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BUSINESS PARTNERSHIPS AND PRACTICES FROM THE 19TH-CENTURY OTTOMAN BALKANS

“We should respect each other as two *ortaks* and brothers.”¹

“I became an *ortak* [partner, Turkish] with kyr [Mister, Greek] Petar Dimitriou, and I invest capital of *kuruş* 6,000, in words six thousand, and kyr Petar invests *kuruş* 6,000, in words six thousand, and we will trade [org. *alış veriş*, Turkish] in what is appropriate [org. *monasıp*, Turkish].”²

The above quotes are typical clauses in contracts establishing business partnerships. They capture some significant features discussed in this article: the first suggests the principle of cooperation based on moral values, such as mutual respect; it also reveals a family-based model of conducting business and invokes a literal and metaphoric sense of

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¹ Български исторически архив, Национална Библиотека “Св. Св. Кирил и Методий”, hereafter BIA-NBKM, II A 7907. All translations are by the author unless otherwise mentioned.

² BIA-NBKM, f. 169, a. e. 55, 1.

fraternity. The second epigraph is written in Bulgarian but with Greek letters and heavily sprinkled with Turkish words. This linguistic eclecticism alludes not only to cultural exchanges but also interethnic business cooperation, evident in examples to follow.

Business partnerships are universal forms of commercial organization and as such have attracted much research attention and provoked lively debates. Their study encompasses mainly two thematic periods. The first is marked by Goitein's and Udovitch's pioneering works on medieval contractual practices in Muslim Mediterranean commerce in the late 1960s.³ The Western medieval world, and particularly Renaissance Italy, also provided researchers with a plethora of empirical data, which fueled various discussions: partnerships as disguised forms of charging interest; the role of the family firm; the levels of organization of medieval trade and banking; the origins and comparisons of business associations between the Eastern and Western Mediterranean, to name just a few.⁴ It was Braudel whose research merged both parts of the Mediterranean world. His later work addressed modern forms of business partnerships in the broader context of the genesis and expansion of capitalism.⁵ In the 1970s, discussions about double-entry bookkeeping and early banking forms, which also referenced northern European practices, addressed issues of business partnerships.⁶

The second wave of research interest in the theme of business associations began in the mid-1980s with a larger geographic and chronological scope and approach. Scholars like Hooock and Jeannin initiated the immense *Ars Mercatoria* project, collecting treaties and practical guides on European commerce from the 15th century on and exploring education, formation, and transmission of professional knowledge and codes of conduct.⁷ Other researchers, such as Greif and Minoglou, approached the issue of partnerships from the broader institutional framework of traders' coalitions.⁸ The study of family business and its inheritance, management, and transformations continued within both local and comparative frameworks from the era of Victorian England up to contemporary

³ Goitein, *A Mediterranean Society I*; Udovitch, *Partnership*; *id.*, "Formalism."

⁴ The literature is extensive and I am mentioning here a few seminal works: Lane, *Venice*; de Roover, *Business*; Postan, *Medieval Trade*.

⁵ Braudel, *Civilization*, esp. vol. 2, p. 433-457. Earlier influential studies include research by Werner Sombart, Henri Pirenne, and Herman Kellebenz.

⁶ Yamey, "Notes;" Lane, "Double Entry Bookkeeping."

⁷ Hooock, Jeannin eds., *Ars Mercatoria*. See also Angiolini, Roche eds., *Cultures*.

⁸ Greif, "Reputation;" Minoglou, "The Greek Merchant House."

Japan.⁹ Recent publications have focused on ethnic specificities expressed through partnerships both in legal documents and quotidian practices.¹⁰

In the Ottoman context, it was Gerber's research that advanced the thesis that the "old Muslim partnership law" outlasted the classical Islamic period and even bloomed afterwards.¹¹ More recently, Çizakça addressed the evolution of partnerships in the Ottoman Empire and Western Europe as complete circle – first from the Middle East to Europe and in the 19th century in the opposite direction.¹² Research on Muslim partnerships is mostly based on legal sources. For example, the *kadı* registers, especially the probate inventories, have documented significant aspects of investment strategies, inheritance, but provide less specific local context.¹³ This article pursues a different approach – an investigation of the contracts themselves, which are not kept in notary offices but dispersed in diverse merchant archives; while some are accompanied by related correspondence that contextualizes (and humanizes) the dry contractual language, others remain silent and open to speculative interpretation. The sources analyzed here belong to traders from various geographic locations, but the focus is on documents from Sliven, Samokov, Karlovo, Kalofer, Ohrid, and Kragujevac.

Partnership contracts provide a useful analytical tool for studying the intersection of social, economic, and cultural history. A closer look at the contract types, models, and clauses sheds further light on local economic reconfigurations, multiethnic regional cooperation, long-distance trade, and intergenerational communication. In general, this type of investigation offers insights into everyday business practices and humanizes traits of the "faceless" merchant¹⁴ – small-scale, medium-sized, or the

⁹ Okochi, Yasuoka eds., *Family Business*; Crouzet, *Le Négoce*; Daunton, "Inheritance," p. 277-278.

¹⁰ Aslanian, "The Circulation;" Ackerman-Lieberman, "Contractual Partnerships."

¹¹ Gerber, "The Muslim Law;" *id.*, *Economy*.

¹² Çizakça, *A Comparative Evolution*, p. XXII.

¹³ A close reading of business partnership contracts is quite rare. One of the few exceptions is the analysis of 34 eighteenth-century contracts, kept in a notary office, on the island of Lefkada: Katēphorēs, "Οι εμπορικές συντροφίες." A similarly interesting article examines the post-revolutionary Lyon's Bureau of Commerce, which liquidated 98 sequestered partnerships: Taylor, "Some Business Partnerships." A fresh quantitative approach to contracts, which do not originate from notary offices, has established links between the blooming market for patented technology and increased specialization and creativity of individual inventors: Lamoreaux, Sokoloff, "Intermediaries."

¹⁴ A term used with reference to Indian traders: Subrahmanyam, Bayly, "Portfolio capitalists," p. 406.

long-distance wholesale trader. In pursuit of such understanding, this article is partly informed by a micro-historical approach, with attention to particular individuals and inter-personal relations on a local level, that attempts to find meaning through negotiations, or what Levi articulated as “intensive study of the documentary material.”¹⁵ However, social experiences always exist within a wider social fabric. Discourses and samples provided in trade and epistolary manuals and Commercial Code’s regulations frame the contracts from commercial archives. The guides offered pragmatism and standardization of economic behavior, envisioning commerce not only as a tool for achieving wealth but also a broader activity in the service of social progress. I would argue that while the contract form was preserved and followed an old formulaic structure and language, its content, during the first half of the 19th century, shifted towards a broader conceptualization of commerce entailing circulation as well as production, distribution, credit, and entrepreneurial endeavors. Yet, this undiffused notion of trade, as all-encompassing activity did not last very long. Certain contracts from the mid-century already indicated trends towards the separation of commerce and finance, a process that had already been under way in Western Europe. Whereas guides regulated and maintain professional ethics and modes of conduct, practices diverged and manifested broader social transformations and perceptions. In what follows, the article introduces briefly various categories of business associations; second, it discusses visions of commerce embodied in contractual models in published and unpublished manuals and the structure and language of the contracts; third, it analyzes case studies from personal archives in comparative context.

TYPES OF CONTRACTS AND BUSINESS PARTNERSHIPS

Sources reveal a host of terminology for partnerships: *ortakluk*, *sodruzhestvo*, *etairia*, *syntrophia*; the terms for contracts are similarly rich: *omologia*, *kontrat*, *dogovor*, *soglasitelno pismo*, *ugovor*, *symvasē*. Contracts differ according to their goal – e.g., setting up, changing, or terminating a partnership.¹⁶ They also vary depending on their pragmatic

¹⁵ Levi, “On Microhistory,” p. 95; Bell, “Total History;” See particularly Levi’s analysis of the impact of kinship relations on prices of land and land transactions in Piedmont: Levi, *Inheriting Power*.

¹⁶ Moulias, “Τα εγκύκλια εμπορικά γράμματα,” p. 40-41.

objective – single venture, general trade, combination of production and commercial circulation, blend of trade and credit activities. Another way to put it is: proprietary and contractual or commercial partnerships.¹⁷ A third approach classifies contracts according to the relationship between “capital” and “service” within the partnership.¹⁸ While under Roman and Islamic law the focus was on the rights and duties of the partners in relation to each other, modern legal systems also emphasize liability, though mostly towards third parties.¹⁹ According to the scope of investment and liability within the partnership and towards third parties, there are four basic categories.

First, *mufawada* (universal or unlimited investment partnership) required that all the partner’s property be incorporated into common capital – mutual surety and freedom on behalf of the partnership but a ban on participation in independent business activity.²⁰ The partners invested identical shares and they shared both profits and losses equally. Each side was considered both an agent and a surety of the other partner. The Italian version of this type was *compagnia*, a model based on the family firm, expansive and inclusive of non-family members.²¹

Second, *inan* (limited investment partnership) had multiple versions, with various relationship possibilities between the partners as well as independently to third parties, including an absence of same sex restriction on the partnership. Each partner was merely an agent but not a guarantor of his colleague, and their liability was limited to the extent of their joint capital; their contribution and distribution of profit and loss could be unequal. As per types of commerce, it existed in two forms: general and specified; time-wise *inan* varied from a single venture to continuous partnership. Its Italian version was *collegantia (societas maris)*.²² Both *mufawada* and *inan* were most often used in small and local businesses.

¹⁷ According to Udovitch, Islamic law recognizes those two main types of partnerships: Udovitch, *Partnership*, p. 17.

¹⁸ Postan, *op. cit.*, p. 66-67.

¹⁹ Udovitch, *op. cit.*, p. 98-99.

²⁰ Another limitation was that the partners had to be from the same faith and same sex: *ibid.*, p. 46-48.

²¹ Postan, *op. cit.*, p. 70; Çizakça, *op. cit.*, p. 6-7, p. 23-24; Braudel, *op. cit.*, vol. 2, p. 436-437.

²² Udovitch, *op. cit.*, p. 119, p. 123-124; Postan, *op. cit.*, p. 69-70; Braudel, *op. cit.*, vol. 2, p. 434.

The third basic kind of partnership was *mudaraba*, *commenda*, or *societas*.²³ It involved an arrangement between an agent and a sedentary investor; the latter entrusted his capital or merchandise or both, and the former invested time and labor. The profits were divided according to previously agreed upon proportions. It existed also in a so-called bilateral form, in which the agent invested a small amount of its own. Differences in religious denomination did not impede such partnerships.²⁴ Its application was most common in long-distance trade. Such was the case of the Julfan merchants where *commenda* was the “single most important source of the dramatic expansion of the Julfan commerce in the 17th and 18th centuries” until the joint-stock companies eclipsed it.²⁵

The last type of business partnership was the joint-stock company or *société par action*. According to Braudel, a limited partnership was an association of both individuals and capital, while a *société par action* involved capital only.²⁶ Çizakça has also included *vücuḥ*, a sub-type of credit partnership where two partners did not have money, but relying on their good reputation, were financed by a third party.²⁷ Athanasios Psalidas (1808) mentioned another interesting hybrid – a partial or separate partnership, where one of the partners dealt separately with part of the common capital and profits/losses would be later added to or subtracted from the common capital.²⁸ Contracts kept in the archives reveal coexistence and often an amalgamation of these theoretical models.

DISCOURSES ON TRADE AND SAMPLE CONTRACTS IN EPISTOLARY AND COMMERCIAL GUIDES

Partnership contract models, accessible to the Balkan 19th-century merchants, were included in published epistolary and commercial guides. After 1849, the Ottoman Commercial Code, which was based on the Napoleonic Code of Commerce of 1804, provided legal rules. The latter was translated and printed in Greek three times by 1820.²⁹ In the second

²³ Postan, *op. cit.*, p. 68-69; Çizakça, *op. cit.*, p. 4-6, p. 22-23.

²⁴ Udovitch, *op. cit.*, p. 127-128.

²⁵ Aslanian, *art. cit.*, p. 125.

²⁶ Braudel, *op. cit.*, vol. 2, p. 439.

²⁷ Çizakça, *op. cit.*, p. 8.

²⁸ Papageōrgiou, *Ο εκσυγχρονισμός*, p. 67, p. 123-124.

²⁹ Sklavenitēs, *Τα εμπορικά εγχειρίδια*, p. 41.

half of the 19th century two types of legal framework for partnership coexisted in the Ottoman Empire: the *Kanunname-i Ticaret* (1849) and the *Mecelle* Law of 1868, which incorporated traditional Islamic partnerships.³⁰ The codes were translated in various languages and circulated among the Balkan merchants.³¹ Thus, the theoretical influences and institutional framework for drawing up contacts were eclectic and included older models and contemporary adaptations.

Starting in the 16th century, printed guides in Greek language were published in Venice, ranging from Manouël Glyzounis' *Arithmetic* (1568) to Nikolaos Papadopoulos' *Encyclopedia* (1815-1817) based on Jacques Savary's *Le parfait négociant* (1713) and Jacques Peuchet's *Dictionnaire universel de la géographie commerciale* (1799-1800). Later, these publishing activities moved to Trieste and Vienna, and at the beginning of the 19th century, to urban centers in the Ottoman Empire and Moldavia and Wallachia. These compilations, whose common features were heterogeneity, plagiarism, and pragmatism, enjoyed multiple editions. Their eclectic approach fulfilled a need to provide information about business organization and contractual models, which in Western Europe was made available in specialized texts of commercial jurisprudence.³² Moreover, many of these publications expressed a concern about economic belatedness and the urgency of achieving a competitive edge with their Western commercial counterparts. They conceptualized commerce not only as a tool for progress but also a broader activity with multiple economic and cultural functions. For example, some authors claimed that trade had turned from a simple profession based on experience into a multi-branch science, which informed the "authentic merchants of Western Europe today."³³ Ironically, they envisioned commerce as a channel for modernization but also expressed an indirect concern for Western economic penetration and competition in the Ottoman Empire.

Since these guides were not widely available, many merchants compiled "cheat-sheet" short manuscripts of 10-30 pages. As one example, an anonymous manuscript from around 1809³⁴ contains an interesting

³⁰ Çizakça, *op. cit.*, p. 56.

³¹ *Εμπορικὸς κώδῆξ*; Aristarchi Bey, *Législation*, p. 279-284; Arnaudov, *Pŭlno sŭbranie*, p. 130-135.

³² Meuvret, "Manuels," p. 241-248.

³³ Melas, *Ἐμπορικὸν ἐγχειρίδιον*, p. 1.

³⁴ Biblioteca Academiei Române, Manuscript Collection; hereafter BAR, Mss. sl. 738, p. 11-12.

blend of Greek, Turkish, and Bulgarian with some Italian and Russian terms, or what I would call Balkan-Ottoman commercial *koine*. The contract sample is called “omologia [Greek] za [Bulgarian] ourtachuvanu [Turkish, corrupted version for ortakluk],” and uses a fictitious example of two persons who invested each 500 *kuruş* and promised to behave “respectfully as two brothers by birth.” Everything, including expenses, gains and losses would be divided equally. The example is representing a *mufawada* partnership that asserted not only financial equality but also employed a language referring to fraternal and family solidarity. Both epigraphs, derived from contractual agreements kept in personal archives, illustrate striking similarities. However, the language of fraternal equality does not always imply a *mufawada* arrangement. For example, another “real” contract, signed in 1833, stipulated that the differences between the two partners should be negotiated “as [between] two brothers.”³⁵ One of the partners, hacı Dimitraki hacı Pancho, invested 5,476 *kuruş*, the other partner only 149 *kuruş*, or 36 times difference. The agreement is another illustration of a rich mix of various (corrupted) linguistic expressions: *ortak* (partner), *kundrat* (contract), *kapidal* (capital), *sermio* (capital). Another short assemblage of an epistolary and commercial guide, written between the 1830s and 1840s, also contains a contract sample.³⁶ Its content and language are identical to the earlier one of 1809; the only substantial difference is that the two partners invested higher sums – 2,000 *kuruş* each and at the end of the document the signatures of three witnesses were added. As Table 1 corroborates, the early contracts from the 1830s also manifest the prevalence of *mufawada* partnership.

A couple of printed epistolary manuals from the 1830s offered more detailed models for signing partnership contracts. For example, a guide, published in Kragujevac (1835), provided an *inan*-type contract of seven articles.³⁷ It had a “theoretical” part concerning the main issues to be addressed in a contract: scope of trade, duration, causes for dissolution, rules of dividing gain/loss, name of the company, quitting the partnership and accepting new members, and expenses. In 1837, Michaël Chrēstidis published his *Epistolarion* (epistolary guide) in Bucharest, which contained about 30 pages with 15 various contracts: short and comprehensive versions of equal number of *mufawada* and *inan* partnerships.

³⁵ BIA-NBKM, II D 5019.

³⁶ BIA-NBKM, II B 9910, p. 32-33.

³⁷ Khilendarski, *Славеноболгарский предручный послателник*, p. 48-61.

Table 1: Business Contracts, Ruscho Mirkovich (R. M.), Sliven 1837-1887

Year	Place(s)	Partners Number	Duration	Contributions	Capital (total)	Profit/loss	Activities	Family members	Covered expenses	Type of partnership
1837	Sliven	2	X	6,000 k.	12,000 k.	Equal shares	Trade	No	X	M
1838	Istanbul	2	X	3,000 k.	6,000 k.	Equal shares	X	No	X	M
1838	Sliven	2	X	4,000 k.	8,000 k.	Equal shares	Trade	X	X	M
1840	Sliven	2	X	10,000 k.	20,000 k.	X	Trade, credit	No	Travel, servant	M
1841	Sliven	2	1 year	3,500 k. 2000 k. + labor	5,500 k.	Equal shares	Production and trade in <i>aba</i>	X	Rent, travel	I
1843	Sliven	2	X	11,000 k. 9,500 k.	20,500 k.	Equal shares	Trade	Father and son	X	I
1848	Sliven	3	1848-1865	Stanchuv (only labor in 1855)	110,000 k. (1855) 180,000 k. (1857)	X	Trade in <i>aba</i> and wool	Relatives	Travel, rent of <i>dukkān</i> and warehouses	I
1849	Sliven	9	10 years, 1849-1854*	From 600-4,400 k.	55,000 k. (1852)	X	Credit	X	X	I
1854	Sliven Burgas	2	X	5,000 k.	10,000 k.	Equal shares	Trade in wine	X	Travel	M
1858	Sliven	12	10 years, 1858-1868	150 Ott. l. average	1,800 Ott. l.	According to investment	Credit	X	X	I
1860	Sliven	4	X	X	61 <i>okka</i> salt	Equal shares	Trade in salt	X	Travel, rent	M
1861	Sliven	2	1 year	275 Ott. l. 25 Ott. l. + labor	300 Ott. l.	2: 1	Wool and <i>aba</i> locally	Gidikov	Travel, horse, servants	I
1866	Sliven	2	1866-1870	capital only (R. M.) labor only	X	X	Wool	X	X	I
1873	Sliven Istanbul	3	Unlimited	2,000 Ott. l. 1,000 Ott. l. 1,000 Ott. l.	4,000 Ott. l.	According to investment	Wool, <i>aba</i> , grocery	Stanchev	Travel, home expenses, horse, rents for warehouse, <i>dukkāns</i> , servants' salaries	I
1880	Sliven	2	1 year	850 Ott. l. 150 Ott. l. + labor	1,000 Ott. l.	2: 1	Wool	X	1 employee	I
1884	Sliven Iambol	2	Unlimited	850 Ott. l. 550 Ott. l. + labor	1,400 Ott. l.	Equal shares	Shop with colonial goods in Iambol	X	Servants' salaries, rent for <i>dukkān</i>	I
1887	Sliven Iambol	2	1 year, 1887-1889**	1,000 Ott. l. labor	1,000 Ott. l.	3: 1	Tobacco factory in Iambol	X	Travel, rent, salaries	I

I – *inan*; *k.* – *kurus*; *M* – *mufawada*; X – missing or unclear information; * The partnership was dissolved earlier; ** The original contract was renewed.
Source: BIA-NBKM, f. 169, a. e. 55.

Another feature concerned the inclusion of a new member in an already existing partnership and three versions of a contract for the hiring of a scribe by a merchant.³⁸ Of interest is an agreement between a father who offered his son to work “with honesty, willingness, obedience and most importantly with faith” for three years for “the most honorable” kyr Athanasiou.³⁹ Hence, Christian faith went hand in hand with obedience to one’s father and boss.

As the examples so far suggest, most guides provided contract samples with built-in social hierarchy and moral values. They reveal a system of self-regulating conduct, based on notions of personal honor, aiming not only to deter lapses in merchant virtue but also to encourage hard-working habits with potential rewards. As well, most contract models in the guides demonstrate only successful business: there are no instances of business failures or explicit teaching about avoiding mistakes. Examples from the archives confirm that expectation for personal achievement and success. Consider the case of an *inan* partnership between two brothers in Kalofer in 1847.⁴⁰ One of the clauses banned the participation in other business by articulating that both brothers were “obliged in an unanimous and virtuous manner to work only for this partnership.” The company would cover all the business and family expenses; however, if anyone wants to buy precious objects, such as diamonds, he had to foot the bill. The contract was renewed in 1849 and contained an article dealing with the issue of “sick leave.”⁴¹ It had a penalizing character that decreased the gains of the sick member who was not contributing to the partnership’s success. There was another penalty, quite substantial – 21,000 *kuruş* in case of slander of the partner or theft of capital. Moreover, in case of intentional malevolence, the perpetrator’s name would be ruined through court litigation. The latter is one of the few instances I have come across of a direct threat of a lawsuit in a contract. Correspondence from the same archive manifests strategies of court avoidance. What is significant, though, is that the inclusion of multiple clauses aimed at frugality, time and effort investment, and ultimately, a successful functioning of the partnership.

Another example, an unpublished manuscript of a commercial guide, authored by a merchant in Bucharest (1843), included a contract of seven

³⁸ Chrēstidis, *Ἐπιστολάριον*, p. 241-276.

³⁹ The son would also study German. *Ibid.*, p. 264.

⁴⁰ Централен държавен архив, hereafter TsDA, f. 2066k, 1, 7, p. 1.

⁴¹ BIA-NBKM, II A 7907, esp. art. 4.

clauses.⁴² It used a fictitious company of three (male) members, and each invested different amounts of money in an *inan* partnership. The company was set up for general trade in goods for three years. A special article dealt with the division of labor and level of discretion within the firm. The person with the biggest investment would be treasurer and would sign all the official documents in the name of the partnership. The second investor would be responsible for sales and collecting debts; the third one would be in charge of bookkeeping. Each decision was to be achieved through consensus. Should the partnership be dissolved, they should settle all debts in a “decent” way. This agreement indicates that most of the contractual power resided in the two partners with greater investment and risk. The whole manuscript also shows that it was most concerned with the purchase and sale of various commodities,⁴³ and implied the role of the merchant as mediator between production and consumption.

Epistolary guides from the second half of the century show continuity, but also some changes. Continuity is evident in a *diplografia* (double-entry bookkeeping manual) from 1850, where the sample contract for setting up of *inan* partnership is almost identical to the above-mentioned epistolary guide, with the same division of responsibility and power of the three partners.⁴⁴ The new elements are apparent in the flexibility of the amount invested in the partnership, various durations of the enterprise (with a trend of gradual decrease or often renewal), and in some examples that reflect a specialized local economy. For instance, an epistolary guide, published in Rusçuk (1868), offered a specific example of four members involved for 6 to 8 months in livestock trade in the town of Gorna Oriakhovitsa (Rahoviçe),⁴⁵ a region with highly developed cattle breeding and production and trade in animal products. A process of business “bulgarization” was under way. Many other documents from the same period and region, though, attest to a strong Muslim entrepreneurial presence that is omitted from the guide’s examples.⁴⁶ A similar pattern

⁴² Научен архив, Българска Академия на науките, hereafter NA-BAN, f. 84k, III, p. 1-3.

⁴³ It listed three types of merchants: “*verhovnii torgovets*” or a long-distance merchant; medium-size trader who does local deals and trade on commission, and a “*peni-azorazmenitel*” or *sarrafi*: NA-BAN, f. 84k, III, p. 12-14.

⁴⁴ Karaminkovi, *Диплография*, p. 150-152.

⁴⁵ Mikhailovskii, *Малък български писмовник*, p. 58-62.

⁴⁶ There was a network of Muslim and non-Muslim tax farmers of *beğlik* (sheep tax) who rented *suvats* (pasture) in the region of Pleven, Nikopol, Svishtov, and Gorna

of short-term and single venture partnerships existed in Serbia as witnessed in a series of letters from Kragujevac written in 1824. All of them outlined *ortakluk* (partnership) among three to four senior (“*glavni ortaci*” or “*glavni kompanioni*”) and junior partners.⁴⁷ The documents contain no information about invested capital or distribution of work and profits/losses. It appears that they used older models that preserved a generational hierarchical order (and language). Partnerships were particularly popular among cattle traders where the *glavni ortak* would only invest and the younger ones contributed with labor, as in *commenda* partnerships.⁴⁸ By contrast, the sample from Gorna Oriakhovitsa referred to an *inan* arrangement.

An important question arises as to what were the earlier prototypes of those models. The influences in the Balkans derived not only from Islam, as Çizakça has suggested,⁴⁹ but were traceable to Byzantine models as well. There were two lines coming from the Byzantine tradition: secular (Libanius and Justinian) and ecclesiastical, stemming from the Saint Fathers. The medieval Slavic epistolography to a great extent followed the Byzantine models,⁵⁰ a practice that continued well into the 19th-century epistolary guides. Sklavenitēs has also compared an example from the Glyzounis’ *Practical Arithmetic or Art of Accounting* (1568) to a model from a Byzantine guide for setting up an *inan* partnership of three

Oiakhovitsa. See, for example, a letter by Mahmud Nedim to Tsviatko Radoslavov, 1st Feb. 1869: TsDA, f. 253k, a. e. 47, 1; a. e. 81; a. e. 94, 1.

⁴⁷ Архив Србије, Књажевска канцеларија, hereafter AS-KK, XV, p. 441-456. The addressee of the letters was the Serbian *knez* Miloš Obrenović who was informed about the set up of the partnership and the fact that the senior members would be responsible for any potential harm. He required that each merchant must provide evidence of capital or surety in order to get permission to trade. For example, *knez* Miloš Obrenović gave a one-year permission in 1828 for cattle trade to a certain Filip Vuković: Архив – САНУ, Српска академија наука и уметности, hereafter A-SANU, 8988.

⁴⁸ Often those partners participated simultaneously in various ventures or became partners with state employees or craftsmen: Milić-Miljković, *Trgovina*, p. 282-286; Miljković-Katić, *Структура*, p. 90-92, p. 106-107. See also a contract of 1855 between Gjorgje Ninić, member of the city court and a certain *terzie* in Belgrade who was renting land from Ninić for cattle grazing; the yearly rent was 185 *talira*: AS-Nikola Ninić-18, p. 7.

⁴⁹ Çizakça, *op. cit.*, p. 78. According to Udovitch, the Islamic law does not contain a general theory of contracts. However, he has identified seven significant components in samples of contracts from notarial handbooks: nature or subject of partnership or transaction; names; amounts and forms of investments; profit distribution; liabilities; division of work; and date. He has considered that the brevity of those contracts is meant to provide a “skeletal outline” of the essential components and omits elements that jurists of different legal schools might disagree upon: Udovitch, *op. cit.*, p. 94-95.

⁵⁰ Biliarsky, “Два нарѣчника,” p. 234, p. 236.

people.⁵¹ The Ottoman (with concomitant Arab and Persian) influence was also discernable in translations of Ottoman epistolary guides, particularly of *inşa* and *münşat*, which included a lot of commercial and bureaucratic examples.⁵² Accordingly, models as well as practice were shaped by heterogeneous influences coming from a host of historical contexts.

The older prototypes affected not only the structure and contents of the contracts but also offered a repertoire of formulaic expressions, often religious invocations common for Muslim and non-Muslim contracts. The latter permeated both the guides and the archival materials. Many formulae have an apotropaic function with reference to losses, bankruptcy, death, or disgracing a partner, and use phrases such as “God forbid” (*Bozhe pazi*, *Theos phylaxoi*) or “under the threat of God’s wrath.” In a similar vein, the Julfan *commenda* contracts began with the formula: “In the name of God” and employed expressions “Good and evil belong to God.”⁵³ The examples could be augmented with formulae from early Islamic samples of partners entering in a “God-fearing manner and with mutual fidelity.”⁵⁴ Such instances suggest “borrowing” and transferring of moral religious expectations into business settings. Other expressions refer to kinship terminology, especially “as two brothers.” A third common component is the use of ritual gestures, such as handshaking when exchanging contracts,⁵⁵ or the ritual of putting money into a “common purse,” a pivotal element in initiating a partnership according to the Jewish law.⁵⁶ Last, Goitein has remarked that the Geniza correspondence revealed a permeation of expressions of “personal friendship” in the business vocabulary.⁵⁷ Similarly, most *lettera circolare*, or circular letters that announced the setting up or dissolution of partnerships, were sent to “all friends.”⁵⁸ In sum, guides seem to represent trade as a respectable self-regulated activity aimed at personal achievement

⁵¹ Sklavenitēs, *op. cit.*, p. 18-19.

⁵² Stainova, “Към въпроса;” Попов, Chorapchiev, *Турско-български разговорник*.

⁵³ Aslanian, *art. cit.*, p. 158-165.

⁵⁴ Udovitch, *op. cit.*, p. 92-93.

⁵⁵ For example, Arnaudov has explained what is the symbolic meaning of the ritual: “Handshaking is when two [persons] ascertain each other and say ‘I swear in my honor that this is true,’ which is equal to oath:” Arnaudov, *op. cit.*, p. 165.

⁵⁶ Ackerman-Lieberman, *art. cit.*, p. 656-660.

⁵⁷ Goitein, *op. cit.*, p. 169, cited in Udovitch, “Formalism and Informalism,” p. 75.

⁵⁸ Moulias, *art. cit.*, p. 43.

that would lead to social progress with reference to national prosperity.⁵⁹ They also portray its practitioners as collaborative, honest, and respectful. It is the behavior and strategies of the latter that I will explore in the next three sections.

PERSPECTIVES FROM THE ARCHIVES I:
GENESIS OF LOCAL ENTREPRENEURS

Ruscho V. Mirkovich (1817-1896) was a third-generation merchant, engaged in *aba* (rough woolen cloth) production and credit activities, who also invested his assets in real estate in Sliven, Burgas, and Istanbul.⁶⁰ There is a trove of contracts drawn up by him during the 1837-1889 period.⁶¹ The agreements illustrate shifts in local economic activity and diverse business forms including close and extended family; overlapping local networks; participating in wool production and trade; and credit. Table 1 shows how Ruscho was investing modest sums and worked with his father, from at least 1838.⁶² The early contracts were written either in Greek or in Bulgarian with Greek alphabet and were signed between Ruscho and his father with various people, often concurrently.⁶³ As noted earlier, these contracts from the 1830s were of *mufawada* type. Çizakça has argued that this was a strategy for “testing” new partners by sharing risks equally.⁶⁴ Along the same lines, Ruscho’s sums varied between 6,000 and 20,000 *kuruş*. A contract of 1837 is the first one that introduces Ruscho Papuçı Vulkovich and his role in the partnership as treasurer, a common feature to most other agreements.⁶⁵ The name implies his or his father’s artisan specialization – shoemaker. Agreements, though, show that both were involved in *aba* trade. Accordingly, Ruscho’s father had a *dükkân* (shop) in Sliven.

⁵⁹ The Encyclopaedia by Nikolaos Papadopoulos expresses clearly the belief that blooming commerce would lead to economic and social progress of the Greeks: Sklavenitēs, *op. cit.*, p. 47.

⁶⁰ Rusev, *Фирми*, p. 54-74.

⁶¹ BIA-NBKM, f. 169, a. e. 55. The archive contains more contracts, many of them renewed, I analyze 17 of them here.

⁶² BIA-NBKM, f. 169, a. e. 55, 10.

⁶³ Similarly, Katēphorēs has found that a certain person participated in successions with others in different partnerships trading in various goods: Katēphorēs, *art. cit.*, p. 283.

⁶⁴ Çizakça, *op. cit.*, p. 117.

⁶⁵ BIA-NBKM, f. 169, a. e. 55, 1.

A contract of 1838 was signed in Istanbul, which was the major emporium for the Sliven *aba* and many local companies had branches there.⁶⁶ For example, in 1843, 48.6% of Ruscho's profit from *aba* trade was gained in Istanbul.⁶⁷ Sliven was a significant center for *aba* production in Rumelia and supplier for *aba* garment for the army. It is not by accident that a few years earlier, the Ottoman government subsidized a textile mill in this town.

In 1848, the Porte sent a special representative who signed a contract with the local *abacı*s in Sliven to sew 10,000 army uniforms.⁶⁸ Consequently, an agreement from 1848 until 1865 was drawn up among Ruscho and Parashkeva Bianuv (a frequent partner) and Vasil Stanchuv for establishing an *inan* partnership.⁶⁹ The main activity was *aba* trade but other goods trade as well. The source confirms the leading role of Ruscho – he would be treasurer and would maintain all accounts. Also, his input/profit was 70,000/55,000 *kuruş*, Bianuv's 40,000/36,000 *kuruş*, and Stanchuv's labor/18,333 *kuruş*. Unlike some of the sample contracts discussed earlier, it seems that this agreement most benefited the members who invested less capital. These documents indicate gradual economic prosperity for some partners who invested labor but later accumulated some capital and even became equal partners. There is the example of Stanchuv, who in 1848 contributed only his labor, but in 1873 invested 1,000 Ottoman *liras*.⁷⁰

Research on the region around Sliven has demonstrated that the putting-out production for *aba* was widely spread, using primarily female labor. For example, two male partners in the villages surrounding Kotel in 1874-1878 were giving women wool to weave. An account from the first three months of 1876 showed that 50 women had weaved 100 *okka* of *aba* and were paid 297 *kuruş* or 3 *kuruş* per *okka*.⁷¹ Keeping in mind that the majority of Mirkovich's partnerships were dealing with wool production and trade, it would be safe to assume that he participated (at least indirectly) in the local putting-out system too. Similarly, in 1869, in Samokov, Nisimachi Arie (the Aries are discussed in the next section) began to distribute wool to local women and bought from them ready *şayak* (finer quality cloth), which he sold in Macedonia.⁷² Todorov has

⁶⁶ Tabakov, *Onum*, vol. 2, p. 231; vol. 3, p. 125-126.

⁶⁷ Rusev, *op. cit.*, p. 58.

⁶⁸ Todorov, *The Balkan City*, p. 213-214.

⁶⁹ BIA-NBKM, f. 169, a. e. 55, 34-35.

⁷⁰ BIA-NBKM, f. 169, a. e. 55, 94, 114-115.

⁷¹ Rusev, *op. cit.*, p. 159-161.

⁷² Музей Самоков, Научен архив, hereafter MS-NA, Хроника на семейство Арие, 11, a. e. 1, 205-208.

contended that serious hostility against the implementation of imported machines came not from the guilds but from women, as in the case of female workers in Samokov in 1851.⁷³

These vibrant textile activities stimulated also a lively credit market. Clearly, as a contract from 1840 reveals,⁷⁴ the local need for liquid capital attracted Ruscho to the area of credit activity as well. It was in the late 1840s and thereafter when Mirkovich's contracts included credit as a separate business. For instance, in 1858 twelve members set up a credit company for ten years in Sliven with 1,800 Ottoman *liras* as initial capital.⁷⁵ The average investment of each member was around 150 Ottoman *liras*.⁷⁶ The contract stipulated the conditions and particularly the interest rate: to lend only for three months at 2% per month, but loans at 12% per year. If any of the partners were to fall into bankruptcy, all the others were expected to help and lend him without interest the amount up to what he had invested in the partnership. Most agreements were renewed annually from 1855 onward; the credit partnership contracts have stricter clauses about accountability at every three months.

Yet credit activity was not the main part of Ruscho's portfolio. It was the lucrative trade in wool and other commodities that continued steadily over the years,⁷⁷ and even after the Russo-Ottoman War of 1877-1878. For example, a short-term agreement from 1880 shows that Ruscho supplied 850 Ottoman *liras*, another partner only 150 Ottoman *liras* (plus labor) and the profits would be divided in 2:1 ratio.⁷⁸ However, after the Russians withdrew (1879), local cloth merchants formed a company and leased the old wool factory. They secured a contract to produce uniforms for the army in Eastern Rumelia.⁷⁹ The small-scale *aba* production and trade declined after 1878, possibly due to the competition of woolen manufacturing growth. Consequently, after the establishment of the autonomous province of Eastern Rumelia, Ruscho's business activity expanded to other areas. In an agreement (1884), he still provided more

⁷³ Todorov, *op. cit.*, p. 236.

⁷⁴ BIA-NBKM, f. 169, a. e. 55, 6.

⁷⁵ Tabakov, *op. cit.*, vol. 2, p. 177-180.

⁷⁶ Between 1844 and 1878 the gold *lira* was set equal to 100 silver *kuruş*; the ratio gold silver was set at 15.09: see Inalcık, with Quataert, eds., *An Economic and Social History*, p. 972.

⁷⁷ For example, in 1860 there was a single-venture partnership for selling 21,000 *okka* salt bought in Istanbul: BIA-NBKM, f. 169, a. e. 55, 58.

⁷⁸ BIA-NBKM, f. 169, a. e. 55, 181.

⁷⁹ Palairot, *The Balkan Economies*, p. 247-250.

than his partner (850 compared to 550 Ottoman *liras*) to open a store in the nearby town of Iambol to sell “colonial goods” and the profits would be divided equally. In this case, the partner was his son-in-law.⁸⁰ According to another contract from 1887, both partners were developing a tobacco factory in Iambol. Ruscho invested 1,000 Ottoman *liras* and Georgiev his labor; the profits would be divided as 75:25%.⁸¹ The latter would have managerial functions in the enterprise. The former (as usual) would be treasurer and in charge for accounting and correspondence. Although the factory operation does not seem to mark the pinnacle of Ruscho’s entrepreneurial career (in 1889 the contract was renewed mentioning profit), his life path as a locally embedded entrepreneur was quite diversified.

Another area of profitable investment was real estate. As mentioned earlier, his father owned a *dükkân*. Ruscho also possessed various rural and urban properties that he rented out, such as warehouses, fulling-mill for the wool, another *dükkân* and *han* in Sliven. In the 1870s, together with a relative, he bought a *han* and three shops in Burgas.⁸² After 1877-1878 he was purchasing property from the departing Muslim residents in Sliven and its vicinity. In 1880, he acquired a house with a barn from Ruhçuoğlu Osman efendi.⁸³ In 1881, he bought rural possessions (parts of 1 yard, 1 garden, 3 meadows, 9 fields, and 3 plots) for 6,000 Ottoman *liras* from Hatice Alem Hanım.⁸⁴ The list of his immovable properties in 1881-1882 included: 8 houses, 3 shops, 4 *hans*, and half wheel (*dolab*), whose value was estimated by the Sliven’s financial council at 100,000 *kuruş* total. His incomes from those properties were 37,300 *kuruş* and the taxes he paid were 1,520 *kuruş*.⁸⁵ Mirkovich kept investing in real estate: he bought parts of 38 *dükkâns* in Sliven for 80 *leva* in 1889.⁸⁶ One article of the sale contract reveals the interesting detail that those shops were located next to others owned by individual Muslims and by a *vakuf* (pious foundation). Since Sliven was part of Eastern Rumelia until 1885, it seems that the process of property transfer was smoother than in the Bulgarian Principality and many Muslim owners were at least able to sell their possessions.

⁸⁰ BIA-NBKM, f. 169, a. e. 55, 261-262.

⁸¹ BIA-NBKM, f. 169, a. e. 55, 318-319.

⁸² Rusev, *op. cit.*, p. 67.

⁸³ BIA-NBKM, f. 169, a. e. 3, 118.

⁸⁴ BIA-NBKM, f. 169, a. e. 3, 137-138.

⁸⁵ BIA-NBKM, f. 169, a. e. 3, 139.

⁸⁶ BIA-NBKM, f. 169, a. e. 3, 167.

Ruscho's strategies (before and after 1878) involve: first, concurrent participation in various partnerships, which suggests an attempt of risk aversion; second, leading position: in 8 *inan* contracts he invested more than the other partner(s). Third, specialized trade: 44% out of all partnerships were for wool and *aba* trade and thus benefiting from the developed local production structure. He also invested in immobile property and took part in credit activities. His economic versatility is expressed in the use of two types of contractual agreements: 6 *mufawada* and 11 *inan*, with preference of the latter. The list of his partners presents a picture where the same names crop over and over again; in this sense, he was not an exception. His major partnerships, though, were ethnically confined to the pool of local Bulgarian entrepreneurs.

PERSPECTIVES FROM THE ARCHIVES II:
INTERETHNIC PARTNERSHIPS

By contrast, contracts kept in the archive of the Aries reveal multiple examples of interethnic cooperation. The family lived initially in Vienna, but in 1775 moved to Vidin, Sofia, and finally settled in Samokov where it carried out various enterprises.⁸⁷ In 1788, Moshe Arie and his three sons signed an *inan*-type contract, which stipulated their shares and contributions to the partnership. The father was to receive half of the profit because he provided cash (how much, it is not mentioned) and food; the brothers would get one share of the rest and would buy clothes at their own expense. Shemuel would be in charge of buying goods and managing the store; Izhak would be responsible for accounting and correspondence, and Avram would manage the retail trade. Like the previously mentioned sample, this contract also stipulated clear division of functions within the firm. Moreover, when old Moshe Arie decided to stop travelling he took his eldest son Shemuel on one of his trips with the intention of introducing him in person to all his commercial partners on the way to Istanbul.⁸⁸ In 1790, the father died and the three brothers revised the contract and transformed the partnership into *mufawada*.⁸⁹ Each would get an equal share from the profits and expenses for the

⁸⁷ MS-NA, Хроника, 11, а. е. 1, р. 29-30. The chronicle encompasses 132 years (1768-1914): Eshkenazi, "За хрониката."

⁸⁸ MS-NA, Хроника, 11, а. е. 1, 25.

⁸⁹ MS-NA, Хроника, 11, а. е. 1, 35.

shared house but would keep their personal expenses separate. The partnership existed until 1829 and ended up with substantial profit of 200,000 *kuruş*, which they divided equally.⁹⁰ It is worth noting the existence of a shared family house. The terminating contract stipulated not only equal division of the assets, avoidance of future competition by their specializing in banking and in wholesale and retail trade, but also required that each brother buy a separate house.⁹¹ In a similar vein, Taylor has noted that Lyon's partnership contracts made clear that the 18th-century business was a "household, a social as well as economic unit."⁹² The Aries started as family business with strict internal rules that maintained its economic viability.

More interestingly, the Arie family's archive sheds light on interethnic business cooperation. In 1793, one of the brothers – Avram – established an "oral contract" with Mehmed Emin Ağa.⁹³ Its four clauses were particularly advantageous to the former. He received from the *ağa* a free *dükkân* until he could find a better place. Further, Emin Ağa invested in the business 2,000 *kuruş* and agreed to buy everything needed to support his harem from Avram's *dükkân*.⁹⁴ Other documents confirm that before taking his regular trips to Istanbul for buying goods, Avram was financed by Emin Ağa but in return "always brought [him] gifts."⁹⁵ For example, in 1797 Avram Arie took 1,000 *kuruş* from Mehmet Emin Ağa and went to his usual visit to Istanbul for buying merchandises. Research on other locations has confirmed that it was typical for the 18th-century Jewish *homo economicus* to be involved in safe local trade with ties to Ottoman authorities.⁹⁶ During the trip Avram negotiated with his correspondents to order through mail in the future. Therefore, he would not waste time

⁹⁰ Some fragmentary notes from the Samokov's metropolitan *kondika* (register) give a sense of the purchasing power around the beginning of the 19th century and put into perspective the profits that the Aries made. For example, the price of a house varied between 300 and 600 *kuruş*, a *han* 1,250 *kuruş*, and a *dükkân* from 665 to 2,037 *kuruş* in 1806: Semerdzhiev, *Самоков*, p. 243.

⁹¹ MS-NA, Хроника, 11, а. е. 1, 180.

⁹² Taylor, *art. cit.*, p. 53.

⁹³ MS-NA, Хроника, 11, а. е. 1, 51-52. Udovitch has also mentioned that written agreement is not required under Islamic law; the significant factor is the oral testimony: Udovitch, *op. cit.*, p. 86-87.

⁹⁴ In 1793 the yearly salary of the Samokov's teacher was 200 *kuruş*: Semerdzhiev, *op. cit.*, p. 242.

⁹⁵ MS-NA, Хроника, 11, а. е. 1, 90, 95. See also an entry in the metropolitan register of Samokov: "39 *kuruş* and 12 *para* gift for the *ağa* and the *kadi*" in 1805, quoted in Semerdzhiev, *op. cit.*, p. 241.

⁹⁶ Rozen, "The Ottoman Jews," p. 269.

traveling for supplies and would not close his *dükkân*.⁹⁷ This episode highlights not only the mobility of retail merchants but also trends towards sedentarization.

Although the documents do not specify the nature of the administrative position of Mehmet Emin Ağa, the “oral contract” does disclose the manner of investing local cash in small enterprises. Since the division of profits is not mentioned, it seems that Mehmet Ağa played the role of a silent partner in multiple single-venture *commenda* enterprises.⁹⁸ Other documents suggest such assumption: around 1805, Avram began dealings with credit “according to the custom.” However, “The Turkish law does not allow to earn an interest and for this purpose in the promissory note we write the sum, which had to be paid as it was decided.” Therefore, the interest was always included in the sum. Another incentive for such a cautious practice was the fact that Mehmet Emin Ağa regularly audited their books,⁹⁹ which speaks to his role as silent partner. Udovitch has also discussed the interdenominational collaboration under the *commenda* partnerships.¹⁰⁰ Moreover, later both partners continued with tax farming and *sarraflık* (money changing).

Some twenty years after the opening of a shop in Samokov, the Aries engaged in tax farming as well. It was in 1808 when Avram was living in Sofia and working as a tax collector that he farmed out the *harac*. He was earning 5% of the collected sums but his main business was still *sarraflık* and he brought even his son to Sofia to help.¹⁰¹ Later, in 1814, Avram subcontracted the *harac* of Samokov from the same Mehmed Emin Ağa. He was paying in installments of three months and benefitted from this arrangement because he was also trading in various currencies. The Aries had a net of agents who were buying coins, gold, and silver in the adjacent villages and towns and those were sent in special packets in Istanbul and Salonica.¹⁰² When Mehmed Ağa was killed in 1831, his nephew Usref Beg, who inherited his position continued to carry out lucrative enterprises.¹⁰³

⁹⁷ MS-NA, Хроника, 11, а. е. 1, 75.

⁹⁸ Masters has discussed a similar trend of Muslim-Christian *mudaraba* agreements: Masters, *The Origins*, p. 63.

⁹⁹ MS-NA, Хроника, 11, а. е. 1, 106-107.

¹⁰⁰ Udovitch, *op. cit.*, p. 117-118.

¹⁰¹ MS-NA, Хроника, 11, а. е. 1, 115-116.

¹⁰² MS-NA, Хроника, 11, а. е. 1, 128-153.

¹⁰³ MS-NA, Хроника, 11, а. е. 1, 185, 234.

The Arie family also benefitted financially from the tax farming of the tithe. For instance, in 1859 they bought the *öşür* in Prizren (Prizrin). In the same year they collected the same tax in Salonica in partnership with Mustafa efendi.¹⁰⁴ In 1863-1865, another representative of the Aries farmed out the tithe of the villages around Samokov in an *inan* partnership with his neighbor Asan Ağa. He invested 75% and the *ağa* the other 25% with the condition they would both visit the villages to collect the grain.¹⁰⁵ Another example of partnership emerged in Samokov and Istanbul. The Aries collaborated with the hacı Giurov brothers in 1856-1857 by buying together (in the Ottoman capital) the tithe of five towns with the surrounding villages; the Aries were lending them money.¹⁰⁶ In another location – Ihtiman – Gavriel Arie established a partnership with the local *mütevelliye* (trustee of a pious foundation), Mahmud Bey, bought the tithe of Ihtiman and seven adjacent villages and earned between 20,000 and 25,000 *kuruş* annually; that cooperation continued until 1878.¹⁰⁷

Although the Aries expanded into money changing, tax collecting, tax farming, and even established an “Avram Arie” bank in Istanbul,¹⁰⁸ they did not abandon their *dükkân* trade and maintained a wide array of high and low-risk activities. Their case is quite illustrative of strategies for company expansion that began with local shop keeping (*commenda*) in collaboration with local Muslim administrative and business representatives and kept expanding the scale and the interethnic character of their business through the use of *inan*, which required active participation by both parties. The last feature was particularly prominent in tax farming in Rumelia because the early Tanzimat reforms opened new possibilities for local multiethnic participation.

PERSPECTIVES FROM THE ARCHIVES III: LONG-DISTANCE TRADE

It was, though, the long-distance business that demonstrates the possibilities for robust profits. For example, in 1839 three relatives (two

¹⁰⁴ MS-NA, Хроника, 11, а. е. 2, 97.

¹⁰⁵ MS-NA, Хроника, 11, а. е. 2, 270-273.

¹⁰⁶ BIA-NBKM, f. 33, а. е. 330, 217-218; MS-NA, Хроника, 11, а. е. 3, 157-158.

¹⁰⁷ MS-NA, Хроника, 11, а. е. 3, 160-162.

¹⁰⁸ MS-NA, Хроника, 11, а. е. 1, 272.

established brothers with a business since the 1820s and their nephew at the age of 20)¹⁰⁹ set up an *inan* partnership in Karlovo with capital of 145,000 *kuruş*.¹¹⁰ The uncles invested a much larger share, and the profits/losses would be distributed according to their initial investment. Each of them was located in a different geographic place: Karlovo, Galaţi, and Bucharest. In comparison to the *mufawada* contracts from the same period (see Table 1), the start-up capital of this company was much higher as well as its geographic dimensions. The family nature of the business was revealed in the additional inclusion of another brother as a servant in Galaţi (paid 500 *kuruş* per year). He, however, did not participate as a full-fledged partner. They all promised to “get along with God’s help and love without doing any wrong.” By contrast, a special article in a company contract of Ohrid (1853) among the Robev brothers and their seven sons, which dealt with similar intergenerational relations, was explicit: the sons should listen to and always ask for a piece of advice from their father and uncle.¹¹¹

By 1841, the nephew Evlogi Georgiev, together with his brother Khristo, settled in Galaţi and Bucharest respectively, while the uncles remained in Karlovo.¹¹² As the previously mentioned contract (1839) discloses, Georgiev’s contribution was 18.6%. Four years later – in 1843 – the capital almost doubled (287,000 *kuruş*) and the Georgievs’ share increased to 26.8%. In 1846, the company had 483,703 *kuruş* and in 1852 the capital went up to 1,355,000 *kuruş*, of which the Georgievs owned 613,671 *kuruş* (45.2%). For 13 years the firm’s capital augmented around ten times and the invested funds by the Georgievs increased around 22 times.¹¹³ Such economic success and social status was expressed through the purchase of an expensive diamond ring for 4,860 *kuruş* in 1852.¹¹⁴

It is not a coincidence that their capitals increased in the 1840s since they were capitalizing on significant macroeconomic changes, such as the Balta Limanı trade convention, the abolition of state monopoly on grain trade, the opening of navigation on the lower Danube, the Tanzimat reforms. Up to the Crimean War the company traded exclusively in

¹⁰⁹ The company had its origin in the 1820s. Gandev, “Една търговска къща.”

¹¹⁰ BIA-NBKM, f. 22, a. e. 794.

¹¹¹ Andonov-Poljanski, “Еден трговски договор,” p. 138-142.

¹¹² Davidova, “Земане-даване без мюхлюзлук.”

¹¹³ *Ibid.*, p. 32-33.

¹¹⁴ NA-BAN, f. 34k, a. e. 28, 44; BIA-NBKM, f. 183, a. e. 31, 25-26.

agricultural products within the Ottoman Empire but after 1856 they exported wheat to England and France. Due to the Civil War in the USA, 1866 was particularly successful for grain trade and the company's capital reached 4,072,000 *kuruş*. The expansion of international trade for Europe made the presence of the older generation of the uncles, who were practicing local retail trade, obsolete and their role in the firm was gradually marginalized. One can read letters about sending bills of exchange to "ours in Karlovo" who continued local transactions at the Uzuncova fair while the younger generation was investing in banking and renting of *moşie* (big farms).¹¹⁵ In 1868, after the death of one of the uncles, they formally separated and changed the name of the company to "Georgiev Brothers."

Another case disclosing similar expansion pattern of business perimeter offers the Khristo P. Tüpchileshtov's company. In 1847, he signed up an *inan* partnership with his younger brother in Kalofer.¹¹⁶ In contrast to all previously discussed contracts, this one is very detailed and consists of 23 clauses. One brother invested 197,198 *kuruş* and the other 191,698 *kuruş* or total 388,896 *kuruş*. One partner would stay in an *oda* in Istanbul and the other would be in Rumelia. The partnership would cover all the business and family expenses in Istanbul; however, if anyone wanted to buy prestigious jewelry one had to pay separately. A renewed contract of 1849 contains an article dealing with grain trade, which was limited up to 80,000 *okka*.¹¹⁷ Like Ruscho Mirkovich, the two brothers were engaged in *aba* trade and that explains the possession of an *oda* in Istanbul. As well, this was an old business initiated by their father who owned a tavern and *dükkân* and traded in *aba* in Istanbul and İzmit in the 1820s.¹¹⁸ However, the immense entrepreneurial opportunities in the Ottoman capital led to significant changes: the brothers separated in 1851 and the older one – Khristo – engaged in tax farming, *sarraflık* (like the Aries, and even collaborated with them), and state deliveries. For example, an interethnic contract (1866) was signed between Khristo Tüpchileshtov, Dimitür Tiulev, and Stavros Sōfroniadis for delivery of cotton to the state factory in Zeytin Burnu.¹¹⁹ The agreement consisted of 12 articles and indicated the contributions and

¹¹⁵ Davidova, *op. cit.*, p. 37.

¹¹⁶ TsDA, f. 2066k, 1, 7, p. 1.

¹¹⁷ BIA-NBKM, II A 7907.

¹¹⁸ Nachov, *Христо П. Тъпчилецов*, p. 25.

¹¹⁹ The delivery lasted for two years – until 1868. BIA-NBKM, f. 6, IA 25739.

responsibilities of each partner: Sōfroniadis invested 500 Ottoman *liras* and would transport the cotton to the factory in Istanbul; Tiulev put 2,000 *liras* and was in charge of collecting the cotton from the villages surrounding Adana; Tüpchileshtov was named “director” of the enterprise and invested 3,500 *liras*. He was responsible for all financial operations, for which he was entitled to 2% interest rate from the price of the supplied cotton. In 1866, the partnership delivered 266,279 *okka* cotton at the cost of 3,758,109 *kuruş* and the profit was 424,697 *kuruş*.¹²⁰ Since it was a state delivery, the partners did not pay *gümrük* and exported cotton to Marseilles as a side business (with Spartalis) and to London (with N. Boyazoglu).¹²¹ They even bought one shipment for the above-mentioned Georgiev brothers.¹²² As the Aries, Tüpchileshtov decreased but continued trading in commodities and kept the *oda*.

The partnerships in this section reflect similar developments in various localities: persistence of a family-based firm (at least at the beginning) with traditional local agricultural production trade;¹²³ expansion to bigger urban centers and participation in export trade, banking, tax farming, and state deliveries through *inan* contracts. These lucrative operations involved multiethnic networks in several locations. Again, the preference for such an arrangement at the expense of *commenda*, which dominated the domain of long-distance trade in the previous centuries, seems to be grounded in the 19th-century institutional and economic shifts that demanded suitable mobilization and adjustment of all partnership resources.

CONCLUSION

The epistolary and commercial guides provide both a discursive framework for trade and practical examples for standardizing codes of economic and moral behavior. They express a vision of commerce as a broader activity and a tool for achieving social progress and thereby

¹²⁰ BIA-NBKM, IA 9033, 10; IA 9034, 29.

¹²¹ BIA-NBKM, IA 9003, 203, 235.

¹²² BIA-NBKM, IA 1108.

¹²³ Similarly, Katēphorēs has argued that all the partners before creating associations were involved in local agricultural production and it is from that source that they had accumulated capital, which was later invested in the partnerships: Katēphorēs, *art. cit.*, p. 274, p. 282.

a positive role for merchants as mediators, producers, and entrepreneurs. A picture of professional identity with expectations for social engagement emerges. The archival contracts also reflect a broader meaning of trade as an all-encompassing form of business.¹²⁴ Furthermore, imbued with moral values of honesty, respect, and hard work, business partnerships suggest both collaboration and an individual basis of upward mobility. Most of the case studies corroborate such success story visions. Sources also indicate that the transition from religious expressions to professional secularization of language emerged first in the contracts that deal with credit activity, an early hint of the separation between commerce and finance.

A close reading of the archival materials shows versatility and concurrent participation in various ventures and types of partnerships. Many traders began their careers as craftsmen and owners of *dükkân*, most occupied middlemen positions and became involved either in textile production and/or in tax farming, and many went into credit activities. This list does not imply a linear progression but a simultaneous exercise of all those occupations, as Table 1 suggests.¹²⁵ Most cases also point to the gradual disappearance of *mufawada* and *commenda* partnerships and the prevalence of *inan* in all types of business. This trend might be explained by the flexibility that *inan* permitted in terms of liability, management, and risk diversification. Moreover, such adaptability was embedded within the local, regional, and interregional Ottoman economy, or, as the second mentioned epigraph states, “we will trade [org. *alış veriş*, Turkish] in what is appropriate [org. *monasıp*, Turkish],” from *aba* for the army to tax farming, state delivery, export to Marseilles and London.

¹²⁴ Even the terminology used by the Ottoman government in issuing *tezkeres* (permits) and tax receipts reveal a complex understanding of commercial activity – some thirty different types from shopkeeper to *tüccar*, according to the data compiled by Todorov for ten cities in the Danubian *vilâyet* in the 1860s: Todorov, *op. cit.*, p. 395-396.

¹²⁵ For the polyvalent notions of the merchant profession, see Davidova, *Balkan Transitions*.

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Evguenia Davidova, *Associations et pratiques commerciales dans les Balkans ottomans du XIX^e siècle*

L'objectif de cet article est de comparer des modèles provenant des guides de commerce et de correspondance, qui donnent accès au discours commercial, aux contrats et correspondances conservés dans différents fonds, qui offrent un contexte plus humain au langage juridique des contrats. Les guides présentent une approche pragmatique et normalisée du comportement économique et renforcent l'idée que le commerce n'est pas un simple outil d'enrichissement en lui attribuant un rôle important pour le progrès social et la prospérité nationale. L'étude des contrats fournit des informations sur les pratiques quotidiennes: la mobilité économique et sociale, la collaboration entre différents groupes ethniques, le commerce international et les relations intergénérationnelles entre marchands. L'article suggère que si, pendant la première moitié du XIX^e siècle, le langage et la structure du contrat restent figés, son contenu évolue pour représenter la double image du marchand, à la fois professionnel et bienfaiteur social. Néanmoins, ce modèle ne persiste pas très longtemps: pendant la seconde moitié du XIX^e siècle on retrouve de nouvelles tendances à établir une séparation entre commerce, industrie et capital financier.

Evguenia Davidova, *Business Partnerships and Practices from the 19th-Century Ottoman Balkans*

This article compares samples in commercial and epistolary guides, which provide a discursive framework to "real" business partnership contracts and correspondence, dispersed in merchant archives that contextualize (and humanize) the dry contractual language. The guides offered pragmatism and standardization of economic behavior, envisioning commerce not only as a tool for achieving wealth but also a broader activity in the service of social progress and national prosperity. Contracts provide insights into everyday business practices, such as local economic reconfigurations, multiethnic regional cooperation, long-distance trade, and intergenerational communication. The article suggests that while the contract form followed old formulaic structure and language, its content during the first half of the 19th century reflected this broader conception of trade. This blend of professional and social identity did not last long, though. Contracts from the second half of the century indicated trends towards separation of commerce, finance, and industry and reflect broader economic and institutional changes.