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Business Partnerships and Practices from the 19th-Century Ottoman Balkans

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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 kurus 6,000, in words six thousand, and kyr Petar invests kurus 6,000, in words six thousand, and we will trade [org. aliş veriş, Turkish] in what is appropriate [org. monasip, 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. 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. 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. In the 1970s, discussions about double-entry bookkeeping and early banking forms, which also referenced northern European practices, addressed issues of business partnerships.

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 Hoock 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. Other researchers, such as Greif and Minoglou, approached the issue of partnerships from the broader institutional framework of traders’ coalitions. 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

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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 Hoock, Jeannin eds., Ars Mercatoria. See also Angiolini, Roche eds., Cultures.
Japan. Recent publications have focused on ethnic specificities expressed through partnerships both in legal documents and quotidian practices.

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. 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. Research on Muslim partnerships is mostly based on legal sources. For example, the kadi registers, especially the probate inventories, have documented significant aspects of investment strategies, inheritance, but provide less specific local context. 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” merchant – small-scale, medium-sized, or the

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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: Katérphorens, “Οἱ εμπορικὲς συμφωνίες.” 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.”

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.” 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.

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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. They also vary depending on their pragmatic


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.\textsuperscript{17} A third approach classifies contracts according to the relationship between “capital” and “service” within the partnership.\textsuperscript{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.\textsuperscript{19} According to the scope of investment and liability within the partnership and towards third parties, there are four basic categories.

First, \textit{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.\textsuperscript{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 \textit{compagnia}, a model based on the family firm, expansive and inclusive of non-family members.\textsuperscript{21}

Second, \textit{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 \textit{inan} varied from a single venture to continuous partnership. Its Italian version was \textit{collegantia} (\textit{societas maris}).\textsuperscript{22} Both \textit{mufawada} and \textit{inan} were most often used in small and local businesses.

\textsuperscript{17} According to Udovitch, Islamic law recognizes those two main types of partnerships: Udovitch, \textit{Partnership}, p. 17.
\textsuperscript{18} Postan, \textit{op. cit.}, p. 66-67.
\textsuperscript{19} Udovitch, \textit{op. cit.}, p. 98-99.
\textsuperscript{20} Another limitation was that the partners had to be from the same faith and same sex: \textit{ibid.}, p. 46-48.
\textsuperscript{21} Postan, \textit{op. cit.}, p. 70; \cizakça, \textit{op. cit.}, p. 6-7, p. 23-24; Braudel, \textit{op. cit.}, vol. 2, p. 436-437.
The third basic kind of partnership was mudaraba, commenda, or societas. 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. 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.

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. Çizakç a has also included vücu, 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. 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. 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. In the second

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23 Postan, op. cit., p. 68-69; Çizakç a, op. cit., p. 4-6, p. 22-23.
24 Udovitch, op. cit., p. 127-128.
27 Çizakç a, op. cit., p. 8.
29 Sklavenitês, Ta eμορικά εμπορίδια, 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. The codes were translated in various languages and circulated among the Balkan merchants. 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’ Arithmetik (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. Moreover, many of these publications expressed a concern about economic relatedness 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.”

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 1809 contains an interesting

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30 Çizakça, op. cit., p. 56.
31 Εμπορικός κώδικας; Aristarchi Bey, Législation, p. 279-284; Amaudov, Pulu sâbranie, p. 130-135.
33 Melas, Εμπορικόν 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] ourtachuvamu [Turkish, corrupted version for ortaklık],” 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 Christidis published his Epistolario (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, Славеноболгарски предучий послателик, p. 48-61.
Table 1: Business Contracts, Ruscho Mirkovich (R. M.), Sliven 1837-1887

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

l - inan; k. - kurus; M - muafadada; 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. 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. 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 Kalofor in 1847. 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.” 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 kurus 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 Chrestidis, Έπιστολάριον, 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-NBKМ, 11 A 7907, esp. art. 4.
clauses. 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, 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. 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), 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. 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: “verhovni torgovets” or a long-distance merchant; medium-size trader who does local deals and trade on commission, and a “peni-azorazmenitel” or sarraf: NA-BAN, f. 84k, III, p. 12-14.
44 Karaminkovi, Диплография, p. 150-152.
45 Mikhailovski, Малък български писмовник, p. 58-62.
46 There was a network of Muslim and non-Muslim tax farmers of bečlik (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 wit-
nessed in a series of letters from Kragujevac written in 1824. All of them
outlined ortakuk (partnership) among three to four senior ("glavni ort-
aci" or "glavni kompanioni") and junior partners.\(^{47}\) The documents con-
tain 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 particu-
larly 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 Čizakça 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-cen-
tury epistolary guides. Sklavenitês 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

Oiaxhovitsa. 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, Књажеска 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, Структурална, p. 90-92, p. 106-107. See also a contract of 1855 between Gjorgie
Ninč, member of the city court and a certain terzie in Belgrade who was renting land from
Ninč for cattle grazing; the yearly rent was 185 talira: AS-Nikola Ninč-18, p. 7.

\(^{49}\) Čizakça, 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 transac-
tion; 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 паръчника,” p. 234, p. 236.
people. The Ottoman (with concomitant Arab and Persian) influence was also discernable in translations of Ottoman epistolary guides, particularly of *insula* and *münşat*, which included a lot of commercial and bureaucratic examples. 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 pazı, Theos phylaxo*ī) 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.” The examples could be augmented with formulae from early Islamic samples of partners entering in a “God-fearing manner and with mutual fidelity.” 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, or the ritual of putting money into a “common purse,” a pivotal element in initiating a partnership according to the Jewish law. Last, Goitein has remarked that the Geniza correspondence revealed a permeation of expressions of “personal friendship” in the business vocabulary. Similarly, most *lettera circolare*, or circular letters that announced the setting up or dissolution of partnerships, were sent to “all friends.” In sum, guides seem to represent trade as a respectable self-regulated activity aimed at personal achievement.

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.
58 Moulias, *art. cit.*, p. 43.
that would lead to social progress with reference to national prosperity.\textsuperscript{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.

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PERSPECTIVES FROM THE ARCHIVES I:

GENESIS OF LOCAL ENTREPRENEURS

Ruscho V. Mirkovich (1817-1896) was a third-generation merchant, engaged in \textit{aba} (rough woolen cloth) production and credit activities, who also invested his assets in real estate in Sliven, Burgas, and Istanbul.\textsuperscript{60} There is a trove of contracts drawn up by him during the 1837-1889 period.\textsuperscript{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.\textsuperscript{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.\textsuperscript{63} As noted earlier, these contracts from the 1830s were of \textit{muftawada} type. Çizakça has argued that this was a strategy for “testing” new partners by sharing risks equally.\textsuperscript{64} Along the same lines, Ruscho’s sums varied between 6,000 and 20,000 \textit{kuruş}. A contract of 1837 is the first one that introduces Ruscho Papuç Vulkovich and his role in the partnership as treasurer, a common feature to most other agreements.\textsuperscript{65} The name implies his or his father’s artisan specialization – shoemaker. Agreements, though, show that both were involved in \textit{aba} trade. Accordingly, Ruscho’s father had a \textit{dükkan} (shop) in Sliven.

\textsuperscript{59} The Encyclopaedia by Nikolaos Papadopoulos expresses clearly the belief that blooming commerce would lead to economic and social progress of the Greeks: Sklavenitès, \textit{op. cit.}, p. 47.

\textsuperscript{60} Rushev, \textit{Фирми}, p. 54-74.

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

\textsuperscript{62} BIA-NBKM, f. 169, a. e. 55, 10.

\textsuperscript{63} Similarly, Katêphorës has found that a certain person participated in successions with others in different partnerships trading in various goods: Katêphorës, \textit{art. cit.}, p. 283.

\textsuperscript{64} Çizakça, \textit{op. cit.}, p. 117.

\textsuperscript{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.\textsuperscript{66} For example, in 1843, 48.6\% of Ruscho’s profit from _aba_ trade was gained in Istanbul.\textsuperscript{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 _abaci_ in Sliven to sew 10,000 army uniforms.\textsuperscript{68} Consequently, an agreement from 1848 until 1865 was drawn up among Ruscho and Parashkeva Bianu (a frequent partner) and Vasil Stanchuv for establishing an _inan_ partnership.\textsuperscript{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 _kurus_. Bianu’s 40,000/36,000 _kurus_ and Stanchuv’s labor/18,333 _kurus_. Unlike some of the sample contracts discussed earlier, it seems that this agreement most benefitted 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_.\textsuperscript{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 _kurus_ or 3 _kurus_ per _okka_.\textsuperscript{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.\textsuperscript{72} Todorov has

\textsuperscript{67} Rusev, _op. cit._, p. 58.
\textsuperscript{68} Todorov, _The Balkan City_, p. 213-214.
\textsuperscript{69} BIA-NBKM, f. 169, a. e. 55, 34-35.
\textsuperscript{70} BIA-NBKM, f. 169, a. e. 55, 94, 114-115.
\textsuperscript{71} Rusev, _op. cit._, p. 159-161.
\textsuperscript{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.\textsuperscript{73}

These vibrant textile activities stimulated also a lively credit market. Clearly, as a contract from 1840 reveals,\textsuperscript{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.\textsuperscript{75} The average investment of each member was around 150 Ottoman liras.\textsuperscript{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,\textsuperscript{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.\textsuperscript{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.\textsuperscript{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

\textsuperscript{73} Todorov, \textit{op. cit.}, p. 236.
\textsuperscript{74} BIA-NBKM, f. 169, a. e. 55, 6.
\textsuperscript{75} Tabakov, \textit{op. cit.}, vol. 2, p. 177-180.
\textsuperscript{76} Between 1844 and 1878 the gold lira was set equal to 100 silver kurus; the ratio gold silver was set at 15:09: see Inalcık, with Quaestor, eds., \textit{An Economic and Social History}, p. 972.
\textsuperscript{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.
\textsuperscript{78} BIA-NBKM, f. 169, a. e. 55, 181.
\textsuperscript{79} Palaiareti, \textit{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.\textsuperscript{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%.\textsuperscript{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.\textsuperscript{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.\textsuperscript{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 Hamm.\textsuperscript{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 kurşun total. His incomes from those properties were 37,300 kurşun and the taxes he paid were 1,520 kurşun.\textsuperscript{85} Mirkovich kept investing in real estate: he bought parts of 58 dükkâns in Sliven for 80 leva in 1889.\textsuperscript{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.

\textsuperscript{80} BIA-NBKM, f. 169, a. e. 55, 261-262.
\textsuperscript{81} BIA-NBKM, f. 169, a. e. 55, 318-319.
\textsuperscript{82} Rusev, op. cit., p. 67.
\textsuperscript{83} BIA-NBKM, f. 169, a. e. 3, 118.
\textsuperscript{84} BIA-NBKM, f. 169, a. e. 3, 137-138.
\textsuperscript{85} BIA-NBKM, f. 169, a. e. 3, 139.
\textsuperscript{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. 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. In 1790, the father died and the three brothers revised the contract and transformed the partnership into mufawada. Each would get an equal share from the profits and expenses for the

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87 MS-NA, Хроника, 11, а. е. 1, п. 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 kurus, which they divided equally.\textsuperscript{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.\textsuperscript{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.”\textsuperscript{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.\textsuperscript{93} Its four clauses were particularly advantageous to the former. He received from the ağ a free dükkan until he could find a better place. Further, Emin Ağa invested in the business 2,000 kurus and agreed to buy everything needed to support his harem from Avram’s dükkan.\textsuperscript{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.”\textsuperscript{95} For example, in 1797 Avram Arie took 1,000 kurus 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.\textsuperscript{96} During the trip Avram negotiated with his correspondents to order through mail in the future. Therefore, he would not waste time

\textsuperscript{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 kurus, a han 1,250 kurus, and a dükkan from 665 to 2,037 kurus in 1806: Semerdzhiev, Самоков, p. 243.

\textsuperscript{91} MS-NA, Хроника, 11, a. e. 1, 180.

\textsuperscript{92} Taylor, \textit{art. cit.}, p. 53.

\textsuperscript{93} MS-NA, Хроника, 11, a. e. 1, 51-52. Udovitch has also mentioned that written agreement is not required under Islamic law; the significant factor is the oral testimony: Udovitch, \textit{op. cit.}, p. 86-87.

\textsuperscript{94} In 1793 the yearly salary of the Samokov’s teacher was 200 kurus: Semerdzhiev, \textit{op. cit.}, p. 242.

\textsuperscript{95} MS-NA, Хроника, 11, a. e. 1, 90, 95. See also an entry in the metropolitan register of Samokov: “39 kurus and 12 para gift for the ağ and the kadi” in 1805, quoted in Semerdzhiev, \textit{op. cit.}, p. 241.

\textsuperscript{96} Rozen, “The Ottoman Jews,” p. 269.
traveling for supplies and would not close his dükân. 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. 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, which speaks to his role as silent partner. Udovitch has also discussed the interdenominational collaboration under the commenda partnerships. 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. 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. When Mehmed Ağa was killed in 1831, his nephew Usref Beg, who inherited his position continued to carry out lucrative enterprises.

97 MS-NA, Хроника, 11, a. e. 1, 75.
98 Masters has discussed a similar trend of Muslim-Christian mudaraba agreements: Masters, The Origins, p. 63.
99 MS-NA, Хроника, 11, a. e. 1, 106-107.
100 Udovitch, op. cit., p. 117-118.
101 MS-NA, Хроника, 11, a. e. 1, 115-116.
102 MS-NA, Хроника, 11, a. e. 1, 128-153.
103 MS-NA, Хроника, 11, a. e. 1, 185, 234.
The Arie family also benefitted financially from the tax farming of the tithe. For instance, in 1859 they bought the üşür 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 – İhtiman – Gavriel Arie established a partnership with the local mütevelliye (trustee of a pious foundation), Mahmud Bey, bought the tithe of İhtiman 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 dükkan 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.

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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.
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)\textsuperscript{109} set up an \textit{inan} partnership in Karlovo with capital of
145,000 \textit{kurus}.\textsuperscript{110} The uncles invested a much larger share, and the pro-
fits/losses would be distributed according to their initial investment. Each
of them was located in a different geographic place: Karlovo, Galați, and
Bucharest. In comparison to the \textit{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 Galați (paid 500 \textit{kurus} per year). He, however, did not par-
ticipate 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.\textsuperscript{111}

By 1841, the nephew Evlogi Georgiev, together with his brother
Khristo, settled in Galați and Bucharest respectively, while the uncles
remained in Karlovo.\textsuperscript{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 \textit{kurus}) and the Georgievs’
share increased to 26.8%. In 1846, the company had 483,703 \textit{kurus} and
in 1852 the capital went up to 1,355,000 \textit{kurus}, of which the Georgievs
owned 613,671 \textit{kurus} (45.2%). For 13 years the firm’s capital augmented
around ten times and the invested funds by the Georgievs increased around
22 times.\textsuperscript{113} Such economic success and social status was expressed
through the purchase of an expensive diamond ring for 4,860 \textit{kurus}
in 1852.\textsuperscript{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 Liman 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

\textsuperscript{109} The company had its origin in the 1820s. Gandev, “Една търговска къща.”
\textsuperscript{110} BIA-NBK, f. 22, a. e. 794.
\textsuperscript{111} Andonov-Poljanski, “Еден търговски договор,” p. 138-142.
\textsuperscript{112} Davidova, “Земане-даване без мялюдукул.”
\textsuperscript{113} \textit{Ibid.}, p. 32-33.
\textsuperscript{114} NA-BAN, f. 34k, a. e. 28, 44; BIA-NBK, 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 kurş. 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 mošie (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. Tüpchileshťov’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 kurş and the other 191,698 kurş or total 388,896 kurş. 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 dükkan 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, saraflik (like the Aries, and even collaborated with them), and state deliveries. For example, an interethnic contract (1866) was signed between Khristo Tüpchileshťov, Dimitür Tiulev, and Stavros Söfroniadis 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. Тючилештов, p. 25.
119 The delivery lasted for two years – until 1868. BIA-NBKM, f. 6, IA 25739.
responsibilities of each partner: Söfroniadis invested 500 Ottoman liras and would transport the cotton to the factory in Istanbul; Tüylev put 2,000 liras and was in charge of collecting the cotton from the villages surrounding Adana; Tüphpileshtov 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 giürük 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, Tüphpileshtov 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, Katéphorës 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: Katéphorës, *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 dişkân, 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. aliş veriş, Turkish] in what is appropriate [org. monasip, 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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Evgenia Davidova, *Associations et pratiques commerciales dans les Balkans ottomans du XIXe 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 XIXe 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 XIXe siècle on retrouve de nouvelles tendances à établir une séparation entre commerce, industrie et capital financier.

Evgenia 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.