Paris.

businesses in the Italian port⁴⁸. Greek ships were equally active in the carrying trade of Ancôna with the Levant⁴⁹.

Expanding further at the beginning of the French Revolution, Greek shippers based in Venice carried Ottoman goods to Messina and sold them to French and Italian merchants there for distribution to Livorno, Malta, and Marseilles⁵⁰. They took back to Smyrna, and other eastern Mediterranean ports, silk cloth and specie and from the 1790s onwards, from Malta in particular, they took to the Levant British cloth.

During the Napoleonic Wars (1803-1815) Greeks, many of them Chiots, from their bases in the eastern Mediterranean, and mainly in Smyrna, took advantage of their position as neutrals in the Anglo-French conflict and, with the right types of licenses issued by the British, navigated the Mediterranean. They formed partnerships with Psariots, Hydriots, and Spetsiots, the Chiots providing the capital to buy cargo and any other necessary expenses for the voyage, and the others furnishing the ships and the crew. They carried wheat and olive oil from western Anatolia, including Smyrna, the Aegean Archipelago islands, Istanbul, Salonica, and even Egypt as well as colonial goods to French and Italian ports. They were armed with two types of licenses from the British. One license covered them for carrying British and colonial goods to be shown to the French, thus making it into a legitimate cargo, and the other license covered them for carrying French goods to be shown when intercepted by the British. When these voyages met with success the profits derived were very high, as both freight rates and the prices of the goods sold in the French or Italian ports were high. Yet there were times when these expeditions met with failure and then losses were equally substantial⁵¹.

If the carrying trade were the fastest growing economic activity of the Greeks, the initial capital for it was usually raised through privateering, and even piracy, that took place during the long series of wars that brought great upheaval to the Mediterranean from the first Russo-Ottoman War (1768-1774) to the end of the Napoleonic Wars in 1815. Both piracy and privateering were well organized⁵². Greek merchants lent their money "à l'hypothèque", to be repaid with interest, to finance a privateer's expedition⁵³. The Second

48. *ANF*, AE Bi 859, Consul l'Allement, Messina, 9 Feb. 1782 to Minister, Paris.

49. *ANF*, AE Bi 859, Consul l'Allement, Messina, 20 March 1784 to Minister, Paris.

50. *ANF*, AE Bi 859, Consul l'Allement, Messina, 14 Jan. 1788 to Minister, Paris.

51. *AMAE*, CCC, Vol. 8, Consul David, Mémoire sur Scio, Chios, 1823.

52. *ACCM*, MQ, 5-1, Consul David, Smyrna, 6 April 1825 to Minister, Paris. During the War of Greek Independence piracy and privateering became quite rife.

53. *ANF*, AE Bi 1087, Consul Fraunnery, Trieste, 27 Jan. 1789 to Minister, Paris.

Russo-Ottoman War (1787-1792) led to a great flurry of Greek privateering in the Aegean Archipelago. Russian and Greek privateers, working together in the same ship, did not hesitate to attack even Greek ships, which had Ottoman flags, leaving their owners to seek compensation from the Russian Consul⁵⁴. The Russian authorities condoned such actions. The Russian Consul at Trieste refused to seize privateers' prizes or to take inventory of the goods seized by a privateer from a captured Greek ship⁵⁵. Greek privateers continued their activities unabated during the French Revolutionary and Napoleonic Wars. So much so that no ship with anything valuable on board ventured unescorted in the Aegean Archipelago during that time⁵⁶. It was not only the Aegean Archipelago that suffered from privateering, but also the routes between the Italian ports and the Levant and between the Italian ports and France. Finally, Greek merchants were active in marketing the captured goods in the eastern Mediterranean, including such large ports as Smyrna⁵⁷.

In addition to privateers, North African pirates were particularly active in the whole of the Mediterranean throughout this period attacking all ships⁵⁸. The Greeks were able to overcome them by obtaining, from the British, Mediterranean passes that exempted from seizure, if intercepted by these pirates. The British obtained such passes by paying subsidies to North African states. These pirates were not stopped till after the end of the Napoleonic Wars.

In conclusion the Greeks, based principally in Smyrna but elsewhere in the eastern Mediterranean too, taking advantage of the freer economies of the Italian ports and of the more liberal policies of the Dutch in order to enter international trade, and of the monetary difficulties of the Ottoman economy in order to speculate, amassed considerable capital accumulation and expertise. Moreover, taking full advantage of the favourable international economic conjuncture, and of the military confrontations, that locked the

54. *ANF*, AE Bi 1087, Consul Fraunery, Trieste, 30 Jan. 1789 to Minister, Paris.

55. *ANF*, AE Bi 1087, Consul Fraunery, Trieste, 7 Feb. 1789 to Minister, Paris.

56. *PRO*, SP 105/128, Consul Werry, Smyrna, 1 Feb. 1802 to Levant Company, London; see also, SP 105/132, Consul Werry, Smyrna, 20 Nov. 1809 and 10 March 1810 to Levant Company, London and SP 105/133, Consul Werry, Smyrna, 12 July 1812 to Levant Company, London.

57. Themeli-Katifori, Despina, *Η Δίωξις της Πειρατείας* (unpublished Ph. D. thesis, University of Athens, 1973), vol. I, pp. 40-62.

58. *ANF*, AE Bi 859, Consul l'Allement, Messina, 17 May 1783 to Minister, Paris; see also, *PRO*, SP 105/135, Consul Werry, Smyrna, 17 Aug. 1816 to Levant Company, London.

major European Powers in combat with each other and weakened their economic hold in the area, the Greeks advanced their activities. In so doing, they displayed extreme agility and alertness in finding new venues to trade, in expanding to new sectors, such as the carrying trade, or privateering, however risky these might be, and to different ports, usually maintaining a family link with eastern the Mediterranean. All this led them, by the early nineteenth century, to considerable commercial success.

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