Chapter 16

The Russian Steam Navigation and Trading Company: The Transition from Sail to Steam in the Russian Black Sea (1856–1914)

Anna Sydorenko

1 Introduction

In the early nineteenth century, the Russian Empire of the five seas, following the exodus to the Black Sea, wished to strengthen its position in the region and to conquer new markets. This consolidation in the region required, among other things, the development of the Russian merchant fleet, and the shipping industry. Imperial policy in the field of foreign trade and maritime transport, until the mid-nineteenth century, was characterised by contradictions, and was subject to the constant influence of international political processes and structural changes in international shipping. Policy alternated between the development of continental strategy, and that of merchant shipping, and was characterised by successive swings between protective and more liberal tendencies.

The above circumstances, combined with the absence of a vigorous business and maritime tradition in the region, led to the predominance of foreign merchants and shipowners. The situation in the region altered following the Crimean War with the establishment of the Russian Steam Navigation and Trading Company (hereafter RSNTC): a state-subsidised steamship company set up to reflect the model of other European steam shipping companies.¹

RSNTC became the main actor for the introduction of steam technology and

navigation in the Russian Black Sea waters during the second half of the nine-
teenth century. Furthermore, the company, for the first time, developed in
the region a significant merchant steamship fleet under the Russian flag. The
present work aims to analyze the fundamental contribution of the company
to the transition from sail to steam shipping in the Black Sea region, this topic
remaining still completely untouched by international historiography. Based
mainly on primary, previously unexplored Russian and Ukrainian archival
sources and secondary bibliographies, the paper will analyse the company’s
development strategies in terms of fleet, routes, and cargo. Firstly, the analysis
will focus on the first attempts to establish steam powered routes and com-
panies in the region during the first half of the nineteenth century. Secondly, the
paper will examine the historical evolution of the RSNTC as a main factor of
technological change, and economic development in the Black Sea region fol-
lowing the Crimean War. The company’s critical relationship with the state will
be examined through geostrategic priorities in the region, imperial expansion
policies, and an effort to control the shipping market. And finally, emphasis
will be placed on changes to the Black Sea transport market, as a result of the
formation of the company.

2 The Boldness of Failure: The Birth of Steamship Routes in the
Black Sea

The Russians achieved the dream of Peter the Great with an exodus to the
Black Sea, warm and ice-free waters, and ultimately Russia’s gateway to the
Mediterranean. Russian access to the Black Sea permitted it to enter coveted
Mediterranean trade, previously exploited by the Ottoman Greeks, Venetians,
Neapolitans, and French merchants. The grain export trade, the predominant
trade of the southern ports, was conducted by the Mediterranean fleets. Until
1820, the Russian merchant fleet was not a separate sector of the empire’s
economy; rather, political priorities placed greater emphasis on the construc-
tion of a naval fleet. The only key development in the Russian merchant fleet
was the construction of sailing vessels, which began in the Black Sea ports

Veröffentlichungen des Instituts für europäische Geschichte Mainz, vol. 74, (Wiesbaden:
Franz Steiner Verlag, 1975).

Gelina Harlaftis, Ιστορία της Ελληνόκτητης Ναυτιλίας [A History of Greek-Owned Shipping]
(Athens: Nefeli, 2001); Victor Zakharov, “Foreign merchant communities in eighteenth-
century Russia,” in Merchant Colonies in the Early Modern Period, eds. Victor Zakharov, Gelina
during the 1810s—this was mainly for short-distance shipping.³ It is noteworthy, that in 1841, the Russian Black Sea merchant fleet numbered 545 vessels of a total capacity of approximately 66,500 tons, of which only 22% could make long voyages.⁴ About 84% of ships that departed from southern Russian ports in 1846, proceeding to foreign markets, were under a foreign flag, with only 16% registered in Russia. In addition, passenger traffic to and from the ports of the northern Black Sea coast were very problematic, and again, were carried out mainly, by merchant ships under foreign flags.⁵

The most important commercial and shipping centre of the region during the first half of the nineteenth century was Odessa (see Fig. 16.1). Although one of the newest among the European port cities, since foundation in 1794, it was clearly established, along with many other port-cities on the northern Black Sea coast, following annexation by the Russian Empire at the end of the eighteenth century. The Black Sea port-cities gradually formed an integrated market that became the largest grain-exporting region in the world. The Black Sea coast had been transformed into an international market source with links to the Mediterranean, and northern Europe. Among other port-cites, Odessa became the main exporting grain gateway of the northern Black Sea coast, and a crucial actor in shaping the commercial and shipping market of the region.⁶

Although Russia had lost the opportunity to create a Russian merchant sailing fleet in the Black Sea, Odessa became the centre of technological innovation in maritime transport in the region. The Baltic Sea was first connected with regular steamships in 1816, while in the Black Sea the first regular steamship line was established in Odessa in 1828. Political imperatives in the

³ The main shipbuilding centres of southern Russia in the first half of the nineteenth century were the port-cities of Kherson and Taganrog: Державний Архів Одеської Області [State Archive of Odessa region, DAOO], fond 3, opis 1, delo 74а; fond 1, opis 248, delo 2772; fond 1, opis 191, delo 30.


⁵ Государственная внешняя торговля в разных ее видах за 1846 год [Foreign Trade of the State in its Various Forms, for 1846] (St. Petersburg: Departament vneshney torgovli, 1847), 121, 137.

The Russian Steam Navigation and Trading Company

Caucasus and the Ottoman Empire, where the Russians needed to establish safe and regular postal connections in the Black Sea region, also determined the increased interest in steamship connections apart from trade, passenger, and transport operations. The main protagonist for the idea of a steamship connection with the port of Odessa was the most powerful politician of the region, the Governor-General7 of southern Russia, Earl Mikhail Vorontsov. The first steamship was built with state funding in Nikolayev, with a 70-hp engine constructed in St. Petersburg. The steamer, named Odessa, with a capacity of 65 passengers, operated between Odessa, the Crimean ports, and Redout Kale in the Caucasus, once a week. Emperor Nicholas I’s (1825–55) policy of consolidating the Russian position and influence in the Black Sea was reflected through the establishment of a regular steamship line between Odessa and Constantinople. The transport of mail, passengers, and cargo was fulfilled by the 225-ton steamer Neva, constructed in St. Petersburg and owned by the Ministry of Finance, which began operations in 1831. However, the first steamships only completed a few voyages, with significant financial losses. The major obstacles in maintaining these routes were the underpowered engines, and the technological limitations of the ship’s hull, especially in relation to movement of the ship in adverse weather conditions. In addition, the inadequacy of coal

7 The Governor-General was an appointed high-ranking officer as head of the Governorate-General, that is an administrative-territorial division of the Russian Empire.
and wood as a fuel, combined with high costs, and lack of storage on board, prohibitively increased the cost of operating the routes. Eventually, after the first voyages, the two state-owned steamships stopped serving the regular routes, and continued to serve state and military needs only.8

However, the municipal authorities and merchants of Odessa had been lobbying for the creation of a steamship joint stock company since 1830. The first joint stock company of regular steamship lines in the Black Sea was established in 1833 under the name The Black Sea Shipping Company (hereafter the BSSC). The duration of BSSC operations was initially agreed as lasting for ten years. The company, with an initial fleet of three ships, including the Neva, served the Odessa-Istanbul line. The BSSC was given privileges by the state, and profits until 1835 were shared equally between shareholders and the state. The company’s fleet increased to six steamships, which were constructed using state funds. The company fleet began to serve the ports of Crimea and the Sea of Azov. However, the development of the company was limited by inferior hull construction, and the technological deficiency of the engines, resulting in constant repairs and indeed, accidents. Following significant losses, the imperial government awarded a three-year subsidy to the company in 1839, however, the state was no longer involved in administration. Simultaneously, the poor financial position of the company led to discussions between the Minister of Finance, Egor Kankrin, the commander of the Black Sea fleet, Mikhail Lazarev, and Earl Mikhail Vorontsov, for the creation of a state-run steamship entity that would serve the same lines as the BSSC; the three men had realised the inadequacy of the BSSC operation. In fact, the deficiencies of the company were so obvious that a French trading house (Gave) had tried to fill them by proposing to the Russian government, the establishment of an Odessa-Marseilles route, although the proposal was promptly rejected.9

The policy of geostrategic and commercial entities in the Black Sea, which were espoused by Russian rulers, eventually led to the creation of a purely state-run steamship company in 1843. A fleet of six steamships, constructed in British shipyards, in an attempt to improve the technological characteristics of the ships, were equipped militarily in case of war—where they would transfer to the jurisdiction of the navy. The commander of the Black Sea fleet and the Governor-General of southern Russia would determine the company’s strategy for commercial, financial, and passenger functions. The company, which

9 Zalesskiy, “Одесса» выходит в море, 45, 47.
in 1845 was named the Shipping Expedition of Novorossiya (hereafter SEN), extended operational lines beyond Constantinople and the ports of the Black and Azov Seas, to the ports of the Danube.\(^{10}\) Simultaneously, the BSSC was liquidated as the ten-year period had expired. The Crimean War halted efforts to develop regular steamship connections in the Black Sea. The SEN, at the beginning of the war had only eight steamships of a total capacity of 2,588 tons.\(^ {11}\) In addition, on the eve of War, in 1853, the Russian merchant fleet of the Black and Azov Seas numbered only fifteen steamships (including the SEN steamships). Their share in transportation terms did not exceed 2.8% of the total cargo turnover in the Black Sea region; thirteen steamships were owned by the state, and only two by independent sources. It seems that the Russian steamship merchant fleet was left behind, it could not compete with the new emerging maritime power of the Austrian Empire, which in 1852, had 56 steamers.\(^ {12}\) This meant that in the first half of the nineteenth century, the limited Russian merchant fleet was powered by sail, despite the efforts of the state to develop a steamship presence. The introduction of steam in the Black Sea in the first half of the nineteenth century passed through an experimental stage, and eventually collided with insurmountable obstacles, including insufficient capital, and a lack of experienced, technically qualified shipbuilders and managers. As the merchant fleets of the European powers continued to dominate the seas, the desire for the creation of a strong commercial fleet in southern Russia, as often declared by Tsarist political figures, remained a dream.

3 Limited Success: The New Age for Steam Shipping in the Black Sea

The crucial military and diplomatic defeats of Russia in the Crimean War had triggered a new era of socio-economic modernisation in the country. The administrative reforms, economic growth, and strategic formation, were

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\(^ {10}\) *DAOO*, fond 1, opis 251, delo 1; *Одесский Вестник* [Odessa Herald], May 5, 1845, p. 36; Zalesskiy, “Одесса” выходит в море, 52–53.

\(^ {11}\) *Российский Государственный Исторический Архив* [Russian State Historical Archive, RGIA], fond 107, opis 1, delo 4, list 16 verso–23 verso; *Одесский Вестник* [Odessa Herald], July 21, 1857, p. 58. Yuriy Konovalov, “Морской торговый флот России в период промышленного капитализма, 60-е—середина 90-х гг. XIX в.” (На материалах Черноморско-Азовского бассейна)” [“The Russian Merchant Marine Fleet During the Period of Industrial Capitalism, 60s–mid 90s. XIX Century.” (Based on the materials of the Black Sea-Azov basin)] (PhD diss., Odessa State I.I. Mechnikov University, 1981), 13.

\(^ {12}\) *Annuario Marittimo del Lloyd Austriaco* [Austrian Lloyd Maritime Yearbook] (Trieste: Tipografia del Lloyd austriaco, 1853), 208.
the main vectors of the new policy of the organisation of the empire. The expansion of the transport sector, that became one of the principal features of economic development, had taken place in a period of rapid technological change, where the Russians had failed to compete with other western European powers. The state became the main driving force in the development of the transport sector because of both economic and strategic significance. During the first decades following the Crimean War, large companies with state involvement were established in the railway and steamship sectors. The construction of a railway network, and the creation of a steam merchant fleet, apart from their strategic military importance, was clearly related to the economic expansion of the empire. By developing a merchant fleet, Russia intended firstly, to avoid the restrictive clauses of the Treaty of Paris (1856) to maintain naval forces in the Black Sea; secondly, to construct a fleet that could be used for military needs; and thirdly, to develop the economic resources that would make the empire a great power.

3.1 Establishment of the Russian Steam Navigation and Trading Company

The creation of the merchant marine under the Russian flag, and the development of Russian navigation in the Black Sea was an idea which originated from the Minister of the Marine, the most important adviser to the new emperor, Alexander II, that is, his younger brother, Grand Duke Constantine Nikolaevich. One month before the end of the Crimean War, the Minister of the Marine presented to Alexander II a report in which he emphasised that: “in the event of the conclusion of the treaty, it would be very useful to establish on the Black Sea, the largest private shareholding steamship company, which would constantly maintain the largest possible number of large steamers built, so that, when necessary, the government could rent or buy them to transport troops and turn them into warships ... For this, it is necessary to provide the aforementioned company with such privileges that would induce Russian capitalists to invest significant capital immediately that would ensure the constant commercial navigation of the company’s steamships”. In fact, these

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14 RGIA, fond 107, opis 1, delo 14, list 1–4.

15 RGIA, fond 107, opis 1, delo 14, list 1–2.
words formed the basis of the formation of the Russian Steam Navigation and Trading Company, which reflected the policy of the empire in the Black Sea region: the need for the development of a maritime transport infrastructure in the strategically important southern waters, as well as the establishment of political, military, and economic influence in the region.

On 3rd August 1856, the statute of the Russian Steam Navigation and Trading Company was signed by Emperor Alexander II. The new joint-stock liner steamship company was based largely on the business models of the Russian-American Company\(^\text{16}\) and the *Messageries Impériales*, and was one of the first companies with a state-private partnership in the Russian Empire.\(^\text{17}\) The organisation of the company was granted to Grand Duke Constantine Nikolaevich, and to an experienced naval captain of the first rank, Nikolay Arkas. The latter chose as his partner the Collegiate Councillor\(^\text{18}\) Nikolay Novoselskiy, a person widely known in commercial circles as the organiser of the Volga river steamship company. The two men completed significant work on the project in a short timeframe, which they presented to the Minister of Finance (including a committee of ministers), however, their proposal was criticised as conservative and introvert, and was changed. The capital of the company was agreed as 9 million rubles (in silver), of which 6 million were to be raised immediately. It was divided into shares of 300 rubles, of which the government acquired 6,670 of 20,000 shares in total. Government share interest was ceded to the company for a period of five years, as an alternative to a direct loan that the founders requested of the government.\(^\text{19}\) The main shareholders were the most important entrepreneurs of St. Petersburg and


\(^{17}\) RGIA, fond 107, opis 1, delo 70, list 1.

\(^{18}\) Collegiate Councillor: was a civil rank of 6th class in the Russian Empire, according to the Table of Ranks introduced by Peter the Great in 1722. It was equal to those of Colonel in the Army and Captain 1st rank in the Navy. Angelo Segrillo, *A First Complete Translation into English of Peter the Great’s Original Table of Ranks: Observations on the Occurrence of a Black Hole in the Translation of Russian Historical Documents*, LEA Working Paper Series No. 1, (Sao Paulo: History Department University of Sao Paulo, Brazil, November 2016).

\(^{19}\) It is significant to note that the RSNTC could not resort to bank financing for its operations, since the first commercial bank in the Russian Empire was only established in 1864, following the abolition of serfdom and the formation of a capital market, for more see: Valeriy Bovkin, "Становление системы акционерных коммерческих банков в России во второй половине XIX–начале XX века и в 90-е годы XX века" ["The formation of the system of joint-stock commercial banks in Russia in the second half of the 19th–early 20th century and in the 90s of the 20th century"], *Экономическая История [Economic History]*, 3 (1999): 381–395.
Moscow, along with merchants and shipowners from Odessa and Taganrog (see Table 16.1). Despite the most pessimistic expectations, the open subscription to RSNTC shares was a huge success. By 15th September 1856, a significant portion of the shares had been purchased. The total number of shareholders by the first general meeting amounted to 307 people.\textsuperscript{20}

<table>
<thead>
<tr>
<th>Shareholders</th>
<th>Number of shares</th>
<th>Number of votes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government</td>
<td>6,670</td>
<td>46</td>
</tr>
<tr>
<td>Kokarev V.A.</td>
<td>1,987</td>
<td>15</td>
</tr>
<tr>
<td>Rodocanachi F.I. (merchant of the first guild\textsuperscript{a} and shipowner of Odessa)</td>
<td>1,200</td>
<td>10</td>
</tr>
<tr>
<td>Grand Duke Constantine Nikolaevich</td>
<td>1,000</td>
<td>8</td>
</tr>
<tr>
<td>Merchant house Simon Jacobi &amp; Co. (Moscow)</td>
<td>810</td>
<td>8</td>
</tr>
<tr>
<td>Gisiko A.A. (merchant of the third guild of St. Petersburg)</td>
<td>495</td>
<td>5</td>
</tr>
<tr>
<td>Carr M.E. (merchant of the first guild of St. Petersburg)</td>
<td>410</td>
<td>4</td>
</tr>
<tr>
<td>Zhadimirovskiy I.I. (merchant of the first guild of St. Petersburg)</td>
<td>250</td>
<td>3</td>
</tr>
<tr>
<td>Alfieraki N.D. (State Councillor in Taganrog)</td>
<td>164</td>
<td>3</td>
</tr>
</tbody>
</table>

\textsuperscript{a} The estate category of merchants of the Russian Empire were divided into three guilds in which anyone who wanted to exercise the trade profession had to register and pay the guild tax. Alfred J. Rieber, Merchants and Entrepreneurs in Imperial Russia (Chapel Hill: University of North Carolina Press, 1982), xxiii.


Company operational activities would be managed by a board of six directors, two of whom would be nominated by the government, while four others would be elected by a majority vote of all shareholders holding not less than 50 shares. Apart from the above “geopolitical shadow reasons” for the formation of the company, the mercantile and postal preamble would formally justify the foundation of the company. The first clause of the statute defined the aim of the company; it was “established to promote the development of trade in the southern region of Russia, and the commercial and postal shipping connections of this region with Russia and foreign powers”. Hence, following a detailed study by Novoselskiy, of all foreign liner steamship companies that were operating in the Mediterranean, it was decided to establish regular connections on eleven specified routes that would serve four maritime regions, linking the main Black and Azov Sea port-cities with the north-eastern, south-eastern, and central regions of the Mediterranean (for more on these lines, see Appendix 16.i and Map 16.1). In order to support such extensive operations and their enormous costs, it was decided that the government should pay a subsidy (per mile) for the first twenty years after the commencement of the service. The subsidy varied in the first decade from 2 rubles, 50½ kopecks (per mile), for the Black Sea routes, to 5 rubles, 22 kopecks (per mile), for the eastern Mediterranean service. For the second decade, the subsidy was to be reduced by 5% each year, so that in the final year it would be paid at half the original rate.\textsuperscript{21}

Furthermore, the company was to enjoy a number of extensive privileges that would support organisational and economic development, and the material and technical infrastructure of the RSNTC. The company was granted the right to five years duty-free import of ships, engines, and necessary equipment, along with customs exemptions for goods transported on company ships. An annual payment of 64,000 rubles for the purposes of maintenance and repair was offered, in addition to the free use of unoccupied state lands for the purpose of forming necessary installations and depots. In order to fund the most expensive cost of steamship operation, that is, coal, the RSNTC was granted land in a region of the Don River for anthracite mining. The lack of mining expertise, and skilled seafarers for steamships was another important issue that administrators were required to solve. This was overcome by permission to hire officers from the mining corps department, together with mechanics, engineers, and sailors from the imperial navy.\textsuperscript{22}

\textsuperscript{21} RGIA, fond 107, opis 1, delo 70, list 1–40; Устав ... (1856), 8–9.
\textsuperscript{22} Устав ... (1856), 7–9.
3.2 Crisis and Reorientation of the Operations of the RSNTC

On 22 April 1857, the first vessel, which was sourced in Britain, anchored at Odessa. The residents of the city witnessed a great celebration, and a solemn blessing of the ships of the RSNTC. The two founders and directors of the company, Nikolay Arkas and Nikolay Novoselskiy, expanded operational activity in the first year from nine to eleven routes using a fleet of eighteen vessels (see Chart 16.1). The beginning of the company was quite dynamic and even impressive, nevertheless, the first year of operations also revealed a number of crucial issues that required early resolution, including: a lack of proper shipbuilding and repair facilities; a shortage of labour and administrative personnel; the absence of a reliable source of fuel supply; and most importantly, the infrastructural inadequacies of the Black Sea port-cities for the mooring of company steamships. The paradox with this venture, was that the Russians established a steamship company of which the operating driving force was new technology, but did not properly support this ground-breaking venture, ignoring previous experience. The problems, which should have been solved

23 “Известия из портов” [“News from the ports”], Морской сборник [Marine collection], no. 7 (July 1857): 45–47.
prior to initial operations, now required funds—the company was unable to source these funds, leading to serious internal disputes. The strategy of commercial development and the private orientation of the RSNTC, through the commencement of unscheduled routes that did not receive a subsidy (as suggested by Nikolay Novoselskiy), contrasted with the suggestion (by Nikolay Arkas) to operate the RSNTC based only on subsidies, and to remove the commercial functions of the company.24

During 1858, and despite these problems, investment operations intensified sharply. The company continued to purchase new ships, almost doubling fleet numbers (see Chart 16.1). The company commenced the construction of a shipyard, a quay, and a mechanical plant in Sevastopol, a foundry reconstruction in Odessa, and the modernisation of the port infrastructure of four port-cities in the Crimea (Evpatoria, Sevastopol, Theodosia, and Kerch). Furthermore, the company developed an anthracite mine in the region of the Don River, a venture that would ensure the constant provision of coal for company steamships. The costs of the office in Odessa and the agencies in the different port-cities increased dramatically, with the administrative corpus of the company reaching 1,500 employees. At the end of 1859, in order to cover increasing expenses, the company announced a share issue (10,000 shares), with the possibility of initial payment in part, at half the nominal price.25 Moreover, administrative disagreements and increased costs led to a decline in net profit by 45.8%. Shareholders dividends also decreased by 33.2%, with a subsequent fall of share value (by 40%) on the St. Petersburg stock exchange. Trust in the company evaporated, causing shareholder panic and Nikolay Novoselskiy resigned in March 1859. Nikolay Arkas, following an unsuccessful litigation case between

24 RGIA, fond 95, opis 1, delo 34, list 1–38verso.
25 After the Crimean war, the port infrastructure of the northern shore of the Black Sea was almost non-existent, including only wooden quays and warehouses, for more see: Anna Sydorenko, “Οικονομική ανάπτυξη των πόλεων-λιμανιών της Κριμαίας, β΄ μισό του 19ου–αρχές 20ου αιώνα. Ευπατορία, Σεβαστούπολη, Θεοδοσία” [“The Economic Development of the Crimean Port-Cities, Second Half of the 19th, Beginning of the 20th Century. Evpatoria, Sevastopol, Theodosia”] (PhD diss., Ionian University, 2017), 118–144; Отчет Высочайше утвержденного Русского Общества Пароходства и Торговли за 1858–1859 гг. [Report of the Russian Steam Navigation and Trading Company Which Received Imperial Approval, 1858–1859] (St. Petersburg: I. Shumakher’s Typography, 1859); Sergey I. Illovaiskiy, Исторический очерк пятидесятилетия Русского Общества Пароходства и Торговли [History essay on the Russian Steam Navigation and Trading Company: 1857–1907] (Odessa: Tipographia Aktsionernogo Yuzhno-Russkogo Obshchestva Pechatnogo Dela, 1907), 44.
Sydorenko

the RSNTC and the contractor who had undertaken the construction of the shipyard in Sevastopol, also resigned from his post in September 1859.  

In order to manage this situation, the company decided to temporarily suspend the acquisition of new steamers. The shareholder Annual General Meeting (AGM) in 1861 sought to define the development strategy of the RSNTC, namely either to follow the commercial route or to base operational activity on subsidies and geopolitical priorities. A majority of 99 out of 107 shareholders voted for the commercial option. As a result, organisational changes were significant: firstly, the executive director was agreed as a single individual in order to avoid disagreements; and secondly, company headquarters were transferred from St. Petersburg to Odessa. The new executive director was named as Nikolay Chikhachev, an individual with views close to Nikolay Novoselskiy. Management duties were shared between the new director, members of the board, the supervisory board, and shareholders. In addition, subsidies became unified for all routes: 4.30 ¼ rubles per mile for the second decade, with an annual reduction of 5%; a decision was also taken to purchase company shares, a policy that would permit higher dividend payments. Furthermore, a

26 Отчет Высочайше ... за 1860, 1–2; RGIA, fond 95, opis 1, delo 34, list 1–38verso.

CHART 16.1 Development of RSNTC fleet, 1857–1913

The Russian Steam Navigation and Trading Company reserve fund was established—this was financed by a deduction from net profits, with the aim of purchasing new, and repairing old steamers. The profitability of each route was also reevaluated, with the regular connections between Athos-Thessaloniki, Taganrog-Istanbul, and Redout Kale-Trabzon, terminated. The predominance of commercial and private initiatives in the development of the company marked the most radical change of the period. In 1864, the government decided to sell 5,470 shares to the company, withdrawing from ownership of the RSNTC. The above measures generated impressive results immediately: for example, in 1864, for the first time since formation, company net profits surpassed subsidies granted, a trend that continued until 1873 (see Chart 16.2).27

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27 Illovaiskiy, Исторический очерк, 71–86; Отчет Высочайше ... за 1862, RGIA, fond 95, opis 1, delo 34, list 40–125; Устав Русского общества пароходства и торговли (1866) [Charter of the Russian Steam Navigation and Trading Company] (St. Petersburg: Oshchestvennaia polza, 1866); Mikhail Baryshnikov, “Русское Общество Пароходства и Торговли: учреждение, функционирование, перспективы развития (1856–1864 гг.)” [“Russian Steam Navigation and Trading Company: establishment, operation and prospects of development (1856–1864)"], Экономическая История [Economic History], 13, no. 2 (2015): 122.
The new beginnings of the company proceeded in parallel with the economic development of southern Russia. The grain trade, and an export-oriented policy, determined the growth of the region (see Chart 16.3). The second half of the nineteenth century was a period of specialisation in the southern Russian region, based on cultivation and the commercial production of cereals. The port-cities of the northern and eastern coasts of the Black Sea increasingly became the dynamic knots between the domestic cereal-producing hinterland and the industrialised European markets. During the second half of the nineteenth century, the export of grain from the twelve southern Russian port-cities was approximately 80% of the total export activity of the region. Grain exports were stimulated by the extended railway system, which was constructed between 1865 and 1888, connecting the port-cities of the south with the productive hinterland, and industrial centres of northern Russia.28 The grain trade was operated by the ‘classic’ Greek diaspora, alongside those of Jewish origin,29 and was carried out mainly by ships under a foreign flag. For example, in 1864, of the 3,805 ships that departed, only 709 were under the Russian flag, covering 20.7% of the total capacity of transported goods.30

The economic penetration of the sea transport market associated with grain, was the ardent desire of the RSNTC, as will be demonstrated. Firstly, however, it is important to indicate the geography of company routes, together with the strategy of their expansion, and the profitability of operations. Appendix 16.1 indicates the main routes of the RSNTC through the lifetime of the company. The earlier period of operation covered the maritime routes from the Black Sea to the south-eastern and central Mediterranean, and northern Europe.

28 Sydorenko, Οικονομική ανάπτυξη, 68–72, 83, 91–110.
29 The region of Southern Russia was conquered and added to the Empire at the end of the 18th century. The newly acquired territory was sparsely populated, but vast. The colonization policy, apart from internal immigrants from the central provinces of the empire, was focused on attracting foreign settlers, who were experienced in specific economic activities, for example, Italians, French, Germans, Swiss, and Jews; and also, Christians from the Ottoman Empire, such as Greeks, Armenians, Serbs, and Bulgarians. At first, Greek based merchant and shipping family business networks, and Jewish management, helped to develop and control the grain (sea) export trade of the region, connecting the Black Sea port-cities with western European markets. Harlaftis, Ιστορία της Ελληνόκτητης; Zakharov, “Foreign merchant communities”; E. Sifneos, “Merchant enterprises and strategies in the Sea of Azov ports,” International Journal of Maritime History 22, no. 1 (June 2010): 259–268.
30 Виды внешней торговли России за 1864 год [Categories of Russian External Trade, 1864], vol. 2, (St. Petersburg: Departament vneshney torgovli, 1865), table 23.
Later, in 1871, the company extended services to Indian ports and China, and from 1901, company ships operated in the Persian Gulf. For the first time in Russian history, the country managed to regularly connect the Black Sea, the eastern and western Mediterranean, northern Europe, and Asia. Certainly, the Russian flag could now compete for cargo and passenger transportation in the Mediterranean and Black Seas, with the British, French, and Austrian steamship companies.

It should be noted that the nature of the formation of the company created a variety of operational characteristics on the routes. The development of passenger traffic for the company was the most controversial issue, since it was difficult to evaluate the passenger market; the only certain market flow was pilgrim transportation. Russian pilgrims regularly visited the holy sites in Palestine, and it was acknowledged that this passenger market was not only a profitable business model for the company, but also, a matter of prestige for the imperial government. The transportation of Russian and Greek pilgrims,
and also Muslim pilgrims, would create significant competition with Austrian Lloyd, as the latter was already the main carrier in this market.31

For the RSNTC, passenger traffic became a constant source of revenue, as demonstrated in Chart 16.4, reaching approximately 30% of company income. More specifically (see Appendix 16.2), the routes with the most passenger throughput were linked to Alexandria, which, from the beginning, was established for the transportation of pilgrims. Contrary to the expectations of the founders, the Black Sea internal coastal routes also demonstrated extremely high numbers of passenger traffic. Almost all internal routes, which included the connections between the Russian port-cities of the Black and Azov Seas, and river routes, provided important income (the Caucasus route was the leading source of passenger income). The Caucasus route held a geostrategic significance, in a region that became part of the Russian Empire between 1828 and 1878. The steamship route contributed to the colonisation process of the region, through transportation of post, and of public and military servants. In 1888, the commercial importance of the route also increased following the connection of the main port on the eastern coast of the Black Sea, Novorossiysk.

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31 RGIA, fond 107, opis 1, delo 70, list 2–25.
with the main railway network. This opened up the region to the rest of the Russian Empire. Profits of cargo and passenger activity in the region doubled compared to the previous period (see Appendix 16.2).32

As a result of Russian coastal policy, the turnover of coastal routes reached notable levels during the period under examination. As demonstrated above, the export trade in the southern ports of the empire was operated mainly by foreign merchants, a trend established in the first half of the nineteenth century. During the period of reform, the state decided to apply a protectionist policy to support the predominance of the Russian flag in Black Sea operations. It was recognised that to displace foreign flags, and establish the RSNTC as the dominant flag carrier, was a difficult venture. Therefore, the state decided, as a first step, to ban the use of foreign flags in coastal trade and transportation. The RSNTC took advantage of steam, covering the transport routes from Odessa to Batoum, including all the Russian port-cities in the Black Sea, while also serving all the rivers of the region (see Map 16.2.). For example, in 1862, 34% of total income came from the northern and eastern Black Sea coastal routes, including the services of the Dniester, Dnieper, Bug, and Rioni rivers. This was followed by the second most profitable line, Great Britain, with 22% of income (see Appendix 16.2).33

Apart from the leading position of the RSNTC in the coastal maritime market, a focus on the commercial development of external routes was evident post 1864, when net profits surpassed state subsidies, while distances covered by occasional voyages increased by 26.9%. Occasional voyages were unscheduled voyages that the company operated on almost all routes. They were not included in the statute of the RSNTC. Some of the routes were based completely on occasional voyages, and were related to tramp shipping activities. The registration by the company of regular and occasional voyages in numbers per year, rather than miles covered by ships (with only a few exceptions) does not provide a clear picture for the operational period of the company. The research can only offer broad trends, as is evident from Chart 16.4, that,

32 RGIA, fond 107, opis 1, delo 388, list 3; Mikhail Baryshnikov, “Русское Общество Пароходства и Торговли и развитие транспортной инфраструктуры Черноморского побережья Кавказа (1856–1864 Гг.),” [“The Russian Steam Navigation and Trading Company and the development of the infrastructure of the Black Sea coast of the Caucasus (1856–1864))”] Университетский научный журнал [University Scientific Journal], no. 29 (2017), 13–24.

after 1862, the number of regular voyages indicates a steady and significant decline. The most profitable route for cargo transportation was the English line, specifically orientated around unscheduled voyages. In 1862, the RSNTC made sixteen unscheduled voyages to Great Britain, reaching 32 voyages in 1872. Company vessels on this route mostly carried bulk cargo, for example, wheat and flour from the Black Sea region, and on inward voyages, iron and coal.34 An increase in the share of wheat exports was one of the main goals of the commercial development strategy of the company; especially since cereal exports had turned the southern Black Sea waters into one of the main commercial routes of the Mediterranean, prior to the formation of the RSNTC. The company was required to compete with traditional Greek and Jewish grain trade networks, which were operating in southern Russia from the first half of the nineteenth century. In order to respond to growing competition in the grain export sector—newly influenced by the construction of the railway, which connected grain production with ports—the RSNTC decided to invest in the rail business. In 1870, the RSNTC obtained the right to operate the railway line between Odessa and Balta—this was based on an 81-year concession. The Odessa railway was formed as a separate company to the RSNTC, simple

34 RGIA, fond 107, opis 1, delo 363, list 1–79.
in order to protect the latter. The aim of operational expansion was the formation of a combined transport system (rail and steamship), in order to transport grain in an efficient and profitable manner. The RSNTC lowered railway tariffs, in order to increase the flow of cargo into Odessa, leaving other ports in the region at an economic disadvantage. Following six years of operational activity, the state treasury had yet to receive due payments under the bond capital guarantee, the consigners constantly complained about delayed shipments, and shareholders received dividends only once. The venture collapsed, the RSNTC had failed to succeed in the formation of a grain market logistical chain in southern Russia. Consequentially, the British line, which served as a grain export route, closed in 1879 for profitability reasons.

The Suez Canal created a desire for the Russian Empire to extend its presence in the Far East. From the beginning, the RSNTC intended to pursue this goal, and it is no coincidence that the company, from 1866, established a connection with Port Said. Thus, in 1869, the company sent a research mission (an agent from Messina, Egor Baranovskiy) to evaluate trade possibilities. He commenced his trip in the industrial centres of northern Russia in order to record the types of goods that were in demand, from India and China. He continued by visiting London and Marseilles to observe in detail, British trade with colonies in the Far East, together with an evaluation of trade connections between France and India through the Messageries Impériales and other steamship companies. He completed his journey in Bombay and Calcutta. As part of this assessment of trade connections, important aspects of the research included: the type of steamships used; the type of operations and transport conditions utilised for specific goods; and the ethnic structure of the crews used by competitors. The outcome of the research mission were well received, and the RSNTC were able to ameliorate the existing service. For example, a cargo of tea from Haikou via Siberia required thirteen months to reach Moscow and St. Petersburg, while a cargo of cotton from India (via sail) required one annual navigation period to reach the northern Russian ports. The RSNTC, from 1871, offered the transport of cargo over a much shorter period of time from India and China, to Odessa, and subsequently by railway to Moscow. However, the company could not compete on specific routes with the British, Austrian, and French companies, even though they received a subsidy for the Bombay line

35 **DAOO**, fond 1, opis 223, delo 195, list 1–12; **RGIA**, fond 107, opis 1, delo 569, list 1–6; Illovaiskiy, Исторический очерк, 120–126.

36 **RGIA**, fond 107, opis 1, delo 343, list 12–42.

Anna Sydorenko - 9789004514195
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(this was in the form of a return of the Suez Canal duty). Eventually, the routes to India and China were discontinued in 1876, as they were not profitable.\(^{37}\)

5  
Decline and the New Developmental Stage of the Black Sea Region

The period post 1873 can be characterised as a crisis phase for the Black Sea port-cities, as well as for the rest of Europe and America. The long depression which started in 1873, with a decline in world prices and an economic recession, which affected the Russian market, in combination with a severe drought followed by crop failures in southern Russia, led to a 23.56% drop in the export of grain. Later, as a consequence of the Russian-Ottoman War (1877–78), exports (in 1877) plunged by 72.52% compared with the previous year (see Chart 16.3). Under the circumstances of economic crisis, the RSNTC did manage to maintain control of the situation. To prevent a collapse of the share price, the company stabilised dividend payments for the following three years using reserve capital.\(^{38}\) Apart from the involvement of the company in the railway sector, as described earlier, the expansion to the Far East required new vessels. As a result, during the period 1873–75, the company invested 1.5 million rubles in technological modernisation, which included the purchase of new ships (see Chart 16.1).\(^{39}\)

During the Russian-Ottoman War, the RSNTC became an active part of state apparatus; it was a main carrier of troops, artillery, and coal. In addition, it offered four ships to the Russian Navy without compensation, and also, rented five ships for the Danube flotilla. Many routes were closed, with a dramatic decline in revenue. Following the end of the war, company net profits increased by 378% compared to the last pre-war year results (see Chart 16.2). The impressive increase in net profit can be explained by the fact that the steamers of the RSNTC carried troops and government cargo following the war, together with cargo stocked in warehouses, and passengers, who waited almost one year before finally being able to use RSNTC services.\(^{40}\)

During the 1880s, there was a continuous shrinkage of the operation of external routes, the administration of the company focused on the development of coastal lines. After the closure of the English route, in 1887, the

\(^{37}\) RGIA, fond 107, opis 1, delo 343, list 49; fond 107, opis 1, delo 373, list 1; fond 107, opis 1, delo 543, list 1.

\(^{38}\) Illovaiskiy, Исторический очерк, 141.

\(^{39}\) Ibid., 147.

\(^{40}\) Ibid., 164–165.
Roumeli connection was also closed, as a result of the political situation in Bulgaria. Only the Anatolia and Alexandria routes showed significant operational activity in cargo shipment, as well as passenger transport. It was evident that the company needed new freight to cover the gap created by the collapse of grain cargo.

The ‘new’ freight source was undoubtedly oil. The “oil fever”, as it was called by the Russian press of the time, gripped the eastern coast of the Black Sea and Caspian Sea at the end of the 1860s. The RSNTC recognised the value of transporting the new “gold” of the Black Sea region. In 1868, the company approached one of the first Russian oil drilling companies, based in Kerch, and offered the oil merchant Novosiltsov, a loan. However, the most profitable oilfields were in Baku, on the Caspian Sea coast, therefore, the company decided to expand operations in this area. In 1887, the first ships began transportation, mainly of kerosene. The progress of the oil business required storage space, thus, the RSNTC invested in the construction of an oil mole, which was completed in the port of Odessa during 1895. Odessa became the hub of the Baku-Batoum-Odessa route. In 1892, the oil route accounted for 14.6% of the total cargo revenues of the company, competing with one of the most profitable lines of the RSNTC, that is, Alexandria, which during the same year reached 16.68% of cargo revenue. The oil route continued to operate until the end of company operations.

As indicated in Chart 16.1, post 1900, the displacement tonnage of the RSNTC fleet shows an important upward trend, which continued until 1913. The company invested in larger ships for the opening of the state-subsidised routes to the Far East, and to the Persian Gulf. In 1901, the Odessa-Vladivostok route was opened, and in the first year, 4,508 Russian immigrants travelled to Vladivostok. The colonisation policy of Russia in the Far East, and economic expansion to China, were supported not only by the Volunteer Fleet (in Russian, the Dobro Flot), but also, by the RSNTC. Together with cargo and passengers, the RSNTC also transported troops, assisting in the Russian intervention in China.

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42 RGIA, fond 107, opis 1, delo 834, list 1–74.
was the second time the company aided the state, by supporting the Russian Navy in military affairs.\textsuperscript{43}

Nevertheless, not only was commercial and political expansion to the Far East a strategic tenet of foreign policy for the empire, but in addition, the south of Persia also interested Russia. The already established commercial relations with northern Persia were not considered enough. The main exporter to the south of Persia was Great Britain, followed by France, and Germany, as the Ministry of Finance reported: “... there seems to be no reason why Russia could not take part in this trade, since among the goods it produces there are those that can be sold in the ports of the Persian Gulf”. The main exponent for Russia, to further create trade links with the south of Persia, was the RSNTC. It opened a line in 1901, carrying kerosene from Baku, sugar from Odessa, wood from Kherson, manufactory goods from Moscow, and mail to Persian port-cities. Cotton and dry fruits were imported from southern Persia, mainly towards Moscow, through Odessa. However, the Persian route was not profitable: for example, in 1904, the total state subsidy was 200,000 rubles, while total revenue from cargo and passengers reached only 195,973.44 rubles. It seems that the Russian market was not ready to sustain such trade networks, even with state support.\textsuperscript{44}

Prior to the First World War, the Russian Black Sea maritime transport market experienced significant transformation. Chart 16.5 shows that the tonnage of steamships in the Russian merchant fleet in the Black Sea, surpassed that of sailing ships after the 1870s. Unfortunately, the publication of Russian maritime statistics was very sporadic, thus it is not possible to trace the exact moment this change occurred. However, it is clear that Russia succeeded in realising the transition from sail to steam in their merchant fleet; in the earliest known year from this transitional period, 1895, steamship tonnage increased by more than 50% compared to 1873.

The RSNTC was the main actor in the technological and economic development of the Russian Black Sea region. It would, however, be an exaggeration to say that the RSNTC played a critical role in the development of the region, as it never managed to drive out the traditional Greek and Jewish merchant houses and shipping companies from the market, as is evident in the case of the grain

\textsuperscript{43} Igor Lukoyanov, “Не отстать от держав ...” Россия на Дальнем Востоке в конце XIX–начале XX вв. [“Keeping up with the Powers ...” Russia in the Far East in the Late XIX–Early XX Centuries] (St. Petersburg: Nestor-Istoriia, 2008), 125–126; Illovaiskiy, Исторический очерк, 312–318.

\textsuperscript{44} RGIA, fond 107, opis 1, delo 1592, list 1–146.
The Russian Steam Navigation and Trading Company

The Russian Steam Navigation Company, from foundation until the Russian Revolution, managed to balance the geostrategic and political priorities of the empire, and the desire for private commercial development. The company, which originated during radical changes in the economy and wider society, was able to evolve from a state-subsidised company to a profitable business for extended periods, and at the end of the commercial experiment returned to private ownership. However, the contribution of the company from the technological perspective of changes in maritime transport, is undeniable. As observed in Chart 16.6, the RSNTC brought steam to this maritime region, and the transitional era from sail to steam was dominated by the company, almost until the end of the 1890s.

6 Conclusions

The Russian Steam Navigation Company, from foundation until the Russian Revolution, managed to balance the geostrategic and political priorities of the empire, and the desire for private commercial development. The company, which originated during radical changes in the economy and wider society, was able to evolve from a state-subsidised company to a profitable business for extended periods, and at the end of the commercial experiment returned...
to state protection, which following the Russian Revolution, became crucial for the Soviet merchant fleet. However, the great success of the company was the introduction of the new era of steam into the Russian Black Sea region; it was also the first steamship liner company that connected the inner sea with the Mediterranean, including northern European routes, and in addition, the Far East, under the Russian flag. Ultimately, the goal was reached: the Russian Steam Navigation Company created the first reliable Russian merchant fleet, which could compete with the largest maritime powers of Europe.

CHART 16.6 Comparative view of steamships of the RSNTC and Russian merchant fleet in the Black Sea (in net register tons)

Appendix 16.1 Lines of the Russian Steam Navigation and Trading Company, 1856–1913

A. Black and Azov Sea

Crimea-Caucasus Line

Dnieper-Bug line
Odessa-Nikolayev line
Odessa-Kherson line

Azov Line
Kerch-Berdyansk-Marioupol-Taganrog-Rostov

Black Sea-Bulgaria (east coast of the Black Sea)
Odessa-Galatz-Varna-Burgas

Odessa-Istanbul line

Anatolian line
Odessa-Istanbul-Inebolu

B. North-eastern Mediterranean and South-eastern Mediterranean

Alexandria line (direct)
Odessa-Istanbul-Izmir-Piraeus-Alexandria

Alexandria line (circular line)
Odessa-Istanbul-Dardanelles-Athos-Thessaloniki-Izmir-Chios-Rhodes-Lemesos-Larnaka-Mersin-Tripoli-Beirut-Jaffa-Port Said

C. Central Mediterranean

Marseilles line
Odessa-Messina-Catania-Livorno-Genova-Marseilles

D. Northern Europe

English line

Black-Baltic Sea line
Odessa-Libava-Riga-Revel-St. Petersburg

E. Persia

### APPENDIX 16.2 Income from cargo and passenger activity of the Russian Steam Navigation and trading Company (per line, in rubles)

<table>
<thead>
<tr>
<th>Lines</th>
<th>1862 Cargo</th>
<th>1862 Passenger</th>
<th>1872 Cargo</th>
<th>1872 Passenger</th>
<th>1882 Cargo</th>
<th>1882 Passenger</th>
<th>1892 Cargo</th>
<th>1892 Passenger</th>
<th>1904 Cargo</th>
<th>1904 Passenger</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Internal coastal lines</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Crimea</td>
<td>44,907.82</td>
<td>89,436.73</td>
<td>298,252.36</td>
<td>284,633.20</td>
<td>459,825.78</td>
<td>189,589.68</td>
<td>–</td>
<td>–</td>
<td>496,852.31</td>
<td>1,228.02</td>
</tr>
<tr>
<td>Crimea-Azov</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>813,147.67</td>
<td>857,283.42</td>
</tr>
<tr>
<td>Crimea-Caucasus</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>857,283.42</td>
<td>976,848.14</td>
</tr>
<tr>
<td>Azov</td>
<td>19,620.71</td>
<td>50,462.39</td>
<td>353,943.39</td>
<td>84,113.50</td>
<td>84,195.30</td>
<td>43,554.80</td>
<td>41,866.59</td>
<td>86,729.61</td>
<td>67,005.23</td>
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</tr>
<tr>
<td>Kherson</td>
<td>15,599.66</td>
<td>45,143.96</td>
<td>79,312.97</td>
<td>84,016.30</td>
<td>135,201.33</td>
<td>166,580.63</td>
<td>95,999.62</td>
<td>114,654.07</td>
<td>132,519.11</td>
<td></td>
</tr>
<tr>
<td>Nikolayev</td>
<td>7,836.74</td>
<td>25,746.52</td>
<td>35,147.37</td>
<td>63,940.34</td>
<td>70,073.81</td>
<td>100,306.40</td>
<td>74,471.18</td>
<td>122,049.18</td>
<td>96,463.76</td>
<td>189,957.52</td>
</tr>
<tr>
<td>Caucasus</td>
<td>89,442.67</td>
<td>66,836.25</td>
<td>229,219.05</td>
<td>406,999.30</td>
<td>495,917.17</td>
<td>502,250.84</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td></td>
</tr>
<tr>
<td>Galatz</td>
<td>7,562.06</td>
<td>27,555.74</td>
<td>2,665.65</td>
<td>5,974.81</td>
<td>2,549.89</td>
<td>33</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td></td>
</tr>
<tr>
<td>Black Sea-Bulgaria</td>
<td>–</td>
<td>–</td>
<td>63,347.84</td>
<td>29,301.89</td>
<td>–</td>
<td></td>
<td>–</td>
<td>–</td>
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<tr>
<td><strong>Internal river lines</strong></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dnieper ferry</td>
<td>11,263.81</td>
<td>7,548.55</td>
<td>26,681.22</td>
<td>85</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
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</tr>
<tr>
<td>Taman ferry</td>
<td>7,165.10</td>
<td>5,391.51</td>
<td>14,864.09</td>
<td>8,016.32</td>
<td>30,170.61</td>
<td>15,375.93</td>
<td>16,035.72</td>
<td>11,171.90</td>
<td>29,171.98</td>
<td>12,592.73</td>
</tr>
<tr>
<td>Dniester ferry</td>
<td>–</td>
<td>24,011.70</td>
<td>–</td>
<td>13,550.90</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td></td>
</tr>
<tr>
<td>Bug river</td>
<td>15,333.98</td>
<td>455.16</td>
<td>49,087.17</td>
<td>46</td>
<td>21,624.29</td>
<td>15,50</td>
<td>3,167.37</td>
<td>150.50</td>
<td>9,050.74</td>
<td>144.75</td>
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<td>Dnieper river</td>
<td>75,529.80</td>
<td>2,895.45</td>
<td>238,152.00</td>
<td>533</td>
<td>305,909.84</td>
<td>1,666.35</td>
<td>295,261.86</td>
<td>119.90</td>
<td>6,329.69</td>
<td></td>
</tr>
<tr>
<td>Dniester river</td>
<td>62,62</td>
<td>13</td>
<td>154,661.02</td>
<td>5</td>
<td>121,645.99</td>
<td>–</td>
<td>193,017.59</td>
<td>130.50</td>
<td>–</td>
<td></td>
</tr>
<tr>
<td>Rion river</td>
<td>1,544.60</td>
<td>3,495.53</td>
<td>336.42</td>
<td>32</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td></td>
</tr>
<tr>
<td>Kuban river</td>
<td>20,155.44</td>
<td>4,428.45</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
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</tr>
</tbody>
</table>
### APPENDIX 16.2 Income from cargo and passenger activity of the Russian Steam Navigation and trading Company (per line, in rubles) (cont.)

<table>
<thead>
<tr>
<th>Lines</th>
<th>1862</th>
<th>1872</th>
<th>1882</th>
<th>1892</th>
<th>1904</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cargo</strong></td>
<td><strong>Passenger</strong></td>
<td><strong>Cargo</strong></td>
<td><strong>Passenger</strong></td>
<td><strong>Cargo</strong></td>
<td><strong>Passenger</strong></td>
</tr>
<tr>
<td>Istanbul</td>
<td>85,375,76</td>
<td>36,872,89</td>
<td>169,008,18</td>
<td>83,097,35</td>
<td>118,368,97</td>
</tr>
<tr>
<td>Istanbul-Sevastopol</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taganrog-Istanbul</td>
<td>32,412,99</td>
<td>18,706,03</td>
<td>9,111,24</td>
<td>583,00</td>
<td></td>
</tr>
<tr>
<td>Anatolia</td>
<td>58,858,59</td>
<td>37,117,58</td>
<td>390,081,27</td>
<td>170,557,90</td>
<td>246,058,89</td>
</tr>
<tr>
<td>Thessaloniki</td>
<td>25,599,08</td>
<td>36,761,49</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
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**Source:** Processed data from Отчет Русского Общества Пароходства и Торговли, 1862–1904 [Annual Reports of the Russian Steam Navigation and Trading Company, 1856–1913], (St. Petersburg: Typographia Arigolda, 1863–1905)