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A land of limitless possibilities: British commerce and trade in Siberia in the early twentieth century

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Abstract

This article looks at the prospects and the reality of British commercial activity in Siberia in the early twentieth century, before the outbreak of the First World War, and is based on contemporary comments by travellers, businessmen and commercial agents. Contemporaries agreed that the dynamic Siberian economy opened up opportunities for British exports and trade. British firms, however, lagged behind her commercial rivals, in particular Germany, and the United States. The article explores the reasons for this and also looks at the subjects of the British empire who went to Siberia and the conditions under which they worked. The article demonstrates the vibrancy of Siberian economic development in this period and the active participation of Western powers in this process.

Key words: Britain, Britons, Siberia, industry, trade, mining, butter industry
Anglo-Russian relations were shaped from the beginning by trade. Some ships from an ill-fated English expedition chartered by King Edward VI attempting to find a north-west passage to Asia docked in Archangel in 1553. This led to an invitation from Tsar Ivan IV to Richard Chancellor, one of the participants, to visit Moscow. The Tsar was keen to open trade to English merchant companies; Chancellor hoped to find a market for English wool and to import furs. In fact, trading relations between England/Britain and Russia almost always proved to be difficult. In the seventeenth century relations broke down completely after the execution of King Charles II. In the eighteenth century the main problem was the imbalance of trade: England/Britain imported naval stores (main masts and also hemp, tar and flax) for its enormous, wooden, fleet from Russia through Archangel and then through the Baltic ports acquired by the Russian Empire from Sweden as a result of the Great Northern War (1700-1721) but had little to export in turn. Trade and diplomacy in the eighteenth and nineteenth centuries went hand in hand: negotiations for alliances and/or British subsidies for Russian troops invariably involved concession for British traders. As Russia began to industrialize from the 1860s, British exports increased substantially but were always concentrated in European Russia and entered the Russian empire through Russia’s Baltic or Black Sea ports. Siberia was almost unknown to British traders until the late nineteenth century, but this article will demonstrate that, although British officials in the Board of Trade and private individuals became fully aware of the opportunities opening up in Siberia for British trade, major shortcomings in the way that British business was conducted meant that
Britain was not able to compete successfully with her rivals, in particular Germany and the United States.  

British commentators all agreed that Siberia began to undergo significant change at the end of the nineteenth century. This was true of tourists, adventurers, and businessmen who came to Siberia, and also of British agents operating in Russia and Siberia. In reality these categories of travellers often overlapped: tourists were sometimes also assessing the prospects for trade and investment either for themselves or for others; commercial agents provided a service for the British government but also traded on their own account. There were many ways in which their views could reach official circles, businessmen and a wider audience.

The stimulus for economic growth in Siberia was the construction of the Trans-Siberian railway, a project which was inaugurated in 1891 and had its first main section completed by 1904 (although the line was not finally completed until 1916). At the very end of the nineteenth century, Robert Jefferson journeyed on the newly-constructed stretch of the Trans-Siberian railway and visited gold mines in Eastern Siberia. This was before the line was completed and conditions for the tourist were primitive. Jefferson advised with not untypical British superiority of the time that relations were difficult when “not dealing with a civilized country, but one which is even more barbarous and primitive than the most barbarous and primitive of the British colonies.” Nevertheless, he considered that Siberia was a “land of promise” because of its richness of resources and cheap labour. Presciently, however, he added “whether Englishmen will grasp the opportunity is another matter.”

By the first decade of the twentieth century, Siberia had come to be seen as an El Dorado for British commercial interests. Exports of grain from Siberia to European Russia tripled between 1900 and 1914. Mines – gold, silver, copper, coal – increased output significantly,
and the number of workers in mining tripled in the period 1897 to 1913.\textsuperscript{8} At the same time the potential market for British goods in Siberia rose as the population increased: the first wave of internal migration took place in the 1890s after the Emancipation of the Serfs enabled peasants to leave their villages more freely, and the second after the Stolypin reforms of 1906 when peasants were encouraged, and assisted, to migrate to Siberia. After 1906, some 600,000 people per year migrated to Siberia, mainly to the countryside but the railway also lured peasants to the towns from within and outside Siberia. The population of Siberia almost doubled from 5.8 million in 1893 to over 10 million in 1913.\textsuperscript{9}

Henry Norman visited Russia in 1902. He was a journalist and politician who had travelled widely in the Far East, and later became a director of several mining and coal companies. He saw Siberia as a region of “vast promise,” which had been opened up by massive Russian investment in the construction of the Trans-Siberian railway. “The future of Siberia obviously depends on the success or failure of the Trans-Siberian railway” he commented. Not only was the more developed western Siberia promising but, in his view, there “is a new world of agricultural and mineral wealth waiting beyond Baikal.”\textsuperscript{10} Samuel Turner visited the Altai region in 1905. He was a keen mountaineer and wanted to climb and explore the region but he also wanted to investigate the possibilities of developing British commercial interests in the Siberian butter market. He met members of the Cattley family whose trading house was in Novo-Nikolaevsk (renamed Novosibirsk in 1926, and itself a settlement which had boomed because it was positioned on an important rail junction).

Turner noted that the number of dairies in Siberia had grown from 140 in 1898 to 2,630 by 1904, and that the town of Biisk in the Altai was “a coming centre for the butter trade” and considered that there was scope not only for Britain to benefit from the butter trade but also for the export of British agricultural machinery.\textsuperscript{11}
The impressions formed by individuals at the beginning of the twentieth century were shared by later British economists and businessmen, who saw further opportunities as the industry of Siberia continued to grow and the consumer market expanded with the sharp increase of population. Morgan Phillips Price, who later reported for the *Manchester Guardian* on Russia during the 1917 Revolutions and is better known for his memoirs of those years, was sent to Siberia in 1912 to report on the possibilities of investment in the mines. He was impressed by what he saw and published an account of Siberia in 1912 which concluded that “To the economist Siberia appears as a land of limitless possibilities.”

The Marshall business imported agricultural machinery into Siberia and had been operating there for the decade before the outbreak of War. In 1913, Arthur G. Marshall wrote a report entitled “Siberia of To-Day” for the *Russian Review*, published by the newly-founded Department of Russian Studies at Liverpool University (which itself only received its royal charter in 1903). Marshall recorded the impressive recent growth of towns and industries in Siberia as a result of the Stolypin reforms, and in particular noted the success of the dairy industry and mining. In his view, “Siberia in reality is Russia’s Canada” and the tourist “in place of discontented strings of chained convicts… finds contented, hard-working agriculturists and no signs of the miserable poverty he had expected.”

These views were echoed by people without direct commercial interests in Siberia. Harald Swayne was a colonel in the British army who had travelled through Siberia in the early twentieth century and in 1904 published *Through the Highlands of Siberia* which was primarily an account of mountaineering and exploration in the Altai. But in 1917 he gave a paper to the Royal Geographical Society, which was then published in their *Proceedings*, on “The Future of Siberia.” Swayne saw great potential for British exports and expertise, particularly in the mining industry, and even regarded the Altai region as having great potential for tourism. His summary, which reflected the views of someone who had travelled,
and fought, extensively outside Britain, was that Siberia, once fully settled, “will be
stimulating to the old country, just as our dominions have stimulated us with new ideas and
fresh points of view.”15

British commercial success was, however, limited and it proved impossible to take
advantage of all the opportunities described above. In practice, Britain played a major part in
investment in Siberian mines, and became a significant importer of Siberian raw materials
and agricultural products (in particular butter) but was never able to dominate the export
market to Siberia. To an extent, this was a reflection of Britain’s overall decline in trading
standing relative to Germany and the United States in the period 1880-1913,16 but it also
exposed specific problems relating to the British export trade in Russia in general, and in
Siberia in particular.

The role of foreign capital in Russian economic development from the late nineteenth
century provoked controversy at the time within Russia. In reality, it is difficult to separate
out British investment in Siberia from overall investment in the Russian Empire, and to make
a distinction between investment in different areas of commercial activity, including
investments in banks and in industrial enterprises.17 The largest investor in the Russia empire
was France but countries specialized in particular areas: France and Belgium, for example,
dominated investment in the steel industry. The main area where the British invested in the
Russia empire was in the oil industry in the Caucasus, but Britain also played a particularly
important role in the development of and investment in gold and copper, including in
Siberia.18 By 1915, Britain accounted for 75 per cent of all the foreign investment in the gold
mining and 56 per cent in copper mines in the whole Russian empire.19 Arthur Marshall, in
the report cited above, acknowledged that in the mining industry “Russia and Siberia have
not been so neglected by British capital.” He stated that there were 135 British mining firms
in the whole of the Russian empire, including 25 gold mines and 97 extracting oil, with a total capital of £28,000,000.\textsuperscript{20}

In 1916, Augustus N. Jackman compiled a report on the mining concessions worked by British Companies in Siberia. The mines he listed comprised: the Irtysh Corporation Ltd Altai, formed in 1914 (with capital of £2,000,000); the Kyshtim Corporation Ltd in the southern Urals, formed in 1908 (capital of £2,000,000); the Lena Goldfield Company extending over 27,909 acres, formed in 1908 (capital of £1,400,000); the Orsk Goldmines in eastern Siberia, formed in 1906 (capital of £687,507); the Russian Mining Group Ltd in the Altai region, formed in 1911 (capital of £250,000); the Russo-Asiatic Corporation Ltd, formed in 1912; the Siberian Proprietary Mines Ltd, formed in 1905 (capital of £135,000); the Siberian Syndicate Ltd, formed in 1913 (capital of £100,000); the Spasskii copper mine rformed in 1904 (capital of £1,200,000).\textsuperscript{21}

The Lena goldfields were the largest goldfields in the Russian empire. The fields were originally owned by a purely Russian firm; the firm was then heavily invested in by British shareholders and, although the managerial staff of the firm remained Russian.\textsuperscript{22} In April 1912, there were extensive and bitter strikes in the Lena goldfields which led to the massacre of many unarmed strikers (leaving possibly up to 270 dead).\textsuperscript{23} That created an awkward situation for British investors, and British shareholders. \textit{The Economist} (a paper/magazine founded in 1843 in London which focused on economic issues affecting Britain) in 1912 noted that the Lena goldfields had Russian management but were controlled by British capital, and considered that low wages, abuses in the mine shops, poor barracks and poor clothing had led to the discontent.\textsuperscript{24} The British \textit{Russian Year Book} for 1914 noted tersely the “labour difficulties” which had occurred at the Lena goldfields which “interfered seriously in the working of these fields.” Nevertheless, it reported that “All over the Urals and Siberia capitalists and engineers are seeking new gold places.”\textsuperscript{25} The Spasskii copper
mine, south of Omsk in western Siberia, was the other main source of British investment in Siberia: an immensely rich mine it produced 149,000 tons of copper in the period 1909-1914. 

Britain also imported raw materials, foodstuffs and furs from Russia. Timber, including white oak, veneer and three-ply, was exported from Vladivostok to Britain. The amount of fish imported from Siberia rose from 314,362 poods (one pud was equivalent to 16.38 kilograms or 36 English pounds) in 1900 to 1,571,381 poods in 1909. The Kamchatka fishing industry was largely in the hands of the Japanese, but Britain imported frozen fish and caviar – Hodgson noted that a British firm had set up a cannery in Ust Kamchatsk 1909. The main import from the Far East was, however, soya beans which came from Manchuria but were carried in British ships – 200,000 tons in 1909, an amount which remained at or above this level until 1913. The fur trade involved import from Siberia of “dressed and undressed skins,” but Britain also exported furs to Russia from Canada. Britain still imported mammoth ivory, as she had done from the seventeenth century and earlier.

The most significant export from Siberia to Britain in the early twentieth century, however, was butter. The majority of co-operatives were Russian of course, and the main foreign investment in dairies were Danish, but some British entrepreneurs set up in Siberia: the Wardropper family had a “thriving cheese and butter factory” near Tiumen’, in western Siberia, in the early twentieth century, and had imported “a herd of pedigree Jersey cows.” Turner noted in 1905 that eleven large London butter importers were doing business in Siberia. In 1908 The Times noted that British firms were setting up cold stores in Kurgan for the preservation of butter.

In the period 1911 to 1913 the so-called “Cheliabinsk tariff,” that is, an internal duty on goods passing through Cheliabinsk in the Ural mountains into and through European
Russia to Western Europe, was gradually abolished. This helped exports from Siberia – mainly grain but also other agricultural products - and in particular immediately increased butter exports which reached their peak in 1913. The *Russian Year Book* for 1912 noted that the value of Siberian butter exports to European Russia and Western Europe had risen from £745,000 in 1899 to £5,109,000 in 1909, and the quantity of butter had increased from 3,500,000 poods in 1909 to 4,500,000 poods in 1912. To put this in comparative perspective, a report on trade of the United States in 1912 noted that Britain was the largest butter importer from Russia with a total value of imports over 15.5 million dollars, and that imports had increased from the previous year. In 1912, Price noted that the butter industry has been dominated by Danes and Germans “but English firms have of late years been taking considerable interest in this business.” In 1912 a British firm established a factory at Biisk to make Cheshire cheese.

The success in investment, and in butter industry, were not, however, replicated by British exports to Siberia. The main obstacle to exploiting Siberia’s potential was deemed to be the inability of British business to compete, and their lack of willingness to compete, with their commercial rivals, and in particular with Germany, but also in certain areas with the United States, Austria and Denmark. Fears that Germany was usurping Britain as an exporter were commonplace in the press and in official circles from the 1870s. It may be that overall Britain’s perceived decline was exaggerated – Britain consistently had higher exports than Germany – but there is no doubt that in Europe, and in particular in the Russian empire, Germany was taking Britain’s place as the main supplier of a whole range of exports. To this extent, Siberia is only one example of Britain’s failure to compete but the particular circumstances there exposed both general and specific weaknesses in British commercial activity and the inability to overcome these weaknesses.
British eye-witnesses, newspaper columnists and commercial agents complained regularly about the lack of British competitiveness in the early twentieth century. In 1901, the *Manchester Guardian* (founded in 1821, originally to represent the interests of Manchester cotton traders) reported a lecture given by a Mr Brice to the Manchester Geographical Society on “The Commercial Development of Siberia: Prospects of Manchester Trade.” Brice described Siberia as a “magnificent market” for Manchester exports such as cottons and machinery but bemoaned the “amazing conservatism of the British manufacturer” and noted that the Germans and Americans had poorer goods but lower prices which gave them an obvious commercial advantage. Eye-witnesses also testified to the failure of British firms to take advantage of the opportunities in Siberia. “British firms, unfortunately, are conspicuous by their absence” commented Henry Norman the following year. John Foster Fraser, a British travel writer, looked upon “Siberia as the ultimate great food-producing region on earth” but noted that “Americans and Germans are already in the country opening up commerce”; while “Britishers, however, lag behind.” In his frustration he commented that: “All I saw that was British was sauce … That my country should purvey to Siberia little else than sauce – I felt like smashing the bottle.”

A similar story was presented to the Foreign Office by the commercial agent for Britain in Vladivostok, Edgar J. Schwabe, in 1903. “At present, Germany has command of the market for most articles, the only import from England being chiefly galvanized iron for roofing purposes, iron and steel bars, plates, wire sails” for the mining industry. In general, he concluded: “Up to the present time, very little attention has been given by British manufacturers to the markets of Eastern Siberia.” The *Times* reported on Siberian agriculture in 1904 and noted that “the absence of English made agricultural implements in painfully obvious … Scythes and sickles come from Austria; the plant for dairy farming comes from Sweden....” Harald Swayne visited towns in the Altai region which were at the
heart of butter production. He noted: “Of the agricultural machines we saw being used, both here [Western Siberia] and on the route to Mongolia, I am informed that none were of British manufacture.”

*The Economist* magazine reported that although Siberian peasants “were supplying the London market with butter” they “reap their crops with American harvesters.”

In 1902, Henry Cooke, a British commercial agent in Russia, gave a paper to the Manchester Chamber of Commerce on “British Trade with Russia: its Obstacles and its Facilities” in which he gave an official, but blunt, assessment of why Britain lagged behind her rivals. He noted that British goods were highly regarded to the extent that the “very word English meant in Russia the best of its kind in almost every branch of industry.” He also, however, highlighted two problems which persisted throughout this period, and which harmed British competitiveness with Germany, namely the reluctance of British firms to give credit to their customers and the inability of British exporters to speak Russian.

Another report by Cooke, entitled “A Pilgrim of Trade in Siberia,” was presented to the Board of Trade in 1903 and reported by the papers in 1905. *The Times* reported that, according to Cooke, the USA was “first” and the British “nowhere,” and that this was due to the high cost of British goods and poor marketing, all of which meant that the Siberian “market, with exception of one or two special requirements, is slipping altogether out of our hands.” In 1906, Cooke reported that Germany accounted for 42 per cent of the total imports to Siberia, whilst those from Britain comprised only 17.2 per cent. He reiterated that part of the attraction was that Germans gave credit more easily than British exporters and were prepared to start with small amount of business to build up customer base. Many German traders were also from the Baltic States and had the advantage that they were subjects of the Russian Empire and could move more easily around the country and speak Russian fluently.
Cooke’s report of 1906 is of particular interest because he gave a detailed breakdown of exports of agricultural machinery to Siberia and showed precisely where British exporters were lagging behind, but also where they held the advantage over their competitors. In general, Britain lagged behind not only Germany, but also the United States and Austria on so-called “non-complex” agricultural machinery, such as ploughs (Britain exported ploughs worth 2,745 roubles, compared with German ploughs worth 2,731,939 roubles), threshers (167,000 roubles worth from Britain and 587,000 roubles worth from Germany) and harrows (34,960 and 61,298 roubles respectively). Overall, British exports of non-complex machinery totalled 961,729 roubles compared with 4,532,705 roubles from Germany, 1,266,552 roubles from the United States and 1,238,342 roubles from Austria. But Britain held her own in some of the agricultural machinery which was classified as so-called “complex” machinery in particular portable engines where the value of British exports was 2,709,994 roubles compared with 1,756,028 roubles worth from Germany and only 18,000 roubles worth from the United States. Overall, the value of British exports of complex machinery was 3,311,861 roubles, less than the United States (4,998,130 roubles) but higher than Germany (2,615,274 roubles) and Austria (414,367 roubles). Some British manufactured goods were clearly valued and bought irrespective of all the shortcomings listed above.

The British government was not oblivious to the failure of British traders to compete with Germany, in Russia and elsewhere. One particular criticism of British policy was the failure to appoint consuls and vice-consuls in major towns compared with other countries, something which the government began to rectify from the 1880s by appointing commercial agents. The government was, however, slow to appoint consuls to Siberia. In 1906, a question was raised at the House of Commons concerning the lack of a consul at Vladivostok. The former commercial agent in Vladivostok, Edgar Schwabe, wrote to the Foreign Office and argued that a British
subject with the formal title and status of a consul would be more beneficial to British trade than a commercial agent, whilst also noting that both China and Japan had appointed consuls to Vladivostok. The argument was accepted and Robert Hodgson, who was currently employed in British service in Marseilles and who knew “some Russian,” was appointed as Vice-Consul in Vladivostok. As the Foreign Office noted dryly: The new Vice-Consul will have to be an exceptionally good man because the post will be practically independent besides being a somewhat difficult one.”55

Criticisms of British export policy continued to be made in the immediate pre-War years and showed that, despite the introduction of consuls, more fundamental weaknesses remained. The new Vice Consul in Vladivostok, Hodgson, reported in 1910 that British exports “cut a very pitiable figure in comparison with those of German firms,” and reiterated the need to give credit and to learn Russian, and to develop an awareness of local conditions. He noted that trade “was very much in German hands” and that three-quarters of imports were from Germany. Nevertheless, British goods included galvanized iron, cloth, clothing, boots, paint, biscuits, preserves and tinned fruit (the latter from Australia), stationary and whisky. The following year he made the same points and considered that it was disappointing that there were “no signs apparent of any determined intention on the part of our manufacturers to improve their position.” 56

In 1912, Morgan Philips Price reported from Krasnoiarsk, where he inspected the agricultural machinery on sale, that: “I saw nothing from England, whose businessmen at present have been too timid in this land, where no one speaks English, to cultivate a trade which Germans, Americans and Swedes are capturing wholesale.” The lack of easy credit and knowledge of Russian were obstacles to selling British goods, but he also regretted the lack of British consular support, and considered that it would be useful to have more consuls including one in Omsk (which was becoming the commercial and administrative centre of
western Siberia in the beginning of the twentieth century) and vice-consuls in the main commercial centres of Kurgan (for the butter trade), Novo-Nikolaevsk, Tomsk and Krasnoiarsk. Indeed, the question of vice consuls was raised again in the House of Commons in 1911. In 1913 an article in *The Times* entitled “The Rise of Siberia” portrayed a familiar picture of the decline and “decadence” of British engineering and the loss of trade to Germany and the USA in Siberia in part because of the reluctance to give credit.

The most optimistic commentators recognized that Siberia posed special challenges for conducting business, although this was true for all exporters to Siberia and not merely British traders. Even after the construction of the Trans-Siberian railway, moving people and goods around Siberia was far more difficult than in European Russia, and was made more so by the remote location of many of the resources. Ore from the Spasskii copper mine in western Siberia had to be transported from the mine to the railway by bullock carts in the summer, and camel sledges in the winter. James Edward Wardropper, whose family were based near Tiumen’, in the more developed western Siberia, commented that travel was “hazardous because the roads were merely cart tracks with deep ruts.” “Roads are terribly bad” commented Beavens tersely. Oxen had to be used to transport his factory machinery from the railhead to a mine in Petropavlovsk (in present day north Kazakhstan), although he noted that there were “plenty of camels in Petropavlovsk.”

The extreme cold posed problems for anyone who ventured to Russia in the winter months but is perhaps strange that Britons, who after all had an empire at the time which encompassed an enormous climatic range, needed to be reminded of the obvious. The *Russian Year Book* section on Advice to [British] Travellers stressed the importance of warm clothing and of “buttoning up,” warning that the British because of their temperate climate found it particularly hard to imagine the extreme cold “with the result that many of our countrymen have met their death prematurely.” In Petropavlovsk the temperature fell to
minus 33 degrees Fahrenheit in January, which Beaven described with typical British understatement as a “tall order” as it was “almost impossible to keep warm.” He and his companions had to regularly break the ice in the bowl before they could wash. At least the winter gave relief from the terrible flies and mosquitoes: “A Siberian mosquito is a vicious insect” recalled James Wardropper.

Business behaviour could be even more frustrating for all nationalities in Siberia than in European Russia. In 1904 The Economist included a long report from their mining correspondent which highlighted what he called the “Russian temperament” and “lack of energy” and the “never-ending holidays or saints’ days and festivals,” and the workman’s “prerogative of getting intoxicated whenever he has a rouble or two to spend” and the conditions imposed by the Russian government on investors which required firms to have Russian directors. The Norwegian Jonas Lied, who founded the Siberian Steamship Manufacturing and Trade Company in Krasnoiarsk on the Enisei river in 1912 with British financial backing (and later became the Norwegian Consul in Siberia), noted the problems of doing business in Siberia, because of an “excess of freedom in Tsarist Siberia and a latitude in the standards of business conduct which would not have been condoned in European Russia.” Charles Hawes was a distinguished British anthropologist, who visited Vladivostok in 1903 and commented on the slowness of trying to conduct normal business in banks and difficulty of sending telegrams.

For young, fit, men the experience in Siberia could also be invigorating and pleasurable. Turner visited the Altai primarily for mountaineering and was joined in this pursuit by young members of the Cattley family. John Wardell was employed as an engineer in the Spasskii copper mine and recounted his pleasure at hunting and riding on the steppe. We have a unique record of both the pleasure and the difficulties of life in a Siberian factory through the log book of Edward Beaven, who spent nineteenth months attempting to install
and run machinery in a meat processing plant in Borovoe, near Petropavlovsk. He clearly loved some of the freedom of the outdoor life, swimming in the “magnificent” lakes, riding, walking: “A most magnificent day, had a fine walk across lake & back through the woods” he recorded one day in a frosty January. But the slowness and difficult of getting machinery unloaded and then delivered by train to the nearest station, and from there to the factory by carts, was a frustrating experience. Goods he had dispatched from the station had not arrived at the factory when he expected. Trying to conduct business at the factory was also frustrating: the plant was primitive so that it was hard to keep production going (as he noted one day, “things not going well ... steam in pipes & pipes have icicles on them, that is, at a leaky place”); safety was poor – one Kirghiz workman was “terribly scalded” and later died. The remote area was plagued by wolves: he noted one day a pack of 10 wolves round the house .... Heard them again about 2.3-0 am near my bedroom window.” Even fit young men could be taken ill and he bemoaned the lack of medical care: “it’s terrible being queer in this place… Nothing you can take to cure you.” But, most of all, he hated the poor quality and monotony of the food: “the same soup every day, & horrible meat patties every meal… we are both getting thin & feel half starved...The food here is chronic.”

Furthermore, the remoteness of Siberia meant that it was often difficult for foreigners of all nationalities to rectify matters through the courts when things went wrong. In 1906, the Anglo-Continental Produce Company, a “large leading house trading in Russian and Siberian butter,” appealed to the British Secretary of State for Foreign Affairs to help resolve a dispute over some of its goods of the value of £1,400 which had been seized in the Siberian town of Omsk. When goods were allegedly damaged on a ship in Vladivostok the British owners were cautioned as to whether they wanted to “embark on litigation in so remote a part of the world as Vladivostok.”
On the whole, British travellers and traders were not harassed by officials or by the police in Siberia. Passport and registration with the local police were required for foreign visitors but this posed no particular problems or unpleasantness. Vice-Consul Hodgson stated that sometimes it was claimed that police and local authorities could hinder trade but “this idea is baseless.” When Beaven found that his hotel porter had forgotten to hand in his train tickets he was able to continue his journey and wired ahead to clarify that he had indeed paid for a ticket. When Fraser travelled on the Trans-Siberian in 1902 he became convinced that someone on the train was spying on him and felt watched and followed all the time: “I couldn’t go into the buffet and have a cup of soup without my spy sitting opposite me.” He then found out that the man was not a spy and was just someone who was fascinated by seeing a foreigner and was travelling in 1st class with a 2nd class ticket! In 1909, the Vladivostok Vice-Consul had to intervene on behalf of some Indians (subjects of the British empire) in Barnaul who required assistance but commented that “English [sic] travellers in Russia have not been subjected to espionage and vexation.” In 1913, Captain Douglas-Pennant set out to collect local fauna in the Biisk. The local police were instructed by the Ministry of Internal Affairs to “protect him.” This was, however, at a time of rising tensions when the location and movement of foreigners was noted by the local police, who produced a list of foreigners in Zmeinogorsk district, three Britons: George Harrison, Ralph Hatrey, Peter Grant. Harris was an engineer with the Russo-Asiatic corporation, and Grant was a master drilling machinery.

Wars and internal disturbances could temporarily halt activities and oblige British, and other foreigners, to leave their posts, although the cessation of hostilities normally resulted in the resumption of former commercial relations. The Russo-Japanese War affected Siberia more than European Russia and led to the evacuation of many of the British residents in Vladivostok: Edgar Schwabe reported that that there had been 16 British subjects in the
town but that “all but two had decided to leave.” Edward Beaven and his companions had instructions to leave Borovoe in early 1905: “all Englishmen except Brandt [sic] to leave for England.”

What type of British subject (or, more accurately, subjects of the British empire) ended up in business in Siberia? The mines and industrial complexes attracted people of a variety of skills, backgrounds and ages. A number of individuals came and left the meat canning factory in Borovoe during the year that Edward Beaven was there – mostly young men like himself who could be good companions but also older specialists, including an older, and deaf, Scot, who one day had the misfortune to swallow a cockroach in his soup: (“He’s very deaf, so I suppose he didn’t see it” commented Beaven unsympathetically if illogically!) and unskilled workers, presumably from the London factories:

Mr Reed, Preserving Expert & 6 men with Brown arrived at 8.30 pm. The 6 men are beautiful specimens of Whitechapel Roughs. Language is beautiful, as clear as crystal.

The Spasskii copper mine had a British staff of 18 in 1914 including four New Zealanders (a mine superintendent, a prospector and two assistants) and a Canadian (a prospector). The general manager and two smelter assistants were Cornishmen, who could have acquired their expertise in the Cornish tin mines. A smelter assistant, called Turner, had “lived in Russia nearly all his life;” others included a Lancashire colliery supervisor and an accountant and secretary. The staff was predominantly male but John Wardell’s wife joined him there in July 1914, and the British contingent also included a Mrs Baker, mother of the general manager’s secretary.

The establishment of a Vice-Consular Office in Vladivostok meant that records were kept of citizens of the British Empire who ended up in that port. They were a mixed group.
Between 1908 and 1914 forty five men and women arrived in Vladivostok: many of them were in the areas of commerce which have been discussed above, including merchants, engineers, a timber merchant, an office manager, a commercial traveller, an accountant, a financier, and a metallurgist. A number of Indians also worked as watchmen on the river. The list of British residents also included a jockey and his trainer, both from Sydney, five English language teachers, and four governesses. A list of deaths of British subjects in Vladivostok in the same period included a master mariner, a merchant, an assistant school master, a business manager, an apprentice, a clerk and a teacher. Work for an English speaker as a teacher or in an office was not guaranteed even in this remote spot. The Office advised Florence Farnborough “not to come to Vladivostok for work,” a G. Shackelton was informed that there were “no openings for” him as a teacher of English, and G. Hadden was told that he had a “small choice of finding employment as a teacher, or in office.”

Commentators on Siberia had a great interest in its economic potential but not oblivious to the fact that Siberia was also developing culturally during this period. Several travellers noted the establishment of Tomsk University, which had been founded in 1898, and its “handsome buildings.” Turner noted that there 29 educational establishments in Omsk and 3 libraries. By 1910 it was in fact estimated that there were 4,656 pupils of both sexes in schools in Omsk – the town had expanded rapidly as a result of the construction of the railway. In Irkutsk, Fraser noted the “many schools, the philanthropic institutions, the museum.” Price found Krasnoiarsk dirty and muddy, even in 1912, but also found three “well organized” hospitals, two middle schools, a public library (albeit accommodated in “a low dingy shed”). Newspapers also reported on non-economic matters relating to Siberia. In 1908 The Times reported on the discovery of the bones of a Siberian mammoth. In 1912 The Times published an article on “Education in Siberia,” and considered that Tomsk University would be “a civilizing influence which will commend it to the humane and the
enlightened in all parts of the word.” The Manchester Guardian reported on a number of events and publications concerning Siberia, including notices of “The Marvellous Playing Horses” and jugglers from Siberia, advertisements for books of travels in Siberia, lectures by members of the British and Foreign Bible Society on Siberia, and a film of an expedition to Siberia at picture house. Lectures were given not only on economic potential but on the fauna, flora and people of Siberia on Siberia at Geographical societies in London and other cities in Great Britain.

For all the interest shown in Siberia’s economic potential, and for all the attention its development received at home, this was not a success story for Britain. British investors were important, and some Britons made a life for themselves in Siberia, but on the whole British exporters never managed to compete successfully with the Germans and the Americans. British commercial practices and British government policy towards trade were largely to blame – the lack of flexibility over credit, the failure of many exporters to learn Russian, the slowness in appointing consuls. By 1914, it had been accepted that Germany dominated the Russian trade, both in Siberia and in European Russia. The only hope left was that the outbreak of war would benefit British trade because of anti-German feeling in Russia. The Russian Year Book for 1916 pointed out that “the present is the time to capture this market, not after the war – it will be too late.” The potential new economic opportunities and the impressive internal developments in Siberia did not, moreover, entirely erase the negative image of Siberia from popular imagination. Prospects for British exports and investment merged uneasily with the image of Siberia as a place of oppression, cruelty and hardship. As The Economist noted in 1911 that “Siberia still lingers in the English mind as a land of convict prisons and perpetual snows, of frozen tundras, and gloomy forests.”


3 An example of Anglo-Russian negotiations in which diplomatic concerns over the future structure of Europe, British subsidies to Russia and trade rivalries merge can be seen in my “‘It is the Festival of the Crown and Sceptres’: the Diplomatic, Commercial and Domestic Significance of the Visit of Alexander I to England in 1814,” *Slavonic and East European Review* 73, no. 2 (1995): 246-68.


5 In fact English merchants were active in western Siberia in the late sixteenth and early seventeenth centuries but this came to an end in 1617 when Tsar Michael banned foreign trade along the Siberian river routes: Samuel H. Baron, “Thrust and Parry: Anglo-Russian Relations in the Muscovite North,” *Oxford Slavonic Papers*, new series, 21 (1988): 19-40.
An account of the perceptions of Siberia by British visitors and a good introduction to sources on British-Russian trade can be found in the article by David N. Collins, “British Interest and Interests in Siberia, 1900-1922,” Revolutionary Russia 9, no 2 (1996): 206-233.


16 Bernard W. E. Alford, *Britain and the World Economy since 1880* (Harlow: Pearson Ltd, 1996), 41. British exports in 1913 still accounted for a greater proportion of GDP (21 per cent) than German (17.5 per cent) or United States (6 per cent) exports but the early twentieth century saw a shift in exports from Britain to the British colonies and away from Europe, including Russia (Alford, 33-34). By 1913, 47 per cent of British overseas trade was in the Empire, followed by the United States and Latin America: Sidney Pollard, *The Development of the British Economy, 1914-1980* (Baltimore, MA, 3rd edition: Edward Arnold, 1983), 10-12.
The classic account of the role of foreign capital in Russian economic development was written during the period in which Russian foreign ministers, in particular Witte, encouraged foreign investment and was highly critical of that policy: P. V. Ol’, *Inostranye kapitaly v Rossi (Petrograd: Gosudarstvennaia topografiia, 1922)*. In the Soviet period, some of the data used by Ol’ has been questioned and refined - Doncharov, for example, has much higher figures for German investment than has Ol’: A. G. Doncharov, *Inostrannyi kapital v Rossi i SSSR* (Moscow: Mezhdunarodnye otnosheniia, 1990), 20 - but the standard views was that extensive use of foreign capital was criticized for having a distorting impact on Russian development and for leading to exploitation of Russian workers. The best study in English is John P. McKay, *Pioneers for Profit: Foreign Entrepreneurs and Russian Industrialization 1885-1913* (Chicago and London: University of Chicago Press, 1970). An important account which argues that Russian industrial development was less dependent of foreign capital than normally assumed is Paul R. Gregory, *Russian National Income, 1885-1913* (Cambridge: Cambridge University Press, 1982).


White, “British Business in Russian Asia,” 75.


*The Economist*, 18 May 1912.


Conolly, *Beyond the Urals*, 46.

*Russian Year Book for 1912*, ed. by H. Kennard (London: Eyre and Spottiswoode, 1912), 149.


*Russian Year Book for 1912*, 144, 146. See Baron, “Thrust and Parry: Anglo-Russian Relations in the Muscovite North,” 19-40, for an account of trade in the seventeenth century in Siberia.


*The Times*, 4 September 1908.


*Russian Year Book for 1912*, 113; *Russian Year Book for 1914*, 115.


*The Times*, 3 July 1912; also reported in the *Manchester Guardian*, 3 July 1912.


*Manchester Guardian*, 6 February 1901.

Norman, *All the Russias*, 154.

44 Quoted in Collins, “British Interest and Interests,” 206.

45 NA, FO 65/1672, pp. 401-02, Foreign Office Consular: Russia.

46 The Times, 16 January 1904.


48 The Economist, 27 May 1905.

49 Manchester Guardian, 11 March 1902. See similar comments about British attitudes in Russia and the Balkans in Hoffman, Great Britain and the German Trade Rivalry, 131-133.

50 The Times, 24 May 1905.

51 NA, FO 368/46, pp. 353-55, Foreign Office Russia: Commercial correspondence 1906. Fraser also 1902 noted the role of Baltic Germans in trade: Fraser, The Real Siberia, 121.

52 NA, FO 368/46, pp. 85-87, Foreign Office Russia: Commercial correspondence 1906.


54 Hansard, House of Commons debate, 13 March 1906, columns 1016-17.


56 Diplomatic and Consular Reports... Years 1908-09, 5-6, 7-8; Ibid. Report for the Year 1910 on the Trade of Vladivostok and District (London: HMSO, 1911), 6-7; Diplomatic and Consular Reports ... Year 1912, 8.

57 Price, Siberia, 19, 21, 240-41, 248.

58 Hansard, House of Commons debate, 13 June 1911, column 1445.
The Times, 7 May 1913.

60 Letter from W. Woolmer to Richard Davies, Leeds Russian Archive, 1991: part of the LRA Wardell Collection, MS 809.

61 LRA, MS 1241/28, p. 11, Wardropper family papers, James Edward Wardropper’s memoirs of childhood in Riga and Siberia.

62 LRA, MS 670.2/1 (no page numbers), Beaven MS, Log Book of Edward Beaven, 2 August 1904 OS, 30 August 1904 OS.

63 Russian Year Book for 1911, ed. by H. Kennard (London: Eyre and Spottiswoode, 1911), 349.

64 LRA, Beaven MS, 6 January 1905 OS.

65 LRA, Wardropper MS, p. 10.

66 The Economist, 27 August 1904, 1 October 1904. It should be noted that the paper then published a letter from Arthur I. Pearse challenging this analysis, and stating that it was possible to learn language, that mines could be effective and reliable, and commending the low transport costs.


70 LRA, Beaven MS, 28 January 1905 OS.
71 Ibid., Beaven MS, 6 September 1904 OS, 18 September OS, 8 October 1904 OS, 19 December 1904 OS, 27 December 1904.

72 Ibid., Beaven MS, 7 October 1904 OS, 3 November 1904 OS, 15 September 1904 OS, 18 October 1904 OS.

73 NA, FO 368/43, ff. 48-49, 63, Foreign Office Russia: Commercial Correspondence, 1906.

74 NA, FO 368/46, f. 111, Foreign Office Russia: Commercial Correspondence, 1906.

75 Diplomatic and Consular Reports .... Years 1908-09, 10.

76 Fraser, The Real Siberia, 71-72.

77 NA, FO 537/1, no folio numbers, Foreign Office, Vladivostok Consulate, miscellaneous, 1909.

78 Tomsk, Russia, Gosudarstvennyi arkhiv Tomskogo Oblasti, fond 3, opis’ 6, d. 63, listy 51-52, 57-59, the Provincial Board, on the supervision of Chinese and other foreigners.

79 NA, FO 65/190, p. 218, Foreign Office, Consular: Russia, 16 February 1904.

80 LRA, Beaven MS, 15 February 1905 OS.

81 LRA, Beaven MS, 24 October 1904 OS, 14 October 1904 OS.

82 Wardell, In the Kirghiz Steppes, 36-37, 41.

83 NA, FO 510/2, ff. 1-12, Foreign Office, Vladivostok Consulate, register of British subjects.

84 NA, FO 510/1, ff. 4-5, Foreign Office, Vladivostok Consulate, records of deaths, 1908-24.

85 Florence Farnborough, governess in Moscow, who later assisted as a nurse on the Russian Front in the War and wrote up her experiences: Nurse at the Russian Front: a Diary 1914-18
(London: Constable, 1974). The original manuscript is held in the Imperial War Museum, London.

86 NA, FO 537/1, no folio numbers, Foreign Office, Vladivostok Consulate, miscellaneous, 1911, 1913.

87 Fraser, The Real Siberia, 71,

88 Turner, Siberia, 66, 94.


90 Fraser, The Real Siberia, 120.

91 Price, Siberia, 23-24, 84.

92 The Times, 28 February 1908, 6 November 1912.


94 Russian Year Book for 1916, ed. by N. Peacock (London: Eyre and Spottiswoode, 1916), 505.

95 The Economist, 9 September 1911.
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