

Russian-Chinese Trade in Kyakhta – Trade Development and Volume Indicators 1727–1861

Michal Wanner

This study is a follow-up to the author's previous articles featuring the beginning of the Russian-Chinese diplomatic and trade relations, and the early forms of the Russian-Chinese trade,¹ as well as characteristic of the Russian-Chinese trade exchange organisation and practice in Kyakhta and May-ma-chen, or both Russian and Chinese export commodity structure; but also to a few fundamental logistics issues having considerable impact on character of the trade in Kyakhta.² The author focused this, third in row but last study, on portions of this broad topic, which had not been possible to include in the previous articles for the reasons of their size, specifically, the trade quantification and capturing single stages development in the monitored period, the trade influence on the overall advance of the region, and also the reasons that resulted in the decline and end of the Russian-Chinese trade in Kyakhta, more specifically, on other forms of the trade exchange as the replacement.



THE TRADE DEVELOPMENT AND VOLUME

In December 1728, shortly after The Treaty of Kyakhta had been entered into, Chinese merchants began to have complaints about the shortage of Russian merchants and their goods, but also because they had been only selling cloth and Russian leather. However, the situation would shortly change. Russian goods on 1,430 carriages and 96 sleighs were delivered to Kyakhta between 1736 and 1740, whereas Chinese goods were carried on 806 carriages and 37 sleighs.³

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- 1 M. WANNER, *First Russian-Chinese Diplomatic Relations and Business Relationship 1689–1728*, in: Prague Papers on the History of International Relations, No. 2, 2013, pp. 66–76.
 - 2 M. WANNER, *The Russian-Chinese Trade in Kyakhta: Its Organisation and Commodity Structure, 1727–1861*, in: Prague Papers on the History of the International Relations, No. 2, 2014, pp. 35–49.
 - 3 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 oprovergajut protiv fal'sifikacii istorii russko-kitayskikh otnosheniy*, Moscow 1982, pp. 106–107.

The situation would change again, now to the benefit of the Chinese side (1,200 carriages compared to 944 ones) next five years (1741–1745). Chinese goods amounted to 287,000 rubles were exchanged Kyakhta in 1744. Chinese caravans had carried goods for approximately 100,000 rubles to Beijing in the 1730s. This trade, however, still earned just a modest profit. The late 1750s saw again a halt in the caravan trade in Beijing, and the trade in Kyakhta was limited to the local exchange.⁴

In 1762, Chinese representatives negotiated with Selenginsk commandant V. V. Jacobi for abolishing wooden check-points established by the Russian side to eliminate underhand trade. They also demanded exempting goods in the Russian markets from customs duties at a time. At that, they would break the trade off in 1764. Chinese merchants pulled out of May-ma-chen, where a 400 to 500-man garrison would be located instead to prevent secret Russian-Mongolian trade, and to exert pressure on some Mongolian tribes that had been recognising Russian sovereignty. For the same reason, the Chinese court subordinated in 1762 the trade in Kyakhta and May-ma-chen to Manchurian governor — *amban*⁵ residing in Urga. However, it would still be May-ma-chen dzarguchi, an official of the Chinese Ministry of Dependencies (Li-fan-jüan), who would be responsible for supervising the trade in Kyakhta.⁶

A Russian writer, translator and diplomat, Ivan Ivanovich Kropotov (1724–1769), dispatched by the Russian government arrived in Irkutsk early in 1767 to stabilise the border situation. Talks with Urga's *abmans* were opened in Kyakhta. After the talks, Chinese plenipotentiaries sent to Beijing a document with 13 Russian requirements. According to the instructions issued in Beijing the talks would have been suspended unless the Russian side had met the Chinese requirements. Under this pressure, Kropotov made minor concessions.⁷ Under the agreement concluded in Kyakhta in 1768 check-points were required to be cancelled and customs duties imposed by the Russian side in the town exempted.⁸

The agreements mentioned above positively impacted the Russian-Chinese trade. Kyakhta was the only site where the legal Russian-Chinese trade had been conducted since 1772. The share of the trade in Kyakhta amounted to 8.3 per cent (2,644,000 rubles) of the foreign exchange in Russia in 1775.⁹ Regardless that two-year gap (1778–1779), increase in the trade turnover in Kyakhta was 2.7 times as big as between 1769 and 1784. The annual turnover was 1,011,129 rubles in 1755–1762, 2,300,122 rubles in 1768–1778, and 6,361,612 rubles in 1780–1785.¹⁰

4 Ibidem, p. 107.

5 *Amban* (in Manchurian “high officer”) is the title, which was referred to the representative of the imperial power of the Qing Dynasty. It was used in Tibet, Mongolia and Siberia.

6 Li-fan jüan — Ministry of Dependant Provinces. In practice the ministry managed inter-Asian affairs of Qing China.

7 A. N. KHOKHLOV, *Misiya I. I. Kropotova v Kitay v 1763 g.*, in: *Sed'maja nauchnaya konferenciya „Obshchestvo i gosudarstvo v Kiyae“: Tezisi i doklady*, Vol. 2, Moscow 1976, pp. 219–251.

8 Text of the treaty is quoted in full by V. S. MYASNIKOV (Ed.), *Russko-kitayskiye dogovornopravovyye akty*, Moscow 2004, Doc. No. 9, pp. 53–55.

9 E. P. SILIN, *Kyakhta v XVIII. veke*, Irkutsk 1947, p. 187.

10 KHOKHLOV, *Kxakhtinskaya trgovlya...*, p. 109.

Nevertheless, the trade had been fraught with problems. Generally, the Russian side interested in preserving trade kept making concessions, and tolerated the violation of the border regime from the Chinese side. The Chinese side suspended trade ten times only between 1744 and 1792: for seventeen days in 1744; two days in 1747; one day in 1751; five months and three days in 1753; one month and seven days in 1756; eleven days in 1759; six years in 1762; three days in 1775; two years and thirteen days in 1778; and seven years in 1785. The reasons behind those disputes lay in disagreements as to expelling refugees, and concerns about the military intervention from either side.¹¹

Talks over a new agreement held for over two years settled a great conflict raging in 1785–1792. It was a Mongol, Sun-Jun, on the Chinese side, and the Governor of Irkutsk, L. T. Nagel, on the Russian side that had made a huge contribution to their success. The talks had produced an international agreement signed in February 1792. It re-established trade, and enabled border disputes to be solved like they had been before, however by each of the countries' law, without consultation with contractor's officers. Thus China recognised new Russian legislation including a capital punishment, and mutual control over refugees got less strict. Trade staged a robust recovery after a seven-year gap.¹² There would be a 70 per cent increase in the trade in Kyakhta in ten-year's time after that Agreement.¹³

What is more, another international agreement opening the trade in Kyakhta to foreign goods for next thirteen years was signed on December 16, 1805. Therefore, the transit trade, mostly in cloth and fabrics mainly imported from Prussia or Poland, would be done in Kyakhta. The agreement between Russia and Prussia was entered into in 1817, under which those Russian merchants, who had been enjoying the right of foreign trade, were allowed to export fabrics of foreign provenience through Kyakhta, Troitskosavsk, Orenburg or Astrakhan up to 600,000 *arshins* (426,000 metres) yearly, but had to pay transit tax.¹⁴

Prussian cloth soon began to replace Russian or other foreign cloth, so the export would be growing. The export totalled 447,000 *arshins* in 1818; 856,000 *arshins* in 1821; but dropped to 224,000 *arshins* in 1826. At those times there was also decrease in other foreign cloth export from 41,600 *arshins* to 2,700 *arshins* (1825), and the Russian cloth from 313,000 *arshins* to 2,400 *arshins* (1825). This forced Russian offices to react, so as early as in 1822 they would try to change the Agreement on the export. The new one depriving Prussian cloth its privileged position was signed on March 11, 1825. Prussian cloth began being replaced by Polish from 1827 onwards, when the weaving industry began to grow. Imported in 1826 were 156,000 *arshins* of Polish cloth, but it would be as many as 638,000 *arshins* in 1831. Therefore the Russian government also restricted the import of Polish cloth going through customs in Brest, Belarus. Thus

11 Analysis of conflicts in the years 1775–1792 has been created by B. G. KURTZ, *Russko-kitayskie snosheniya v XVI, XVII i XVIII stoletiyach*, Dnepropetrovsk 1929, pp. 102–104.

12 Text of the treaty is quoted in full by MYASNIKOV, Doc. No. 10, pp. 56–58.

13 A. KORSACK, *Istoriko-statisticheskoe obozrenie torgovykh snosheniy Rossii s Kitayem*, Kazan 1857, p. 97.

14 P. A. OSTROUKHOV, *K voprosu o znachenii russko-kitayskoy menovoy torgovli v Kyakhhte dlya russkogo rynka v pervoy polovine XIX-go veka*, Prague 1939, p. 209; 1 arshin = 0.71 m.

the import dropped to 300,000 *arshins* in 1833, to 200,000 *arshins* in 1834 to finally cease in 1837.¹⁵

The progress in the textile export became evident in the Kyakhta trade's total figures. The trade in Kyakhta's turnover grew from 8.2 million to 12.3 million rubles between 1801 and 1826, which is by 50.5 per cent. What was typical of the export from Russia those times was a large portion of transit commodities foreign companies would dispatch via Siberia. The volume of exported Russian goods those times slightly exceeded the amount of foreign products (22,256,559 rubles to 20,729,857 rubles), however, foreign goods to domestic ones ratio had been higher in certain years. For example, Russian goods for 1,079,362 rubles, 71 kopeks, and foreign goods for 1,754,150 rubles, 61 kopeks, were exchanged in Kyakhta from January to October 1805. From February 19, 1806, to April 1, 1807, Chinese merchants bought Russian goods for 526,323 rubles, 18 kopeks, and foreign ones for 976,497 rubles, 83 kopeks.¹⁶

According to the information delivered to the Asian Department in Irkutsk the growth in the Chinese import had been identical to the Russian import increase. For example, goods on 2,020 camels and 1,890 waggons were carried to May-ma-chen in 1810, whereas in 1812 it was on 4,638 camels, 800 waggons and 30 horses; in 1814 on 2,855 camels and 2,670 waggons; in 1816 on 4,505 camels, and 3,580 waggons; in 1818 on 3,450 camels and 1,420 waggons. The Chinese import to May-ma-chen would considerably increase next years. For example, from January 1, 1830, a border commissioner P. A. Petukhov entered 9,760 camels and 2,705 waggons between 1829 and 1830; 7,500 camels and 1,085 waggons from March 15, 1830, to January 30, 1831. Trade was constantly growing in the 1830s, too. It doubled in volume in 1830–1839 to reach 16 million rubles at the early 1840s.¹⁷

Common phenomenon that occurred in the second quarter of the 19th century in the trade in Kyakhta was increase in the industrial products export from Russia to China. The main export articles were cloth and cotton fabrics, further on hides and pelts, Russian leather, saffian leather, glass (mostly mirrors), strings of beads, clocks, linen, metal items. Whereas these products, mainly fabrics, accounted to 30 per cent of export in 1825, but it would be as much as 50 per cent in the late 1830s. The development had reflected the growth of the domestic industry.¹⁸

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The foreign (transit) goods took up 54.5 per cent portion of all goods exported via Kyakhta in 1801, and was reduced to 33.7 per cent in 1826. The development of the textile manufacture in Russia caused the drop in the foreign fabrics export, and would virtually eliminate it by the mid-19th century. Therefore, the fabrics export to China had taken on immense importance to the Russian textile industry growth. The Governor of Moscow, Senyavin, stated on July 20, 1843: *"It particularly encourages the Siberian region's prosperity and our manufacture, mostly in Moscow. It helps liven up a long journey from Moscow to the China border by carrying goods to the market in Kyakhta and back."* Us-

15 Ibidem, pp. 210–211.

16 KHOKHLOV, *Kyakhtinskaya trgovlya...*, pp. 111–112.

17 Ibidem, pp. 113, 132.

18 OSTROUKHOV, p. 253.

ing this line of reasoning, Senyavin backed lowering customs duty on Russian fabrics trying to axe excess of Russian manufactories, and expand the trade with China, as well as the tea import. He succeeded in his effort in 1842 to 1843. At a time, there was a drop in portion of pelts that had dominated the trade in the 18th century. Whereas pelts comprised 50.7 per cent of the yearly export on average between 1824 and 1828, it was equal to 34.5 per cent of the Russian export annual average between 1836 and 1840.¹⁹

The structure of the import from China had been also changing. First of all, there was increase in the tea import, which was 5.2 times as high as before, and comprised 90 per cent of the Chinese export via Kyakhta. As to the tea import, Russia yet kept falling behind Great Britain that had begun to import tea from the 1830s onwards, as a *quid pro quo* for large amounts of opium despite the Chinese government's ban, likewise it did behind the American one. Among the reasons was transport by sea that was many times as expensive as by road. There was also a drop in the cotton or silk fabrics export from 21 per cent (1812–1817) to 0.4–1.8 per cent (1839–1845) at the expense of tea at that monitored period.²⁰

The Russian-Chinese relations at those times did not worsen but were good despite some misunderstanding. Russia mostly stood on its business targets, which suggests, e. g., one instruction for N. I. Lyubimov related to his journey to Beijing in 1840. This document signed by the Tsar lays stress on “[...] *the trade with China is the most important matter, actually, it is the primary aim of our political activity in relations to this country*”.²¹

The First Opium War in 1839–1842 would negatively affect the trade in Kyakhta. The number of merchants arriving in Kyakhta declined from 142 to 124 between 1840 and 1841, so did identically the amount of imported goods. Nevertheless, the War did not directly threaten stability. P. A. Tugarinov, the leader of an ecclesiastical mission in Beijing, stated on August 8, 1845: “*No articles from Europe can be seen in Beijing besides ordinary cotton ones, and our goods dominate here likewise they did before.*” The trade in Kyakhta would grow next years, however, the pace would be slow, which indicate the data gathered in the Troitskosavsk customs office: 4,478,183 rubles were collected in 1844; 5,087,754 rubles in 1845; 5,485,727 rubles in 1847.²²

THE DEVELOPMENT OF KYAKHTA, TROITSKOSAVSK AND MAY-MA-CHEN

The trade growth resulting in prosperity at those times is reflected in descriptions of both trading centres. An artist, A. E. Martylov, a member of Ju. A. Golovkin's legation to Urga, depicted May-ma-chen after visiting the town in December 1805: “*Lying on the other bank of a small river, opposite Kyakhta, a Chinese sloboda not more than a hundred sazhen in size is called May-ma-chen. Built like a Russian one, square-shaped, but far larger, it is enclosed by a massive sharp wall. In the town centre, at the place where both main roads crosses, a lofty tower has been built above a spacious hall where wooden tables*

19 KHOKHLOV, *Kyakhtinskaya torgovlya...*, pp. 136–137, 140.

20 Ibidem, p. 137.

21 Ibidem, p. 138.

22 Ibidem, pp. 138, 141.

hung with the head's written instructions. The tower has one entrance porch from all four sides. A great deal of cast-iron bells and ones made of different metals attached to the cornice and hanging down from the roof lower side make a lovely sound."²³

V. V. Gorsky, a new member of the Russian mission in Beijing, penned about May-ma-chen in 1840 while passing through on his journey there: "It appears better than Troitskosavsk. Looking like long, rather thin straight lines intersecting the town in all directions, streets in May-ma-chen emerge in front of you leading off the central tower, which is the centre and starting point to all town; wooden single-storey houses stretch along the lines, with no exception, and are two or one and a half sazhen in height, empty, with no windows overlooking a street, having flat roofs, knotty in appearance, with edges slightly turned upwards; the houses are clayed, either white or grey, in such a creative way they look as if made of stone; however, clay protects wood against damage."²⁴

In 1743, Kyakhta got a privileged status as a trading town (*sloboda*). The municipal government and a town hall were established there in 1774. The customs office moved there from Irkutsk in 1792. Despite the minimum population growth (there were 362 citizens there in 1806, and 400 ones in 1838), the area of the *sloboda* was gradually enlarging. This development can be read in the 1805 depiction by A. E. Martynov: "The trading suburb alone (*sloboda*) lies on the small river Kyakhta, 660 versts of Irkutsk. It is tetragon-shaped, in the middle is a market place with a stone chapel. To the east of the market place lies a Russian church, and in the south direction there are barracks, a guard house and the commander's house. The rest of the site is occupied by traders' houses. The whole settlement is walled. Each of the wall's four sides has a gate with tower. Situated outside the *sloboda* are dwellings of those Cossacks who have settled here with their families to patrol the border. All smallish suburb, including an office and storage space for rhubarb, is surrounded with wall, too, and has a guard house and three chapels. The site, where Kyakhta lies, is not really suitable for any farming activity as citizens lack water. The small river Kyakhta dries up more often than not, and its water is no good. Nevertheless, the settlement has been well built, streets are broad, houses are wooden, but neat and nice. It is truly cosmopolitan, as it has merchants from Moscow, Kazan, Kursk, and more; and Siberian Tatars, Mongols, citizens of Bukhara or Tunguska and many more nationalities that are coming here because of the market. The suburb for merchants arriving here night and day, mostly befriended Mongols who are permanently driving cattle here for barter, has been established close to the north-west gate. Many of them also live here in *yurtas*."²⁵

P. L. Shilling dispatched in 1830 to discover the conditions of the Russian-Chinese trade would depict the town: "Kyakhta is a trading settlement, situated on the left, a bit elevated, bank of the small river Kyakhta, just at the border. [...] There are twenty private houses with adjacent granaries, which belong to the merchants doing trade here, a rhubarb house with a border office, the border commander's house, the central guard house, an old market place and another new one built on the local merchants' initiative, and a shabby church. All buildings are made of wood, apart from the church, which will be re-built of stone."²⁶

23 Zhivopisnoye puteshestviye ot Moskvyy do kitayskoy granicy Andreja Martynova, sovetnika Akademii khudozhestv, Sankt Petěrburg 1819, pp. 59–60, 61; 1 sazhen — 2.133561 m.

24 KHOKHLOV, *Kyakhtinskaya torgovlya...*, p. 114.

25 Zhivopisnoye..., p. 57; 1 versta — 1,066.781 m.

26 KHOKHLOV, *Kyakhtinskaya torgovlya...*, pp. 132–133.

Between 1837 and 1838 there were 38 houses in Kyakhta, 27 of which belonged to merchants. Among 253 men living there were 58 merchants, including three honorary citizens, 18 merchants from the first guild (four from other towns) and 37 from the second and third guilds (24 from other towns). Besides two market halls with 83 shops, also a market hall for petty trade with two shops existed in Kyakhta. Overseen by an engineer, Colonel A. Medvedev, a new stone market hall was underway between 1837 and 1842. In 1858, a doctor and a midwife were assigned to Kyakhtinskaya Sloboda, but also around 20 paid officers to police order at night, and a chemist's and firehouse were opened there. The Church of Resurrection and Our Lady of Kazan built of stone was completed in 1838, so replacing the 18th century wooden building. It had been designed by an architect, Grigory Gerasimov. According to contemporaries, "*nothing compared with the cathedral in all Siberia*".²⁷

A Chinese language school, where a famous Sinologist, N. Ya. Bichurin (1777–1853), would be teaching, was opened there on May 16, 1835. He had left for Kyakhta to assist Shilling, however, he formed there a group of twelve pupils, the local merchants' children, and he would be teaching them a Chinese language for ten months. The pupils would do well in public exams attended by the members of Russian ecclesiastical mission in Beijing. This encouraged the Russian government to issue an instruction on November 18, 1842, according to which the Chinese Language School would be established in Kyakhta. The school would raise a great deal of talented experts on Chinese or Manchurian languages over the course of its 25-year existence.²⁸

The Chinese trade expansion in the second quarter of the 19th century benefited also the growth of Troitskosavsk situated in a sandy narrow on the rivers Kyakhta and Gryaznukha confluence. Troitskosavsk was elevated to town in 1805. There were as many as 4,054 citizens and 542 houses in the town in 1829. P. L. Shilling described it in 1832 as: "*Four versts from the trading Kyakhtinskaya Sloboda lies the stronghold of Troitskosavsk [...] at the very beginning of its populating there was a wooden settlement with a church and a customs house. Now, only a ruin remains of the customs house, no fortification exists any more. Today, 800 houses, two churches, a wooden one and another built of stone re-built from the original shabby church, as well as a wooden market hall are to be found there. The foundations of a stone customs house were laid half verst to the west of Troitskosavsk in 1831.*"²⁹

In 1839, the town had 6,624 inhabitants, 3,772 of them were men, 32 merchants of the first guild, 105 merchants of the third guild, 854 burghers (191 coming from another town), 1,152 prisoners or deportees whose task was to transport heavy materials and perform temporary jobs. There were 35 joiners and cabinet-makers, 27 brick-makers, 14 stonemason, 4 painters, 26 tailors with journeymen, 6 furriers, 2 carriage-makers, 2 tinsmiths, 2 whitesmiths, 2 goldsmiths and silversmiths, 1 clocksmith in Troitskosavsk in 1839. Situated in the market hall were 38 shops; 21 were in the petty trade market, and in the foodstuff one there were 29 ones. Trade in cloths and grocery was conducted in 39 shops (out of 88). On April 27, 1843, a disastrous fire swept through the town, which would be badly damaged; among the burnt-down

27 L. MINERT, *Voskresenskaya cerkov', Gostinyy dvor*, in: *Kyachtinskaya starina — Al'manach*, Kyakhta 2003, pp. 60, 63.

28 *Ibidem*, p. 133.

29 KHOKHLOV, *Kyakhtinskaya torgovlya...*, p. 134.

buildings was the wooden market hall, but a new, magnificent stone one would be built in 1853. A new Troitsky Church with a 30m-high nave and 37.7 m high bell tower, clock and nine bells was built between 1812 and 1817.³⁰

There were two schools founded in 1811 in Troitskosavk, one domain and one parish. Established there in 1833 was a Russian-Mongolian school, where 24 pupils would be educated in 1837–1838. Most of the town inhabitants were engaged in grocery merchandise or building materials transport. The poorest would tan hides in the wintertime. In 1851, Troitskosavsk was elevated to town, which would bring in 10,000 to 15,000 visitors over the course of the year. The town was headed by a commander having 17 subordinates at his disposal.³¹

Since the town was a fair distance away from large centres the local community could enjoy relative freedom. Despite its size a roaring trade had been conducted through the town, thus it would be renowned for its wealth, liberalism and hospitality. It was as early as in 1772 when a German scientist and explorer, Peter Simon Pallas, penned about Kyakhta: “*There is widespread hospitality here, which is provided in no Siberian town besides Irkutsk.*”³²

THE DECLINE OF THE TRADE IN KYAKHTA

The mid-century witnessed the decline in the trade in Kyakhta caused by both smuggling along the border between Russia and China and the import from Europe, where the Chinese tea had been imported by European or American ships across the border. However, what also emerged was the import carried out by Russian merchant marine. From the 1780s to approximately 1796, Russian ships made voyages to India under Tuscany, Sardinia or Genoa flags. While sailing they would come to anchor at the seaport in Ostend they used as their base. In 1785, a ship owned by a Russian wholesale merchant under tsarist flag had even appeared in Bombay. At that period, Russian travellers, such as Yefremov in 1786 or Gerasim S. Lebedev in 1785–1797, undertook their successful voyages to India.³³ Provided we ignore the tea import from India carried out by those expeditions, the most relevant fact is that it was just a question of time when the Russians would also appear at the Pearl River mouth. They did arrive there on 20th November 1805 while visiting Ivan Fedorovich Kruzenshtern’s expedition in Macao during the first journey around the world in 1803–1806.³⁴ Also Yuri

30 MINERT, pp. 61, 63.

31 KHOKHLOV, *Kyakhtinskaya torgovlya...*, pp. 134–135.

32 P. S. PALLAS, *Puteshestviye po raznym provinciyam Rossiyskogo gosudarstva po povelениyu Sanktpeterburskoy Imperatorskoy Akademii Nauk*, Vol. 1, Sanktpeterburg 1786–1788, p. 152.

33 D. N. DRUHE, *Russo-Indian Relations 1466–1917*, New York 1970, p. 67.

34 I. F. KRUZENSHTERN, *Puteshestviye vokrug sveta v 1803, 4. 5. i 1806 godakh: po povelениyu Jego Imp. Velichenstva Aleksandra pervago, na korablyach Nadezhde i Nove, pod nachal’stvom Flota Kapitan_leytenanta ... Kruzenshterna*, Vol. 2, Sanktpeterburg 1810, pp. 286–337; *Report from the Select Committee of the House of Lords Appointed to Enquire into the Present State of Affairs of the East India Company, and into Trade Between Great Britain, the East-Indies, and China, Together with the Minutes of Evidence and an Appendix*, Vol. 2, London 1830, p. 625.

Alexandrovich Golovkin's mission dispatched in 1805 by road to Beijing worked towards opening Canton up for Russian ships. However, the mission ended in failure as early as in Urza and would not arrive in Beijing.³⁵ The Russian-Chinese marine exchange would not expand until the second half of the 19th century.³⁶ Tea began to be imported to Russia via Odessa, and Kyakhta or Nizhny Novgorod's trade in tea would rapidly decline in importance. The tea imported via Kyakhta was far more expensive than that one imported from Canton by sea.³⁷

N. R. Rebinder stated in 1855: "*The trade with China, nearly only in tea, is in a slump [...] badly hit mainly by underhand trade in Canton teas that has been conducted since 1846 at our west borders.*"³⁸ The effort to face this phenomenon had been taking ideological form those times. The trade in tea started being transferred to a factor affecting power policy, which shows, e.g., a tractate called *A Few Words about Trade in Kyakhta* written by K. E. Ogorodnikov. This document opposes the tea import from Canton. The argument ends with words: "*The question is obvious: The English will sell cheaper tea than Russians, therefore we are going to drink Canton tea, and back the English trade.*"³⁹

Those interventions, however, had no real importance. As N. I. Lyubimov wrote in his account while travelling from Kyakhta to Beijing on October 29, 1842, the key problem as to the trade was "*insufficient import of our products that is not in accord with what the Chinese want*", and "*cheap prices of our merchandise, which have recently dropped below an acceptable rate*". As he checked himself, the Russian goods had been sold cheaper in China than in Russia. Lyubimov said that merchants were giving up the trade in Kyakhta, and trying to compensate the loss with increase in prices in the central market in Nizhny Novgorod, therefore, it would finally be a consumer to pay for all of these.⁴⁰

In Nizhny Novgorod, where the sales of, e.g., woollen fabrics or hides were critically dependent on the trade in Kyakhta in the 1840s and the early 1850s, the situation resulted in decrease in Russian merchandise sales on one hand, but rise in the tea prices on the other hand. It is hardly surprising that a saying "*Tea quotes all prices*" would become usual in the market in Nizhny Novgorod at those times.⁴¹

In reaction to the situation the Russian government introduced series of special measures. In 1854, the Chinese were given permit to pay for tea in silver items provided their value had not exceeded 1/3 of the manufactured goods value, or 1/3 of fur value. In 1855, the government allowed private trade in cash, the permit allowing the silver and gold export and import with no restrictions followed in 1861. The Russian government also cut import duties on the Kyakhta tea in March 1861, further on

35 Description of the debacle of the mission in Urga is part of the report of the Swedish ambassador in Russia to Swedish king. It is based on a report of Baykov, First Secretary of the Mission. K. B. L. C. von STEDINGK, *Mémoires posthumes du Feld-Maréchal comte de Stedingk*, Vol. 2, Paris 1894-1895, pp. 151-152.

36 KURTZ, p. 111.

37 KHOKHLOV, *Kyakhtinskaya torgovlya...*, pp. 141-142.

38 *Ibidem*, p. 142.

39 *Neskol'ko slov o kyachtinskoy torgovlye*, Sankt Peterburg 1856, pp. 34-35.

40 KHOKHLOV, *Kyakhtinskaya torgovlya...*, p. 142.

41 OSTROUKHOV, p. 253.

the customs-free regime was set up in Kyakhta and Zabaykalsk in October that year. In 1856, the second-guild merchants were given permit to do trade in Kyakhta, the third-guild merchants and farmers were granted that in 1861. These measures would increase Siberian merchants' role in the trade in Kyakhta, and help them strengthen their position and become rich.⁴²

Despite all these measures, Kyakhta lost its position as a centre of the transit trade, especially after Xinjiang had been opened to the Russian caravan trade by the Treaty of Culja signed on August 25, 1851, and would begin to decline fast.⁴³

CONCLUSION

The Russian-Chinese trade in Kyakhta had been profitable for both sides, however, was placed higher importance on by Russians than by the Chinese side, since was bringing about goods they had not been able to get otherwise. The trade on both sides had been long confronted with problems caused by long geographical distances between the centres of exchange, poor infrastructure and ineffective state regulation of all sorts. The Chinese government attached marginal importance on the foreign trade during this monitored period, and was not particularly interested in the trade alone. They had been pursuing the strategic military objectives in the territory around Amur the trade in Kyakhta was subjected to. They used the trade regulations as a tool to press Russian authorities on other issues. Therefore, the trade exchange as the whole had been subjected to large fluctuation, the trade had been brought to short or longer-interval halts. Barriers against the trade had not been lowered until the late 1760s when the trade in Kyakhta began to grow.

Regarded as a specific period of the trade exchange in Kyakhta, yet less known until now, might be the era after 1805, when the international agreement opened the trade in Kyakhta to foreign goods. Therefore, the transit trade in cloth and cotton fabrics from Prussia or Poland would go through Kyakhta. It became evident that the quality and prices of these products exceeded the Russian production of those times, and would result in re-defining conditions by the Russian side, which would lessen the possibilities of Prussian (1822) and then Polish textiles (1832) sales.

Regarded as the golden era of exchange in Kyakhta from the perspective of Russians might be the second quarter of the 19th century, when the trade in Kyakhta immensely helped expand Siberian economics, and in the early stage also Russian industrialisation, so would allow Russians to penetrate into the Far East markets. The positive growth in trade at those times reflected on the local centres expansion on both sides of the border between Russia and China.

Nevertheless, the trade in Kyakhta had never taken up available opportunities. It fell into rapid decline in the mid-19th century. An alternative way by sea allowed the Chinese goods to be imported at lower costs, despite the fact that Russians would not succeed in establishing wider business contacts with China by sea until the second half of the 18th century. The tea imported from Canton at lower costs by European

⁴² *Ibidem*, pp. 142–143.

⁴³ The document is quoted in full by MYASNIKOV, Doc. No. 11, pp. 58–62.

traders to Odessa eliminated the import of more expensive tea from Kyakhta; the Russian goods failed for a certain time to face European and American competition that had emerged in the continental China after opening the local market. Neither ideological interventions nor partial liberalising steps taken by the Russian side in the exchange in Kyakhta would reverse the situation. Moreover, the 1851 Treaty of Culja opened the Xinjiang region to the Russian caravan trade. The centre of the direct trade between Russia and China moved, therefore, towards the west.

RUSSIAN-CHINESE TRADE IN KYAKHTA – TRADE DEVELOPMENT AND VOLUME INDICATORS 1727-1861

ABSTRACT

The study looks at the trade quantification, and documents single stages of the Russian-Chinese trade exchange in Kyakhta and May-ma-chen between 1727 and 1861. It is divided into three sections. The first one deals with an appraisal of available volume indicators that relates to the exchange trading. Based on findings and confronting other analysed spheres, the author defines the basic stages of the trade development in the monitored period. What he demonstrates is that the trade was greatly affected by political and geographical factors, and the fact that both countries did not attach equal importance to it. The trade in Kyakhta had never reached extent it could have had, but fell into rapid decline as soon as an alternative, cheaper way to trade exchange between Russia and China had appeared. Yet it influenced the town and the whole region development, including culture and education spheres; in the second quarter of the 19th century it substantially contributed to Siberian economics, and in the early stage also to Russia industrialisation as it allowed Russia in economics terms to penetrate to the Far East. The final part deals with the global factors resulting in the decline, and the end of Russian-Chinese trade in Kyakhta, or replacement by other forms of trade exchange.

KEYWORDS

Russian-Chinese Relations; Russian Chinese Trade; Kyakhta Trade; History of the Euro-Asian Trade Relations; Volume indicators of Kyakhta Trade

Michal Wanner | Ministry of the Interior of the Czech Republic, Department of Archives Administration and Records Management, Milady Horákové 133, 166 21, Praha 6, Czech Republic, michal.wanner@mvcv.cz