

## **(Dis)Connected: Railway, Steamships and Trade in the Port of Odessa, 1865–1888**

Boris Belge\*

### **Abstract:**

After the end of the Crimean War, politicians, engineers, and economists alike debated the future of the port of Odessa. Two particular issues that relate to the rising age of steam emerged: Odessa was forced to adapt its port infrastructures to bulky steamships and the city questioned its place in the developing railway network of Imperial Russia. This contribution argues that by balancing economic and military (geostrategic) demands, ministry officials and engineers laid the foundation both for Odessa's success in the 1860s and 1870s and its failures in the 1880s and 1890s.

**Key Words:** Odessa, infrastructure, steamships, railway, Russian history

### **1. Introduction**

Grain is more difficult to handle than one might expect. At best, it comes perfectly dried and stowed in leakproof bags that are easy to pile, store, and move. In practice, and not only in nineteenth-century Russian commerce, things were often more complicated: Residual humidity, pests,

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\* Dr. phil., Department of History, University of Basel, ORCID ID: 0000-0001-8963-3493  
e-mail: boris.belge@unibas.ch

and product impurity were among the reasons why grain was not moved and sold quickly. Grain was constantly under the threat of rotting, which resulted in economic losses on a large scale.<sup>1</sup> However, by increasing grain's speed of delivery, e.g., by accelerating time and shortening distances between producer, hub, and final destination, tremendous economic gains were to be expected. It is therefore no surprise that transport infrastructure is a crucial element in grain trade over global as well as regional distances.<sup>2</sup> In this article, I will focus on Odessa, Imperial Russia's biggest port on the shores of the Black Sea, and its function as a junction between different transport routes.<sup>3</sup>

In the 1860s, the port and its people found themselves in the middle of two transport revolutions that would ultimately shape this site of infrastructures in a new way: The arrival of steamships and railway lines heralded the beginning of Odessa's modern era. Steamships increased trade volumes on an unprecedented scale, while the railway lines fundamentally altered the characteristics of the sea-land interface. In addition, the grain market changed fundamentally when telegraphs accelerated the flow of information and synchronized prices on stock exchanges all over Europe.<sup>4</sup> Taken together, these technologies posed new questions and problems for Odessa's planners both in the port city and in the capital, St. Petersburg. They were forced to find an answer to the question of whether Odessa was first and foremost part of a Eurocentric global trade network or an integral part of an imperial trade system, and thus more peripheral and dependent on the center. Debates over Odessa's place within the Russian Empire culminated in discussions over the direction and purpose of the "Southern Line," as part of Russia's railroads.

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<sup>1</sup> For an overview of the history of grain trade cf. Steven S. Topik and Allen Wells, "Warenketten in einer globalen Wirtschaft," in *Geschichte der Welt 1870-1945: Weltmärkte und Weltkriege*, ed. Emily S. Rosenberg (München: Beck, 2012), 589-815 here: 687-723; Dan Morgan, *Merchants of Grain: The Power and Profits of the Five Giant Companies at the Center of the World's Food Supply* (New York: Viking, 1979).

<sup>2</sup> C. Knick Harley, "Transportation, the World Wheat Trade, and the Kuznets Cycle, 1850-1913," *Explorations in Economic History* 17, no. 3 (1980): 218-50.

<sup>3</sup> Lewis Siegelbaum, "The Odessa Grain Trade. A Case Study in Urban Growth and Development in Tsarist Russia," *Journal of European Economic History* 9, no. 1 (1980): 113-151; For the history of Odessa cf. Patricia Herlihy, *Odessa: A History, 1794-1914* (Cambridge, MA: Harvard University Press, 1986); Evrydiki Sifneos, *Imperial Odessa: People, Spaces, Identities* (Leiden: Brill, 2018); Charles King, *Odessa: Genius and Death in a City of Dreams* (New York: Norton, 2011).

<sup>4</sup> Svetlana Natkovich, "Odessa as 'Point de Capital': Economics, History, and Time in Odessa Fiction," *Slavic Review* 75, no. 4 (2016): 847-871; Roland Wenzlhuemer, *Connecting the Nineteenth-Century World: The Telegraph and Globalization*, sec. ed. (Cambridge: Cambridge University Press, 2014).

The debate touched upon the central question of Odessa's place in European, partly global, and imperial trade networks. This geographical reorientation increasingly disentangled the Odessa region from its incorporation into a Russian–Ottoman contact zone that was part of a Mediterranean trade network. Instead, Odessa was imagined as a “global” port that linked the Russian Empire with other major trade hubs such as Liverpool, Marseille, and New York.

Odessa's development was at a crossroads in the mid-1860s. Engineers, merchants, and economists in Odessa knew of possible ways to connect grain production, overseas transportation, and railroad transportation with Moscow. Decision-makers in St. Petersburg had to choose which way to go. Their choice to connect with or disconnect from the city on the shores of the Black Sea would ultimately decide its prosperity or, in Odessa's case, both its ongoing success in the 1870s and early 1880s and its failure in the late 1880s.

## 2. Connecting a port: Odessa and the railway system in the 1860s

In the early 1860s, the Russian Empire was the world's biggest exporter of wheat; it owed its status as the “bread basket of Europe” to its fertile black-earth soils in the southern provinces of Russia and the city and port of Odessa.<sup>5</sup> Founded in 1794 alongside the eponymous city at the personal behest of Catherine II, the port came to be the Russian Empire's chief center of maritime transshipment.<sup>6</sup> Within approximately 30 years, Odessa had risen to become a “[...] hub on the map of the flow of goods and money, part of the Mediterranean world and the Levant between Constantinople and Marseilles, Smyrna and Port Said.”<sup>7</sup> As the official residence of the Governor-General of New Russia and Bessarabia, Odessa held a privileged position on the Black Sea coast and rapidly evolved into a central location for administrative functions.<sup>8</sup> From the beginning,

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<sup>5</sup> King, *Odessa*, 109–12; Mose Lofley Harvey, “The Development of Russian Commerce on the Black Sea and Its Significance” (PhD dissertation, University of California Berkeley, 1938).

<sup>6</sup> For the history of the port cf. Nikolay Gleb-Koshanskiy, *Port and Odessa: We Are 200 Years Old: On the Port, City and Region History* (Odessa: Vest, 1994); Taras Hryhorovych Hončaruk, *Odes'ke Porto-Franko: Istoriiâ 1819–1859 rr.* (Odesa: Astroprynt, 2005); Liliya Belousova, “The Black and Azov Sea Port-Cities: Shipbuilding and Commercial Industry in Late 18th – Early 20th Century Through the Prism of the State Archives of Odessa Region,” n.d.; V. Timonov, *Očerk Razvitiâ Odesskago Porta* (Sankt-Peterburg: Tipografiâ Ministerstva putej soobšeniâ, 1886).

<sup>7</sup> Karl Schlögel, *Entscheidung in Kiew: Ukrainische Lektionen* (München: Hanser, 2015), 131; cf. Herlihy, *Odessa*, 21–46, 96–114.

<sup>8</sup> Guido Hausmann, “Die wohlhabenden Odessaer Kaufleute und Unternehmer: Zur Herausbildung bürgerlicher Identitäten im ausgehenden Zarenreich,” *Jahrbücher für Geschichte*

Odessa and the region of what was called the “New Russia” were designed as an economic laboratory for the whole empire. Until 1819, the Russian state actively encouraged foreigners to settle in the newly conquered territories, with Odessa being one main migration hub.<sup>9</sup> Besides German and Western European settlers, emigrated subjects of the Ottoman Empire, such as Bulgarians, Greek, and Romanians, were also attracted by the duty exemptions the Russian state provided and the fertility of the region’s black soil. The port of Odessa was designed to ship large volumes of traded goods around the world, and it was foreign trade that “worked decisively to shape the economy and society of Odessa [...]”.<sup>10</sup>

Although the early 1860s marked the peak of an upward trend that went on for decades, circumstances had already changed during the Crimean War, when established Black Sea trade routes had collapsed and hardly reopened after 1856. Big merchant houses of the Mediterranean world, many among them Greek or Italian, had left the city and paved the way for new merchants and entrepreneurs who would make the city more Russian and Jewish than ever before. Odessa slowly developed into an ethnically Russian port city, and the border to the Ottoman Empire increasingly divided people. At the same time, the Black Sea developed into a space of global connections.<sup>11</sup> Against this backdrop, Odessa was about to lose its status as *porto franco* (a free port), which on the one hand “stimulated Odessa’s foreign trade, but it severely restricted its access to the huge market that the empire represented.”<sup>12</sup> Removing Odessa’s free-port privileges sparked hope of further integrating the agriculture of the southern provinces into an imperial economic network and of boosting the industrial development of the Odessa region. While this development was intended to strengthen the inner imperial economy, Odessa simultaneously faced the rise of the steamship age and its tremendous impact on the globalization of trade.<sup>13</sup> The city was one of the major places in which Russia established steam-powered seafaring, since in 1856 it had

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*Osteuropas* 48, no. 1 (2000): 41–65; Guido Hausmann, *Universität und städtische Gesellschaft in Odessa, 1865–1911: Soziale und nationale Selbstorganisation an der Peripherie des Zarenreiches* (Stuttgart: Steiner, 1998).

<sup>9</sup> Andreas Kappeler, *Russland als Vielvölkerreich: Entstehung, Geschichte, Zerfall*, sec. ed., (München: Beck, 2008), 52; Dietmar Neutatz, *Die ‘Deutsche Frage’ im Schwarzmeergebiet und in Wolhynien: Politik, Wirtschaft, Mentalitäten und Alltag im Spannungsfeld von Nationalismus und Modernisierung (1856–1914)* (Stuttgart: Steiner, 1993).

<sup>10</sup> Herlihy, *Odessa*, 72.

<sup>11</sup> Cf. Florian Riedler’s contribution to this issue.

<sup>12</sup> Herlihy, *Odessa*, 113.

<sup>13</sup> Richard J. Evans, *The Pursuit of Power: Europe 1815–1914*, (London: Penguin, 2016), 147–58.

become the headquarters of the Russian Steam Navigation and Trading Company (*Russkoe Obščestvo Parohodstva i Torgovli, ROPiT*). Initially designed to mask the building of large ships that could ultimately be turned into naval ships in case of war, after Russia's defeat in the Crimean War, ROPiT soon became a major global economic player.<sup>14</sup>

All these developments were accompanied by ongoing debates and plans regarding whether and, if so, how to connect Southern Russia to the planned railway network. Back in 1844, the Governor-General of New Russia and Bessarabia, Mihail Voroncov, stated in a letter to Tsar Nikolaj I that "[...] the future of trade in our southern region depends on encouraging the construction of a network of railways in our steppes, which, by bringing closer distances, speed, regularity, and cheap delivery, would put us in a position not to be afraid of any rivalry in foreign markets."<sup>15</sup> As early as in October 1854, the tsarist administration sent Pavel Mel'nikov on an expedition to investigate possibilities and routes for a railway from Moscow to the shores of the Black Sea. Mel'nikov proposed a line from Moscow to Feodosiâ and highlighted the economic possibilities of the proposed railway, especially the "palpable reduction of transport durations and costs," which would contribute to a "maximal development of the natural sources of wealth, of the productive forces."<sup>16</sup> After the end of the Crimean War, when he was staying in St. Petersburg for the coronation of Alexander II, Voroncov lobbied in favor of Odessa being connected to Moscow. However, he did not succeed and the new head of the Department of Transport and Communication, K.V. Čevkin, opted to retain the proposed Moscow-Crimea (Feodosiâ) line, clearly motivated by his impression of Russia's insufficient supply structures during the Crimean War. Only two years later, things changed, and a new society grouped around the counts Strogov and Allerberg, a certain engineer Marčenko, N.A. Novosel'skij and several merchants of Odessa who advocated linking Russia's largest Black Sea port to Moscow and St. Petersburg.<sup>17</sup> Their initiative sparked a controversy over the exact course

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<sup>14</sup> Ludmila Thomas, *Streben nach Weltmachtpositionen: Russlands Handelsflotte, 1856 bis 1914* (Berlin: Akademie Verlag, 1995); Mesut Karakulak, *Osmanlı Sularında Rus Vapurları Buharlı Çağında Vapur ve Ticaret Kumpanyası (1856-1914)* (Ankara: Türk Tarih Kurumu 2020); A. Skal'kovskij, "Russkoe Obščestvo Parohodstvo i Torgovli 1857-1869". [https://odessitclub.org/publications/almanac/alm\\_40/alm\\_40\\_6-19.pdf](https://odessitclub.org/publications/almanac/alm_40/alm_40_6-19.pdf) (last accessed on 30 November 2020). Also cf. Lyubomir Pozharliev's article in this issue.

<sup>15</sup> Apollon Skal'kovskij, "Biografiâ Odesskoj Železnoj Dorogi," *Trudy Odesskogo Statističeskago Komiteta*, 1865, 8.

<sup>16</sup> Frithjof Benjamin Schenk, *Russlands Fahrt in die Moderne: Mobilität und sozialer Raum im Eisenbahnzeitalter* (Stuttgart: Steiner, 2014), 52.

<sup>17</sup> Skal'kovskij, "Biografiâ Odesskoj Železnoj Dorogi," 11.

of the empire's southern railway line. This controversy took place both behind closed doors and in the public arena: Newspapers that propagated arguments from different ministries and departments (finance, war, internal affairs, and communications), as well as state and private actors, argued for or against two proposals that lay on the table.<sup>18</sup> The discussions were dominated mainly by two questions: Who was to finance the Southern Line – the state or entrepreneurs – and which direction should it take?<sup>19</sup> Two options were discussed the most: Connecting Odessa with Kiev via Balta and then via Orel to Moscow, or connecting Odessa first with the economic centers of Imperial Russia's south before leading northwards to Moscow (Odessa–Balta–Kremenčuk–Poltava–Harkov–Moscow)?<sup>20</sup>



Fig. 1: Russian railway map of 1906 with the Odessa–Harkov line marked in green. Source: *Shema železnych dorog Rossijskoj imperii izdanie I. F. Zauera 1906 goda*. S.Peterburg 1906

What seems a rather technical decision was much more, since the railway's course determined the main purpose and ultimate goal of the

<sup>18</sup> Schenk, *Russlands Fahrt in die Moderne*, 70–72.

<sup>19</sup> Alfred Rieber, "The Debate over the Southern Line: Economic Integration or National Security," in *Synopsis: A Collection of Essays in Honour of Zenon E. Kohout*, ed. Serhii Plokhly and Frank Sysyn (Edmonton: Canadian Institute of Ukrainian Studies, 2005), 373.

<sup>20</sup> Skal'kovskij, "Biografiâ Odesskoj Želesnoj Dorogi," 13–14.

line: It could either be a state-driven, strategic line that linked the center and the periphery, or a line designed to serve economic purposes in the developing southern regions of Russia, cofinanced by merchants and entrepreneurs. In December 1864, after days of heated discussions, the Committee of Ministers decided to follow the proposal of the Finance Minister of Russia, Michael von Reutern, supported by the Minister of the Navy, Nikolaj Krabbe, and, most prominently, the Grand Duke Konstantin Nikolaevič. Their opponents who rallied around the War Minister Dmitrij Milūtín had argued in favor of a strategic railway line that would help tie the Ukrainian periphery both politically and economically more strongly to the center.<sup>21</sup> But, according to von Reutern, “the short-term advantages of linking the bustling Ukrainian markets to the export trade through a port easily accessible to foreign ships outweighed all other considerations. Russia’s economic development depended on its ties with Western Europe.”<sup>22</sup> Von Reutern and his circle of reform-oriented like-minded people tended to focus on economic growth and the region’s development toward its western (the Habsburg Empire and Western Europe) neighbors. By decree it was ordered to “build the southern railway, which has already begun from Moscow to Serpukhov and from Odessa to the Baltics, by the state treasury, as active as possible, on the one hand from Serpukhov to Tula, Orël, Kursk and Kiev, and on the other from Balta to Kremenčug and Harkov.” Over the following years, Russian imperial railway construction in the south tended to prioritize this regional economic integration over a rapid strategic linking of the southern provinces to the imperial centers. However, the planners and builders of Russia’s southern railway line clearly followed both an economic *and* a political agenda. It was namely the state-financed building of railroads that, according to Apollon Skal’kovskij, would both satisfy the economic needs of the region and contribute to the nationalization of the Black Sea region: “[It’s] the first use of capital contributed by all of Russia, which will be directed to the cause which is so exciting for the whole empire – the construction of a railway from Moscow to the Black, that is, the ancient ‘Russian’ sea.”<sup>23</sup>

Apart from the question of railway links, people in Odessa in the 1860s were occupied with another major infrastructure project: Faced with the onset of the steam age, and given the lack of sufficient wharfs, the

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<sup>21</sup> Schenk, *Russlands Fahrt in die Moderne*, 72.

<sup>22</sup> Rieber, “The Debate over the Southern Line,” 394; cf. William L. Blackwell, *The Industrialization of Russia: A Historical Perspective*, third ed. (Arlington Heights, IL: Harlan Davidson, 1994), 28–29.

<sup>23</sup> Skal’kovskij, “Biografiâ Odesskoj Želesnoj Dorogi,” 14.

1860s saw ongoing discussion over enlarging the port, dredging the harbor basin, and extending its wharfs and piers. Steamships fundamentally altered the circulation of people and goods across the globe. As well as permitting delivery scheduling for shipments by liberating shipping from its hitherto absolute dependence on currents and wind, they made it possible for naval engineers to build larger ships that could carry higher volumes and bulkier types of cargo.<sup>24</sup> The possibilities this development opened up to world trade simultaneously posed a major challenge to ports worldwide, which found themselves needing to rearrange and expand their infrastructure to take in bigger ships and to load and unload greater volumes of goods. Wharfs and piers had to be extended, new warehouses had to be built and more docking stations had to be set up. But the most important task that Odessa's port builders faced in this context was the deepening and cleaning of its harbor basin. All parts of the port required a greater depth of water, especially the quarantine harbor, at which trading vessels from all over the world arrived. One substantial problem was the clogging of the harbor basin with stones and rocks, along with illegally dumped litter and ballast. Cleaning is a constant necessity for a port, but in the mid-nineteenth century the issue gained great urgency, with a loss to Russia's economy incurred for every steamship unable to dock in Odessa.<sup>25</sup> Another obstacle to an increase in trade in Odessa were dangerous winds from the south and southeast, alongside colliding water masses from the Bug, the Dnepr, and the Danube, which produced what were referred to as "hacking waves." Additionally, the port became increasingly cramped when trade increased, and shipwrecking was a massive danger to trade. According to one source, shipwrecking accounted for a loss of 270,000 rubles per year. During the 1860s, several measures were taken to ensure the port's relevance in global trade. These measures, too, aimed to link Odessa primarily with other global ports, such as Marseille or Livorno, and permitted an expansion in the volume of exported grain.

Both infrastructure projects of the 1860s – the linking to the railway system and the expansion of the port's facilities – focused on strengthening the port as an important part of the economic macroregion of Southern Russia and the port of Odessa as the most important trading hub for the export of grain. In contrast to this, Odessa's planners believed that intensifying the city's connections with the imperial center was an

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<sup>24</sup> William Rosen, *The Most Powerful Idea in the World: A Story of Steam, Industry and Invention* (London: Pimlico, 2011); Douglas R. Burgess, *Engines of Empire: Steamships and the Victorian Imagination* (Stanford: Stanford University Press, 2016).

<sup>25</sup> Timonov, *Očerk Razvitiâ Odesskago Porta*, 26–40.

issue of secondary importance. When a certain I.F. Felkner of Rostov-na-Donu denounced Odessa as an “artificial port founded by a foreigner,” his polemics were, of course, somewhat overblown.<sup>26</sup> But, like all polemics, they contained a kernel of truth: Odessa was designed as a special economic laboratory at the frontier of the Russian Empire, in which new ideas and concepts could be tested and performed long before they became economic practices in other parts of Russia. This reflected a longtime hope formulated initially at the end of the eighteenth century and vital until at least the early 1860s: As a European Great Power, the Russian Empire intended to use the newly conquered southern territories to boost economic growth and entanglements with Europe and the world. However, the auspices of geopolitics and economics changed drastically during the second half of the nineteenth century – and Odessa suddenly found itself cut off from important economic routes.

### 3. Disconnected: Railway networks and the global grain trade

The January Uprising, an insurrection in imperial Russia’s Kingdom of Poland in 1863 and 1864, reinforced the purported “Polish fear” present among the imperial elite in St. Petersburg. When around 10,000 men rallied around the revolutionary banner, and resisted conscription into the Russian army, they revealed – once again – the asymmetries and disbalances of social, economic, and political power within the Russian Empire. Among Russocentric politicians in St. Petersburg, it was a widely held belief that these disbalances would evoke rebellions and uprisings in the western and southern provinces and that reasonable imperial politics would include the effective suppression of separatist movements on the periphery.<sup>27</sup> Alongside the Poles, Ukrainians were also highly suspicious in the eyes of imperial elites.<sup>28</sup> This imperial situation had a profound impact on infrastructure policies in Odessa as well: In the first half of the nineteenth century, the relative independence and laboratory-like character of the southern provinces were considered to be an asset to Russia’s economic growth and geopolitical significance. But after the January Uprising, the relative remoteness of Odessa and its port increasingly became a problem in the eyes of politicians and engineers.

This politicization of transport issues in the southern provinces had a profound impact on the newly planned railway tracks. As early as March

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<sup>26</sup> Rieber, “The Debate over the Southern Line,” 392.

<sup>27</sup> Schenk, *Russlands Fahrt in die Moderne*, 327–32.

<sup>28</sup> Andreas Kappeler, *Kleine Geschichte der Ukraine*, fourth ed. (München: Beck, 2014), 131–132.

1866, the tsar approved extending the railway lines from Odessa to as far as Kiev. In 1872, the railroad linked Odessa to Harkov and from there to Moscow, St. Petersburg and Kiev.<sup>29</sup> However, these constructions were not dominated by an economic paradigm: They served mainly strategic purposes and were designed to deploy troops to the Russian–Ottoman border. This “haphazard method” resulted in “crooked lines” that were quite often unnecessarily long and poorly maintained.<sup>30</sup> In effect, the shipment of grain in Southern Russia could not benefit entirely from the acceleration and price reductions that the railway promised to deliver. However, even under these given limitations, the railroad continued to become more important for the grain trade: By 1879, 71 percent of all grain reached Odessa by train.<sup>31</sup>

Getting grain to the port and the sea was even more vital for Russia in the 1870s and 1880s, since Russia underwent a shift in economic paradigm: In contrast to its liberalist policy of the 1860s, Russia then aimed to boost its export surplus, for which Russia almost exclusively relied on its grain exports. In so doing, Russia ultimately sought to join the gold standard.<sup>32</sup> Since its founding, Odessa constantly lacked a processing industry that would have helped develop the region into an economic center. The linking of Odessa with Ukrainian agricultural hotspots in the first instance, such as Balta, Kremenčuk, and Harkov, was inspired by the new economic, export-oriented policy. Consequently, regionally focused industrial development became even less important for the Ministry of Finance in St. Petersburg, and the region was unable to come to occupy a greater political significance in the imperial framework. In addition, Odessa faced being cornered by rival port cities on the Black Sea shore, which enjoyed an advantage. Among them was Nikolaev (Mykolayiv), a port city northeast of Odessa that had long been engaged in shipbuilding and, during most of the nineteenth century, hosted the Russian Empire’s Black Sea Navy Headquarters.<sup>33</sup> The close link between the Naval Ministry in St. Petersburg and Nikolaev was one of the reasons for Nikolaev’s rise in the 1860s. The military governor Bogdan von Glazenap encouraged foreign vessels to land in the commercial port and thereby transformed

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<sup>29</sup> Herlihy, *Odessa*, 216.

<sup>30</sup> *Ibid.*, 217.

<sup>31</sup> *Ibid.*, 219.

<sup>32</sup> Paul R. Gregory, *Before Command: An Economic History of Russia From Emancipation to the First Five-Year Plan* (Princeton: Princeton University Press, 1994); Peter Gatrell, *The Tsarist Economy: 1850–1917* (London: Batsford, 1986).

<sup>33</sup> Ūrij S. Krúčkov, *Istoriâ Nikolaeva* (Nikolaev: Vosmožnosti Kimberii, 2006).

Nikolaev from a naval base to a big commercial port.<sup>34</sup> In the 1880s, Nikolaev became Russia's third-largest commercial port, after Odessa and St. Petersburg. This intense regional competition increased pressure on the port of Odessa, which faced losing its monopoly on the northern shore of the Black Sea and altered Southern Russia's "regional" environment once again.<sup>35</sup>

Taken together, the new political situation, an inefficient transport infrastructure, and regional rivalry threatened the wellbeing of the port of Odessa. At the end of the 1870s, these threats did not go unnoticed. During the 1880s, a multitude of reports and evaluations (both by domestic and foreign observers) tried to shed light on the port of Odessa's difficult situation. Among the most elaborate reports was one handed in by the Odessan Committee of Trade and Industry in 1875. This committee was one of many in the Russian Empire, created at the request of urban or merchant societies. Committees of trade and manufacturers were established to discuss issues of trade and industry, based on the proposals of the Ministry of Finance of the Russian Empire and the provincial government, as well as issues related to local trade and industry that were raised by the committee itself. Until 1872, Odessa had no such committee, as it was organized through the Imperial Board of Trade (*Kommerčeskij Sovet*), which maintained branches in some of the empire's most vital economic centers: Odessa, Riga, Arhangelsk, Taganrog, and Rostov-na-Donu. But in 1872, this institution was abolished, a decision that intended to end or limit economic autonomy in the region and further attach these regions to the center. Subsequently, committees for trade and industry were introduced and Odessa's committee immediately started work. In the early 1880s the committee moved into its new building where a new commercial college was established. Designed by the architect F.B. Gonsiorovskij, the engineer Alexej N. Paškov erected the building in 1876–1877. He would later preside over the committee's board. Its members evaluated the region's economic situation thoroughly, and the results were published as annual reviews on the current situation regarding trade and industry in the respective region. The committee in Odessa even distributed their reports commercially.<sup>36</sup> In 1875, immediately after its foundation, the committee felt an urge to alert St. Petersburg. A report

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<sup>34</sup> D.D. Gnusin, *Materialy dlâ opisaniâ Russkikh portov i istorii ih sooruzeniâ*, vyp. IX, *Nikolaevskij Port* (St. Petersburg, 1889).

<sup>35</sup> In his book, Walter Sperling investigated the railroad's impact on the region of Âroslavl' and Saratov: Walter Sperling, *Der Aufbruch der Provinz: Die Eisenbahn und die Neuordnung der Râume im Zarenreich* (Frankfurt: Campus, 2011).

<sup>36</sup> *Enciklopedičeskij slovar Brokgauz i Èfron* 15a (1895), 850, art. "Komitety torgovli i manufaktur."

titled *On the Decline and Measures of Development in Odessa* was sent to the economic department of the Ministry of Internal Affairs of the Russian Empire.<sup>37</sup> On page two, the report's authors directly addressed the problematic situation in the city and the port of Odessa, "Which is beginning to raise the most serious fears for the future." It continued:

The present state of affairs in Odessa can be expressed in brief words by the fact that it is not only experiencing a temporary crisis, depending on the state of harvests at home and abroad, etc., but is also entering a period of decisive decline. And this decline will be fatal for her if it is not prevented by the most energetic measures and if no measures are taken at the most urgent time.<sup>38</sup>

The report ultimately evaluated two reasons for the port's decline, both of which related to changes in regional economic and infrastructure relations:

The success or failure of the Odessa trade [...] depends on the conditions under which it struggles with someone else's rivalry. Until recently, these conditions were very favorable. Southern Russia ranked first in the world in terms of quantity and quality of the bread it produced and Odessa was almost the only holiday destination in the whole vast region. Now this has changed. On the one hand, vacations began to be made via Nikolaev and Sevastopol, on the other hand, the development of the railway network allowed our bread to reach its foreign consumers, bypassing the Black Sea.<sup>39</sup>

According to the report, Odessa was faced with two threatening developments: First, the Black Sea region had diversified, with Nikolaev and Sevastopol' rising to become significant economic centers, which thus undermined Odessa's former monopoly in the region. Second, the Black Sea region itself lost its status as a prime hub for grain trade, and lost its share in favor of the developing and booming railway network. Instead, the Baltic seaports (and most prominent among them, Riga) were now rising fast.<sup>40</sup> They benefited from their close links to the central railroad

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<sup>37</sup> Rossijskij Gosudarstvennyj Istoričeskij Arhiv (RGIA), f. 1287 op. 7 d. 728, Hozāstvennyj departament MVD, Ob upadke i o merah razvitiā torgovli v Odesse (1875).

<sup>38</sup> RGIA f. 1287 op. 7 d. 728 l. 2.

<sup>39</sup> RGIA f. 1287 op. 7 d. 728 l. 2.

<sup>40</sup> Cf. Katja Wezel's research project on Riga as a hub of global trade and Ulrike von Hirschhausen, *Die Grenzen der Gemeinsamkeit: Deutsche, Letten, Russen und Juden in Riga 1860–1914* (Göttingen: Vandenhoeck & Ruprecht, 2006); Anders Henriksson, *The Tsar's Loyal*

lines and short distances from the important markets of Germany and Great Britain. Additionally, the report highlighted the sudden change in circumstances – clearly, the forces inherent in the world’s first (modern) globalization overstrained the adaptability of Odessa’s port. Under the presidency of A. Paškov and with nine sitting members, among them Russian, Jew, Greek, and German merchants, the committee then pressed on to face up to the port’s biggest problems.<sup>41</sup> One sure problem was the port’s bad connection to the railway network: The decision of the 1860s to bypass Kiev now appeared to be a big problem, since the efficient and profitable railroad connection from Kiev to the Baltic provinces (and, from there to the lucrative and ever rising markets of Germany and Great Britain) challenged and changed the well-trodden tracks of grain transport to which Odessa’s city officials were accustomed. The report stressed that moving a *četvert*<sup>42</sup> of grain from Kiev to Odessa (481 kilometers away) in 1875 cost two rubles, while moving the same amount of wheat to Königsberg, which was far more distant (956 kilometers), cost nearly the same (1.90 rubles).<sup>43</sup> This clearly demonstrated Odessa’s poor connection to the empire’s main transportation routes, and resulted in high and unprofitable transportation costs. The essence of this argument clearly lay in the shifting notions of “center” and “periphery” that affected all parts of the empire.<sup>44</sup> In the late nineteenth century, connectedness to the center became a (more) crucial feature of economic hotspots, and it is this geographical shift that is also visible in the following source:

The “Odessa–Baltic Railway” [...] on the one hand to Žmerinka and Kiev, on the other to Elisavetgrad and Kremenčug, is not the shortest way to connect Odessa to the center of the Empire.<sup>45</sup>

But the report did not limit itself to the Odessan port’s infrastructural deficits. In addition, its authors proved to be well aware of global ruptures in the grain market that would change the flow of grain and money across the oceans in a significant way. More specifically, it mentioned Argentina and the US as rising and increasingly dominant players in the global grain market, who eventually outpaced all their European rivals with respect to

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*Germans: The Riga German Community, Social Change and the Nationality Question, 1855–1905* (New York: Columbia University Press, 1983).

<sup>41</sup> The committee’s report was signed by L. Vedde, I. Vučina, G. Gurovič, A. Kievskij, L. Kommerel, N. Kriónap-Nikola, A. Novikov, A. Ratgauz and D. Rafalovič.

<sup>42</sup> One *četvert* (old Russian dry measure) = 209.9 liters.

<sup>43</sup> RGIA f. 1287 op. 7 d. 728 l. 11ob.

<sup>44</sup> Schenk, *Russlands Fahrt in die Moderne*, 60–70.

<sup>45</sup> RGIA f. 1287 op. 7 d. 728 l. 16.

quality and price. Pessimistically, the report noted: “The bread [wheat] trade of Russia, and that means largely of Odessa, will suffer the same fate that befell our export of wool.”<sup>46</sup> What they meant here was that the port of Odessa was threatened by both its peripheral location within the imperial economic network and by its self-restriction on exports of wheat. This resulted in a constant imbalance between imports and exports, with the former being partially neglected in the port’s trade. As a result, ships were often forced to make an empty run back to Odessa, and this stopped the economic region of Odessa from developing clusters of processing-industry plants. Back in 1865, planners in Odessa and St. Petersburg sincerely hoped that the new railroad would lead to the development of new industries, since it would contribute to the intensification and concentration of commerce and the flow of goods in the region:

[...] in the eyes of a wise government, a scientifically experienced statistician, and even a simple Russian person, the construction of the southern railway would mean not only the connection of existing supply markets to Odessa, to a port for international trade, but also –through acceleration – the desire for cargo movement and convergence of localities, hitherto separated by entire deserts, the cheapening of transport and, consequently, the development of industry [*promyšlennost’*] where the most necessary branches of the economy are in complete stagnation.<sup>47</sup>

Apparently, this problem remained an urgent one 20 years later. To overcome this issue, the report proposed that trade in Odessa should become

[...] more diverse, [it should] change from the predominance of just one specialty [...] In the future, imported trade for Odessa should take a much more prominent place than now. At the same time, it is necessary that it also creates within itself a manufacturing industry and that its capitals do not go exclusively in that one-way direction [...]<sup>48</sup>

Taken together, in summary this report comprises a detailed analysis of the port’s problems, possible solutions and a remarkable overview of the situation in the global grain trade. The report made clear assertions

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<sup>46</sup> RGIA f. 1287 op. 7 d. 728 l. 12ob.

<sup>47</sup> Skal’kovskij, “Biografiâ Odesskoj Železnoj Dorogi,” 15.

<sup>48</sup> RGIA f. 1287 op. 7 d. 728 l. 13.

regarding the links between economic performance and structural features, and it accorded lesser weight to other factors such as customs duties and taxes. Its authors, many of whom had been involved in constructing the port's facilities, developed their argument through close observation of their works. They underpinned the complex framework of different challenges that Odessa would face in the coming decades at the global, imperial, and regional levels. What is quite striking is the absence of political arguments. In 1875, shortly before the outbreak of the 1877–1878 Ottoman–Russian War, commercial elites in Odessa clearly did not notice or mention the Ottoman Empire, its neighbor, as a political or economic force in the region. Furthermore, the increasingly dangerous situation inside the empire itself, with Tsar Alexander II facing multiple terrorist attacks and the “Polish Question” as hot as possibly never before, infrastructural problems obviously had a political dimension.<sup>49</sup> However, the Committee of Trade and Industry in Odessa refrained from pushing this argument forward and relied on solely economic argumentation. It is only in historical retrospect that we can connect these two spheres.

#### 4. Connected, but to where?

The nineteenth century was, according to Jürgen Osterhammel, a “golden era of ports and port cities.” Seaports ranked as the “most important transaction points between nations and continents.”<sup>50</sup> The port of Odessa was no exception to this: It linked the Russian Empire to the world. An analysis of the port's infrastructure and its place in wider networks of transport and communications therefore contributes both to the history of the Russian Empire and the history of globalization. For Odessa, globalization did not always entail a steady increase in export and unlimited growth, and the story of Odessa cannot only be told as a success story.<sup>51</sup> In the 1860s, 1870s, and 1880s, when the world's first (modern) globalization swept across Russia, Odessa was only partially able to cope with the fundamental changes that this process brought to how it traded.<sup>52</sup>

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<sup>49</sup> Frithjof Benjamin Schenk, “Attacking the Empire's Achilles Heels: Railroads and Terrorism in Tsarist Russia,” *Jahrbücher für Geschichte Osteuropas* 58, no. 2 (2010): 232–53.

<sup>50</sup> Jürgen Osterhammel, *Die Verwandlung der Welt: Eine Geschichte des 19. Jahrhunderts* (München: Beck, 2011), 402–3.

<sup>51</sup> This, of course is a feature of globalisation in general, cf. Peter Feldbauer, *Rhythmen der Globalisierung: Expansion und Kontraktion zwischen dem 13. und 20. Jahrhundert* (Wien: Mandelbaum, 2009).

<sup>52</sup> For globalization's impact on the history of Russia cf. Martin Aust, “On Parallel Tracks at Different Speeds: Historiographies of Imperial Russia and the Globalized World around 1900,” *Comparativ* 29, no. 2 (2019): 78–105; Martin Aust, *Globalisierung imperial und sozialistisch:*

It is this ambivalent relation to modernity's prospects that makes the case of Odessa so illuminating. The reasons for Odessa's (relative) decline were situated on all three geographical levels – global, national, and regional.

First, Russia was a prisoner of its own trajectories: For a long time, Russia simply placed trust in its position as the “breadbasket” of Europe, and this enabled it to achieve high profits from export business. When new competitors arrived in the grain market, Russia witnessed them challenging its position and hastily evaluated measures to fight back. But, although the black soil of the Ukrainian lands was certainly extremely fertile, the vast areas of Argentina and America's Midwest allowed for production on a far larger scale.<sup>53</sup> Their rise to power, though, was only possible because of plummeting transportation costs. The railway and steamships dramatically reduced transportation costs over long distances and increased the reliability of deliveries. The port of Odessa tried to secure its position as the Black Sea's main port with ambitious construction projects, but it had to witness regional rivals, such as Nikolaev, wresting shares from Odessa. This contribution identified infrastructure policies as one of the main reasons for the delayed response to these global and regional shifts. Despite having been designed from an economic point of view in the first half of the nineteenth century, in the hope of boosting an economic mesoregion in Russia's south, in the 1860s and 1870s Odessa's bad railway links with Kiev and Moscow increasingly became a big problem. They harmed Russia's grain trade at its weakest point: Because of insufficient means of transportation, grain was stored at several points along the route. Moisture played an important role: It soaked Russian grain when it was loaded on carts and when the grain rested unprotected alongside tracks and railroad lines. This exacerbated already-known problems that related to the falsification of grain (often, grain was “stretched” with added sand).<sup>54</sup>

The port of Odessa lost significant shares in the export of grain to its rivals, most notably to Nikolaev and Herson, but Odessa remained Russia's largest export port until well into the late 1890s. Nevertheless, to a great degree, Russia's economic prosperity (and, ultimately, destiny) was dependent on the wellbeing of its hub on the northern Black Sea shore. After 1890, the situation clearly changed: Nikolaev started to overtake Odessa, and Riga rose to be Russia's biggest port until the beginning of

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*Russland und die Sowjetunion in der Globalgeschichte 1851–1991* (Frankfurt: Campus, 2013); Wenzlhuemer, *Connecting the Nineteenth-Century World*.

<sup>53</sup> Osterhammel, *Die Verwandlung der Welt*, 402–3.

<sup>54</sup> Herlihy, *Odessa*, 207–8.

the Russian Revolution. Odessa entered the twentieth century amid sailors' strikes, the workers' movement(s), and devastating pogroms.<sup>55</sup> Clearly, the port of Odessa was not the only one that struggled with different aspects of globalization. The age of steam was a challenge for many ports in Europe, including those in Livorno, Marseille, and Liverpool. All witnessed the "streamlining of technologies, the growth of exchange, and simultaneous political, economic, and social changes."<sup>56</sup> This article has argued that, in the case of Odessa, political and economic changes in the late nineteenth century were influenced by decisions to connect Odessa to, or disconnect it from, Russia's transport infrastructure. However, this did not mean that infrastructure policy determined political and economic outcomes. Quite often, the building and expansion of infrastructures reacted to or anticipated changes in economic or imperial policies (from liberalism to protectionism), political rulership (from Alexander II to Alexander III) or the composition of multiethnic city citizenship (from the Greek-Italian world of the first half to the Jewish-Russian world of the last half of the nineteenth century).<sup>57</sup>

In St. Petersburg and Odessa, the acceleration in and intensification of the movement of goods, particularly grain, via railroads sparked hope and rose expectations among numerous people. Looking back from the 1880s, some of these hopes were fulfilled, others were not. At the end of the nineteenth century, more grain than ever was moved to the shores of the Black Sea. However, the railroad did not lead to the significant industrial development of the Odessa region until the beginning of the twentieth century, and its competitors in the global grain market set out to overtake Russia. For Odessa, globalization was both a promise and a threat. It depended upon the choices made by decision-makers in the top ministries of St. Petersburg and on-site in Odessa, and the 1860s were a crucial moment for the port's history: Shaped by reformist debates, the (dis)connections decided on at that time were to define the city and port of Odessa well until the eve of the October Revolution.

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<sup>55</sup> King, *Odessa*, 127-251; Tanja Pentec, *Odessa 1917: Revolution an der Peripherie* (Köln: Böhlau, 2000).

<sup>56</sup> Carola Hein, "Port Cities," in *The Oxford Handbook of Cities in World History* (Oxford: Oxford University Press, 2013), 809.

<sup>57</sup> Dirk van Laak, *Alles im Fluss: Die Lebensadern unserer Gesellschaft: Geschichte und Zukunft der Infrastruktur* (Frankfurt: Fischer, 2018), 13: "They are the material substrate of social constellations, the coagulated state of a respective moment."

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