CHAPTER 2

Merchants, Army Suppliers, Bankers: Transnational Connections and the Rise of Warsaw’s Jewish Mercantile Elite (1770–1820)

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Introduction

In the summer of 1783, Jacob Prager, a Jewish wholesale merchant in Amsterdam, wrote to his brother Yehiel in London:

Let God, be He Blessed, guard [us] from bad times. In one moment one may lose [all] that one has acquired in 50 years. This country has lost much of its commerce by this deplorable war and we fear that we shall not in our lifetime again do such flourishing business as in the past, because demand has virtually disappeared and all seafaring monarchies receive merchandise directly from East and West.1

As Gedalia Yogev has also shown for the case of the Prager family in Amsterdam and London, the decline of the Amsterdam staple-market hurt many Jewish merchants. At least for some time—during the second half of the eighteenth century—Amsterdam merchants were kept afloat by the business in bills of exchange. Nevertheless, by the end of the century, the city also lost its position as the preeminent financial market of Europe to London, which left a deep impact on Jewish and Protestant merchants and bankers alike.2 These episodes form a key part of the relatively well-known story of the economic decline of Amsterdam, the parallel rise of London, and Jewish westward migration.

However, the traditional scholarly conception of Jewish westward migration has somewhat obscured the close ties that remained between Amsterdam and Central and Eastern Europe for a time. In its role as financial capital and premier provider of credit, Amsterdam was crucial to the financial market in Central and, indirectly, Eastern Europe. Only toward the end of the eighteenth century did the decline of the Dutch economy and the political changes caused by the second and third partitions of Poland (in 1793 and 1795) weaken ties between Amsterdam and Central Europe and Poland. At the same time, one can detect the rise of a new Jewish mercantile and financial elite in Warsaw during this period. A similar claim can be made for Berlin a bit earlier and for St. Petersburg somewhat later. Thus, the development that will be described here was not an isolated phenomenon, but part of a larger emergence of new financial centers in Central and Eastern Europe, accompanied by the rise of new Jewish mercantile and financial elites who did not, however, sever their connections to the West.

The rise of the new Jewish mercantile elite in Warsaw was somewhat parallel, though on a much smaller scale, to the rise of London’s Jewish mercantile elite, both of which occurred at the expense of Amsterdam. Two phenomena were crucial to the rise of Warsaw’s Jewish mercantile elite from the 1770s to the 1820s: migration and shifting occupational profiles. In contrast to the common westward depiction of Jewish migration, the temporary or constant migration of Jewish merchants, army suppliers, and bankers eastward, particularly to Warsaw, contributed significantly to the city’s formation. At the same time, one can detect an occupational shift from commerce to army supplying and eventually to banking during this period. These migrations and occupational shifts had an important impact on commercial networks across Europe, and can only be understood within their wider European context.

Recognition of these changes necessitates a reframing of the rise of Warsaw as a Jewish metropolis and especially as a center of Jewish financing in nineteenth-century Eastern Europe. This reframing will have the added benefit of helping us overcome the traditional, exclusive focus on the relationship between Jewish communities and local non-Jewish authorities. Though important in the immediate context of mercantile activities, this focus has

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