

The Russian-Chinese Trade in Kyakhta, Its Organisation and Commodity Structure, 1727–1861

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This study is a follow-up to the article focused on the early Russian-Chinese diplomatic and business relationships.¹ Unlike this study that mostly exploring the genesis of diplomatic relationships and the early form of the Russian-Chinese caravan trade existing until 1727, it only deals with the Russian-Chinese trade in Kyakhta in 1727–1861 when the stable centres of trade exchange emerged in accord with the Treaty of Kyakhta, and the trade that had been rather random took more or less routine form, anyhow large fluctuations would keep occurring.

The extent, complexity and diverse range of the theme on one hand, and the limited character of the contribution on the other hand, do not make it possible to cover the whole issue. Therefore, the author purposely omitted the quantification of the trade and single stages during the traced period as he intends to look at these aspects in another study. This article describes the organisation and practice of the Russian-Chinese trade exchange in Kyakhta and May-ma-chen, state regimentation of the trade in Russia and China, the commodity structure of the Russian and Chinese export; last not least, he also includes some fundamental problems of logistics that considerably impacted the character of the trade in Kyakhta.

THE TREATY OF KYAKHTA AND THE CONSTRUCTION OF TROITSKOSAVSK AND KYAKHTA

Signed by a Russian envoy, Sava Lukich Raguzinski-Vladislavich, and the Chinese government's plenipotentiaries, Chabin, Tegut and Tulishen, as early as on 21st October 1727 after long and complicated effort, the text of a new Russian-Chinese treaty was formally exchanged on the Kyakhta River on 14th June 1728. Therefore, this document has been known through the history as the Treaty of Kyakhta. This contracting document would be the sound fundamentals of the Russian-Chinese relationship for next 130 years.

Article 4 of the Treaty had specified terms of the trade exchange. Russians were allowed to trade in the caravan form under the following: "... *free merchants will be al-*

1 M. WANNER, *First Russian-Chinese Diplomatic Relations and Business Relationship 1689–1728*, in: Prague Papers on the History of International Relations, Vol. 17, No. 2, 2013, pp. 66–76.

lowed to come to Beijing once in three years, providing their number, as specified aforesaid, does not exceed 200." The Chinese party was obliged to move market places from Urga (today's Ulan Bator) and Qiqihar (in Manchuria; called Tsitsikhar in Russian) to two sites at the Russian-Chinese border. One of them was situated on the Kyakhta River nearby Selenginsk, another in Tsurukhait (also Tsurukhaitui) on the Argun River (today's Priargunsk) where "...to build houses and enclose them in fence or palisade" had been allowed. Merchants could conduct trade in a safer environment than had existed until the day. The trade negotiated in the Treaty was not liable to duty.²

Related to the talks afoot on the Kyakhta River, 4.3 km outside Barsukovskiy winter residency, where Russian border patrols had resided, a new fortress and merchant's outskirts (*sloboda*) in Kyakhta began being built by a plan developed by Raguzinski. Three hundred and fifty Russian soldiers from Yakutsk regiment, and thirty Cossacks from Udinsk (today's Ulan-Ude) would be engaged in building the fortress founded on the day of St. Trinity in 1727. Five Russian merchants had been first to arrive there in November that year. In December 1727, Captain Fyodor Knyaginkin responsible for the fortress construction provided Raguzinski with information about the completing a mill-house and about the first ground crops (for one Mongolian officer of the Chinese Army); feeling satisfied he stated "...flour has been ground very well — it is extremely fine".³

Other construction works on the site began early in the spring of the year 1728. However, first dwelling houses had appeared in Troitskosavsk as early as in the autumn of 1727, namely wooden barracks for officers and garrison, and stables, barns, storehouses. The north corner became home for St. Trinity and St. Sava Serbian Church. Three hundred and twenty-seven dwellers (186 men and 141 women) in fifty-nine houses were reported to live in Kyakhta in 1758.⁴

Together with the border fortress construction also works on the merchants' *sloboda* had been carried out. Reported to be there at the end of 1728 by Captain I. I. Trens, who had been charged with the construction, were twenty-nine farmhouses (out of 32 planned in the instruction) and a market hall 33.6 m in length with twenty-four shops. Later on, a governor's house was built, too, so the number of houses would increase to sixty. The site first hosted a fair attended by ten Russian and four Chinese merchants on 25th August 1728.⁵

Four hundred and fifty-three traders with their goods on sixty hundred and thirty horses, and two camels went through the fortress in the period between 1st October 1729 and 1st January 1730. First, merchants did not have to pay any duty, but were provided with no protection. Nevertheless, as early as in 1729 they paid 112 rubles and 97 kopeks for the market stands, and in 1730 it was as much as 232 rubles and 17 kopeks.⁶

2 V. S. MYASNIKOV (Ed.), *Russko-kitayskiye dogovorno-pravovyye akty, (1689–1916)*, Moscow 2004, Doc. No. 5, pp. 43–44.

3 Quoted by A. N. KHOKHLOV, *Kyachtinskaya trgovlya i yeyo mesto v politike Rosii i Kitaya (20-e gody XVIII v. – 50-e gody XIX v.)*, in: *Dokumenty oprovergayut protiv fal'sifikacii istorii russko-kitayskikh otnosheniy*, Moscow 1982, p. 104.

4 L. FILIPOVA, *Osnovanie Kyachty*, in: *Kyachtinskaya starina — Al'manakh*, Kyakhta 2003, p. 5.

5 E. P. SILIN, *Kyakhta v XVIII. veke*, Irkutsk 1947, p. 41; E. P. SILIN, *Predmety kyachtinskoj trgovli v XVIII. veke*, in: *Kyachtinskaya starina — Al'manakh*, Kyakhta 2003, p. 18.

6 KHOKHLOV, p. 105.

In 1730, a new market town called May-ma-chen, today's Altanbulag, began being built on Chinese (today's Mongolian) side of the border. Mostly merchants from the Province Shanxi would go there and be organised in one guild together with the locals. What shows the character of this settlement is a description of the town dating from 1770s. *“Half a verst outside this (Kyakhta) sloboda lie Chinese Naymatchins. They have been built alongside a wooden wall, and reinforced by a mound, with three broad streets called Upper, Central and Lower (that one situated close to the Kyakhta River), and one crosswise; there are, at a guess, three hundred and fifty Chinese yurts made of loam, three Chinese temples, five gates; the number of citizens, that is Chinese merchants, who serve or work, as well as Mongols, who are there to serve guard duty, differs, nevertheless, according to the notes there were more than a thousand people there.”*⁷

THE TRADE ORGANISATION IN KYAKHTA AND MAY-MA-CHEN

All imported Russian goods had been stored in a storehouse in Troitskosavsk. Before the transport to the Kyakhta's *sloboda*, the goods were checked by customs officers, traders and commission merchants, who surveyed amount and quoted prices, however, the price would be definitely set afterwards at a meeting in Kyakhta before opening the trading itself. The goods that had not been sold were subject to another negotiation over decrease in price.

A Chinese merchant, who had been interested in the goods, first explored the possibilities of trade. Then he would go to Kyakhta by himself, and view imported goods in a storehouse or elsewhere. Next, he would go to an owner's house, and agree on price over a cup of tea. Providing the price had been set both buyer and seller went to the storehouse and wrapped up the goods, then left for May-ma-chen, where a Russian merchant would pick the goods he needed. Finally, after agreeing on the goods and price, the Russian merchant would leave his assistant in May-ma-chen to arrange the goods transport, and went back to Kyakhta to give necessary instruction as to how to distribute and accept goods. Providing the Chinese merchant had reduced the price during that transaction, he had to pay a heavy penalty.⁸ Negotiations were conducted in a rather difficult-to-understand local Chinese language that included some Russian words, which would be slowly developing into the so-called Kyakhta language.⁹

The trade was mostly in-kind exchange in form. Chinese merchants lacked enough capital, therefore would buy Russian goods on trust, and would be unlikely to pay it back. The Chinese party's debt stood at 20,313 rubles, 58 kopeks only in 1746.¹⁰

7 Ibidem, p. 106.

8 Ibidem, p. 115.

9 “Kyakhta language” or “kyakhta pidgin” developed at the turn of the 19th and 20th centuries in Amur Region, Manchuria and Trans-Baikal. His lexical page was mostly of Russian origin, while the grammar mostly of Chinese origin. In China, this simple language was taught to officials involved in trade with Russia. This language virtually disappeared in the first half of the 20th century. Cf. A. Y. MUSORIN, *Leksika kyakhtinskogo pidzhina*, Novosibirsk 2004, pp. 79–86.

10 KHOKHLOV, p. 106.

The trade in Kyakhta had been growing permanently but rather slowly, partly due to the strict regulations imposed by the Chinese court against Chinese merchants, and the policy of isolation in international relationship. Influenced had also been by a shared idea about the primary role of farming and secondary role of craft and trade. Such a perspective was expressed very well by a Chinese, who had commented on the Russian-Chinese trade agreement of February 1792, penning about the trade in Kyakhta “purposeless for China”, and “the simple reason the Great Emperor tolerates the trade is he just loves the poor in both countries, and has been formally requested by the Russian Senate.”¹¹

Thus the court of China would follow the policy of isolation and limit and regulate the trading activity. A merchant who had expressed interest in the trade with a foreign country had to obtain a trading permit from the seat City’s local government in exchange for a fee. The permit included a trader’s name and surname, a list and amount of the received goods, the date and place of birth, and place he was planning to set out on his journey; the permit had to be produced by a merchant in the military administration in Zhangjiakou (Kalgan in Russian language) or another place on the route. These documents would be investigated by customs officers from the Ministry of Dependant Colonies (*Li-fan jüan* also called Great Tribunal) in Ugra and Kyakhta. Supposing a merchant had taken another route he was imposed a severe punishment: first, two months of carrying a wooden framework on the back, next forty-time beating with a bamboo cane, finally deportation to his home province. The punishment also included confiscation of half of his goods.¹²

Using numerous granted permits, the Beijing (Peking) Government had been able to effectively control the amount of goods transported to the Russian border. The permits were checked by the local bodies every three years. To give an example, two hundred and sixty-eight permits were issued in 1850 for fifty-six business firms. Large companies got six permits, middle-sized four, and the smallest just one. Sixty trading firms engaged in trade in Kyakhta existed in Zhangjiakou (Kalgan) in the period between 1851 and 1855, which would allocate four hundred to five hundred permits.¹³

It was a *dzarguchi*¹⁴ who was in charge of supervising Chinese merchants and the local Chinese-Mongolian population. He possessed vast business and judicial authority, and more often than not he would impose illegal levies on merchants’ goods to make some money for himself, and sued those who had complained about sharp practices. Merchants were obliged to inform the *dzarguchi* on prices, Russian goods, and the like, and obey his instructions on what it had been possible or impossible to buy in Russia. They were required to bargain, and quote as lowest purchase prices as possible. They were expected to refuse ordinary Russian goods and indicate that such goods might be imported into China by someone else. They were not allowed to show that any of the Russian products were essential for China. The Chinese were supposed to be friendly to Russian merchants, but also to gather maximum number of information on the Russian Government, to pass it on the *dzarguchi*, who was obliged to

11 Ibidem, pp. 117–118.

12 Ibidem, p. 118.

13 Ibidem, p. 119.

14 *Dzarguchi* or *czarguchi* (from Manchurian), officer of the Ministry of Dependant Provinces.

conduct disinformation activities against the Russians. The merchant who had kept back any piece of information gained from the Russians received punishment, like those who would have traded without a permit. This also applied to the goods import or export beyond the permitted amount, or revelations concerning any information economic in character relating to the national economy in China.¹⁵

As to the organisation, the Chinese import had been arranged by companies. The companies' pensions were counted up every three or four years, and a depositor was paid for that period 3 to 4% of yearly-put capital, other members of a company got an equal share of the profit. One of the Russian authors had penned: "*The Chinese trade with us using companies, or better expressed through firms consisting of several persons [...] now more than a hundred and fifty, seventy of them run their own shops in May-ma-chen, Kyakhta, the other send their tea to the merchants' commission settled in May-ma-chen or sell it in Kalgan.*"¹⁶

The regimentation at the both sides of the border had been slowing the growth of the trade. The Chinese were not disposed to import huger amount of goods, therefore part of the imported goods would be always left over for Russian merchants. As stated by the director of the customs office in Kyakhta, I. O. Selifontov, on 3rd September 1805: "*...Russian merchants always have some of the goods left [...] since another party is not interested in them in such an amount, therefore increase is nearly impossible.*"¹⁷

In pursuit of profit, some of the Chinese merchants would secretly buy also unsold Russian goods, so would purposely break the governments decree. Usual were sharp practices in the trade. As stated in one account of the trade in Kyakhta written in 1744, or sometime later: "*They are really harsh and tough at their business, negotiations are conducted in decent manner — in detail. Cheating they consider to be success and swiftness, so trickery is frequent in their trade, in foreign goods they shrink either size or weight, or deliver goods to out merchants different from what agreed; merchants are not experienced enough, they do not check the goods, and having absolute trust they accept delivery separately, therefore bear costs and the Chinese take profits.*"¹⁸

What were among favourite tricks were wrong contents of single packages. As follows from the letter of 1827 from twenty-six Kyakhta's merchants to the Russian government: every *cibic*¹⁹ of fermented tea would contain fifty to fifty-nine pounds instead of sixty, contents of non-fermented tea was sixty to sixty-four instead of eighty pounds, *et cetera*. According to the Russian borderline administration office's account of 1812, many Chinese merchants would secretly buy teas for Russian corn and distribute to Mongolian towns in the region, or to Zhangjiakou (Kalgan) or Beijing.²⁰

One effective barrier on the Russian side had been the state-organised trade and trading caravans dominating Russian-Chinese trade for long. Likewise elsewhere, it was mostly because of the state feared the loss of profit, which, however, had been

15 Cf. Chinese governmental instructions to dzarguchi — *ibidem*, pp. 119–123.

16 *Ibidem*, p. 115.

17 *Ibidem*, p. 123.

18 *Ibidem*, pp. 124–125.

19 Cibik or ustar. The box with the edge about 60 cm long, covered with skin. Designed for the land transport of tea weighing up to 35 kg.

20 KHOKHLOV, p. 126.

hardly ever earned. The imposed restrictions naturally generated interest in smuggling, whose dimensions seem to be difficult to estimate, but undoubtedly were as large as the state trade volume. The private trade had been penetrating the Russian-Chinese trade only gradually. It was not until Catherine II's reign when the most significant reforms were introduced. In 1762, the Tsarina abolished the existing practice of state caravans, and opened the Kyakhta's trade to private capital. Also the state monopoly over trade in fur ended that year.²¹

Whereas traders from the Province Shanxi dominated on the Chinese side, traders from central Russia were on the Russian. Likewise the trading companies established after the trade had passed into private ownership also in Russia dominated on the Chinese side. As early as in 1768, six companies for the trade with China arose on the Russian side (Moscow, Tula, Arkhangelsk, Vologda, Tobolsk, Irkutsk). It was a corporation of merchants from one town, who would go to Kyakhta with one type of goods. Their task was to transport goods to the Chinese border. These merchants did not share their capital but traded as individuals. The largest and the most powerful was a Moscow company importing beaver and otter pelts, cloth and other sorts of manufactured products. The one from Tulsa imported mostly ram and cat pelts to Kyakhta, whereas the companies from Arkhangelsk and Vologda imported northern-Russian fur (fox, otter and dog's), and some of the Moscow goods. The companies from Tobolsk and Irkutsk imported Siberian hides, fur and Russian leather.²²

These companies elected a superior out of their midst, who would put value on the Russian goods intended for exchange. Related to the new regulations of the Russian government in Kyakhta, a practice of companies (one from each of the companies) was officially introduced in 1800 with the aim to set uniform prices for both Russian and Chinese goods. However, the company establishment brought about squabbles between Russian and Chinese merchants that would begin to appear more often than not. Consequently, some of the merchants went away, and finally a company was allowed to have only four merchants trading in Kyakhta with their own capital.²³

Engaged in the Kyakhta's trade had been merchants from different towns in Russia. Out of sixty merchants doing trade in Kyakhta either personally or through assistants or commission merchants in the period between 19th February 1806 to 1st April 1807 were: two merchants from Moscow, four from Kaluga, two from Tula, one from Kursk, two from Nezin, one from Totma, four from Veliky Ustyug, one from Sol-Vychegodsk, three from Vologda, one from Kholmogory, one from Kazan, three from Tobolsk, one from Tara, four from Tomsk, twenty from Irkutsk, nine from Verchneudinsk, and one from Selenginsk. In the mid-19th century merchants from more than twenty towns or cities were engaged in the trade in Kyakhta.²⁴

The merchants from European Russia went to Kyakhta every now and again. They did trade there through their assistants or local commission merchants. To Kyakhta they imported woollen, cotton or hempen fabrics, partially also sheep, cat or squir-

21 KURTZ, pp. 108-110.

22 KHOKHLOV, p. 127.

23 I. BABET, *Kyachtinskaya trgovlya*, in: *Kyakhtinskaya starina — Al'manakh*, Kyakhta 2003, pp. 15-16.

24 KHOKHLOV, p. 128.

rel skins. Siberian merchants trading mostly in fur and Russian leather would go to Kyakhta by themselves, and did not use the service of assistants, who had to be paid, and supposed to speak Chinese. Nineteen merchants would arrange their business themselves, twenty through their assistants, the rest did their trade through the local commission merchants out of the sixty mentioned merchants doing trade in Kyakhta between 1806 and 1807. They asked four to eight kopeks per one earned ruble. In the early 1830s, ten merchants arranged their business themselves, nine through their assistants and the rest through commission merchants out of the sixty that had been engaged in the trade in Kyakhta. Four commission merchants conducted their own trade out of fourteen living in Kyakhta.²⁵

The local commission merchants also set prices on goods. More often than not it was at the expense of Siberian merchants, mostly due to the delayed sales of goods. The Siberian merchants delivered goods there in September, however, the trade would not begin until January or February, as the goods from the central part of Russia would not arrive there until in winter. These all had been slashing the price of goods. Therefore, many Siberian merchants gave up trading in Kyakhta. The change did not come until the 1840s and the 1850s when Siberian merchants gained the abolishment of some of the measures, and their role in the Kyakhta's trade would expand.²⁶

Permits bound to guilds created another major barrier. In 1721, the population of Russian towns divided into "solid citizens" — divided into two *guilds* by their property, and "middle people" — the manually working and navvies. Burghers in the craft guilds separated from both of the guilds in 1722. The remaining category of citizens transformed into another *guild* in 1742. Bound to the *guild* membership derived from the amount of property and other criteria were privileges (mostly the right to conduct home and foreign trade and business, having a passport, free travelling, own vehicles, and the like) but also duties (to register in towns) and special taxes. The system of *guilds* would be developing, re-reformed, but would not be abolished until 1863. From 1st January 1801 to 1855 only the first-guild merchants were allowed to take part in the trade irrespective where they had come from. The second-guild and third-guild merchants were allowed to take part only in small trade. Undoubtedly, it restricted Russian-Chinese trade exchange, but acted as stimulus to many Siberian merchants' effort to get into the first guild at a time.²⁷

Small trade was conducted all the year round, and consisted in selling poultry or cattle, building stuff and farming products to the Chinese. Also burghers from Troitskosavsk and other Zabaikalsk's towns, as well as Buryats, who would bring camels, horses and rams to Kyakhta, were engaged in the small trade. The trade was not large in extent, and earned just a minimum profit in the form of customs duties.²⁸

The customs duties had been collected in the office in Kyakhta on the Russian side, however, in 1766, due to the corruption worries in the Chinese traders' side, it moved

25 I. POPOV — L. FILIPOVA, *Kyaktinskoe kupechestvo*, in: *Kyaktinskaya starina — Al'manakh*, Kyakhta 2003, p. 45.

26 KHOKHLOV, p. 129.

27 Cf. V. I. RAZGON, *Sibirskoe kupechestvo v XVIII — pervoy polovine XIX veka: Regional'nyy aspekt predprinimatel'stva tradicionnogo tipa*, Barnaul 1999.

28 KHOKHLOV, pp. 129–130.

to Petropavlovsk lying further to the North. Founded later on in 1766 were also the Troitsk's commercial expedition (in Troitsk fortress in Troitskosavsk) and the Irkutsk Commercial Police Headquarters.²⁹

THE RUSSIAN EXPORT

Mostly hides were exported from Russia to China. Sheep tanned hides or sheep raw hides were exchanged in large amount. In the 1770s and 1770s, sixty thousand to one million hides were exported via Kyakhta. The late 18th century saw annual increase in export by one 1,200,000 hides. Despite the drop in the 19th century, the import of hides would still have its own importance. Yet 600,000 hides were exported in 1850. In the 19th century, nearly half of sheep tanned hides were bought in Zabaikalsk.

The tanned hide was partly used as consumer material for *cibics* — tea cases faced with leather. Eighty thousand hides for tea case facing were used every year in the early 1850s. The demand for hides needed for the tea trade resulted in increase in prices, which would trigger crisis in leather manufacturing in the Irkutsk's Guberniya and Zabaikalsk region, since the growth in prices had caused inability of the production to compete. 7 to 16% of the Russian export was exploited for Russian leather in the first half of the 19th century. In 1850 to 1852, Siberian merchants in Kyakhta used 116.7 thousand pieces of Russian leather and tanned hides on average.³⁰

Another important commodity was fur. Chinese houses were not heated therefore cold in winter, which would lead to demand for fur there. Fur was bought on Turukhansk or Yenisei markets, and had come from Yakutsk, Kamchatka Peninsula, but also other regions in Siberia. The most popular with Chinese merchants were squirrel skins; their export varied between two and four million pieces yearly. Besides squirrel skins, it was also sable, ermine, fox, otter, beaver and lynx pelts. Illegal fur trade was flourishing until the state monopoly on fur ended in the 1760s.³¹

Fur was Russia's principal export into China in the late 18th century and the early 19th century, comprising 70% of the Russian export. The data collected by P. F. Gal'yakhovski, the director of the customs office in Kyakhta, show that 208,699 kg of fur were exported in 1823, whereas in 1824 it was 226,228 kg;³² 249,879 kg in 1825; 734,592 kg in 1826; and 1,341,339 kg in 1827.³³

The Russian-American company established in 1799 as a tool of economic development ranked among the most important as to trade in fur. The trade between China and Alaska had been conducted since the 1760s. On 31st May 1810, the company established its own *contor* in Kyakhta.³⁴

29 KURTZ, p. 102.

30 KHOKHLOV, p. 127.

31 E. P. SILIN, *Predmety kjakhtinskij torgovli v XVIII. veke*, in: *Kjakhtinskaya starina — Al'manakh*, Kyachta 2003, p. 18.

32 KHOKHLOV, p. 112.

33 Ibidem.

34 N. EBINARKHOVA, *Torgovlya rossiysko-amerikanskoy kompanii s Kitayem cherez Kyachtu*, in: *Zemlya Irkutskaya*, No. 12, 2000, p. 18.

Russian merchants had been exporting sea beaver, sable, fox pelts, also sea otters in smaller amount, from Alaska to Kyakhta where they exchanged it for Chinese goods. What is more, merchants from Irkutsk had been organising hunting expeditions to the Kuril Islands, or the Aleutian Islands. One of the major organisers of such trade was Ivan Shelekhov, the founder of the Russian-American company. The company establishment helped increase turnover of the business with these commodities, and would positively reflect on Kyakhta's trade.³⁵

After the state monopoly in the fur external trade ended in 1762, there was a high growth in the trade volume: in Kyakhta it grew from 1.4 million rubles to 8.4 million rubles between 1760 and 1800. Between 1757 and 1784 fur comprised 85% of the Russian export into China. Another period saw the decrease in amount, but the trade in fur would still far exceed the volume of the trade in metal, fabrics, cattle or other sorts of goods. Fur was the primary commodity of the Russian export into China until the 1840s, but would be displaced by woollen and cotton fabrics, partly because animals for the marketed fur had been nearly killed off. It is best illustrated by the drop in the Russian-American company's export into Kyakhta to one third nearly in all commodities. After the Opium Wars, China got glutted by western goods, therefore the interest in the Russian fur would be on the wane.³⁶ In the 1850s, fabrics comprised 50% of the Russian export.³⁷

The following Table shows the share of the Russian fur export into China between 1757 and 1840:³⁸

Years	1757–1784	1790–1800	1824–1828	1836–1840
Share of fur	85%	70%	50.7%	34.5%

TABLE 1

Cattle had an important role to play mostly in the early stage of the Kyakhta's trade.

In 1699, four hundred and eighty-eight pieces of horned cattle and two hundred and thirty-six horses were transported from Irkutsk to Nerchinsk. After the trade had moved to Kyakhta, there was even increase in the cattle trade. It was horses to create high demand in China. Sixty hundred thousand horses intended for exchange were bought in Krasnoyarsk domain in 1758, which would result in increase in horse prices from five-seven rubles to fifteen rubles. Between 1759 and 1761 horse export comprised 2.5% of the Russian export. The trade in cattle sharply decreased, and amounted to only 0.23% of the Russian export in the period between 1847 and 1850.³⁹

Also 2,100 m to 10,500 m of cloth, mostly coarse, as well as iron, tin, wax, saltpetre, mica, felt, coiners, grindstones, paints, mirrors, wagons, hemp, Tyumen carpets, bro-

35 E. P. SILIN, *Rossiysko-amerikanskaya kompaniya*, in: *Kyakhtinskaya starina — Al'manakh*, Kyakhta 2003, pp. 16–17.

36 EBINARKHOVA, p. 19.

37 KHOKHLOV, p. 136.

38 The table is prepared according data presented by KURTZ, p. 110.

39 KHOKHLOV, pp. 111–112.

cade, pork, bone or horn combs, pine or birch wood, bricks, stearin candles, Tomsk semolina flour, honey, oil, frost fish, fat, soap, clocks, ironware, weapons, needles, glue, bear's gall and many more were exported from Kyakhta into China. Wheat in both forms, seeds and flour, were supplied for Chinese population living along the border.⁴⁰

THE CHINESE EXPORT

Mostly tea, silk and cotton fabrics and rhubarb were exported from China into Russia. Besides, it was also a broad spectrum of varied small commodities whose importance was not that high in global perspective, such as velvet, damask, scarves, silk and cotton fabrics, raw silk, wool, porcelain, gold, silver, wheels, lacquered or enamelled goods, paints, pearls, precious stones, coral, amber, glass beads, foreign gold or silver coins, cast-iron, iron, copper, lead, silver or porcelain tableware, belts, paintings, brushes, carpets, musical instruments, mathematical instruments, surgical instruments, copper, medicaments, paper, candles, garden seeds, tobacco smoking mixture, sugar, sugar sweets, fruits and pepper.⁴¹

Fabrics comprised two thirds of the Chinese export until the 19th century. Mostly Chinese silk was in high demand, both in Siberian towns and European Russia. As a result of the Russian silk industry establishment, the Chinese fabrics export decreased by six times between 1824 and 1850. Russia alone started to sell fabrics to China, which would become an article of the daily use in the northern part of China.⁴²

What was an important commodity was dried rhubarb. This plant had been believed to have important healing powers, however, not rightly. Therefore, the plant was very expensive, and the state did not intend to lose profits from the trade in this commodity. The state monopoly in the rhubarb trade was created in Russia in 1687, and a new directive requiring buying rhubarb in Siberian towns at least up to three hundred poods yearly, and to deliver it to Moscow, was issued in 1704. In 1727, the state monopoly ended to be re-created in 1731. A ban on a private trade in rhubarb was imposed in 1735, even under pain of death. In the 18th century Chinese rhubarb replaced rhubarb imported straight from Bukhara. A rhubarb commission had been set up in Kyakhta, and also a state pharmacist to supervise correct treatment with rhubarb root had been appointed.⁴³ These operations were carried out in the so-called rhubarb house. All rhubarb bought in Kyakhta was delivered to Moscow, to the Medical Office, but small portion would be left in Irkutsk pharmacy to be distributed to all Siberia. Preserved until the day have been few documents dating from the 18th century that refer to the Russian rhubarb export into the Netherlands, where a pound of rhubarb was sold for half a gulden to four guldens, and no fewer than six to seven guldens in 1761. A tsarist directive was issued in 1782 under which "free trade in rhubarb and rhu-

40 E. P. SILIN, *Predmety kyachtinskoy torgovli v XIX. veke*, in: *Kyakhtinskaya starina — Al'manakh*, Kyakhta 2003, pp. 19–20.

41 *Ibidem*, p. 20.

42 *Ibidem*, p. 19.

43 P. REMAN, *O torgovlye revenem na Kyakhte*, in: *Kyakhtinskaya starina — Al'manakh*, Kyakhta 2003, pp. 21–22.

barb seed both within or beyond the border of Russia” would be allowed. During another fifty years to come the main storage house for rhubarb would be in Irkutsk.⁴⁴

Occupying a substantial role among the Chinese export commodities, tea was cultivated in two regions in China. One of them was situated between Nanking and Fuzhou, another on the Yangtze River upper basin, but the tea grown there was that of a poorer quality. Large population was engaged in the tea production. One tea bush life span is ten to twelve years, but the plant is ready for harvesting once in four years. First harvested in the late March and early April, these flushes were used to produce the so-called “imperial tea”, which was the most expensive and the best, and nearly not marketed. Another harvest reaped in May to June. Leaves collected during that time were sappy and fully developed, and mostly used for producing usual teas. The late harvest in August yielded coarse, cheap tea. First, tea was let wilt a bit by circulating air, then oxidise up under the checked temperature and humidity. Next, it was dried to prevent it from another oxidation. Finally, it was classified according to the size and quality of leaves.⁴⁵

Tea was sold in many markets in China, however, just the one bought in the town of Hankou (Hankow — today’s part of Wuhan) would be delivered to Russia. The tea bought in this town was loaded on riverboats, and transported by river, the Yangtze River, to Shanghai to be transferred on sea ships and transported to Tianjin (Tientsin). The tea was cleared through customs there, then shipped on large Chinese junks by river, the Hai River, to Tongzhou (today’s Beijing quarter). Finally, its journey from Tongzhou on camels to Zhangjiakou (Kalgan), further on to Urga, finished in Kyakhta.⁴⁶

In Kyakhta, the tea had been looked after by *sovoshchiks*, who, in May-ma-chen, checked Chinese caravans’ permit for sale, helped with unloading tea from camels and checked the amount and quality, then arranged transfer of goods by own horses to Kyakhta, where the goods would be re-packed and marked with an owner’s symbol. They had been organised in teams by seven to ten persons (*sovoshnaya artel*), by single companies. Numerous citizens in Kyakhta had been engaged in this job, which was then continued by *shirilnitses* organised by companies. Every company consisted of ten to fifty people, who working in *shirel’nyas* — long wooden houses along Kyakhta’s market place — sewed up the tea in leather, and packed in *cibic* to be ready for a journey across Russia.⁴⁷

The tea, which had undergone this long journey and had been hand-treated, was expensive. Despite its price the tea was highly in demand, and comprised 30% of the Chinese export via Kyakhta in the last quarter of the 18th century. Due to the increase

44 E. P. SILIN, *Reven’*, in: *Kyakhtinskaya starina — Al’manakh*, Kyakhta 2003, pp. 20–21, 22.

45 N. EBINARKHOVA, *O chae a chaynoj trgovle*, in: *Zemlya Irkutskaya*, No. 5, 1996, pp. 17–18, link p. 17.

46 A. SUBBOTIN, *Put’ ’chaya ot kusta do stola*, in: *Kyakhtinskaya starina — Al’manakh*, Kyakhta 2003, pp. 26–29, link p. 27. There were also alternative routes of imported tea from China. A certain amount of goods was transported over the old route of Great Silk Road — across Central Asia.

47 EBINARKHOVA, *O chae a chaynoj trgovle*, p. 18; V. PTICYN, *Savoshnyje arteli*, in: *Kyakhtinskaya starina — Al’manakh*, Kyakhta 2003, pp. 35–37.

in the cotton fabric price in China, more tea began being delivered to May-ma-chen in 1807. Between 1815 and 1840 the volume doubled to reach eighty thousand *cibics* yearly.⁴⁸

Years	Quantity of tea (in thousand poods)
1801-1810	75
1811-1820	96
1821-1830	143
1831-1840	190
1841-1850	294
1851-1860	335
1861-1870	405
1871-1880	791
1881-1890	1,077

TABLE 2: The table below shows the growth in the Chinese tea import.⁴⁹

THE GOODS TRANSPORT FROM RUSSIA AND BACK

As early as three years after the Treaty of Kyakhta had been signed in 1727, the Russian government decided to construct a Siberian road (Sibirskiy Trakt). Therefore, the route of existing tea road would change and lead from Moscow via Murom, Arzamas, Kozmodemyansk, Kazan, Osa, Perm, Kungur, Yekaterinburg, Tyumen, Tobolsk, Taru, Kainsk, Kolivan, Tomsk, Yeniseysk, Irkutsk and Verchneudinsk. The road ended with two branches: to Nerchinsk and to Kyakhta. In the 18th century, the route ran a bit more towards the south — from Tyumen via Yalutorovsk, Ishim, Omsk, Tomsk, Achinsk and Krasnoyarsk to Irkutsk, further on it traced its original. It was not until 1792 when a directive on the road from Irkutsk to Kyakhta construction, which would be called Round Baikal Road (Krugobaikalski Trakt) or Round Sea Road (Krugomorski Trakt), was issued.⁵⁰

The roadworks on the Siberian Road began in 1730, but would be very slow and not finished until the mid-19th century. Nevertheless, this new road reduced the delivery time to European Russia to two or three months, therefore, the goods from Kyakhta would arrive at Irbit's fair in two months' period. The journey from Moscow, however, was 11,000km in length, so it took about half a year to deliver the goods. As a direct result of the new road, only ten to 30% of goods bought in Kyakhta were delivered by water at the beginning of the 19th century.⁵¹

The transport of goods from Kyakhta was arranged by merchants' verified assistants provided with an adequate amount of money for transport. Called "transport waggon lads" or *nogots* in the southern part of Siberia, they were responsible for

48 V. PTICYN, *Shirel'nyje arteli*, in: *Kyakhhtinskaya starina — Al'manakh*, Kyakhta 2003, pp. 32-34.

49 1 pood = 16,38 kg. Compiled on the basis of data O. N. KATIONOV, *Moskovsko-Sibirskiy trakt i yego zhiteli v XVII-XIX vv.*, Novosibirsk 2004, p. 247.

50 *Ibidem*, pp. 85-120.

51 *Ibidem*, pp. 278-279.

hiring waggoners, and for accompanying transports. They also mediated the goods sales in towns lying on the way. They were usually paid from the share of the delivered goods, and from their own ones delivered together with the merchant's goods. Most waggoners had come from richer farming families. They arranged the transport, mainly in winter, when they did not need their horses. Paradoxically, the winter transport was cheaper than the summer one, when their horses were occupied with farming tasks, therefore was lack of them in transport. It was prevailing practice in the 18th and the first half of the 19th century. After the mid-19th century the trade was taken over by transporting firms.⁵²

The transport cost a fortune. To give an example, the Kyakhta's trade recorded a turnover 10,595 kg in goods in 1842, and the transport costs reached 6.4 million rubles in assignments, or 1,823,500 rubles in silver. The major portion of money was spent on waggoners' wages. There were as many as ten thousand waggoners who would make their living by being engaged in the Kyakhta trade. The safety costs amounted to 80–120% of the price, and the so-called Kyakhta tea sold in Russia was even ten to twelve times more expensive than in Germany or England. Therefore, it would take longer for tea to gain in popularity with more classes in Russia than in Western Europe, and would not become the usual until the 19th century.⁵³

P. A. Ostroukhov, who had explored the tea prices development between 1827 and 1862, found out that the price of tea had depended on many factors, such as: successful exchange of goods in Kyakhta, overall amount in different quality and the costs of transport from Kyakhta to Russia. The tea price, however, was regulated by the amount delivered in previous years, resp., by how much the Russian interior market had been saturated, mostly in Moscow and Kazan. It also depended on the amount and quality in a particular moment, and mutual solidarity wholesalers in Kyakhta would express when selling tea on a wholesaling market at a particular moment.⁵⁴

As early as in the 18th century Chinese products were delivered to a market place nearby a village called Makaryev, close to Zheltovodski (or Troitski or Makaryev) Monastery on the central Volga River, today's Nizhny Novgorod Oblast. This merchant fair had been most likely the largest one in Russia since the mid-16th century. It lasted two weeks, and began to be regularly visited by traders from Bukhara, Khiva, Persia, European Russia and Siberia in 1666.⁵⁵ There were 1,400 spots for stands subjected to taxation, and 1,800 shops. In 1751, a new stone building replaced the old wooden market place. As to Chinese goods, there were five shops out of twenty-eight on the right side of the Siberian line, and fifteen out of thirty-three on the left side reserved for Chinese goods in 1806. In Mashchanski Street adjacent to the market place, Chinese goods were sold in two shops out of eight, and in Tatar Street in nine out of twelve shops.⁵⁶

52 Ibidem, pp. 265–267, 288–289, 291.

53 Ibidem, pp. 190–192, 275–276.

54 P. A. OSTROUKHOV, *Dvizheniye cen na chay na vnutrenem rynke Rosii v XIX. st. do reformy russko-kitayskoy trgovli v Kyachte v 1861 g.*, Prague 1937, pp. 193–236.

55 P. A. OSTROUKHOV, *Der Jahrmart zu Nižnij Novgorod in der ersten Hälfte des 19. Jahrhunderts*, in: *Zeitschrift für osteuropäische Geschichte*, Bd. VIII, Hf. 3, 1934, pp. 353–356.

56 N. A. FILATOV, *Tri veka makaryevsko-nizhegorodskoy yarmarki*, Nizhniy Novgorod 2003, pp. 146–147.

After the market place in Makaryev had been destroyed in huge fire on 16th August 1816, a possibility to move the market place in a new site was considered as there was not enough place by the Monastery, and the Volga would wash away part of the local bank during the floods every year. Therefore, Tsar Alexander I decided to move the Makaryev market place to Nizhny Novgorod, where more than eight square metres by the Oka River mouth to the Volga had been reserved for a new market place. Supervised by Lt Gen, engineer and architect of Spanish roots, Augustin de Betancourt y Molina, a new stone market place with sixty separated sections and 2,530 shops was being built between 1817 and 1820. This monumental and extremely technically advanced building in the Classicism style opened in 1822.⁵⁷ The goods from Kyakhta were supplied to this fair as early as in 1817. Four basic rows belonging to the so-called first quarter (out of nine in total) had been reserved for the Asian goods in this new market hall, part of which were also the Market (Spasski) Church, Armenian cathedral, mosque, and other large buildings. Chinese goods dominated among Asian products.⁵⁸

In 1831, Asian goods comprised approximately 16% of all local goods, out of which 14% were Chinese products. Undoubtedly, it was tea that dominated there. Despite the market was officially held from 15th June to 15th August, and until 25th August from 1824 onwards, the sale of tea began there as late as at the beginning of August with setting its price.

Besides Makaryevski and Irbit fairs, the major portion of the Chinese goods was sold in Moscow. For instance, in 1834, twenty-seven thousand *cibics* of the tea were sold there out of thirty-two thousand that had been delivered from Kyakhta to Nizhny Novgorod, and over five thousand *cibics* were sent to Moscow.⁵⁹

THE END

The Russian-Chinese trade in Kyakhta was profitable for both sides; it yielded important goods for Russia, which would have not been possible to get otherwise. On the other hand, the trade was confronted by problems as Kyakhta centre was a considerable geographic distance to cover for both sides. What had been playing a role for long, too, especially on the Russian side, was insufficient transport infrastructure, and ineffective state regulation of all sorts on both sides. Bureaucratic restrictions on the Russian side did not be partially removed until the 1760s, when the trade was overtaken by the private capital, and the volume in trade in Kyakhta would begin significantly grow, whereas on the Chinese side ideologically conditioned regulation would be still carried over. The Russians in Kyakhta had to face huge obstacles, broadly similar to the problems other Europeans had dogged by in South-Chinese Canton. The Chinese government attached no high importance to the foreign trade at that monitored period, and did not support the trade itself. It was primarily concentrated on its military-strategic targets in Amur Region, which was the trade in

⁵⁷ N. F. FILATOV, *Nizhegorodskoe zochestvo XVII — nachala XX veka*, Gorkiy 1980, pp. 99–143.

⁵⁸ FILATOV, *Tri veka*, p. 188.

⁵⁹ KHOKHLOV, p. 132.

Kyakhta subjected to. It used the trade regulation as a tool to press the Russian authorities in other questions. The trade in Kyakhta was sure not to be such without equal rights as described in earlier Chinese historiography. The trade in Kyakhta had never reached the extent that could have had, and fell into rapid decline as soon as another alternative and cheaper way to the trade exchange between Russia and China appeared.

ABSTRACT

The article describes the organization and practice of the Russian-Chinese trade exchange in Kyakhta and May-ma-chen in 1727–1861, state regimentation of the trade in Russia and China, the commodity structure of the Russian and Chinese export. Some fundamental problems of logistics that considerably impacted the character of the trade in Kyakhta are described, too. The Russian-Chinese trade in Kyakhta was profitable for both sides. It yielded important goods for both sides and especially for Russia, which would have not been possible to get otherwise. The core of Russian export was created by hides, furs, pelts and from 1820s also woollen and cotton fabrics, the Chinese export consisted especially in tea, silk and cotton fabrics and rhubarb. Bilateral trade, however, hinted at a number of obstacles. It was considerable geographic distance to cover for both sides and especially on the Russian side, insufficient transport infrastructure. Another set of problems consisted in ineffective state regulation of all sorts on both sides. While bureaucratic restrictions on the Russian side was partially removed in the 1760s, when the trade was overtaken by the private capital, on the Chinese side ideologically conditioned regulation would be still carried over. The Chinese government was primarily concentrated on its military-strategic targets in Amur Region, which was the trade in Kyakhta subjected to. It used the trade regulation as a tool to press the Russian authorities in other questions. Therefore the trade in Kyakhta had never reached the extent that could have had, and fell into rapid decline as soon as another alternative and cheaper way to the trade exchange between Russia and China appeared.

KEYWORDS

Russian-Chinese Relations; Russian-Chinese Trade; History of the Euro-Asian Trade Relations; Commodity structure of Kyakhta Trade

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