

Dear Conference participants,

The following is chapter one from my working manuscript, “The Merchants of Siberia: Trade in Early Modern Eurasia.” The Table of Contents below briefly helps orient in the larger project. Any and all feedback is most welcome. If you are interested in reading more, please let me know (emonahan@unm.edu).

With all best wishes,

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The Merchants of Siberia: Trade in Early Modern Eurasia

Working manuscript, not for citation

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CHAPTER 1

“For Profit and Tsar”: Commerce in early modern Russia

“Merchant Adventurer and free of Russia”
—epitaph on the tombstone of Richard Chamberlain, Muscovy Company member, 16 c.¹

“That Indian marveled immensely that no where [in Russia] does anyone instigate any sort of abuse against him.”
—Foreign Office report of interview with Indian merchant S. Kedekov, 17 c.

That the English merchant Richard Chamberlain chose to have his epitaph announce to eternity that he no longer had to toil in the Russian business climate gives us pause, four and a half centuries later, about what he encountered there. He had had enough. (Although, his son would become governor of the Muscovy Company in 1604.²) Certainly, Richard Chamberlain was not the only one who felt “worked over” by the Russian business climate. Venial officials, untrustworthy partners, harrowing logistical challenges, cold, distance, an amorphous regulatory environment, language and cultural barriers, added to the difficulties of plying one’s wares in Russia. It was true for foreigners and nationals alike. Even the most privileged merchants in Russia faced competition from both ends of the social spectrum. More than a few entrepreneurial peasants from the Russian north began in petty trade and rose to become formidable merchants; while they were still lowly, they were desired functionaries for many foreign merchants. The highest, too, engaged in entrepreneurial commerce: Boyar Prince Boris Ivanovich Morozov,

¹ T.S. Willan, *The Muscovy Merchants of 1555* (Manchester: Manchester University Press, 1953), 86.

² Willan, *The Muscovy Merchants of 1555*, 87.

brother-in-law to the tsar, was heavily involved in two of Muscovy's most important export industries, leather and potash.³ Doing business in Muscovy was tough going.

And yet, the stone-etched epitaph of this English entrepreneur does not account for the range of perspectives on commerce in early modern Russia. Incidentally, as an Englishman in the Russia of Ivan IV, Chamberlain traded absolutely tax-free, a perk even the most privileged Russian merchants did not enjoy. It was certainly not a privilege the Indian *ex patriate* merchant, S. Kedekov, enjoyed. In fact, as an *ex pat* in Astrakhan, Kedekov paid one of the highest tax rates in Russia, and yet, he “absolutely marveled” at the ideal trading climate he found there. He reported that, in stark contrast to the conditions in Persia, nowhere in Russia, “not in Astrakhan nor Kazan did anyone do any sort of offense to him and they let him trade freely, they levied taxes “straight,” and released him everywhere he went without any sort of delay.”⁴ Granted, that this Indian's voice comes to us from a report in the Foreign Office is cause for skepticism. The merchant may have had reasons for gilding his experiences to the secretary who interviewed him. Yet, with a sense of the voluminous complaints of abuse that such secretaries did record into the historical record, such an assumption seems less plausible. There must be a grain of truth to Kedekov's account, for he was not alone: thousands of merchants from the Near and Middle East, and Central Asia and India (but not China) lived in Russia, the majority immigrating to the empire during the seventeenth and eighteenth centuries. In Siberia in the 1730s, when the academician G.F. Müller interviewed descendants of émigrés from Bukhara about why their predecessors had immigrated to Siberia he received similar answers: they came for the favorable trading environment. Could it be that relative to economies eastward, Moscow was a benign

³ V.G. Geiman, “O khoziastve boiarina B.I. Morozova,” in *Khoziaistvo krupnogo feodala-krepostnika XVII v.*, 2 vols. (Leningrad: Izd. Akademii Nauk SSSR, 1933), lxxiii–lxxvii.

⁴ N.B. Golikova, *Ocherki po istorii gorodov Rossii: kontsa XVII-nachala XVIII v.* (Moscow: Izdatel'stvo Moskovskogo universiteta, 1982, 161.

environment and relative to economies westward, the Muscovite commercial realm was chaotic and corrupt? Such a position would reify Orientalist tropes about East and West. Does chronology explain the discrepancy? Seemingly not. Almost 1400 western Europeans also took up extended residence in Russia in the seventeenth century. Some European merchant families were active in Russia for nearly all of the seventeenth century; 50 English, Dutch, and German merchants made Russia their physical and spiritual homeland by converting to Orthodoxy.⁵ Further, Richard Chamberlain was a first-generation member of the Muscovy Company, making inroads into Russia under Ivan IV, whom some historians have accused of betraying Russian merchants' interests with the generous conditions he granted the Muscovy Company for the sake of English arms and an (unrealized) alliance. Under the Romanovs, English merchants would know tougher times in Russia than Chamberlain faced.

These conflicting perspectives point to this chapter's purpose: to describe the business climate of early modern Russia. Since there's no leaving the political out of political economy, this chapter takes a statist perspective, focusing on the state's approach to commerce and argues that the Muscovite state consciously promoted commerce. The state may not have promoted commerce in ways that moderns would judge successful or appropriate; nonetheless, it promoted commerce according to its own understanding. In doing so, its practices were not unlike the practices of other early modern states and empires. This chapter addresses important state institutions that shaped the commercial climate in Russia: policy, customs, merchant corporations, and state monopolies. The latter two were means by which the state not only

⁵ A.V. Demkin, *Zapadnoevropeiskie kuptsy i ikh prkazchiki v Rossii v XVII veka* (Moscow: RAN-IRI, 1992), 11; V.N. Zakharov, "Torgovlia zapadnoevropeiskikh kuptsov v Rossii v kontse XVII-pervoi chetverti XVIII v.," *Istoricheskie zapiski* 112 (1985): 177-214. According to Maria S. Arel, there were 38 "Moscow foreigners", European merchants who had converted to Orthodoxy, in Moscow in the first half of the seventeenth century. See "Masters in their Own House," 407.

regulated the economy, but directly participated in it as well. Before proceeding directly to the commercial landscape of Muscovy, some pages are devoted to situating Kievan Rus and Muscovy in their medieval and early modern contexts in order to demonstrate that Muscovy was neither as isolated nor as isolationist as is sometimes portrayed, thereby suggesting that it had more in common with other early modern polities than is generally appreciated.

Beyond the East-West binary

“Russia and the West” is a long established binary.⁶ The metaphysical and psychological hand-wringing generated by the question of Russia’s relationship to Europe has led to overlooking that Ivan IV’s first requests for military aid to England voiced his motivation of protecting against Tatar attack.⁷ Which is to say that the preoccupation with Russia’s contested European identity has obscured the fact that Russia was long embedded in a geopolitical context that oriented in other directions as well. With formidable neighbors to the south, east, west, and north, early modern dynamics were never just a matter of Russia and the West.⁸ Moreover, recent scholarship has challenged the extent to which Rus’ was cut off from the west prior to the sixteenth century. The Riurikid dynasty frequently married its princes to western princes. Christian Raffensberger has shown that more than three quarters (77%) of 52 known dynastic marriages were to countries west of Rus’.⁹ Economic exchange prevented the Slavic

⁶ Valerie Kivelson refers to the “obfuscatory and unedifying East/West dichotomy”. Valerie Kivelson, “On Words, Sources, and Historical Method: Which Truth About Muscovy?” in *Kritika* 3.3 (2002): 496.

⁷ Joseph Fuhrmann, *The Origins of Capitalism in Russia: Industry and Progress in the Sixteenth and Seventeenth centuries* (Chicago: Quadrangle books, 1972). Liubimenko covered this earlier.

⁸ Janet Martin’s *Medieval Russia: 980–1584* (New York: Cambridge University Press, 2007) does an excellent job of contextualizing Muscovy in its post-Mongol Eurasian context.

⁹ Christian Raffensberger, *Reimagining Europe: Kievan Rus’ in the Medieval World* (Cambridge, MA: Harvard University Press, 2012), 47.

principalities on the eastern edge of Europe from ever being entirely isolated from its western neighbors. Muscovite economic connections to Western Europe via the Baltic and western borders can be traced, even if thin as spider webs, back to ancient times. During the Carolingian period Rus' was the main artery through which furs and eastern goods, via the Caspian and Black Seas, reached Europe.¹⁰ Founding Vikings moved coin and wares through the river arteries between Constantinople and Reval (Scandinavian Europe) from the tenth century.¹¹ Novgorod grew into a busy medieval market frequented by merchants from Europe and as far as Central Asia. Its connectedness suffered, however, when Grand Prince Ivan III ejected the increasingly imperious Hansa league merchants from Novgorod in the late fifteenth century (1494).¹² Besides the Baltic exits, an overland route via Polish and German lands had long existed. In 1489 the Russian merchant Demia Frizin traveled through Lithuania with valuable pearls and carpets from the east.¹³ Although these overland routes are little documented, it is speculated that they supported the highest volume of traffic because of a lack of customs regulation.¹⁴ (The Black Sea made for an important trade point, but we leave the south out for now.)

Indeed, it was never just Russia and the West; Russia was never as isolated as has been sometimes suggested. Not only that. In the intellectual transmission whereby Russia assumed its inferior place at Europe's knee, knowledge of these connections was lost. When the first European mapmakers came to Muscovy with an interest to chart the world, a process of

¹⁰ J.A. Houtte, *An Economic History of the Low Countries, 800–1800*, World Economic History, ed. Charles Wilson (London: Weidenfeld and Nicolson, 1977), 18.

¹¹ Simon Franklin, *The Emergence of Rus'* (New York: Longman, 1996). Coins were from Frisian and Meuse towns, and perhaps other places, too. Houtte, *An Economic History of the Low Countries*, 51.

¹² Robert Crummey, *Formation of Muscovy, 1304-1613* (New York: Longman, 1987).

¹³ Janet Martin, "Muscovite Travelling Merchants: The Trade with the Muslim East," *Central Asian Survey* Vol. 4, no. 3 (1985): 34.

¹⁴ Paul Bushkovitch, *Merchants of Moscow*, said this at ASEES 2012 in conversation.

unknowing began. Russians “forgot” that a body of water separated Asia and North America.¹⁵ Krizhanich, writing in the middle of the seventeenth-century, reported that “this question” of whether “the Arctic and the Eastern or Chinese [oceans are] separated from one another by land which extends east from Siberia . . . was very recently resolved by soldiers from the Lena and Nerchinsk oblasts. . . . They declare that there is no land to the east, and that these seas are not divided by land, and that Siberia, the Daur and Nikan lands, and Kitai or Sina are washed on the east by one continuous ocean.”¹⁶ Yet, a half-century later, the Dane Vitus Bering was charged with determining whether the continents of Asia and North America were connected.

Attempts to counter the “backwardness” wrap and “normalize” Russian history vis-à-vis western traditions go as far back as the Westernizers of the nineteenth century. In 1952 R.W. Davies argued that the economic development of twelfth-century Kiev exceeded that of many European locations, including France and England.¹⁷ “Comparative analyses traditionally have done Russian history no favors,” remarked Valerie Kivelson with both humor and insight, while attempts to argue for a less autocratic, more consensual political culture have even been met with hostile rejections.¹⁸ Implicitly or explicitly, next to early modern England and the Dutch Republic, Russia was hopelessly backward. Even scholarship insisting on the superlative particularity of England and the Netherlands as two extraordinary early modern commercial

¹⁵ find article, poznov in grey bk on Russian alaska? They “forgot” other things as well (Aral Sea)

¹⁶ *Russia's Conquest of Siberia*, vol. 1, ed. Basil Dmytryshyn, no. 113, p. 441.

¹⁷ R.W. Davies, “Revisions in Economic History: XIV. Russia in the Early Middle Ages,” *The Economic History Review*, New Series, Vol. 5, No. 1 (1952), pp. 116-127.

¹⁸ Valerie Kivelson, “Merciful Father, Impersonal State: Russian Autocracy in Comparative Perspective,” in *Beyond Binaries: Re-imagining Eurasia to c. 1830*, ed. Victor Lieberman (Ann Arbor, MI: University of Michigan Press, 1999), original publication: *Modern Asian Studies* 31, no. 3 (1997): 635; See Marshall Poe, “The Truth About Muscovy,” and Valerie Kivelson, “On Words, Sources, and Historical Method: Which Truth About Muscovy?” in *Kritika* 3.3 (2002): 473-499.

powerhouses has done little to overturn an impression of Russia's retrograde economy and culture.¹⁹ The following discussion situates Muscovy in its wider context by taking inventory of its known connections with the wider world.

Reconsidering Rus' in the World

Commerce as a means of revenue and regulation of commerce goes deep in Rus' tradition. Prince Yuri "Dolgorukii" ("The Long-Armed" 1099-1157) got his name for the taxes he was able to collect. The Rus' of ancient Kiev and Novgorod gained power through commerce—connection to commerce of Byzantium, which was linked to Eurasian trade.²⁰ Ancient Kiev had substantial diplomatic and commercial links to the wider world. Indeed, V.O. Kliuchevskii called Kiev a "trading state" and The *Russkaia Pravda*, a law code of trade capital.²¹ Scandinavians who had traveled long distances in search of opportunity founded the Riurikid dynasty, which ruled Russia for just over six centuries. The Rus' state in Kiev emerged as a trading state, tapping into Silk Roads trades and forest products of European forests.²² Even before Vladimir embraced Christianity, his Christian grandmother Princess Olga sent a retinue of 100 people to Constantinople and another envoy to the German emperor Otto. Recall the Primary Chronicle's famous story of Grand Prince Vladimir who, when considering monotheism for his state, dispatched ambassadors in all directions to learn about the religions of his neighbors. Kiev fought and traded with the Bolgar kingdom founded on the Volga River in the tenth century.²³

¹⁹ Jack A. Goldstone, "The Problem of the 'Early Modern' World," *Journal of the Economic and Social History of the Orient* Vol. 41, no. 3 (1998): Holland: 263-4, England: 268-75.

²⁰ Cite work by Thomas Noonan; Simon Franklin and Jonathan Shepard, *The Emergence of Rus', 750-1200* (New York: Longman, 1996)

²¹ V.O. Kliuchevskii, *Kurs russkoi istorii*, part 2 (Moscow: 1937), 253-5.

²² Omelian Pritsak,

²³ *The Volga Tatars*; Roman Kovalenko.

The Rus' had links to less cosmopolitan European courts as well; Vladimir Monomakh married a daughter of Harold, the last Anglo-Saxon king of England in the eleventh century.²⁴ While the appropriate historical legacy between Kiev and Muscovy is a contested issue, these economic connections are significant for our purposes.

During the appanage period (11-14th centuries), Rus' principalities to the north followed in Kiev's footsteps. Traffic of clerics between Moscow and Greece and Istanbul was also fairly regular, and their concerns extended to commercial as well as ecclesiastical matters. Links to Istanbul were only the most obvious way in which Moscow appropriated historical connections of Ancient Kiev. Long distance connections existed in other Slavic principalities in the region as well. In addition to establishing close ties with the papacy in Rome, Prince Daniil of Volynia and Galicia (r.1245-?) made efforts to marry his children to ruling dynasties of Hungary, Austria, and Lithuania as a counterweight to Mongol power. He also established close ties with papacy.²⁵ In 1269 Novgorod concluded treaties with Gotland, Lubeck, Riga and other German towns establishing rules governing foreign merchants' visits to Novgorod.²⁶

Before Moscow reigned supreme among Slavic principalities of the European plain, its commerce was similar to neighboring regional principalities like Tver, Riazan, and was not as important as commerce was in Novgorod and Kazan'. We know little about the economy of Muscovy in the medieval period (12-15 centuries). Since Marco Polo never traveled to Rus', his expertise is doubtful, but he asserted that, "the Rus have not much trade." Excavations of tenth century camel bones around Kiev testify to connections with the East centuries before Marco Polo's adventures. Indeed, deposits of Arab coins in the Baltic region suggest that eastern trade

²⁴ Davies, "Revisions in Economic History," 123.

²⁵ Janet Martin, *Medieval Russia*, 152.

²⁶ Janet Martin, *Medieval Russia*, 167.

may have been cut off in the eleventh century, but in 1245 the Papal legate Plano Carpini encountered Russian merchants in Urgench. And, as improbable as it seems, given the problems Russia had asserting hegemony over this space even into the late eighteenth century, the tenth-century Arab writer Ibn Khaukal²⁷ referred to the Volga River as a Russian river on account of the all merchants he observed there²⁷. Even if not directly, a sense of China was present as early as the thirteenth century, for the Russians referred to Beijing as Kambalyk, which had been the name of the capital city that Kubilai Khan (1215-1294) relocated and renamed Peking in the thirteenth century.²⁸ Janet Martin tells us that Mongol conquest helped integrate Moscow into more vibrant trade networks to its south.²⁹ Contrary to Marco Polo's assertion, Donald Ostrowski argued that the *Pax Mongolica* facilitated trade of which the savvy Muscovites took advantage, becoming creditors to wealthy Byzantium by the end of the thirteenth century.³⁰ Following in the tradition of his "long-armed" ancestry, Ivan I Kalita "money bags" (1288-1340) earned his nickname for the taxes he was able to collect, as holder of the Mongol *iarlyk* (permission to collect tribute for the Mongol khan).³¹ A late fourteenth-century chronicle describes Moscow as a city bursting with wealth and glory."³²

²⁷ V.B. Perkhavko, *Istoriia russkogo kupechestvo* (?: 2008), chapter 3, esp. pp. 76, 91.

²⁸ V.G. Kurts, *Sochinenie Kil'burgera o russkoi torgovlie v tsarstvovanie Aleksieia Mikhailovicha* (Kiev: Tip. I.I. Chokolova, 1915), 203–5 [check p#]

²⁹ Janet Martin, "The Land of Darkness and the Golden Horde: The Fur Trade under the Mongols XIII-XIVth Centuries," *Chariers du Monde russe et soviétique* Vol. 19, no. 4 (1978): 401-21.

³⁰ Donald Ostrowski, *Muscovy and the Mongols: Cross-cultural Influences on the Steppe Frontier, 1304-1589* (Cambridge: Cambridge University Press, 1998). On Marco Polo, see *The Book of Ser Marco Polo, the Venetian*, bk. 4, chs. 20-24.

³¹ Janet Martin, *Medieval Russia*, #

³² "град Москва велик и чуден град, и множество людей в нём, кипяше богатством и славою." Samuella Iosifovna Fingaret, "Bogat i slaven gorod Moskva," accessed <http://books.teleplus.ru/read.php?PageNr=2&id=16819>. cited from "Moskovskie gorodskie riady i gostinnyi dvor," in *Moskva. Kupechestvo. Torgovlia. XV-nachalo XX veka*, A.R. Andreev, compiler (Moscow: Izdatel'stvo 'Kraft', 2007), 86.

Commerce — an area of focus for the Muscovite state

Commerce was of integral importance to the Russian state before the sixteenth-century arrival of the English, an underappreciated point in a historiography that has focused a peculiar political culture and debated extensively the nature of it.³³ But when one turns one's attention to commerce, as scholars such as Janet Martin and Roman Kovalev have, its importance to the state becomes immediately apparent.³⁴ Moscow's conquest of the Russian North was motivated by a desire to tap into the fur profits Novgorod enjoyed. So too were commercial concerns operative in relations with Kazan under Vasili III. Analyses of Muscovy's wars consistently reveal commercial concerns among the reasons involved. Exchange was a fact of life during and after Mongol subjection. Muscovy, like Kiev before it, was keen to cultivate southerly relations.³⁵ And well it should—the Mediterranean, accessed through the Black Sea, had long been the locus of politics, religious, cultural, and economic, and technological hegemony for Christendom. Muscovy engaged in trade that moved northwest towards the Baltic and southward towards silk road nodes/termini in the Black Sea and later Volga.

³³ See introduction. For interpretations that do place commercial concerns at the center of Muscovy's expansion in Siberia see Janet Martin, Mark Bassin, and Clifford Foust. Janet Martin argues that Muscovy was reluctant to move into Siberia because it could glut a tenuous luxury fur market. Once expansion began, the state tried to assert control over the fur trade and develop direct trade to Persia and Central Asia as a strategy to avoid flooding Moscow with furs. Janet Martin, "'The Fur Trade and the Conquest of Sibir,'" *Sibérie II: questions sibériennes, histoire, cultures, littérature* (1999): 67-79. Bassin, analyzing the Treaty of Nerchinsk demonstrates that Moscow readily ceded on territory and other points in order to ensure trade relations with China. Mark Bassin, "Expansion and colonialism on the eastern frontier: views of Siberia and the Far East in pre-Petrine Russia," *Journal of Historical Geography* Vol. 14, no. 1 (1988): 3-21. Clifford M. Foust, "Russian Expansion to the East Through the Eighteenth Century." *The Journal of Economic History* 21, no. 4 (December 1961): 469-82.

³⁴ Janet Martin, *Treasure in the Land of Darkness*; various articles by Roman Kovalev.

³⁵ While historians go to significant lengths to distance Kiev from Moscow in terms of political heritage, the commercial links are palpable and less problematic because shared aspects of political economy do not *necessarily* determine the nature of political relationships and heritage.

The 1453 conquest of Constantinople was a shock to Christendom but a boost to Muscovy's prestige. In the wake of the conquest a lively trade existed between Muscovy and the Ottoman Empire. Janet Martin identified 220 merchants that traveled between Muscovy and Ottomans between 1488-1502. Based on available data, in over ½ of these cases, merchants had less than 50 rubles worth of stuff, so fairly modest shipments.³⁶ As the Ottoman Empire extended its influence into the Black Sea region, Muscovy began to look eastward to the Volga to cultivate alternate trade outlets. It cultivated trade (and diplomatic) relations with the Ottoman's rivals to the east, Persia.

From the early sixteenth century, horse trade driven from the steppe was a major event in Moscow. According to Nazarov in 1474 a massive caravan, comprised of 600 Tatar "posly" (ambassadors) and 3200 merchants, driving about 40,000 horses and bearing many other wares arrived to Moscow from the Great Horde.³⁷ Meanwhile, goods from China were found in elite Russian households prior to the fifteenth century.³⁸ No concrete evidence places Russian merchants as far east as China trading in the fifteenth century, but that is largely due to the efficacy of established trade networks in which Central Asian merchants acted as middlemen. Eurasian trade was a developed world in which goods traveled farther than their holders.³⁹ But there is evidence that Russian merchants in the fifteenth century traveled as far as India.

³⁶ Janet Martin, "Muscovite Travelling Merchants: The Trade with the Muslim East (15th & 16th cc.)," *Central Asian Survey* Vol. 4, no. 3 (1985): 25.

³⁷ D.M. Iskhakov, I.L. Izmailov, *Etnopoliticheskaia istoriia tatar* (Kazan: RITs "Shkola", 2007), 256. No page numbered but it's p. 256, [Part 3, chapter 3 (each section begins chapter count anew), section 4, pp. 255-9. Bol'shaia Orda i Astrakhanskoe khanstvo. (Nazarov 1983:33).

³⁸ M.V. Fekhner, *Torgovlia russkogo gosudarstva so stranami vostoka v XVII veke* (Moscow, 1956).

³⁹ See David Christian, "Silk Roads or Steppe Roads," *Journal of World History* Vol. 11, no. 1 (2000): 1-26; Valerie Hansen, *Silk Road: A New History* (New York: Oxford University Press, 2012).

Afanasii Nikitin's journey to India

Fifteenth-century Russian merchants traveled farther still in search of trade. Afanasii Nikitin was a merchant whose pursuit of trade opportunities took him all the way to India during his travels from 1466-1474. His remarkable account lends precious insight to the nature of early modern Eurasian trade, for while the account he left is entirely unique in the fifteenth-century Russian sources, the experience itself was probably less so.⁴⁰ After all, he traveled with other Russian merchants for much of his travels.

Afanasii Nikitin chronicled his journey (1466-1472 or 1468-1474) southward to India, where he spent nearly three years, and back to Rus', providing a precious glimpse of the economic, political, and cultural context of an early modern Eurasian merchant.⁴¹ Nikitin was not from Muscovy, but from Tver, which at the time of Nikitin's travels was a neighboring principality, one of several which during this period were becoming subject to Muscovy. Iaroslavl' had already been absorbed into Muscovy by the time of Nikitin's departure. Rostov sold its ancestral rights to Moscow in 1474. Moscow annexed Novgorod violently in 1478, a campaign to which the sovereign Grand Prince Michael of Tver' committed troops to assist Moscow, even as he moved to protect his independence by developing relations with Lithuania. Tver' was annexed in 1485. Moscow would annex about a decade after Nikitin's death, in 1485.

Nikitin's journey was shaped by the political instability and upheavals through which he passed. Nikitin traveled all the way to India, not as part of prior design, but because he was not

⁴⁰ V.E. Syroechkovskii, *Gosti-Surozhane* (Moscow-Leningrad: Gosudarstvennoe sotsial'no-ekonomicheskoe izdatel'stvo, 1935), 42–5; Robert O. Crummey, *The Formation of Muscovy, 1304–1613* (New York: Longman, 1987), 87–91.

⁴¹ Gail D. Lenhoff and Janet B. Martin, "Torgovo-khoziaistvennyi i kul'turnyi kontekst 'Khozheniia za tri moria' Afanasiia Nikitina" in *Trudy ot dela drevnerusskoi literatury XLVII* (Saint Petersburg: Izdatel'stvo Dmitrii Bulanin, 1993): 95–126. This article was published first in English as "The commercial and cultural context of 'Journey Across Three Seas' of Afanasii Nikitin," *Jahrbücher für Geschichte Osteuropas* 37 (1989): 321–44.

allowed to return to Rus' after being captured and taken to the ruling sultan in the Southern Volga region. Typical of early modern travelers' accounts, Nikitin, with a merchant's practical eye, reports the distance between towns, wares found in various markets, and customs fees. Similar to early modern envoys who were typically charged with reporting on potential strength of neighbors and where issues of rank and protocol were integral facets of early modern culture, Nikitin reports in detail the displays of military strength and ritualized entourages he observes. He also makes comments about food and culture. Beyond a belief in Buddha and the ubiquitous prohibition against eating beef that Nikitin understood as unifying features of Hinduism, he was fascinated by the diversity of Indian faith and customs.

Of similar importance in Nikitin's account are his religious concerns. The angst Nikitin experiences negotiating a multi-confessional world may be the most fascinating aspect of his account.⁴² Nikitin worries that he has lost his faith.⁴³ After a book he brought on his journey was stolen, he has nothing from which to read his prayers, and no calendar with which to observe religious holidays. Traveling in lands of Muslims and Hindus, he does not know when to fast for Lent or celebrate Easter. When Muslims he encounters comment that it seems he has no faith at all because he does not observe, it sends Nikitin reeling. He begins to fast with his Muslim companions. He confides in his diary that he worries that he is becoming Muslim. Instrumental apostasy may have happened quite a lot in the Eurasian commercial spaces. Sogdians, merchants of ancient and medieval inner Eurasia, were renown for their religious flexibility.⁴⁴ In the

⁴² Lenhoff and Martin raise this issue, which is explored more deeply by Mary Jane Maxwell in "Afanasii Nikitin: An Orthodox Russian's Spiritual Voyage in the Dār al-Islām, 1468-1475," in *Journal of World History* vol 17, no.3 (2006).

⁴³ Compare: Avvakum, "The Life of Archpriest Avvakum by Himself," in *Medieval Russia's Epics, Chronicles, and Tales*, ed. and trans. Serge A. Zenkovsky (New York: E.P. Dutton, 1963): 320–70.

⁴⁴ Richard Foltz, *Religion of the Silk Road*.

seventeenth century other Russian ambassadors were accused of apostasy, to say nothing of the uncounted Orthodox slaves who found their way into Muslim lands. Inter-confessional aspects of early modern trade are addressed in chapter eight.

About the same time that Afanasii Nikitin was negotiating religious difference and bargaining ware on the subcontinent, Ambrogio Contarini, an ambassador from the Serene Republic of Venice, traveled to Persia to seek an alliance with the Shah against the Ottoman Turks. On his return trip, he was kidnapped and ended up in Astrakhan. There, still several decades before Muscovy showed any pretensions to claim that Caspian port, Rus' merchants who happened to be trading there ransomed him and brought him to the Muscovite court, where he waited until reimbursement from Venice arrived.⁴⁵

Muscovy rising

The Muscovite princes were a dynamic group who actively consolidated wealth and power to Moscow, worked to fortify stability and exploit opportunities in all geographical directions from the fourteenth century onwards. The rise of Muscovy and disintegration of the Mongol Horde overlapped in long drawn-out processes. The "Mongol Yoke" ended not with a bang but in a long decline from 1360s to the mid-fifteenth century. Muscovy's ascendancy proceeded not meteorically, but steadily. Ivan III (r. 1462-1505) conquered the thriving oligarchic principality of Novgorod in the 1478. Arguably Moscow's first imperial conquest, this was accomplished while Moscow was still technically subordinate to the Qipchak khanate (although it had been decades since Moscow had consistently paid tribute in Sarai). Ivan III proceeded to consolidate and project Muscovite authority through foreign marriage, international

⁴⁵ Giosofat Barbaro, *Travels to Tana and Persia, by Josafa Barbaro and Ambrogio Contarini* (London: Printed for the Hakluyt society, 1873).

diplomacy, creation of symbolic centers, and issuing of a law code—strategies familiar to students of early modern governance in Europe. He focused his expansion efforts towards the Baltic and Silk Road/Caspian routes, important trade regions that had animated rulers in this part of the world since the period of the Vikings. Once Mongol suzerainty was eliminated, the Eurasian region faced several decades of stalemate where Muscovy along with the other successor kingdoms of the Kazan, Astrakhan, Sibir’ and Crimean khanates maintained a holding pattern of sorts. One of the main problems to overcome was the fragmented political order. Like the post-Chingissid world in Central Asia, the Slavic principalities shared cultural and dynastic affiliations. But they often valued independence over allegiance, which made for a fragmented political landscape.

Ivan III famously ejected the Hansa league merchants from Novgorod in 1494. This move has been cited as an example of Muscovy’s backward and isolationist nature. Given that the Hansa merchants in Novgorod operated more as a thuggish cartel than free-market proponents in fifteenth-century Novgorod, their ejection can hardly be seen as inimical to healthy commerce. Ivan III’s action can be interpreted variously—complete subjugation of Novgorod was likely a higher priority for him in the moment than the cultivation of commerce. On another register entirely, one wonders if Hansa league members were not somehow implicated in the recent “Judaizer” episode that had recently rocked Novgorod and Moscow.⁴⁶ In his broader legacy, it is clear that Ivan III worked to cultivate international commercial connections. He sent ambassadors to Italy (1468, 1474, 1486⁴⁷), Hungary (1482) and the Holy Roman Empire (1490).

⁴⁶ See Don Ostrowski, *Interconnections: Russia in World History*, chapter 4? (ms in progress).

⁴⁷ Thomas S. Noonan and Roman K. Kovalev, “‘The Furry 40s’: Packaging Pelts in Medieval Northern Europe,” in *States, Societies, Cultures East and West. Essays in Honor of Jaroslaw Pelenski*, ed. Janusz Duzinkiewicz (New York: Ross Publishing, Inc., 2004), 653.

Despite Ivan III's successful state building in the fifteenth century, the scaffolding of Muscovite governance remained sparse. By the end of the sixteenth century, Muscovy was the undisputed ruler among eastern Slavs but there was still very little government to speak of; the entire government may have consisted of not much more than four departments (*prikazy*).⁴⁸ Loyal servitors were thin on the ground and in the absence of much state bureaucracy, let alone legalized procedures, they remunerated themselves for doing the tsar's bidding according to the traditional system called '*kormlenie*,' a word that literally means feeding. This system amounted to a laissez-faire mode of governance in that the servitor on the ground could extract whatever "the market would bear". Extortion, coercion, and force could obviously inform what the market—the local population—could bear. Squeezing a population too hard could meet with a pitchfork rebellion, but it is not taking an apologist stance to recognize that local populations in peripheral areas appreciated the defense that Russian retinues (albeit imperfectly) provided during Tatar slave raids, which southern Muscovy suffered endemically.

Ivan III's son Vasilii III (r. 1505-1533) saw commerce as a component of foreign relations. His efforts to enhance nascent Moscow's regional dominance included establishing and expanding trade in Ottoman-dominated regions and less successfully, increasing influence in the Volga region. Vasilii III sent two merchant factors (*gosti*) to Istanbul in 1515 and another in 1530.⁴⁹ These overtures succeeded in establishing direct state-trade relations, which made Vasilii III more willing to let the Muscovite-Crimean alliance deteriorate.⁵⁰ After this was accomplished, Vasilii offended the Crimean khanate by withholding the generous gifts it had

⁴⁸ Romaniello, *The Elusive Empire*, 55. He cites Giles Fletcher.

⁴⁹ B.N. Floria, "Privilegirovannoe kupechestvo i gorodskaiia obshchina v russkom gosudarstve (vtoraia polovina XV- nachalo XVII v.)." *Istoriia SSSR* 5 (1977): 149.

⁵⁰ Janet Martin, *Medieval Rus*, 319-29. In "Muscovite Traveling Merchants" article, Janet Martin says private trade suffered as state trade increased between Russia and Ottoman Empire.

been his father's practice to bestow. He went to war against Crimea's ally, Lithuania. True, Vasiliï seized Smolensk in 1512, prior to direct contact with the Ottoman Sultan, this action only supports the argument of Vasiliï's interest in expanding Muscovy's commercial reach. Smolensk, located on the Dnieper River near a portage to the Western Dvina River, which flows into the Baltic (not to be confused with the Northern Dvina River, which flows into the North Sea), was an important way station on the Black Sea and Baltic trade routes. To the east, Vasiliï enacted a trade embargo against the Khanate of Kazan, forbidding Russian merchants from trading in Kazan and directing them to Nizhnii Novgorod instead; this embargo reportedly hurt Muscovite economic interests no less than Kazan's.⁵¹ That is, even as he effectively antagonized his neighbors (Crimea, Kazan), he took steps to fortify Muscovy's long-distance international trading position. Vasiliï III cast his commercial-diplomatic net farther still, sending Russian ambassadors to Charles V, ruler of the largest domain on earth in 1524 and 1527. And he received Habsburg ambassadors as well, one of whom was Sigmund von Herberstein, author of one of the most famous traveler accounts of sixteenth-century Muscovy.⁵²

The records of Muscovite diplomatic and commercial ambassadors sent abroad and received in the Kremlin indicate a broad geographical swath of connection. By the sixteenth century, various types of commerce that coexisted, all of which cannot be quantified. We might identify three categories. First, diplomatic exchange existed on a spectrum that encompassed political and commercial functions. Diplomats brought "gifts" which often fulfilled commercial functions. Second, courts conducted more formal commercial exchange, sending people to foreign lands to trade on its behalf. Diplomats and their retinues typically brought items to trade.

⁵¹ Janet Martin, *Medieval Rus'*, 319-29.

⁵² Sigmund von Herberstein, *Notes Upon Russia*, works issued by the Hakluyt Society (London: 1851; reprint ed., New York: Burt Franklin: n.d.)

They came with intentions to acquire certain items, whether as gifts or through purchase. Depending on the reception, commercial ambassadors might trade at court and/or local markets. Muscovite tsars sometimes sent designated merchants (often, from what would become the privileged corporations) and sometimes others to do their commercial bidding abroad and across the empire. Finally, there is the matter of independent traders, harder to assess, but a part of the picture nonetheless. Private traders attached themselves to diplomatic expeditions. More significant than these categories with often fuzzy boundaries, the take home point is that, for Kiev and Muscovy, as for much of the pre-modern world, significant exchange occurred in the realm not of explicit economic exchange (recorded by customs officials and taxed at the borders). Where there was diplomacy, there was exchange. Since commerce and politics were inextricable fellow travelers, tracking diplomatic exchanges provides important clues for gaining a sense of a state's participation in the world economic order.

Sixteenth-century watershed

The sixteenth century was a watershed in the history of Russia's place in the world economy for two reasons: it considerably increased its westward and eastward trade. In the summer of 1553 the Willoughby-Chancellor expedition, consisting of three English ships, set sail to navigate the icy waters of the northern Eurasian coast in search of a Northeast passage to the riches of the Indies and Cathay. Two of the ships were sunk and one became stranded at the mouth of the Dvina River. When reports of this arrival reached Moscow, Ivan IV ordered the ship's captain brought to Moscow. Willoughby met a watery death and Chancellor received a royal welcome in Moscow. He returned with gifts and a promise of monopoly privileges for English merchants in Muscovy. With such happy prospects 250 English investors pooled their

resources to form the Muscovy Company in 1555. Direct trade began with Russia, situated at the mouth of the Northern Dvina. A contingent of Russian merchants returned to London with the first English merchants in 1555.⁵³ Although subsequent companies would enjoy more glorious fortunes and legacies, the Muscovy Company was the first joint stock company. The model came to define maritime trade in the early modern era.

The English by no means comprised the whole of Muscovy's trade horizons. Ivan IV (1533–1584) was even keener for commercial prospects and geopolitical opportunities than his father Vasili III had been. In the 1552, sensing political weakness, he boldly sought to command Upper Volga trade with the conquest of Kazan, an event which has come to be recognized as the beginning of Russia as a multi-confessional empire. In 1567 he dispatched commercial agents to Hormuz (Persia), Antwerp (Netherlands), Tsargrad (Turkish Constantinople), Alexandria (Egypt), and Sweden.⁵⁴ Ivan IV consolidated important contacts with the Caucasus by marrying a Kabardinian princess from the Cherkasski clan.⁵⁵ He received Caucasus embassies from Christian Georgian embassies graciously, even if he declined to deliver the concrete military aid they sought against Persian threats. Indeed, Ivan was negotiating a complex geopolitical landscape, in which he was fighting wars to his east and west. Recall that Ivan's first requests for military aid to England voiced his motivation of protecting against Tatar attack.⁵⁶

⁵³ Samuel Baron, "Osip Nepea and the Opening of Anglo-Russian Commercial Relations," *Oxford Slavonic Papers* New Series, XI (178): 42-63; repr. *Muscovite Russia: Collected Essays* (London: Varorium Reprints, 1980).

⁵⁴ Bakhrushin, "Ivan Groznyi," in *NT* 2:30911; Janet Martin, "Muscovite Travelling Merchants: The Trade with the Muslim East (15th and 16th cc.)," *Central Asian Survey* Vol. 4, no. 3 (1985): 34; Noonan and Kovalev, "'The Furry 40s,'" 653.

⁵⁵ Paul Bushkovitch, "Princes Cherkasskii or Circassian murzas: The Kabardians in the Russian boyar elite, 1560-1700," *Cahiers du Monde russe* Vol. 45, nos. 1-2 (2004): 9-30.

⁵⁶ Fuhrmann, *Origins of Capitalism in Russia*, ch2 or Cite Liubimenko instead.

To its south, Russia's interest in securing trade routes led it to cultivate relations with both the Ottomans and the Persians, relationships whose fortunes in the sixteenth and seventeenth century were largely conditioned by Ottoman-Persian rivalries. While no Ottoman caravans arrived to Moscow from 1568-1574, Ivan IV sent gift-laden embassies to the Turkish sultan in 1567 (as noted above) and 1570.⁵⁷ In 1590 Russian merchants returned to Moscow from Ottoman court.⁵⁸ Persia was a mecca of early modern Eurasia culture and coveted commodities, a partner with whom Russia was keen to cultivate trade relations. Although politics persistently complicated economic prospects, Moscow was ever keen to cultivate trade with its Shiite neighbors.⁵⁹ It dispatched at least ten embassies to Persia from 1590–1626.⁶⁰ In the 1560s Russians were already there, and with a decent presence, according to a 1566 report of English company man.⁶¹ Russia was not alone in its desire to access eastern goods through trade with Persia. The English sent expeditions to Persia in 1564, 1565, 1568, 1569, and 1579.⁶² They, along with the Dutch courted the Safavid Empire to negotiate favorable trade.

While it is giving the English too much credit and misreading Eurasian geopolitical history to credit the English with planting the seed that grew into Muscovy's eastward

⁵⁷ Martin, "The Fur Trade and the Conquest of Sibir'," 71; Rudi Matthee, "Anti-Ottoman Politics and Transit Rights: The Seventeenth-century Trade in Silk Between Safavid Iran and Muscovy," *Cahiers du monde russe* Vol. 35, no. 4 (1994): 739–61.

⁵⁸ M.V. Fekhner, *Torgovlia russkogo gosudarstva s stranami vostoka* (Moscow, 1956), 67.

⁵⁹ Rudi, "Anti-Ottoman Politics and Transit Rights," 746.

⁶⁰ Matthew P. Romaniello, "'In Friendship and Love': Russian Travels to Muslim Lands in the Early Modern Era," *Historical Yearbook* VI (2009): 113. Embassies included Zvenigorodskii 1595; V.V. Tiufiakina (did not reach Iran) 1597; Zhirov & Zasekin 1600 (see Rudi, "Anti-Ottoman Politics and Transit Rights," 746); Leon'ev 1616, Bariatinskii 1618) see Matthew P. Romaniello, "In Friendship and Love," 113. Bakhrushin says Muscovy signed a trade treaty with Persia in 1563. Janet Martin, "The Fur Trade and Conquest of Sibir'," 75, reports the first embassy to Persia as being in 1588.

⁶¹ The letter recommends that in Persia the English would be best served to hire a translator who knows Russian. See letter by Arthur Edwards dated 26 April 1566 in Richard Hakluyt, *Principal Navigations, Voyages, Traffiques and Discoveries of the English Nation*, vol. 3, pt. 2, no. 73.

⁶² Kagarlitsky, *Empire of the Periphery*, 83.

expansion, it may be the case that their enthusiasm for transit to China piqued Muscovy's own efforts in that direction. The Stroganovs, like northern Europeans, invested in pioneering a northeast passage to "Cathay" and, like western Europeans, were disappointed in that endeavor.⁶³ From ambassadors like Anthony Jenkinson to John Merrick, the English were ever keen to gain transit passage that Muscovy was reluctant to grant.

Already in the sixteenth century, Muscovy was expanding its trade with other European countries, most notably, the Dutch. The Muscovy Company was quite successful in exploiting the White Sea route in its first decades of existence. Protectionism did not seem to be Ivan IV's initial impulse. Upon the arrival of the English Ivan IV extended them substantial privileges, including tax free trade. The English faced competition from the Dutch, already rivals in the Baltic, North Sea, Persia, and soon to be rivals in the Indian Ocean, by the 1580s. Unlike the Anglo-Dutch competition in Iran, where the British supplanted the Dutch, in Muscovy the Dutch eventually prevailed over the British.⁶⁴ A Dutch merchant ship, perhaps owned by Antwerp émigré Giles Hooftman, fleeing Danish pirates in 1560s happened upon the bay that would become Archangel'sk.⁶⁵ The English had established their operations on Rose Island across from St. Nicholas in the mouth of the Northern Dvina.⁶⁶ Nearby Arkhangelsk proved a better location since it eliminated the need for ferrying from the mainland to an island port. Over English objections Dutch began to trade there.

⁶³ Samuel Baron, "Muscovy and the English Quest for a Northeastern Passage to Cathay (1553-1584)," 1985. repr. *Explorations in Muscovite History* (Brookfield, VT: Varorium, 1991).

⁶⁴ Maria Arel's work (Phd diss) mitigates the decisiveness of the victory in terms of timing and scope. "Masters in the Own House: The Russian Merchant Elite and Complaints Against the English in the First Half of the Seventeenth Century." *Slavic and East European Review* 77/3 (1999): 401-447.

⁶⁵ Kagarlitsky, *Empire of the Periphery*, 96; J.A. Houtte, *An Economic History of the Low Countries, 800-1800*, World Economic History, ed. Charles Wilson (London: Weidenfeld and Nicolson, 1977), 194.

⁶⁶ T.S. Willan, *The Early History of the Russia Company, 1553-1603*.

England's exclusive privileges were short-lived. The 1555 original charter granted Muscovy Company members generous privileges. Those privileges were quite soon rolled back: in 1567 English were prohibited from hiring Russians,⁶⁷ a 1569 decree restricted their access to interior Russian towns.⁶⁸ The combination of native merchant lobbying and dissatisfaction with England's refusal to enter a military alliance doomed the exclusive privileges of the Muscovy Company. Ivan initiated the Livonian War (1558-1583) in part to promote trade interests, but it dragged on for decades. Crimean Tatars severely sacked Moscow itself in 1571. By the early 80s the drawn out Livonian War was going badly. In 1581 Sweden occupied Narva, cutting off Russia's access to the Baltic. As Muscovy faced this pummeling against its neighbors to the northwest, he sought an alliance with England. Keen for exclusive trade rights, England secretly sold weapons to Muscovy, but would not go so far as to become formally embroiled in Muscovy's political quarrels. Dissatisfied with the refusal, in 1582-3, Russia declared Russia's ports open to all nations at the newly founded town of Arkhangelsk. With the declaration of Arkhangelsk as an open port, exclusive English privileges were rendered obsolete as they now faced legitimate competition. To the English's disadvantage, Arkhangelsk would eclipse Rose Island and become Muscovy's biggest border trade center in the seventeenth century until it, too, was eclipsed by St. Petersburg, which was founded in 1703.⁶⁹

⁶⁷ Baron, "Ivan the Terrible, Giles Fletcher, and the Muscovite Merchantry: A Reconsideration," (1978), 572.

⁶⁸ Baron, "The Muscovy Company, the Muscovite Merchants and the Problem of Reciprocity in Russian Foreign Trade," (1979), 150 (check#).

⁶⁹ Arne Ohberg, "Russia and the World Market in the Seventeenth Century," *Scandinavian Economic History Review*, Vol. 3, No. 2 (1955): 154, 139. St. Petersburg eclipsed Narva as an exporter of tallow in the first few decades of the eighteenth century. In this article he compares trade in Arkhangelsk to other Baltic ports. [nb: "In 1504 there was no wax to be bought in Reval or Narva because the English had bought up all there was in the region of Pskov and elsewhere, and sent it to Archangel." Ohberg cites Attmann, *Den ryska marknaden i 1500-talets baltiska*

Arkhangelsk enabled new connections between markets that had long been aware of each other. By the 1590s Dutch were trading in Russian commodities such as hemp, leather, wax, fur, and caviar in 1590s. In 1597 Francesco Vrins and Giacomo van Lemens claimed to be the first to have sent ships directly from Muscovy to Venice (embarking from Arkhangelsk, and rounding Europe via the Atlantic Ocean), laden with hemp and hemp cables for the Arsenal. The Dutch also drove a Russo-Venetian trade in hemp. When Italian food shortages threatened at the end of the sixteenth century, it became more attractive to produce grain than hemp in Italy, driving up the price of hemp and making it a valuable long-distance import, which was increasingly sourced in Muscovy. After the death of Piero Pellicorno, his heirs (Dutch nephews Martin Hureau and Alvisé du Bois) also claimed that their uncle had initiated the import of Russian commodities. He had indeed been receiving shipments of hemp, caviar and different types of leather since at least 1597.⁷⁰ By 1607, the Venetian Board of Trade (*Cinque Savi alla Mercanzia*) recognized the Dutch as the middlemen who facilitated Venice's trade with northern Europe.⁷¹ For the English and Dutch, northern Russia created one more front on which they competed for commercial supremacy. Despite the competition, the English sent 14-15 ships annually to the northern port, but according to Jonathan Israel, the Dutch were supreme in Arkhangelsk by 1600.⁷² By no

politik, 1558-1595 (1944), p. 20. linfrö = Swedish of linseed. Probably a typo and he means 1604.

⁷⁰ M. van Gelder, *Library of Economic History*, Vol. 1: *Trading Places: The Netherlandish Merchants in Early Modern Venice* (Boston, MA: Brill, 2009), 73, 137. Other Dutchmen that traded in Russia: Klenck, de Vogelaer, Abraham Verbeeck. See Israel, *Dutch Primacy*, 47.

⁷¹ M. van Gelder, *Trading Places*, 96.

⁷² Willan, *Trade*, 315. Jonathan I. Israel, *Dutch primacy in world trade, 1585-1740* (##: Clarendon Press, 1989), 43-4.

means, however, is the history of Muscovy's sixteenth-century international trade relations merely the story of English and Dutch traders vying for advantage on Russian turf.⁷³

While the English and Dutch vied for supremacy, larger drama was afoot. Chancellor arrived to Moscow just one year after Ivan IV had launched a military conquest of Kazan', fundamentally shifting relations that had been governed by negotiations and political influence in the previous century. The initial conquest, massive and brutal after decades of politicking, came in 1552. "The East" had been on Moscow's metaphorical radar screen long before the English came seeking passage to Cathay. Events no less consequential unfolded at the center of the Muscovite state. The sixteenth century was characterized by state expansion and centralization followed by implosion. The implosion was preceded by protracted wars, Ivan IV's bizarre *Oprichnina* (1564-1572), years of crop failures, and the expiration of the Riurikid dynasty that, taken together, inaugurated over a decade of social disruptions and civil war. Economic goals were subordinated as Muscovy struggled through this period of dynastic crises, wars, and social disruption known as the Time of Troubles (1598–1613).

⁷³ To the question of to what extent Dutch and English were "on Russian turf", it is unclear how effectively the few foreigners there were, were confined to Rose Island, Arkhangelsk, Kholmogory, and Moscow in the 16 and early 17 cc. Baron's article on Anton Marsh and Giles Fletcher's comment that in 1589 the state had attempted (seemingly unsuccessfully) to remove foreigners from interior suggest that foreigners were in the interior. English merchants were in Vologda 1610/11 (G.M. Kovalenko, "Vneekonomicheskaiia informatsia v Novgorodskikh tamozhennykh knigakh nachala XVII," in *Torgovlia, kupechestvo, i tamozhennoe delo v Rossii v XVI-XVIII vv.*, 38.). Dutch merchant colonies existed in Vologda, Iaroslavl, and Kola, as well as in Moscow and Archangelsk in the period 1621-1647 (Jonathan Israel, *Dutch Primacy in World Trade*, 46, 155). According to Lindsey Hughes, there was a Protestant church in Nizhnii Novgorod in the seventeenth century (and this would have been after 1620s, I think. Lindsey Hughes, "Attitudes towards Foreigners in Early Modern Russia," in *Russia and the Wider World in Historical Perspective: Essays for Paul Duker* (Gordonsville, VA: Palgrave Macmillan, 2000), 3.) My speculation is that the state is more serious about imposing these restrictions (to which there are always exceptions) after the 1620s. If the phrase is objectionable, I can remove.

The sixteenth century is a watershed. Muscovy's conquest of Kazan and Astrakhan fundamentally reordered the political-economic landscape of Western Eurasia. The "discovery" of the White Sea passage by the English inaugurated a period of imperial-esque pressure by the English that Muscovites managed to check, in part—but only in part—aided by the competition that other international agents of trade, like the Dutch and Swedish, exerted on the Russian scene. In the sixteenth century Muscovy not only deepened its economic relations with the West, laying the groundwork for the economic integration of the seventeenth century that has been valuably described by Jarmo Kotilaine. While one looks in vain for any coherent policy statements from the Muscovite government, in the sixteenth century one already sees the beginnings of an activist commercial state.⁷⁴ The Time of Troubles was a consequential rupture, but it only temporarily set back the economic activism apparent in the Muscovite state.

*Activist Commercial State*⁷⁵

Scholarship of recent decades, responding to a statist historical tradition that had emphasized a powerful, even despotic, tsar ruling over a subservient populous, has improved our understanding of Muscovite history by helping us to appreciate that the state *was* minimalist: it did much with little; it overreached and was constantly short of resources, yet, it accomplished

⁷⁴ See Samuel H. Baron, "Ivan the Terrible, Giles Fletcher, and the Muscovite Merchantry: A Reconsideration," 568–70; idem, "Osip Nepea and the Opening of Anglo-Russian Commercial Relations." John LeDonne and Michael Khodarkovsky both emphasize the lack of articulated strategy by the Muscovite government.

⁷⁵ I use term activist instead of mercantilist. Mercantilism, for me, most immediately connotes specie acquisition and a positive balance of trade. In Siberia, Russia was far more interested in courting the regular visits of foreign merchants, who would bring goods to the Russian empire. Concern with a positive balance of trade is not a concern in the documents I've studied (granted, in the seventeenth century Russia's balance of trade was positive.) Sergei Bogatyrev also describes Muscovy as an activist state, although with a different focus. See Sergei Bogatyrev, "Localism and Integration in Muscovy," in *Russia Takes Shape: Patterns of Integration from the Middle Ages to the Present*, ed. Sergei Bogatyrev (Finland, 2004), 103.

prodigious political feats in spite of those shortages.⁷⁶ Nonetheless, when it comes to the economy in the seventeenth century and through Peter's reign, the state was anything but minimalist in aspiration, if not in fact. Minimalist social policies and activist commercial policies shared a common goal: military mobilization and stability.⁷⁷

When the Romanovs came to power, developing as an activist commercial state was a key strategy. The Romanovs were innovative in many ways. They were also savvy: in a precarious situation, and where during the Time of Troubles similarly entitled boyar families had failed, they succeeded in establishing and maintaining their legitimacy. Such success was not merely accidental in such a competitive political environment. When an admirer once commented upon Catherine II's political successful, she demurred to her savvy, confessing that, "my orders would not be carried out unless they were the kind of orders that could be carried out . . . when I am already convinced, in advance, of general approval, I issue my orders . . ."⁷⁸ In the same spirit, perhaps, when the early Romanovs embarked on an activist commercial strategy, they were putting their energy into a strategy that had considerable consensus among the ruling class. Muscovite leadership recognized the importance and potential of commerce. This is an

⁷⁶ Nancy Shields Kollman, "Muscovite Russia, 1450–1598," in *Russia: A History*, Gregory L. Freeze, ed. (New York: Oxford University Press, 1997), 27–54. See also Donald Ostrowski, "The Façade of Legitimacy: Exchange of Power and Authority in Early Modern Russia," *Comparative Studies in Society and History* 44, no. 3 (2002): 534–563; Nicholas Henshall, *The Myth of Absolutism: Change and Continuity in Early Modern European Monarchy* (New York: Longman, 1992).

⁷⁷ It does, however, contradict the interpretation of Samuel Baron who blamed an overbearing and ignorant state on the failure of capitalism to develop in Russia (See "The Weber Thesis and the Failure of Capitalist Development in 'Early Modern' Russia" *Jahrbücher für Geschichte Osteuropas, neue folge* 18 (1970): 321–36; repr. in *Muscovite Russia: Collected Essays* (1980).). There is room to debate differences between western and Russian economies, but in broad strokes, the political economy of seventeenth-century Russia was doing alright and the state enacted policies similar to those of other early modern states. One must look elsewhere for explanations of Russian backwardness.

⁷⁸ Quoted in Donald Ostrowski, "The Façade of Legitimacy: Exchange of Power and Authority in Early Modern Russia," *Comparative Studies in Society and History* 44 (2002): 562.

area of striking continuity, apparent from the fifteenth century and persisting in the reign of Peter I, as will be discussed in the conclusion. As such, this interpretation departs from Michael Khodarkovsky's perspective that, "unlike medieval Europe . . . or later European colonial projects in the Americas and Asia, which were predominantly driven by mercantilist interests, Russian expansion in the south throughout the period was articulated by a government motivated first and foremost by geopolitical concerns, and only later by economic and commercial interests."⁷⁹

The Muscovite state envisioned an active role for itself, as both regulator of and participant in the economy. The state signaled its recognition of the importance of commerce in a variety of ways: through its cultivation of international trade relations; taxation policies; subsidization of commercial activities; and institution of its privileged merchant ranks, whereby the state mobilized commercial expertise towards the generation of state revenue. It is further apparent that the state recognized the importance of commerce through its own participation in various markets. It did this by using privileged merchants (although not exclusively privileged merchants) as commercial agents and by the institution of various monopolies.

This activist nature of the early Romanovs has been recognized. The historian P.P. Smirnov wrote that the "radicalism, breadth and volume [of the early Romanovs' economic policy] certainly got the attention of the observer of social life in the first half of the seventeenth century and forced him to think that all the country in this period was being mobilized for trade or commerce."⁸⁰ O.N. Vilkov and Janet Martin recognized the state's efforts to cultivate trade with Central Asia, just as Clifford Foust and Mark Bassin observed likewise enthusiasm to

⁷⁹ Michael Khodarkovsky, *Russia's Steppe Frontier*, 227.

⁸⁰ P.P. Smirnov, "Ekonomicheskaiia politika v XVII v.," in *Russkaia istoriia v ocherkakh i stat'iakh*, ed. M.V. Dovnar-Zapol'skii (Kiev: Izd. Knizhnogo magazina N.Ia. Ogloblin, 1912), 404. *add additional historians who made similar comments.*

develop trade with China.⁸¹ Jarmo Kotilaine documented Russian government efforts to develop Baltic commerce and Smolensk hinterland (which delivered hemp and timber to the Baltic) in the late seventeenth century.⁸² Carol B. Stevens has described Muscovite policy designed to channel grain in Ukraine in instrumentalist ways in the second half of the seventeenth century.⁸³ As will be shown in chapters two and three, the state was interested in developing commerce in Siberia. Governors were in charge of tribute collection, but the state established an entire network of customs administration to generate commercial revenue.

Russian Revenue

Much of the emerging bureaucracy was centered on the maximization of revenue in order to pay for the expanding military, a phenomenon associated with what has been called “the rise of the fiscal state”. To collect customs duties (and other taxes) and regulate industries required administrative infrastructure. The prioritization is clear. Chancery documents relentlessly emphasize the need to maximize profit to the tsar’s treasury. Contemporary subjects understood

⁸¹ O.N. Vilkov, *Remeslo ii trgovlia zapadnoi Sibiri v XVII v.* (Moscow: Nauka, 1967), 170; Janet Martin, “The Fur Trade and the Conquest of Siberia,” 76-7; Foust, “Expansion”; Bassin, “...pre-Petrine Siberia.”

⁸² Jarmo Kotilaine, “Russian Merchant Colonies in Seventeenth-century Sweden,” in *Merchant Colonies in the Early Modern Period*, eds. Victor N. Zakharov, Gelina Harlaftis and Olga Katsiardi-Hering, Perspectives in Economic and Social History, No. 19 (London: Pickering & Chatto, 2012), 97. P. 99: “As much as Swedish-Russian diplomatic negotiations consistently recognized the need for appropriate regulations and suitable accommodation and storage facilities, the implementation of these aspirations was often slow and inconsistent. The end result of such prevarication and inconsistency, whose effects were amplified by periodic open conflict between the two countries, was a relatively limited and even discontinuous Russian presence in the main commercial centres of the Swedish realm.” Positive trends were seen during periods of early modern ‘detente’, most notably during the “First Baltoc Boom’ of the 1640s and early 1650s . . .” [article: pp. 85-101]

⁸³ Carol B. Stevens, “Trade and Muscovite Economic Policy toward the Ukraine: The Movement of Cereal Grains during the Second Half of the 17c.” in *Ukrainian Economic History: Interpretive Essays*, ed. I.S. Koropecykj (Cambridge, MA: Harvard Ukrainian Research Institute, 1991), pp. 172-85.

the state's priorities well. Petitions to the tsar regularly use the angle of the tsar's treasury to advance their own case. When a local official jailed a Verkhotur'e peasant for resisting the appropriation of his horse (whether for legitimate service or the official's own use was the debated point), the peasant framed his appeal in terms of the tsar's bottom line. Because he was in jail during the harvest of 1655, he could not yield as much from his fields as he otherwise would have and thus would have been able to remit a greater proportion to the tsar's treasury.⁸⁴ When servitors wanted to levy charges that would get attention, they accused one another of hurting the tsar's bottom line.

In the standard parlance of the day, revenue ideally meant specie—hard currency, gold or silver.⁸⁵ Like other early modern mercantile states, Russian administrators believed that hard currency was the kind that could truly ensure the wealth of the nation, and took measures to ensure that specie filtered into—and not out of—the country. In some analyses, this precise aim was the essence of mercantilism. Currency laws were a standard form of intervention. Edward IV made it a felony to export bullion from England.⁸⁶ France in the late fifteenth century forbade the export of money to Rome. Even Dutch authorities banned the export of silver in the 1690s, which further demonstrates that even the most laissez-faire trading republic responded to

⁸⁴ Leningradskaia Oblast' Institut Istorii, St. Petersburg (LOII-SPB), f. 28, op. 1, d. 706, ll. 11–13.

⁸⁵ When Russian defaults on foreign debt catalyzed a financial crisis in August 1998, one of the surprising realizations during the fallout was just how much of the Russian economy functioned by barter. From petty exchanges to factory salaries to major intra-republic transactions, in-kind payments took place to a degree that stunned observers. That said, we need not assume continuity; this may be a modern phenomenon. Russia has appreciated the value of specie for centuries; Kotilaine considers seventeenth-century Muscovy a highly monetized economy: "Mercantilism in Pre-Petrine Russia," 144. On Russia's modern barter economy, see Sharon LaFraniere, "The Cashless Society: Bartering Chokes Russian Economy," *The Washington Post*, Sept. 3, 1998, A1; David Woodruff, *Money Unmade: Barter and the Fate of Russian Capitalism* (Ithaca, NY: Cornell University Press, 1999).

⁸⁶ Wilson, "Trade, Society and the State," 496–7.

protectionist impulses.⁸⁷ The Russian state, too, did what it could to obtain specie, requiring no theoretical justification to pursue such a policy. The state needed money, the lifeblood of war. Several laws aspired to keep precious metals from exiting Russia. For example, in the 1660s, Bukharans were allowed to trade in specie, but specifically prohibited from leaving the country with it. For our purposes, specie most importantly enters our discussion of Russian merchants, because it was the thing for which the state would undermine its intention to facilitate merchant welfare. When it sold tax-farms and granted monopolies to Western European foreigners at various points in the seventeenth and early eighteenth centuries, it generally did so because that foreigner could pay in specie.⁸⁸ In other words, the desire for immediate specie could trump protectionist concerns. For example, in 1658 Tsar Aleksei Mikhailovich, conscious of the importance of the Italian market, sent a special envoy to the Grand Duke of Tuscany to negotiate an agreement whereby Tuscany was granted the monopoly on caviar imports in exchange for the payment of an annual sum of money. The Tuscan Duke, however, offered to pay only half the requested sum in cash, the rest in silk. For specie-seeking Russia, this was a deal-breaker. Moscow instead negotiated with the English consul in Livorno, who set up a joint-stock company, with the participation of Dutch and Italian merchants, which held the caviar contract until 1667.⁸⁹ Fiscal policy, however, was but one of the ways in which the state intervened in commerce in and across its borders.

⁸⁷ Ibid., 505.

⁸⁸ There is also the possibility that specie that went not to state coffers, but to individuals, was operative. See Arel, "The Arkhangel'sk Trade, Empty State Coeffers, and the Drive to Modernize: State Monopolization of Russian Export Commodities Under Mikhail Fedorovich," in *Modernizing Muscovy: Reform and Social Change in Seventeenth-Century Russia*, ed. Jarmo Kotilaine and Marshall Poe (New York: RoutledgeCurzon, 2004) 186, 197; Philip Longworth, *Alexis: Tsar of All the Russias* (London: Secker & Warburg, 1984), 27.

⁸⁹ Gigliola Pagano De Divitiis, *English Merchants in 17th c. Italy*, trans. Stephen Parkin (Cambridge: Cambridge University Press, 1997), chapter 1.

Such attention to commercial matters is entirely unsurprising when one appreciates what a significant portion of its revenue derived from indirect taxes—that is, tax revenue generated from commerce. While agriculture always remained the occupation of the majority of the population, trade and industry proceeds accounted for the most important source of state revenue in the seventeenth century.⁹⁰ Since seventeenth-century states did not have budgets, revenue is hard to quantify. Nonetheless, economic historians have surmised that in Russia a large proportion of its budget came from customs revenue.⁹¹ For example, Novgorod and Nizhnii Novgorod in 1610s and 1620s derived 1/3- 2/3 of its revenue from customs receipts alone. If duties from the state alcohol sales are included, the figures rise to 2/3-9/10 of revenue.⁹² In 1701, 40.4% of the state budget was generated by indirect taxes.⁹³ In contrast, during this period highly commercial England generated 30%–40% —that is, slightly less on average—of the king’s revenue from indirect taxes.⁹⁴ With so much at stake, obviously commerce was a critical area of state interest.

The importance of foreign trade in the Russian economy reached unprecedented levels in the seventeenth century. Expanding European demand drove Russian development, as Muscovy was significantly drawn into an expanding European economy in the seventeenth century and that European demand drove Russian development.⁹⁵ Much of that was forest products (potash,

⁹⁰ De Divitiis, *English Merchants in 17th c. Italy*, ch. 1.

⁹¹ Kotilaine, “Mercantilism in Pre-Petrine Russia,” in *Modernizing Muscovy*, 145; Bushkovitch, *Merchants of Moscow*, 159.

⁹² Kotilaine, “Mercantilism in Pre-Petrine Russia,” in *Modernizing Muscovy*, 145. Hellie makes this point, too. Also see facts in P. Bushkovitch article on tax-farming.

⁹³ Miliukov, 115-7.

⁹⁴ Michael J. Braddick, *The Nerves of State: Taxation and the Financing of the English State, 1558–1714* (New York: Manchester University Press, 1996). 49. Note that significant portions of English customs taxes were not under Parliamentary control until after 1660.

⁹⁵ Jarmo T. Kotilaine, *Russia’s Foreign Trade and Economic Expansion in the Seventeenth Century* (Leiden: Brill, 2004), 2-4.

from which navies were built, and then leather hides, furs, caviar, and items transshipped from the East. Trade especially took off in final third of the seventeenth century, such that by the end of the century, Russia was heavily integrated in the expanding European-World economy. It may not be just coincidence that the customs post in Tobolsk suffered its worse years about 1639-1641(recheck years), the years that the European “crisis of the seventeenth century” was most acute.⁹⁶ Russia was linked to colonial economies of the English and Dutch via Arkhangelsk *and* it was linked with the “Silk Roads” trade through the Volga and Astrakhan.

Cultivating Eastern Trade

The first Romanov tsars saw the country’s trade as something to simultaneously promote and participate in towards both fiscal and instrumentalist ends. In general, the more trade meant more tax revenue. According to B.G. Kurts, “India” for seventeenth-century Muscovites was the standard proxy for “riches of the east.” Tsar Michael Fedorovich sent a merchant such as Fedot Afanasyev syn Kotov to India and Iran on a 1623/4 journey. By mid-century, the Romanov dynasty proactively dispatched numerous state embassies to cultivate trade relations. Tsar Aleksei Mikhailovich sent a state trade embassy to India in 1646. Kazan merchant Nikita Syroezhin and Astrakhan merchant Vasilei Tuskanov headed the trip which traveled with 3-4,000 rubles worth of state goods.⁹⁷ In 1651 merchants Rodion Nikitin syn Pushnikov and Ivan Derevenskii departed on another state trade embassy, from which only one would return in 1667.⁹⁸ A third commercial-diplomatic embassy was dispatched to the great cotton textile

⁹⁶ Vilkov; DeVries, “The Crisis of the Seventeenth Century: Fifty Years Later...”...

⁹⁷ Stephen Frederic Dale, *Indian Merchants and Eurasian Trade, 1600-1750* (NY: Cambridge University Press, 2002), 78; Romaniello, “In Friendship and Love,” 117.

⁹⁸ Romaniello, “In Friendship and Love,” 117.

producer, the Mughal Empire, in 1675.⁹⁹ The caravan was turned back at Kabul because of Afghan-Mughul war.¹⁰⁰ This mission was led by a Bukharan merchant, Muhammad Yusuf Qasim(ov) [aka Muhammad Islam Kasimov], resident of the Bukharan neighborhood in Astrakhan. Astrakhan was home to numerous diaspora merchant communities in the early modern period.¹⁰¹ The number of Indians living in Astrakhan quadrupled to over 100 from 1647 to the 1680s.¹⁰² During these years wars comprised their own contact with their native land, but these ex patriots managed to generate alternatives.

Central Asian middlemen largely conducted Russo-Chinese trade prior to the seventeenth century.¹⁰³ Russian and Chinese merchants probably encountered each other directly in the Bukharan markets of Samarkand from at least the early fifteenth century and probably earlier.¹⁰⁴ Muscovy's awareness of the prospects of long distance trade and the profit potential of facilitating it enticed the state to reach out to potential trade partners to the East. Between 1608-1675 Russia dispatched ten missions to China, seven of which reached China.¹⁰⁵ These trips require some qualification. Muscovy approached the little known power to the east with appropriate caution. Most of these trips were not official state embassies, but trips on a lesser scale. Deliberately, many of them were organized not in Moscow and headed by a high-ranking

⁹⁹ Dale, *Indian Merchants and Eurasian Trade*, 91. The Mughal Empire operated far differently than did Russia; it collected the "vast bulk" of its revenue from land while only perhaps 5% came from customs revenue." Christopher Beckwith, *Empires of the Silk Roads* (Princeton: University of Princeton Press, 2009), 217fn40.

¹⁰⁰ Dale, *Indian Merchants and Eurasian Trade*, 94, quotes Antonova I, no. 126 (1676), 220-1.

¹⁰¹ N.B. Golikova, *Ocherki po istorii gorodov Rossii*; Dale, *Indian Merchants and Eurasian Trade*.

¹⁰² Dale, *Indian Merchants and Eurasian Trade*, 96.

¹⁰³ Fekhner, *Torgovlia russkogo gosudarstva*, #.

¹⁰⁴ B.G. Kurts, *Russko-Kitaiskie snowheniia v XVI, XVII i XVIII stoletiiakh* (Kiev: Gosudarstvennoe izdatel'stvo Ukrainy, 1929), 5.

¹⁰⁵ Basil Dmytryshyn, et al., *To Siberia and Russian America: Three Centuries of Russian Eastward Expansion*, Vol. 1, *Russia's Conquest of Siberia, A Documentary Record, 1558-1700* (Portland: Oregon Historical Society, 1985), lx.

elite, but organized by Siberian governors and led by Cossacks. A Cossack named Ivan Petlin, who arrived to Peking in 1618, led this first known Russian trip.¹⁰⁶ In a 1620 missive, Moscow directed frontier servitors *not* to engage directly with China. Proceeding cautiously, while revealing that but commerce was prominent in the state's constellation of considerations, the document instructed, "not to maintain any direct contact ... with the Chinese and Mongol empires without our permission, because these empires are too far distant for their merchants to visit our empire."¹⁰⁷ The rationale the state gave for this hedging, even if short-sighted, nonetheless hinged on the extent to which the state envisioned potential trading partners for itself.

At mid-century the state sent its first official embassy to China. It was led by [Cossack?] Fedor Baikov. Baikov's arrival had been preceded by a reconnaissance mission led by Seitkul Ablin, a Bukharan merchant in state service. While the Baikov mission (1653-7) foundered on diplomatic protocol, Ablin's success in trading with the Chinese promoted the Russian tsar to send him back to China on three subsequent trips, in 1658, 1668-1672. The state dispatched a Moldovan diplomat-explorer, Nikolai Spafarii to China in 1675. About this time private trade to China was gathering momentum. The gost' G.R. Nikitin opened up a new route through the Gobi desert in 1674. As steppe markets such as that at Lake Yamysh (chapter five) reveal all too clearly, the state was not in full control of Russia-China trade. It made efforts to carve out some markets for itself through the implementation of monopolies, such as that on rhubarb, but it in

¹⁰⁶ Demidova, *Pervye russkie diplomaty v Kitae* #. While it is sometimes averred that Ivan IV sent an embassy to China (see for example, Kagarlitsky, *Empire of the Periphery*, 335 fn. 6.), B.G. Kurts found this to be a mistake that originated with Karamzin, who misread the date of Peitlin's expedition as 1567 rather than as 1618. See B.G. Kurts, *Russko-Kitaiskie snosheniia v XVI, XVII i XVIII stoletiiakh* (Kiev: Gosudarstvennoe izdatel'stvo Ukrainy, 1929), 20-1.

¹⁰⁷ *Russko-Kitaiskie otnosheniia v XVII veke*, 1: [99–101]. *Russia's Conquest of Siberia 1558–1700*, 1: 99, no. 34, qtd. in Donald Ostrowski, chapter 3 of manuscript in progress.

large part looked to keep channels of commerce. When the Russians and Chinese came to blows over the Amur valley, Russia was quick to cede territorial claims for the sake of regular commerce in the Treaty of Nerchinsk in 1689. When it began to organize state caravan trade, it allowed the gosti most involved in China to continue their affairs and rather called on other merchants to lead state caravans.

Between the riches of Safavids, the Mughals, the Ming, and Russian river systems lay vast lands of forest, swamp, steppe, and desert, some of which was occupied by various Turkic-Mongol groups. Moscow sent numerous emissaries to the fragmented leaders of the steppe throughout the seventeenth century, including nineteen missions to the camps of the Dzhungarian leader Batur Hongtaiji who ruled between 1635-53.¹⁰⁸ The mutual exchange between Moscow and steppe powers was so frequent that Moscow occasionally suspended the standard tax waiver for diplomats, an indication that significant commercial exchange accompanied the diplomatic mixing. Embassies went to Central Asia, specifically, such as Bukhara (Semen Martinov syn Malen'kii 1695 with armed guard).¹⁰⁹ Ambassadors traveling farther to Persia, India, and China, presented gifts to maintain goodwill while partaking in hospitality en route to India or China. For example, en route to China, Ivan Petlin enjoyed hospitable accommodation from the nomadic realms, such as the Kirgiz Prince Nemei, Mugal

¹⁰⁸ Sh.B. Chimitdorzhiev, "Iz istorii Rusko-Mongol'skikh ekonomicheskikh sviqzei XVII v.," *Istoriia SSSR* 3 (1964); 151-6; Peter Perdue, *China Marches West: The Qing Conquest of Central Eurasia* (Cambridge, MA: Harvard University Press, 2005), 105. Could be big footnote. For example: Kazakh horde: MIUTTSSR, 64. Accessed <http://kungrad.com/history/doc/torg/3/>; BUKHARA: Pazukhin 1669, RIB; Central Asia: Semen Martinov syn Malen'kii 1695 (with armed guard), Romaniello, "In Friendship and Love," 120.

¹⁰⁹ Romaniello, "In Friendship and Love," 120.

Altyn-tsar, and Tsaritsa Manchika in *'shiomugal'skie zemli'* (the vast Mongol lands?).¹¹⁰ He reciprocated with gifts in order to help maintain good relations, whose abstinence from raiding the state understood to be a necessary component to reliable and profitable Eurasian trade.

Diaspora merchant communities

Muscovy recognized that state trade was hardly the only channel for foreign trade. One way to encourage trade was to encourage foreign merchants to the realm. Muscovy recognized that 'mercurian' types—people whose greater mobility afforded them a liminal status in which they were permanent outsiders who were to certain degrees, allowed 'in'—would facilitate trade in the realm and towards this end, sometimes granted new foreign trade partners generous tax breaks.¹¹¹ Only once relations were established, and trade goods were flowing did the state become more concerned with generating revenue. It began to monitor closely that private wares were not slipped in as diplomatic wares.¹¹² (Recall that much initial trade was often of a commercial-diplomatic nature and diplomatic wares were not taxed.) Second, once trade was well established, it would begin to rescind those privileges and incrementally impose taxes. This is how they operated with Central Asian merchants and English merchants. The state well understood that there would be no tax revenue to gain if merchants did not come. By the second half of the seventeenth century, Moscow was so integrated into international trade networks that

¹¹⁰ http://ostrog.ucoz.ru/ist_doc_5/1_228.htm, accessed 10/02/11. Published: Ф.И. Покровский, Путешествие в Монголию и Китай сибирского казака Ивана Петлина в 1618 году (СПб., 1914), стр. 29—30.

¹¹¹ For a wide-ranging discussion of 'mercurian types' see Yuri Slezkine, *The Jewish Century* (Princeton, NJ: Princeton University Press, 2004), ch. 1.

¹¹² One of many examples, see "Nakaz Pazukhinym, poslannym v Bukharu, Balkh i Iurgench, 1669," in *Russkaia istoricheskaia biblioteka*, A.N. Truborova, ed., vol. 15 (SPB: Tipografiia V.S. Balasheva, 1894), 20.

the state felt secure in instituting more comprehensive protectionist taxation. The New Trade Statute of 1667 imposed on foreigners higher tax rates than Russian merchants paid. Since these statutes were not applied in Siberia for several decades, and exceptions were made in Astrakhan, the statutes primarily applied to European traders while Central Asians, Armenians, and Indians, continued to enjoy lower tax rates than Russian subjects paid. The empire extended various privileges to various people at various times, but it made sure to collect taxes.

The British of the Muscovy Company had enjoyed completely tax-free trade from 1555–1572, a total of 17 years. This demonstrates typical Muscovite practice: tax-free incentives for an initial period of trade development, followed by imposition of taxes. Of course, there was an additional component to Anglo-Muscovite relations: Ivan IV wanted weapons, which English could provide. In a state that recognized the importance of commerce and its potential to generate revenue, the waiving of tax obligations is an example of the state operating in an entitlement mode—resourcefully providing benefits with an alternative transaction. No less true, political strategy could always inflect economic policy. In the 1572 charter granted to the English Ivan imposed taxes on the English at half the rate. In the 1574 charter to the Stroganovs he reiterated that Bukharans trading in their territory must be permitted to trade tax free without hindrance. It stated, “if there start coming to their new places merchants from Bukhara, and from the Kazakh Horde, and from other lands with horses and all kinds of merchandise, such as do not come to Moscow, they are to trade in every kind of wares freely without duty.”¹¹³

The state established mechanisms and devoted resources to supporting foreigner traders. Derived from Mongol practice, Muscovy established an elaborate system of way stations, manned by porters and horsemen, where travelers could refresh and change out animals. While

¹¹³ Ivan IV’s 1574 charter to Stroganovs, repr. in *Yermak’s Campaign in Siberia*, ed. Terence Armstrong (London: Hakluyt Society, 1975), 290?.

the restrictions on movements of foreigners in Russia are frequently observed, it is less often observed that foreign merchants who did travel through Russia, generally did so at the state's expense. The state provided them resources and paid *per diem* for their travel in Russia. Just as the state financed its military, diplomatic, and administrative endeavors in Siberia, the state funded commercial envoys, even if the funds came sporadically, with delays and sometimes in amounts shy of those promised.¹¹⁴ Illustrative of the importance Moscow assigned to commerce, the state subsidized the travel of Bukharan merchants in the realm. They established a schedule of *per diem* rates that varied according to station.¹¹⁵ In 1656 a party of Bukharan merchants was offended when they were issued subsidies in the amounts due to porter-cooks (*kashevary*). They looked to Tsar Aleksei to right the wrong:

... Your orphans of Bukharan lands, Kochatka Sareev, Atliashka Medeleev, Turmametko Tiulmametev, Ziumatko Karmyshev appeal to you. We, orphans, and ours, left our land with rhubarb to you, Sovereign, to Moscow with our colleagues and according to your Sovereign order, to our colleagues your Sovereign grant of food and *vykhod* and *sukhna* was issued. But the *provincial governor* wrote us as porters, but we are not porters. We ourselves are the owners and now for the third year are dying of hunger and before our brothers we are humiliated. Merciful Sovereign Tsar Great Prince Alexei Mikhailovich Autocrat of all Great, Little, and White Rus', grant to us, your orphans, your Tsarist grant of food and *vykhod* and *sukhna* in accordance with what our brothers, our colleagues [receive] so that we, before them and in the end will not waste away and perish. Sovereign Tsar, have mercy and grant this.¹¹⁶

Their request was granted. Upon their confirmation that the petitioners were indeed the owners of the rhubarb they brought, and not porter-cooks, the order was sent for them to be

¹¹⁴ RGADA, f. 214, stb. 414, ll.153–257. This *stolbets* may hold interest for students of identity. One serving man calls himself “Sibirskie kazaki Tobol'skova [sic] goroda Simon Zakarov” (l. 160). There is the label “Siberian Cossack” without a more specific indicator of town (l. 167.) Servitors from Eniseisk and Iakutsk refer to themselves as being of the *Sibirksaia ukraina*.

¹¹⁵ For food subsidy rates see RGADA, f. 214, stb. 499, l. 159.

¹¹⁶ RGADA, f. 214, stb. 499, l. 108.

issued an allowance according to the scale of owner.¹¹⁷ These transit Bukharans, although neither subjects of the tsar nor residents of the realm, expected to find support and protection from the tsar.¹¹⁸

It may be that the Russian state looked at western European merchants through fiscal eyes only; they saw the specie they could deliver. But in more eastern territories, Russia had a fully instrumentalist attitude towards foreign merchants. It prioritized the goods they would bring over the taxes it could collect from them. The Russian state considered that merchants who occupied a liminal place in society, who could broker the wares between distant places, served a valuable purpose. It wanted such liminal actors. A document from Kazan illustrates well this intention. In October of 1620 the governor of Kazan wrote to Moscow asking what he should do about Teziks who had come from Persia and now live in the Tatar neighborhood and had taken Tatar wives. Moscow replied that Teziks should be welcomed to Kazan and treated well. They should not, however, stay more than one year at a time. They must live in the Trader's House (*Gostinyi dvor*) and should not settle in the Tatar neighborhood or become posad residents (where they would be expected to pay posad taxes). They should not take Tatar wives and Kazan women were not to be allowed to leave with them.¹¹⁹ Here we see a state—ever short in human resources—that wanted these merchants from beyond to maintain a liminal status of moving goods between empires. The more fully foreigners assimilated to local life in Kazan, the less

¹¹⁷ RGADA, f. 214, stb. 499, ll. 109–11.

¹¹⁸ Note that they formulated their petition in the same personal and deprecating language as would the subjects of the realm. The term 'slave' is used in petitions by those in the direct service to the tsar; 'orphan' is the term used by everyone else except clergy. For further reading see Marshall Poe, "What Did Russians Mean When They Called Themselves 'Slaves of the Tsar?'" *Slavic Review* 57, no. 3 (1998): 585–608; Valerie Kivelson, "Muscovite 'Citizenship': Rights without Freedom," *The Journal of Modern History* 74 (2002): 465–89.

¹¹⁹ N.I. Veselovskii, *Pamiatniki diplomaticheskikh i torgovykh snoshenii Moskovskoi Rusi s Persiei* vol. 3 (St. Petersburg: Leshtukovskaia Parovaia Skoropechatnia P.O. Iablonskago, 1898), pp. 650–4.

likely they would leave. Teziks were more valuable to the Russian state as brokers of commerce than as local tax payers. It saw Bukharan merchants in Siberia, the subject of chapter eight, as similarly useful, and did much to court them. This persistent cultivation of a healthy trade to support its military and civilian population pervades the history of Bukharan diaspora communities in Siberia. Subjects looked to the state to facilitate commerce; early settlers to Siberia petitioned the tsar to make traders come, and the center tried to accommodate, as discussed in chapter two. From the Massachusetts Bay Colony to the markets of Istanbul and Peking, this tension between regulation and support, trimming and facilitating trade, were standard for early modern regimes.¹²⁰

That is, its attitude towards commerce was not only fiscal in nature; it was instrumental. Thus, the state's promotion of trade in Siberia corroborates the revisionist trend that sees more strategizing in early modern economic policy. Traditional historiography has argued that economic policy, to the extent that it existed, was only there to provide cash for government's other needs, like fielding armies.¹²¹ In the first place, that sort of a position relies on the premise that early modern states should have envisioned economic growth for its own sake as good, which imposes an anachronistic vision and suggests false dichotomies with respect to state behavior. More to the point, however, state actions in Siberia show a commercial policy that had

¹²⁰ Bernard Bailyn, *The New England Merchants of the Seventeenth Century* (Cambridge, MA: Harvard University Press, 1955); Eunjeong Yi, *Guild Dynamics in Seventeenth-Century Istanbul: Fluidity and Leverage* (Leiden, NLD: Brill, 2003), 167-8. Separate living quarters for foreigners was a common practice throughout the medieval and early modern world. See Olivia Remie Constable, *Housing the Stranger in the Mediterranean World: Lodging, Trade and Travel in Late Antiquity and the Middle Ages* (New York: Cambridge University Press, 2003). The practice came later to Moscow. See Samuel Baron, "The Origins of Moscow's Nemetskaja Sloboda," in *Muscovite Russia*, previously published in *California Slavic Studies* 5 (Berkeley/Los Angeles, 1970): 1-17.

¹²¹ Paul Musgrave, *The Early Modern European Economy*, 90.

priorities in addition to generating cash: it wanted to provide regional needs and saw trade as a means to that end.

A Bridge for Trade: Capturing transit trade

Throughout the sixteenth and seventeenth century Moscow was in constant contact with its neighbors on the steppes to its east and south. Indeed, it follows from a strategy that sought to profit from acting as a middleman fulcrum between markets of West and East. Being a middleman was a two-way street. Russians did not only shuttle eastern goods westward. They imported fabrics for re-export and sold “German” goods (household wares) to Central Asians.

Consistent with other early modern mercantilist empires, one way to maximize the income of specie was commonly believed to be most achievable through the maintenance of a favorable balance of trade. According to contemporary thinking, development of domestic manufactures could accomplish this. Re-export was another way. Peter’s predecessors recognized the potential Russia’s geographic location presented and sought to act as a bridge for the transmission of exotic products from the East to Western Europe.¹²² That is, they sought, not only to exploit new markets, but also to profit from connecting them, an endeavor in which they faced stiff competition from maritime trading companies.

Meanwhile, another significant dynamic was afoot. Russia began to more proactively aspire to act as middleman. That is, Russians attempted to usurp, in some capacities, roles that Bukharan merchants had held for centuries. While Kagarlitsky calls Russia’s role as

¹²² Kostomarov, *Ocherki torgovlia Moskovskogo gosudarstva*, 56. Scott C. Levi, *The India Diaspora in Central Asia and its Trade, 1550-1900* (Boston: Brill, 2002), 233. The desire to connect Russia to Indian markets motivated Peter’s aborted conquest of central Russia. See David N. Druhe, *Russo-Indian Relations, 1466–1917* (New York: Vantage Press, 1970), 50.

intermediary in European-Persian trade “extremely profitable”, Matthew Romaniello characterizes the early modern Volga trade as a dream that never lived up to expectations.¹²³ They may well both be right. We know much about product dynamics, but far less about volume. Obviously, the volume of trade holds implications not only for understanding Russian/Eurasian trade, but for global trade flows as well. For example, de Vries has demonstrated that Europe-Asia maritime trade flows in volume were a fraction (1/4-1/3) of trade flows between Europe and the New World.¹²⁴ However, without including overland volumes in the equation assessments can be tentative at best. The important thing is not to equate absence of documentation with absence of trade.

One area in which Russia seemed to achieve some success as middleman was in the silk and rhubarb trades. First, let’s consider silk. Dutch played a large role in redirecting trade away from the Levant. Much traffic in Persian silk that had been going through the Levant after 1620s was moving through Caspian, up to Moscow then to Arkhangelsk, where it boarded Dutch ships and sailed for Italy (along with caviar). According to Sephardi silk broker Sebastian Pimentel in 1630, only 20% of Dutch silk imports were arriving from Mediterranean. This means the rest (80%?) of Persian silk reaching NLD was coming from VOC around Africa or from Dutch merchants in Russia. According to Jonathan Israel’s estimates, in 1630 400 bales of Persian and Armenian silk reached western Europe via Moscow and Arkhangelsk, while 800 bales of silk

¹²³ Kagarlitsky, *Empire of the Periphery*, 110; Romaniello, *Elusive Empire*, ch. 3, esp. pp. 88–90. Romaniello writes: “Visions of Russia as the newest trade route between Europe and Asia (for West Europeans, at least) were never fully realized. Moscow’s attempt to manage the region’s resources closely ran in parallel with other European attempts to use the state to channel trade revenues. It produced only sporadic successes. The tsar also completely failed to coax trade from South or East Asia, a scheme seeking to capitalize on the supposed promise of the Volga River as a new silk road.” Matthew P. Romaniello, *The Elusive Empire: Kazan and the Creation of Russia, 1552–1671* (Madison, WI: University of Wisconsin Press, 2012), 15.

¹²⁴ Jan de Vries, “The Limits of Globalization in the Early Modern World,” *Economic History Review* 63, 3 (2010): 710–33, esp. pp. 728, 729 Table 3.

reached western Europe on VOC ships that departed from the Middle East, and 300 silk bales reached western Europe from Levant and Italy.¹²⁵ According to such figures, the preeminence of the VOC is striking: they moved over 50% of the silk, more than double the silk that moved through Russia. It can be easy to overlook, then, that just over 1/5 (20.9%)—a significant portion—of the silk that reached Europe traveled through Russia.

The Muscovite state similarly sought to capitalize on its access and proximity to demand with respect to the rhubarb root, a coveted medicine in early modern Europe. Beginning in the mid-seventeenth century, it restricted trade, implementing monopoly and monopsony regimes variously. Although mercantilist state attempts to cultivate medicinal rhubarb domestically proved unsuccessful (as they did for European botanists generally), the establishment of a quality control system helped to ensure that Russian rhubarb garnered the highest prices in the apothecaries and markets in Europe. In the early eighteenth century, the state contracted rhubarb acquisition to Bukharan merchants.¹²⁶

State monopolies

Monopolies were another form of standard mercantilist fare and Muscovy behaved accordingly. In enacting monopolies, Muscovy was pursuing its fiscal needs, or acting according to its “supply response”, according to Kotilaine. Muscovy sold to European buyers raw and semi-finished products in return for cash. Russia was already integrated into international

¹²⁵ Jonathan Israel, *Dutch Primacy in World Trade, 1585–1740* (New York: Clarendon Press, 1989), 153, Table 10. Total bales =1375.

¹²⁶ For more on rhubarb and state efforts to profit from it, see Monahan, dissertation, ch. 9. For a broader consideration of rhubarb’s use and movement in the early modern world see Monahan, “Locating rhubarb: Early Modernity’s Relevant Obscurity,” in *Early Modern Things: Objects and Their Histories, 1500-1800*, ed. Paula Findlen (London: Routledge, 2013). See also seminal study by Clifford M. Foust, *Rhubarb: The Wondrous Drug* (Princeton, NJ: Princeton University Press, 1992), ch. 3.

economic dynamics and as a result, had a highly monetized economy, which made its need to source bullion from foreign sources especially acute. Yet, it possessed no known mineral sources in at the time. (Although not for lack of trying. The Stroganov charters mandate mineral reconnaissance, an activity readily carried out in seventeenth-century Siberia). The state's creation of several monopolies in the seventeenth century was a consequence of the state's quest for cash, conceived to secure means of obtaining foreign bullion. The Muscovite government preferred to administer monopolies itself, rather than through a large trading company. On a more ad hoc basis, it would out-source the work of revenue collection and try to secure a set profit for itself by selling tax farms, monopoly farms, or exclusive buying contracts to the highest bidder. Administration of the sixteen different commodities on which monopolies (potash, caviar, rhubarb, tar, etc.) were declared over the course of the seventeenth and eighteenth centuries frequently fluctuated.¹²⁷ The policy fluctuations seen with rhubarb, discussed below, were not unique. This changing and tinkering reflects a state undergoing substantial change (military, intellectual, economic, governmental) and trying hard to navigate encroaching features of modernity.

Yet, the Russian state never sold monopoly rights for the Siberian territories wholesale as western European nations did to trading companies; the Stroganov charters remain unique events in Russian history; it was never willing to construct such a competition-free in Siberia (or elsewhere in the empire for that matter). Rather, its prompt establishment of a customs administration there showed that to the extent that it had a vision for Siberia, it was on of state-regulated commerce. Russia made elaborate efforts to monitor and regulate the commercial activity of its subjects and the movements of its pelts. Yet it never tried to control the entire fur

¹²⁷ R.I. Kozintseva, "Uchastie kazny vo vneshnei torgovle Rossii," *Istoricheskie zapiski* 91 (1973): 267337.

trade by declaring an outright monopoly. Raymond Fisher understood this: “The Muscovite government was jealous of the fur trade, but it was not rapacious.”¹²⁸ While specialists appreciate this, the point has been missed in general histories, which often misrepresent the Russian fur trade as a comprehensive monopoly.¹²⁹ From the charters to the Stroganovs to instructions to governors, to diplomatic exchange with the Chinese Empire, an analysis of Russia’s eastern expansion illustrates the extent to which the state prioritized commercial activity.

Taxation – early regulation

In the contemporary world, customs by definition refers to international movements, inspections and taxes levied on people and goods moving across national borders. But in Russia, as was true for much of medieval and early modern Europe¹³⁰—a world where identity construction was local (and religious), not national—an internal customs regime evolved where taxes where border controls existed not only between countries, but between towns as well. Under the more fragmented sovereignty of the medieval period, where lords maintained roads and bridges in their particular territories, they levied taxes on the use of them. Eventually this evolved into a variety of regulations that were applied to goods as well as people. In Muscovy

¹²⁸ Fisher, *Russian Fur Trade*, ch. 5, quote on p. 79.

¹²⁹ For example, a recently published textbook reads “The state had a monopoly on fur trade.” See Igor V. Naumov, *The History of Siberia*, ed. David N. Collins, Routledge Studies in the History of Russia and Eastern Europe (New York: Routledge, 2006), 227. See also Mark Mancall, *Russia and China: Their Diplomatic Relations to 1728* (Cambridge, MA: Harvard University Press, 1971), 178.

¹³⁰ The key difference was that regional taxation in western Europe was imposed by guilds and/or municipalities, who sometimes had the backing of a “nation-state.” In Russia, the imposition of customs duties derived from the center, which frequently channeled customs revenue to defray local state expenses.

too, discrete principalities instituted their own regimes. That infrastructure stayed in place and was further developed as the Rus' principalities came under Moscow's control.¹³¹

In Kievan Rus' commercial taxes fell into two main categories. The 'myt' was a levy associated with the transport of goods—tolls for using a road or bridge, at rest stations. The 'tamga', from which the Russian word for customs (*tamozhnia*¹³²) derives, was a levy charged as some percentage of commercial transactions. The Muscovite system of taxation drew on these basic forms as it evolved from the eleventh to the sixteenth century. In 1398 Moscow Prince Vasili Dmitrevich and Tver' Prince Mikhail Aleksandrovich negotiated about tax collection on the road between their territories.¹³³ Such arrangements made for the embryonic structures of the customs system, which stayed in place even as the Rus' principalities became unified in the Muscovite state.

In the middle of the sixteenth century, Ivan IV instituted important reforms. Concomitant with the formal cancellation of the "feeding" system in the 1550s, the state began to take control of taxation via two methods: it sold tax-farms, whereby an advance sum was paid for the right to collect particular taxes—a model that, except for the changed faces of the collectors, probably quite resembled traditional "feeding" on the ground. The other method was where Moscow assigned "sworn men" to collect taxes and deliver the revenue to Moscow. In either case it was

¹³¹ For works on the history of customs administration in Central Russia see Tikhonov, Iu.A., "Tamozhennaia Politika Russkogo gosudarstva v seredine XVI- do 60-kh godov XVII v." *Istoricheskie zapiski* 53 (Moscow, 1959): 258-90; A.I. Razdorskii, *Materialy dlia istorii tamozhennogo dela v Rossii XVI-XVII vv.*; M.M. Shumilov, *Torgovlia ii tamozhenooe delo v Rossii. Stanovlenie, osnovnye etapy razvitiia IX-XVII vv.* (St. Petersburg: Dmitrii Bulanin, 2006); Review essay by Jarmo Kotilaine.

¹³² Sort out: *Ekonomicheskaia istoriia Rossii*, vol. 1) indicates that *tamozhni* is related to *mytnitsy*- the places where myt was collected. It says that tamga was introduced under the Mongols. See *Ekonomicheskaia istoriia Rossii*, vol. 1 (Moscow: Rosspen, 2008), 406.

¹³³ K.V. Bazilevich, "K voprosu ob izuchenii tamozhennykh knig XVII v.," *Problemy istochnikovedeniia*, vyp. 2 (Moscow-Leningrad, 1936), 72.

usually middling type merchants or artisans that performed these tasks. Elite merchants, discussed below, served the tsar in different capacities.¹³⁴ The *tamga* evolved into the “ruble tax” (*rublevaia poshlina*), which formed the keystone of indirect tax collection in Russia.¹³⁵ Locals, out-of-town merchants and foreigners were charged at differing rates, reflecting a protectionist bent before they came of age.¹³⁶ The various tolls and transport taxes (of the *mytnaia* category) remained numerous. Overall, even with the opacity of economic history, the system of indirect tax collection was the state’s biggest moneymaker, generating more income than the direct taxes (*tiaglo*) towns paid. But the myriad charges that varied from town to town were disorderly and made costs unpredictable for merchants engaging in longer distance trade.

The Trade Statute of 1653 was enacted to correct that problem. Epitomizing in the commercial sphere the centralizing tendencies of the new Romanov dynasty, this law sought to regularize taxation into a more uniform system. With this reform the inconsistent collection of various taxes was supplanted by a simplified, slightly higher tax rate.¹³⁷ The main taxes in European Russia became the ruble tax and the *mytnaia* tax. The ruble tax became the primary customs duty (*tamozhennaia*, derived from *tamga*), set at a rate of 10 deneg per ruble, or 5%. The *mytnaia* tax was standardized at the same rate, 5%, making the total general tax at 10%. A protectionist impulse was apparent in the 1653 Statute as the state restricted inland travel of

¹³⁴ Paul Bushkovitch, “Taxing, Tax-farming, and Merchants in Sixteenth-Century Russia,” *Slavic Review* Vol. 37, no. 3 (1978): 381–98.

¹³⁵ A. Merzon, *Tamozhennye knigi: uchebnoe posobie o istochnikovedenii istorii SSSR* (Moscow: Tipografiia gazety “Krasnyi voyn”, 1957), 11. While the ruble tax was the mainstay of indirect taxation in Central Russia, the 1/10 tax played that role in Siberia. See chapter three.

¹³⁶ Iu. A. Tikhonov, “Tamozhennaia politika Russkogo gosudarstva s serediny XVI v. do 60-x gg. XVII v.,” *Istoricheskie zapiski* 53 (1955): 333–46.

¹³⁷ PSZ 1, no. 107, pp. 302-5. (October 25, 1653). K.V. Bazilevich, “K voprosu ob izuchenii tamozhennykh knig XVII v.,” *Problemy istochnikovedeniia*, Vol. 2 (M-L, 1936), 71-89.

foreigners, limiting them to the border towns –Arkhangel'sk, Smolensk, Astrakhan.¹³⁸ It called for charging slightly higher tax rates on Europeans in northern towns, but specified that trade in Astrakhan, and Greeks, Persian, and Central Asians, should be taxed as previously. Protectionist measures were expanded in the New Trade Statutes of 1667.¹³⁹

These were the most basic developments in seventeenth-century indirect taxation. Different rules applied in Siberia. There, the 1653 Trade Statue was not implemented and the 1/10 remained the basic customs duty until the end of the seventeenth century.¹⁴⁰ The most important point here is the revenue that the customs system generated. Indeed, perhaps one of the most pervasive points supporting the argument that promotion of commerce was important to the Muscovite state is the revenue that commerce generated. The extant records will never allow a satisfactory reconstruction, but there is broad agreement among historians who have worked on the problem that customs collections comprised the majority of state revenue—certainly more than ½ and perhaps more than 2/3.¹⁴¹ One example from a town on the way to Siberia: in

¹³⁸ It made such restrictions in the 1620s but exceptions continued throughout the century.

¹³⁹ PSZ 1, no. 408, pp. 677–? (April 22, 1667)

¹⁴⁰ It remains unclear if the 1/10 tax ever existed in European Russia. The 1/10 tax had ancient roots. From the eighth century it was levied around the Caspian Sea and the Byzantine emperor probably took 10% tax on goods at the Black Sea port of Cherson. See Simon Franklin and Jonathan Shepard, *The Emergence of Rus, 75-1200* (New York: Longman, 1996), 10, 42. Traditionally, the tithe was a 1/10 tax that the church often levied in medieval European communities, but in Kiev and several early Rus' towns the state to granted the church the revenue collected from every tenth week. See A. Merzon, *Tamozhennye knigi: uchebnoe posobie o istochnikovedenii istorii SSSR* (Moscow: Tipografiia gazety "Krasnyi voyn", 1957), 11. When Muscovy expanded into Siberia, where it began collecting commercial taxes already in the sixteenth century, it replicated existing infrastructure, which led to the establishment of an internal customs regime in Siberia. It is hard to imagine where the 1/10 tax, which became standard, came from if not from European Russia.

¹⁴¹ Valerii Perkhavko, *Pervye kupty Rossiiskie* (Moscow: Russkoe slovo, 2004), 331; In 1679/80 revenue from customs and kabaks made up 53.5% of revenue of the Russian state: G.I. Ivantsova et al., *Tiumenskaia tamozhnia: proshloe i nastoiashchee* (Tiumen': GATO, 1998), 4; Paul Bushkovitch, *Merchants of Moscow, 1580–1650* (New York: Cambridge University Press, 1980), 159; P.N. Miliukov,

1614/5, Nizhnii Novgorod collected “460 rubles in direct taxes, in contrast to a toll collection of 12,252 rubles and a tavern collection of 5,000 rubles (the latter from tax farmers).”¹⁴²

Protectionism

Russia’s policies make sense when seen within the guise of mercantilism, something other scholars have also noted in Pre-Petrine Russia.¹⁴³ Nowadays scholars talk in terms of the development and/or rise of early modern capitalism rather than of mercantilism.¹⁴⁴ Perhaps the subsequent distancing from this original term is born from the recognition that the concept of mercantilism, when held closely under a microscope, involves contradictory and eclectic practices, with “little intellectual or logical coherence.”¹⁴⁵ However, certain principles unite the concept of mercantilism. In essence, it was born from a belief that trade could enrich the country faster and more effectively than could agriculture.¹⁴⁶ This logically led to a commitment to a favorable balance of trade because it was believed that this would maximize the amount of specie in the nation. Through the lens of these objectives, Russian state economic policy becomes more understandable and appears rather similar to other early modern empires.

¹⁴² Paul Bushkovitch, “Taxing, Tax-farming, and Merchants in Sixteenth-Century Russia,” *Slavic Review* Vol. 37, no. 3 (1978): 381. [article 381–98]

¹⁴³ Kotilaine, “Mercantilism in Pre-Petrine Russia,” 143–74; Maria Solomon Arel, “The Arkhangel’sk Trade, Empty State Coffers, and the Drive to Modernize: State Monopolization of Russian Export Commodities Under Mikhail Fedorovich,” in *Modernizing Muscovy*, 175–202; K.V. Bazilevich, “Elementy merkantilizma v ekonomicheskoi politike pravitel’sstva Alekseia Mikhailovicha,” *Uchenye zapiski Moskovskogo ordena Lenina gosudarstvennogo universiteta im. M.V. Lomonosova* 41 (1940): 1–34.

¹⁴⁴ The last major debate was D.C. Coleman, “Mercantilism Revisited,” *Historical Journal* 23 (1980): 773–91. For more current scholarship, see Maarten Prak, ed., *Early Modern Capitalism: Economic and social change in Europe, 1400-1800*, Routledge Explorations in Economic History (New York: Routledge, 2001).

¹⁴⁵ C.H. Wilson, “Trade, Society and the State,” in *The Cambridge Economic History of Europe*, vol. 4, *The Economy of Expanding Europe in the Sixteenth and Seventeenth Centuries*, ed. E.E. Rich and C.H. Wilson (Cambridge: Cambridge University Press, 1967), 498.

¹⁴⁶ Wilson, “Trade, Society and the State,” 543.

Protectionist laws, tax-farms, monopolies, customs duties, and recruitment of foreign expertise for domestic manufacture were all common tools of the early modern state. Simultaneously and in part in conjunction with the pursuit of these aims, governance shifted from a domain state to a bureaucratically institutionalized tax state. Depending on how fine a point one wants to put on it, discrete polities can look wildly disparate or remarkably similar. The English, Dutch, Safavid, Spanish, Portuguese, French and Ottoman Empires in some cases used similar tools to secure similar aims. As Jan De Vries explained, “By assuming more activist postures, seventeenth-century absolutist and constitutional states alike became more effective in their attempts to channel economic life to their ends.”¹⁴⁷ Comparing Russian state building and empire building with other European Empires, even perfunctorily, is instructive. Russia, with all its particularities—not least a massive geography—shared in these processes in these centuries of globalization.

Protectionist laws were a hallmark of mercantile policies. Russia proceeded proactively but its decrees and policies were no more heavy-handed than those of the highly centralized early modern France, which under Louis XI enacted protectionist trade laws from the fifteenth century.¹⁴⁸ Indeed, Russian policy makers may have modeled some policy after Colbert’s, as transmitted to Moscow by the de Gron’e brothers.¹⁴⁹ If Moscow imposed burdensome measures on its merchants as observers accused, it was not alone. England had “navigation laws;” Italian, Hanseatic and Flemish cities all developed “navigation codes” that restricted their merchants’ use of foreign shipping, often obliging them to employ a less economical option.¹⁵⁰ The English

¹⁴⁷ Jan De Vries, *The Economy of Europe in an Age of Crisis, 1600–1750* (New York: Cambridge University Press, 1976), 236.

¹⁴⁸ Wilson, “Trade, Society and the State,” 498.

¹⁴⁹ Smirnov, “Economiceskaja politika v XVII v.,” 369–411.

¹⁵⁰ Wilson, “Trade, Society and the State,” 497, 505.

government, showcased as a bastion of private initiative, nonetheless pursued quite heavy-handed measures: laws forbidding the import of finished wool and export of raw wool were in effect in the mid-fifteenth century. The Ottoman Empire undermined Turkish merchants' interests by patronizing Florentine merchants for the geopolitical sake of weakening the greater Venetian threat.¹⁵¹ Even Dutch merchants, unique in their commitment to free trade (and the untimely belief that peace, not war, facilitated prosperity), were also on occasion subject to cumbersome state controls and also benefited from protectionist laws and an armed, subsidized merchant marine.

The development of a merchant marine for Russia had been a pillar of the De Gron' recommendations. Aleksei Mikhailovich had initiated a sea ship-building program, which was abandoned without success.¹⁵² Thus, Russia still had no navy when a skipper from Amsterdam, interviewed by the curious Tsar Peter in 1693—as if chiding the memory of Anton Lapt'ev¹⁵³—explained that:

We take a good percent for our transport, and Russians will always be in the palm of our hands as long as we come to you on our ships and take away your wares. Whatever reciprocal agreements we establish between us, whatever price we pay for wares, it does not matter. If Russian ships brought Russian wares to us, then our profit (*barysh*) would go to them.¹⁵⁴

The state enacted typically protectionist measures intended to advantage its own merchants. It restricted foreigners to trading in border towns and the terms under which foreigners could do business. This latter matter speaks to the sway elite merchants must have

¹⁵¹ Daniel Goffmann, *The Ottoman Empire and Early Modern Europe* (New York: Cambridge University Press, 2002), 177.

¹⁵² Samuel H. Baron, "A.L. Ordin-Nashchokin and the Orel Affair," in *Explorations in Muscovite History* (Brookfield, VT: Variorum, 1991): 1–22.

¹⁵³ tell Laptev story earlier or cut

¹⁵⁴ N.N. Repin, "Torgovlia Rossii s evropeiskimi stranami na otechestvennykh sudakh (konets XVII-seredina 60-kh godov XVIII v.," *Istoricheskie zapiski* 112 (1985): 142.

held in Muscovy. By their interference, lower artisans, traders, and workers were denied opportunities that working for foreigners presented.¹⁵⁵ This worked to the advantage of Russian merchants, who did not have to compete for their labor, but more importantly, the competition foreign networks facilitated by locals would have created.¹⁵⁶

Controlling foreign access to trade opportunities that Muscovy provided was an early priority. The Muscovite government was reticent to numerous pleas to allow foreign merchants to use Russia as a transit route for trade with the East. They denied passage to Persian and English merchants alike, one way in which they did keep other merchants from providing additional competition to trade routes via Astrakhan and Siberia. (An exception to this was granting of monopoly rights on the Persian shah's silk to Armenian merchants in 1667, coincident, ironically, with the issuing of the protectionist New Trade Statutes.¹⁵⁷) Muscovy periodically sent diplomatic envoys to lubricate the rails of reciprocal trade and these were sometimes led by foreigners—such as the embassies led by Anthony Jenkinson, Nikolai Spafarii, Ysbrant Ides, Laurence Lange. But the state refused to allow western Europeans free transit through Russia to central Asian and middle Eastern markets. Consequently, one does not find European merchants in Siberian customs books. The only Europeans that appeared in the customs books studied were Tobol'sk exiles, and they appeared quite rarely. Anecdotal evidence suggest Russians illicitly acted as proxies for foreigners. By 1619 the state had constructed a fort

¹⁵⁵ Jarmo T. Kotilaine, *Russia's Foreign Trade and Economic Expansion in the Seventeenth Century* (Leiden: Brill, 2004), 206–7; Baron; Wallace Daniel, “Entrepreneurship and the Russian Textile Industry: From Peter the Great to Catherine the Great,” *Russian Review* 54/1 (Jan 1995), 25; Samuel H. Baron, “The Weber Thesis and the Failure of Capitalist Development in ‘Early Modern’ Russia,” *Jahrbücher für Geschichte Osteuropas, neue folge* 18 (1970): 321-36.

¹⁵⁶ For a compelling and imaginative illustration of this dynamic see Jarmo Kotilaine, “” in *Portraits of Old Russia: Imagined Lives of Ordinary People, 1300-1725* (NY: St. Martin's Press, 2011?), #

¹⁵⁷ Kotilaine, *Russia's Foreign Trade and Economic Expansion*, 458.

along the North Sea to prevent English ships from freely trading at Mangazeia (and departing with copious fur wealth undetected by Moscow). It later mandated that foreign merchants should be constrained to carry out their business in border towns, but regularly made exceptions to this rule. Like the borders of Russia themselves, this policy was porous.

A Commercial Corps

There was nothing unique about hosting a diaspora community of foreign merchants and awarding them special trade privileges within one's empire. The feature that sets Muscovy apart from other early modern empires, even more than its contiguous colony, was its state merchant corporations. Russia was different in that it did not create large trading companies to whom monopoly powers or even administrative rights in given regions were awarded. The largest trading companies, in effect, acted like mini-states. They had their own military; they dictated policies in the regions over which they presided. Thus, they functioned like states. Muscovy declined to institutionalize such an entity separately. It had no large trading companies until the middle of the eighteenth centuries. The difference may be explained by the nature of the territories colonized. Whereas trading companies of Western European powers created an extractive economic system that had not previously existed in the Americas, colonizers that ventured first into Asia, such as Muscovy and the Portuguese, from the outset, operated within an existing framework of trade networks. The Portuguese, the first Western European imperial power in Asia, directed its operation in Asia not through a trading company, but through a central state corporation, called the *Estado da India*.¹⁵⁸

¹⁵⁸ P.J. Marshall, "Europe and the Rest of the World," in *The Short Oxford History of Eighteenth Century. Europe, 1688–1815*, ed. T.C.W. Blanning (New York: Oxford University Press, 2000), 229–30.

Muscovy did not form trading companies. It did have privileged merchant corporations. One prong of its activist stance was through the presence of this “commercial corps”. Privileged merchant corporations were not an alternative to trading companies. While some of the function of trading companies and Russian merchant corporations arguably overlapped (international trade), the overlap was in theory rather than in practice. Structurally, *gosti* were a *sui generis* entity. The functions of the *gosti* corporation and trading companies in international trade shared common features (although trading companies were appreciably more elaborate operations), but *gosti* were substantially occupied by domestic duties as well.

From the sixteenth to the early eighteenth century, formal corporations of privileged merchants occupied the top of the commercial pyramid. Nineteenth-century Russian historians, committed to models of universal development that defined the Western experience as normal, did the historical field a conceptual disservice by calling Russian merchant corporations guilds.¹⁵⁹ But blame does not fairly lie with nationalist historians, for the state itself introduced the term in 1728 when it abolished the traditional privileged corporations and replaced them with a “guild” system that divided merchants into a three-tier hierarchy determined by their annual turnover. Unlike medieval craft guilds, however, the organizing principle was not a common trade; annual ruble turnover determined a merchant’s place in the hierarchy.

Guilds in medieval Europe existed in primary (agricultural, livestock), secondary (production of crafts/industry) and service (merchants, barbers, etc.) sectors.¹⁶⁰ Most Western European guilds developed around a particular industry—baking, dying, candle-making, etc.

¹⁵⁹ Kostomarov. The book “Moskovskoe kupechestvo, etc (brownish photo cover) makes point that they are not guilds.

¹⁶⁰ Discussion of western European guilds relies on the study of medieval and early modern commercial institutions by Sheilagh C. Ogilvie, *Institutions and European Trade: Merchant Guilds, 1000–1800* (New York: Cambridge University Press, 2011).

Members of Russian merchant corporations were not unified around any particular industry, which makes them different from the industry-specific guilds that were most prominent in Western Europe. But merchant guilds did exist in Western Europe; their history can be traced from around 1000 and they were predominantly local. This is because, in the grand scheme of things, only a small minority of merchants engaged in long-distance trade.

As was the case with guilds in general, membership in a privileged merchant corporation in Russia conferred a status that derived from state authority. Unlike most western European merchant guilds, however, the privileged merchant corporations of Russia were not self-organized. What united them was that they had been granted this particular status by the state. The members themselves were as likely to cooperate as they were to compete with each other. At the same time, these particularities should not be taken to reify Russian commercial history as an outlier. In fact, long-distance merchant guilds evolved in ad hoc ways throughout medieval and early modern Europe. The Julfa silk merchants, an Armenian ex patriate community in Persia, that negotiated a monopoly on shipping silk through Russia in the seventeenth century illustrate a more typical model for long-distance merchant guilds. But variation was the norm.

The three categories of privileged merchants in Muscovy were gost', Merchant Hundred (*gostinnye sotni*), and Woolen Clothiers' Hundred (*sukonnye sotni*). This discussion first considers the origins, criteria for membership, privileges and obligations of these categories. Fixing the origins and meaning of these statuses is complicated because all of these categories (*gosti, gostinoi sotni, sukonnoi sotni*) existed organically before they were formal corporations whose membership was determined by the Muscovite state. For example, two types of *gosti* simultaneously existed in sixteenth-century Muscovy: those whose status derived from the Grand Prince in Moscow, and those whose did not. Further, not only did their privileges evolve;

unsurprisingly in an empire of “separate deals”, gost’ privileges could vary according to charter. In general one can say that the privileges were typically uniform and expanded across the seventeenth century, but this generalization ignores that gosti appear to have enjoyed tax privileges before official charters indicate that they did.

Reflective of the affinitive, personal culture of Muscovite politics, each gost’ was issued an individual charter document from the tsar, but there was no founding charter document of the corporation itself. Granted, when they were operating privately gosti appear much like influential merchants in any early modern nation without an incorporated status obliging them to state service. When in state service, gosti can be functionally compared to *ad hoc* commercial envoys from other countries: merchants sent on behalf of the king or khan.

If the gosti were the generals in executing Russia’s commercial projects, the second tier merchants, the Merchant Hundred, were a commercial corps, intended to be ready to execute those duties deemed to advance the empire’s fiscal health. These corporations performed as intended to the extent that they fulfilled fiscal duties. Gosti and merchants of the Merchant Hundred fulfilled state duties and pursued their own interests when not in state service, and to some extent, in the margins of state service. I am unaware of formal meeting of the gosti corporation, although there has to have been some coordination among themselves, for gosti determined who would man which customs office with rare interference from the tsar.¹⁶¹

Conclusion

Stability and security always trumped economic profits and growth in Muscovite strategic thinking, as was the case for most early modern states, but, all told, Muscovy had some

¹⁶¹ A. Merzon, *Tamozhennye knigi: uchebnoe posobie o istochniko-vedenii istorii SSSR* (Moscow: Tipografiia gazety “Krasnyi voin”, 1957), #.

measure of success in its policies.¹⁶² It maintained a positive balance of trade throughout the seventeenth century. Considering what Muscovy had to work with, it did quite well. If “the east” was where commercial opportunities lay, it came at a high cost. Russian geography remained an unavoidable, undiminishing challenge. Moreover, the Asian trade—with the greater travel overhead and the established networks to penetrate—never enjoyed the profit margins that plantation products of the Atlantic trade returned to European colonial powers.¹⁶³ The next chapters examine Siberia and how commerce played out. In particular, the Siberian case provides a clear example that, aside from immediate fiscal intentions, Moscow seemed to have had more subtle approaches to trade as well. Janet Martin has argued that optimizing fur supplies was a central concern in Russia’s overtures to Central Asia. It wanted to find new markets for fur products to avoid the deflation that comes with oversupply.¹⁶⁴ In Siberia, Moscow behaved with an instrumentalist approach to commerce—the state recognized that vibrant trade could cover supply deficits in its Siberian colony, thereby bridging crucial gaps between the state’s aspirations and logistical abilities. This perspective of Russia as an activist commercial state has been little developed in a historiography that has instead emphasized autocratic and suspicious tendencies that impeded commercial development.

¹⁶² On early modern Europe see Paul Musgrave, *The Early Modern European Economy*, 51-3.

¹⁶³ Jan DeVries, “Connecting Europe and Asia: A Quantitative Analysis of the Cape Route Trade, 1497-1795” *Global Connections and Monetary History, 1470-1800* (2003): 35-105.

¹⁶⁴ Janet Martin, “The Fur Trade and the Conquest of Siberia.”