

THE DECLINE OF THE DUBROVNIK CITY-STATE

Dubrovnik, formerly Ragusa, is situated on the southern coast of present-day Yugoslavia (Figure 1). It is dependant mainly on tourism for its existence and is somewhat isolated from the rest of the country. Yet during the middle ages the town, with its small republic, grew and developed mainly through her function as a trade and political mediator between the underdeveloped regions of the Balkans and the Levant, and the more developed regions of western Europe. Relying on the profits made from her entrepôt trade and the shrewdness of her diplomats in preserving a neutral policy during war-time, Dubrovnik managed to prosper making the best of "purely local trade and the most profitable part of distant or international commerce."¹

The small maritime city-state, with around 1.092 km² of territory and 80.000 population, enjoyed a great reputation and carried on many kinds of commerce with its hinterland and other parts of the Mediterranean. Figure 2 shows how Dubrovnik's merchants gradually extended their influence from within the Adriatic and in Bosnia-Herzegovina during the twelfth and thirteenth centuries, to Hungary, Rumania, Bulgaria, Persia, the Near East, North Africa and Spain, by the sixteenth century. In fact, during the sixteenth century Dubrovnik was at the peak of its power. Within this trading sphere the town's merchants were providing a valuable middleman's service, supplying the more advanced western countries, particularly Italy, with much needed raw materials whilst in the reverse direction selling manufactured goods to the less developed regions of south-eastern Europe and the Near East. Moreover the town's merchant fleet gave staunch service to other countries notably in the carrying trade of Spain, and it was in the Spanish service that Dubrovnik's ships ventured into the New World and the Far East.

This period of great success ended as a result of the crisis in which Mediterranean commerce was challenged by the discovery both of the new ocean route to the East and of the American continent, together with the growth of ocean navigation. In this period Dubrovnik experienced a great earthquake,

1. C. G. Grump and E. F. Jacob, *The Legacy of the Middle Ages* (Oxford, 1926), Ch. 8 "The Economic Activity of Towns," N. S. B. Gras, p. 461.

not uncommon in this part of Europe, in 1667 which destroyed the main part of the city and killed two-thirds of the population. As a result of this tragedy, along with the changing conditions in European commerce, Dubrovnik was no longer able to regain its former significance.

Owing to her position between east and west in Europe, and her connections with Spain and Italy and with the Turks, Dubrovnik became subject to the general pattern of economic and political events which occurred during the eighteenth century. In the eighteenth century the dramatic rise of east European powers, such as Russia (after 1709) and Prussia (after 1740), and the growing economic influence of the colonial powers, caused a radical change in the political and economic framework within which the Dubrovnik merchants had to operate.

Always of importance were the events and attitudes of the Ottoman Empire. During the eighteenth century the Turkish Empire started, at first slowly and intermittently, eventually catastrophically, to decline. The development of its economic life was impeded by a number of factors; misgovernment, religious conservatism and not least the devastating epidemics from which the area continued to suffer.

Turkey's internal difficulties and military campaigns had indirect effects on the republic of Dubrovnik. The small republic suffered economic eclipse in the years 1699 to 1740. With the conclusion of the Austro-Turkish war in 1699 Dubrovnik had hoped to regain some, at least, of her former trade, but this was not to materialize. The Turkish authorities allowed the development of "new" ports along the Adriatic coast, under their control, such as Novi (present-day Hercegnovi), Budva, Bar and Ulcinj. "New" in parenthesis, for these harbours had existed prior to Turkish occupation but had never managed to develop due to Dubrovnik's monopoly of trade. The Turks rejuvenated them, or allowed them to be developed by Venice, for during peacetime Turks and Christians through familiarity became less hostile and did much business together. Also Turkey needed revenue and goods to support her war campaigns and as trade mediator, Dubrovnik was beginning to find that alone she could no longer fill this role. As a result Sarajevo expanded at the expense of Dubrovnik. In 1712 the Dubrovnik Ambassador wrote to the Bosnian Vizier "Today, in the Turkish Empire, we have fewer traders that we used to have colonies . . . In a year as many goods arrive in Dubrovnik as used to be sent in a month."² Dubrovnik therefore waged a con-

2. V. Vinaver "Trgovina Bara, Bijelog Polje, Podgorice sa Dubrovnikom (1720-1760). *Istoriski Zapisi*, Kniga IV-2, (Cetinje, 1953), p. 458.

tinual diplomatic struggle between 1699 and 1740 to get these "new" harbours closed, but increasing Turkish apathy in the affairs of Dubrovnik led to little success.

Another problem, which faced Dubrovnik at this time was increased taxes on goods. The Turks, in order to promote their own Bosnian traders and at the same time gain revenue to finance their intermittent wars with Austria, put heavy taxes on all goods going through Dubrovnik. In August 1721 the Dubrovnik ambassador stated in a letter to the Bosnian pasha "the heavy taxes you place on foreign traders who come to our harbour have caused them to desert us. Now they are going to Split, Novi, Risan and Makarska, where no Turkish customs have to be paid."³ Throughout the twenties, the decline continued, so that by 1730 the Dubrovnik government was writing "that now trade was very badly developed on all sides."⁴ Final humiliation for Dubrovnik, came during the Austro-Turkish war of 1736-1739 which involved Bosnia, for Austrian troops invaded part of her territory. This seemed an excellent opportunity for goods to be channelled once more through neutral Dubrovnik, but French boats blockaded her port on the pretence of Dubrovnik's sympathies with Austria, and goods from the inland Balkans were taken to Novi. Consequently, Dubrovnik whilst only a pawn in the political game suffered commercially from the French intrusion and thus the "new" harbour of Novi profited at the expense of the small republic.

In the eastern Balkans Dubrovnik's merchants also saw their declining. By the beginning of the eighteenth century the period of her intensive trade in Bulgaria and Serbia was over. Two main reasons may be forwarded to explain this situation. Firstly, there was increasing competition from foreign traders who managed to infiltrate into the Balkan markets. From the landward side Austrian traders came the Danube and through Serbia into markets which were formerly Dubrovnik's monopoly. Added to these were the Cincars, a small ethnic group, who came to Serbia in the seventeenth and eighteenth centuries and achieved commercial predominance for "practically the entire wholesale and retail trade to the Near East and central Europe was in their hands."⁵ Also by sea, west European traders, especially the French were beginning to enter Balkan commerce through Thessaloniki. This intrusion of western traders again has its roots in the attitude of the Turks. The contempt which most Turks felt for commerce, their ignorance and men-

3. V. Vinaver, *op. cit.*, p. 470.

4. Dubrovnik Archives, 1730, *Copia Lettere* 2, folder 10.

5. F. Kuntz, *Das Königreich Serbien* (Leipzig, 1868), p. 336.

tal inflexibility and the essentially military character they had given their empire made it impossible for them to play any real part in foreign trade. The result was that west Europeans came to the Ottoman Empire, above all Frenchmen, through their close political contacts with Turkey, and that in many Turkish ports small but very important colonies of western merchants were to be found. For example after 1700 few merchants from Dubrovnik entered Bulgaria with Italian cloths, yet German agents in Dubrovnik were exporting Venetian cloth and other German goods through the town for Belgrade, Sofia and Constantinople.⁶

Secondly the devastation brought about by the Austro-Turkish War (1683-1699) disrupted commercial relations in Bulgaria and Serbia, coupled with the general decline of the Ottoman Empire. Attacks on Turkish garrison towns like Sofia and Plovdiv ruined trade with a consequent decrease in the number of Dubrovnik's traders in these towns. In 1705 Dubrovnik's government was worried over the losses in her Sofian colony, where shops had been abandoned by her traders and constant distress was suffered by those few who had remained.⁷

In the Mediterranean, Venice formerly so important in the commercial life of Europe, was now sinking into irreparable decay. T. G. Jackson noticed that "as the commercial greatness of Venice declined towards the end of her career, the prosperity of her dependencies naturally passed away at the same time. Decay and torpor set in, shipbuilding declined, the ports were deserted and the trade came nearly to a standstill . . . except at Dubrovnik, which still preserved its liberties and some remains of its former prosperity."⁸ In fact in international trade Dubrovnik had to face increasing competition from the west European nations. In this competition for trade Britain was on the whole decidedly more successful than her rivals. The growth of her overseas trade is reflected in that of her merchant fleet. From 3,300 ships with a total tonnage of 260,000 in 1702, it grew to over 8,100 with a tonnage of 590,000 in 1764.⁹ French commercial influence remained very important throughout the century particularly the expansion of French trade in the Levant. The Dutch were also important in Mediterranean trade, even during the first decade of the eighteenth century. But they were gradually losing the dominant position they had occupied in the commercial life of seventeenth century

6. Dubrovnik Archives. 1699, *Lettere degli mercanti e ambasciatori*. Facsimile 37, No. 1784.

7. Dubrovnik Archives. 1705, *Lettere di Levante* 68, folder 140.

8. T. G. Jackson, *Dalmatia, The Quarnero and Istria*. Vol. 1, (Oxford, 1887), p. 181.

9. M. S. Anderson, *Europe in the Eighteenth Century 1713-1783*, (London, 1963), p. 54.

Europe. Nevertheless, the introduction of Dutch ships into the Mediterranean and Adriatic for the purposes of commerce during the seventeenth century had proved particularly bad for Dubrovnik. Dutch vessels were not exposed to the attacks of the Turks, the Moors, the English and the enemies of Spain and therefore under no necessity of defending themselves. They were able to sail with small crews at small expense and charge lower freights.

All this increased competition in seaborne trade affected Dubrovnik's maritime commerce. The Dutch, French and English monopolised the carrying trade of the Mediterranean, and it became cheaper not only to obtain northern products but even spices of the east from Amsterdam or Marseilles, where they arrived by the Cape route, than directly overland and distributed by Italian or Dalmatian ships.

The first half of the eighteenth century had proved to be a disastrous one for Dubrovnik. Not only her land trade but also her maritime commerce suffered decline due to the growth of foreign traders, particularly from western Europe, continued war between Austria and Turkey and the lack of opportunities during wartime for Dubrovnik to exploit her neutral position.

In the second half of the eighteenth century two events affected the course of Dubrovnik's trade. Firstly, the wars between England, France and Spain in 1739-1750 and in 1756-1763 proved advantageous to Dubrovnik's shipping, and much of the commerce of the Mediterranean passed into their hands as neutrals. Dubrovnik seeing the decline of her own harbour, used the town's maritime fleet to convey trade in the Mediterranean and thus once more to increase her tertiary activities. Dubrovnik's maritime service took increasing interest in the carrying trade from Alexandria, which consisted mainly of flax, cotton, wool, silk, varied textiles, skins, saffron, wax, salt, ammonia and medicinal plants. Table I shows the importance of this trade after the Seven Years War:¹⁰

10. M. Povović-Radenković, "Dubrovački Konzulat u Alexandriji od šestdesetih do osamdesetih godina XVIII veka", *Istoriski Glasnik*, Kniga 4, (Beograd, 1954), p. 61.

Table I
Total Number of Dubrovnik Boats Leaving
Alexandria and their Destination (1766-1769)

Place	1766	1767	1768	1769	Total 4 years
Livorno	20	18	13	7	58
Constantinople	9	9	12	18	48
Smyrna	6	6	13	12	37
Other places in E.	8	12	4	8	32
North Africa	8	7	8	4	27
Crete	7	5	4	6	22
Thessaloniki	2	1	6	5	14
Dubrovnik	2	1	—	2	5
Other places in W.	1	—	—	1	2
Total - Year	63	59	60	63	245

From these statistics certain facts emerge. Firstly, Livorno appears to have been the main port of call for Dubrovnik's boats leaving Alexandria. Secondly, the resurgence of the Levantian trade for Dubrovnik's, is seen in the times Constantinople, Smyrna, Thessaloniki and Crete are mentioned. Trading consuls at Constantinople,¹¹ Smyrna and Sidon,¹² were strengthened for these eastern ports were important for their supplies of raw materials, food-stuffs, drugs and even some spices which could still find markets in western Europe even at this late date. Thirdly, the table emphasizes the insignificance of Dubrovnik's own port as a trading centre in the Levantian trade receiving only 5 boats (2%) of the total 245 boats over the four year period. Fourthly, the yearly total seems to have been fairly stable over the four year period with about 60 Dubrovnik boats leaving Alexandria each year, indicating the constancy of this carrying trade.

The second important event for Dubrovnik was the Russo-Turkish War of 1768-1774 and its consequences on trade. In 1774, the Russian army advanced across the Danube and compelled the Grand Vizier to agree to peace terms at the Bulgarian village of Kutchuk-Kainardji. Dubrovnik felt two main effects from this event. Firstly, in the long run, Bulgaria would be open to even more foreign traders than before now that the Black Sea was no longer a "mare clausum." Secondly, in the short run, fighting over the Danubian

11. Dubrovnik Archives, 16/X/1742 Acta XVIII 124/3163.

12. Dubrovnik Archives, 1712, *Lettere di Levante* 67, folders 8, 66, 67.

frontier, coupled with plague, had ruined her main colony of Rusčuk. Also by the 1780's Dubrovnik saw Russian influence in the Levant at the highest pitch it had hitherto reached.

Thus thwarted in the Near East, Dubrovnik began to look to markets nearer home but even here she found new problems. The situation in Bulgaria had worsened during the second half of the eighteenth century. Improved relations between Austria and Turkey meant that Dubrovnik's merchants were no longer needed as middlemen. All goods from Hungary, Wallachia and northern Bulgaria, which used to go through Dubrovnik were now being taken by Austrian traders using the Danube and more northerly routes to western Europe, thus benefitting such ports as Trieste and Rijeka at the expense of Dubrovnik. In Serbia, Dubrovnik met with similar problems. Serbia had now become a frontier province of the Turkish Empire, and the social and economic condition of the Serbian people grew ever worse because of its frontier position. Dubrovnik colonies in Serbia were almost completely abandoned in the second half of the eighteenth century.

Faced with the loss of Levantine, Bulgarian and Serbian markets, Dubrovnik's land trade now concentrated on two areas contiguous to her own frontiers —south-east Bosnia and Hercegovina together with Montenegro. Bosnia and Hercegovina were traditionally areas of interest for Dubrovnik's commerce. In the fourteenth and fifteenth centuries her traders had gone there to find markets for western goods and to buy raw materials. Now, Bosnian and Hercegovinian traders came to Dubrovnik to use her port as a collecting and exchange centre for their goods. Dubrovnik's desertion of her Bosnian markets is mentioned in a census on traders from the middle of the eighteenth century —“there are very few Dubrovnik traders in Bosnia, and those that exist restrict themselves to buying cordovan and rough wool.”¹³ Only rarely did merchants from Dubrovnik visit Sarajevo, therefore Sarajevo traders arrived at Dubrovnik in large numbers as they did at Split and other “new” harbours. The Turks did not suppress Bosnia, as they did Serbia but encouraged this growth in “home” traders, seeing them as an important source of revenue.

If Sarajevo and its traders were the most important figures in Dubrovnik's commerce with Bosnia, then Trebinje and its merchants were the same for Hercegovina. Trebinje was an important communication centre at the southern end of Popovo Polje and lay on the main caravan route to Bosnia. It was the

13. V. Vinaver, “Sarajevski Trgovci u Dubrovniku sredinom XVIII veku”. *Godišnjak Istoriskog Društva Bosne i Hercegovine*, Godina VI, (Sarajevo, 1954), p. 255.

collecting centre and focal point of Hercegovinian trade. Wax, skins, wool, and often live cattle were the main exports from Hercegovina, trade remaining lively up to about 1760. After this date both south-east Bosnia and Hercegovina deserted Dubrovnik harbour, directing their goods to the wealthier Austrian and Danubian lands, or to other Dalmatian ports including Trieste, which was now becoming the main collecting centre for the central and west European markets.

The region of present-day Montenegro experienced a growth in trade relations with Dubrovnik circa 1750. When the other markets were more easily accessible for Dubrovnik's merchants, this difficult terrain had little attraction. Such was the plight of Dubrovnik's trading life in this century that she had to turn to poorer markets, to maintain her existence and identity. Podgorica (present-day Titograd) and Bijolo Polje are mentioned several times in Dubrovnik's documents particularly in the second half of the century.

None of the markets in Montenegro could be said to have been sure and reliable ones for Dubrovnik, but with the loss of so many of her former markets in Southern Pomoravlje and Kossovo Metohija to the Austrians, and parts of Bosnia to the Venetian and Bosnian traders, the town was forced to rely on what few areas she could trade in to maintain her livelihood.

Therefore the prosperity of the period 1800-1805 came as a welcome change for the Dubrovnik merchants. All the other states of the Mediterranean whether large or small were involved in war; only Dubrovnik remained neutral and therefore enjoyed a monopoly in the carrying trade. One area of particular interest was the Crimea. The opening up of the Black Sea after 1774 proved a fillip for Mediterranean commerce and attracted Dubrovnik's shipping during the first five years of the nineteenth century. The surplus commodities of Russia were for the most part those which had figured in Russia's medieval trade, timber, furs, honey, hemp, tar, linen and flax, but for Dubrovnik's merchants it was the cereals, especially rye and wheat which drew their attention. Figure 3 shows cereal purchases made by Dubrovnik's merchants in the Crimea between 1800 and 1805.

Unfortunately Dubrovnik's idyllic commercial position could not last (Figure 4). In 1805 war broke out between France and Austria and with the defeat of Austria at Austerlitz, Dalmatia was ceded to France by the Treaty of Pressburg in December 1805. This acquisition, however, met with disapproval from Russia, who seized the Gulf of Kotor, garrisoned Novi, and induced the Montenegrins to rise in opposition to the French. Dubrovnik, it should be remembered, was still independent but now found herself set between the new French province and the Russian forces. Thus in 1806, Napo-

leonie troops seized the city, and although the republic was not decreed as having "ceased to exist" until 1808, effectively this was the end.

The eighteenth century proved to be a declining period for Dubrovnik. Political events and economic factors beyond her control had adverse effects on the town's commerce. But she was not alone. Both Venice and Turkey were falling into irreparable decay whilst new competitors both in land and maritime trade were gradually taking over the commerce of the eastern and western Mediterranean. The growth of Russia in the Black Sea area, the rise of Austria at the expense of the Turks, the increase of British, French and Dutch merchants in Italy, Spain and the Levant all helped to decrease Dubrovnik's former trading role making her more dependent on regions of closer geographical proximity like Bosnia-Herzegovina, Montenegro and Apulia.

By the end of the eighteenth century Dubrovnik found herself isolated from trade, for the new ports, like Trieste and Rijeka, were nearer to the newly developed Pannonian Plain and to the western capitals. Dubrovnik found herself off the main shipping routes of the Adriatic and away from the new avenues of trade in the Balkan hinterland. Yet, Dubrovnik could still benefit by a policy of neutrality. This was demonstrated during the Seven Years War and for a short period at the beginning of the nineteenth century, but it was always a risky position as she found to her expense when Napoleonic troops occupied the town in 1806 and finally liquidated the small republic. Therefore her strength as an entrepôt port lay in an earlier period when a certain combination of factors had contributed to her success. Once this combination of factors was radically altered then her position lost its impetus and her ability to continue successfully, declined.

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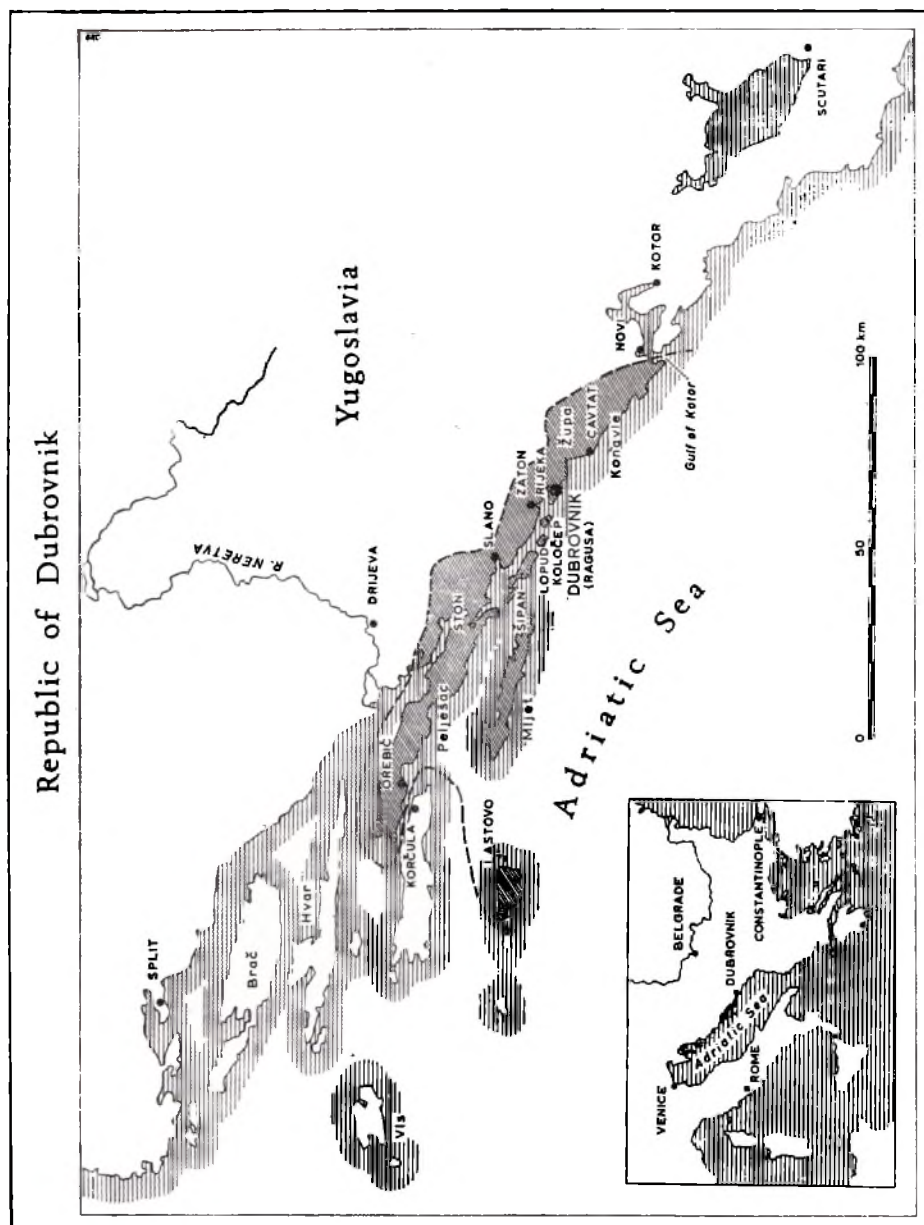


Figure 1

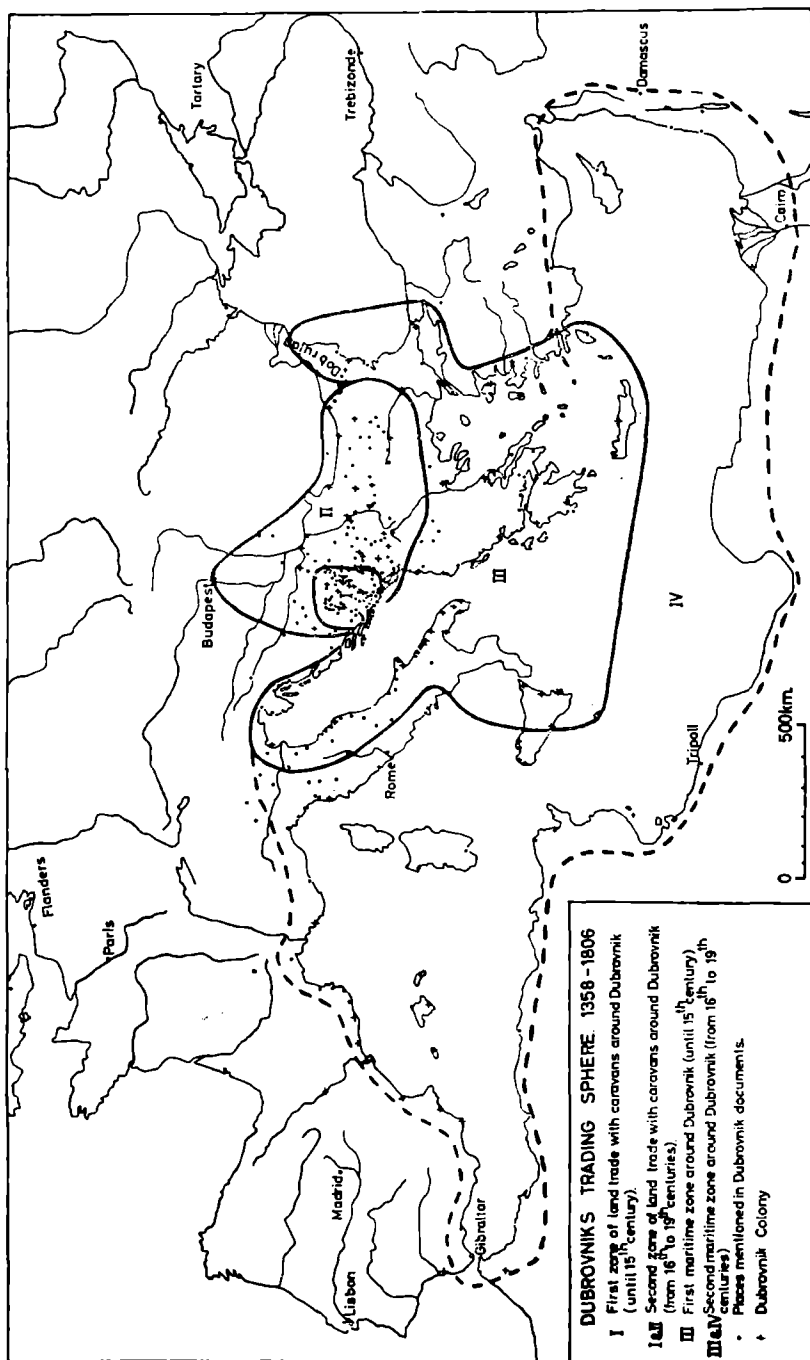


Figure 2

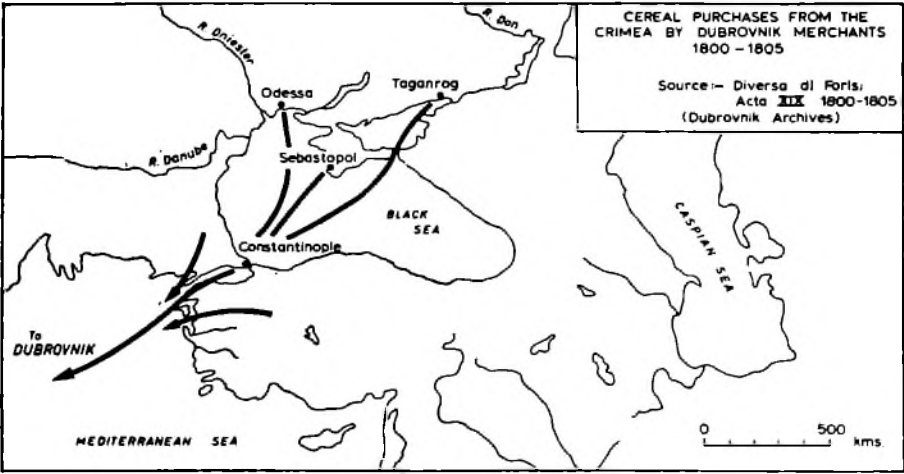


Figure 3

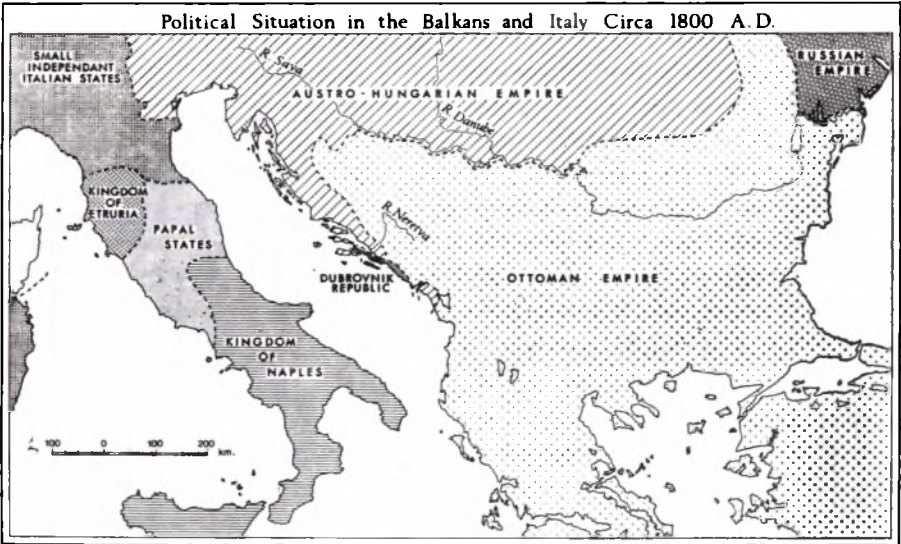


Figure 4