

How much? The Evolution of Romanian Grain Prices in the Lower Danube Ports (1829–1853)

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Abstrakt | Abstract

Za kolik? Vývoj cen rumunského obilí v přístavech na dolním Dunaji (1829–1853)

Jeden z podborů ekonomické historie se zabývá vývojem cen. Tento článek představuje zevrubné údaje pro rekonstrukci statistických řad potřebných pro studium vývoje cen obilí v přístavech na dolním Dunaji ve druhé čtvrtině 19. století. Nedávný výzkum umožnil identifikaci několika pramenů, které umožňují analýzu cenových křivek rumunské pšenice a kukuřice obchodované v Moldávii a Valašsku.

One of the subfields of economic history refers to prices. This article presents the toilsome means of reconstructing the statistical series required for studying the evolution of grain prices in the Lower Danube ports in the second quarter of the nineteenth century. Recent research has allowed the identification of several sources which support the analysis of the sinusoidal curves of the price of Romanian wheat and corn traded in Moldavia and Wallachia.

Klíčová slova | Keywords

Brăila; Galați; ekonomika; noviny; statistika

Brăila; Galați; economy; newspapers; statistics

Introduction

Customarily, in the second quarter half of the nineteenth century, in order to reach Constantinople from Vienna, travellers disembark from fluvial ships in Galați, and reembark on maritime ones. In just a few years, owing to the steamboats of the Austrian Navigation Company (*Erste österreichische Donau Dampfschiffahrts Gesellschaft / First Danube Steamboat Shipping Company – D.D.S.G.*), Galați becomes the main communication junction for both terrestrial and water transport in the extended Black Sea area.

The most courageous stock jobber merchants from all ports of the Mediterranean Sea gather in Brăila and Galați.¹ They only care about one thing, and place their great expectations on the price of Danubian grain.

One of the subfields of economic history refers to prices² and, in this particular case, to the evolution of grain prices on the Lower Danube market. This is why my undertaking also has a pragmatic aim: that of drawing attention to this subfield, which was illustrated for many goods by several significant figures of Romanian historiography, only to fall in abeyance, unfortunately, before having fulfilled its role, i.e. that of producing at least one repertoire of the prices of the most important Romanian goods. Historians do next to nothing in the demarche of recovering/drafting statistical series dedicated to the evolution of prices in the Romanian area in the first half of the nineteenth century. Beyond its recording the costs of goods, history of prices provides information on the production system or exchange structure. The absence of serial data of grain prices inside the Danube hinterland hinders such analyses.

The present study attempts to fill an existing historiographical gap and introduces into the international circuit new statistical data on the evolution of grain prices in the hinterland of the Lower Danube between the Treaty of Adrianople (2/14 September 1829) and the outbreak of the Crimean War (1853). At the same time, the statistical table and graph at the end of this study illustrate in concrete figures how cereals from the hinterland of the Moldavia and Wallachia became attractive, due to their relatively low price, and were integrated into the European *entrepôts* (warehouses/deposit-ports) market.

Historiography of the problem and the 'old methodology'

What is the reason for this gap? Can it be the sources available or the lack thereof? Information regarding the prices of Moldo-Wallachian grains is generally unsystematic or downright unavailable, which is why the archives should be consulted. This, in turn, creates a need for palaeographers trained in the international languages spoken in the extended Black Sea basin. The documents of the foreign companies which operated in the ports of Brăila and Galați are missing from the Romanian archives, and there are not too many documents that indicate the prices of goods in their countries of origin either. Romanian archives preserve isolated references to the written corre-

1 Constantin ARDELEANU, *From Vienna to Constantinople on Board the Vessels of the Austrian Danube Steam-Navigation Company (1834–1842)*, *Historical Yearbook* 6, 2009, pp. 187–202; Idem, *O croazieră de la Viena la Constantinopol: călătorii, spații, imagini, 1830–1860*, Bucharest 2021, pp. 21–28, 51–60.

2 Elias H. TUMA, *Economic History and the Social Sciences: Problems of Methodology*, Los Angeles 1971, pp. 47–53.

spondence of some important merchants, many related to the period before the Crimean War (1853–1856).³

Mentions of prices are made in several works on economic history, starting with Ion Nistor's volume on Moldavian trade.⁴ The volume features a chapter on prices, but it is dedicated to the Middle Ages. The same historical period is highlighted by Alexandru Gonța,⁵ in a 1989 volume which records a number of prices of goods traded between Moldavia and Transylvania, based on sources from Transylvanian towns. Some general considerations on prices and monetary circulation inside the Romanian area are also present in the book *Romania's Economic History*.⁶ An extremely significant approach for the discussion on prices is that to monetary circulation inside the Romanian area. This aspect, alongside an analysis of the commercial flows, was tackled by Bogdan Murgescu⁷ in a seminal work on the Romanian economy during the Middle Ages.

Mircea N. Popa⁸ was the first (and the only, to date) Romanian historian to have conducted an analysis of the price phenomenon for the modern period. He analysed the evolution of prices in Wallachia from 1774 to 1831, in a thorough study based on the investigation of internal and external documents, on the narratives of various foreign travellers, and on archival materials. The value of the observation and analysis in this work is impressive. Other than that, information on prices in the first half of the nineteenth century can be found scattered in a number of papers on economic history written by a group of researchers from the 'Nicolae Iorga' History Institute of the Romanian Academy during the communist era. In many instances, these studies are not primarily concerned with discussing the evolution of prices, as is the case with Paul Cernovodeanu, Beatrice Marinescu, and Irina Gavrilă's scientific contributions.⁹

3 Serviciul Arhivelor Naționale Istorice Centrale ale României (The Service of the Central National Historical Archives of Romania), Fund *Evloghie și Hristo Gheorghiev*; Eugen STĂNESCU et al. (eds.), *Relații româno-bulgare de-a lungul veacurilor (sec. XII–XIX). Studii, I*, Bucharest 1971; Anca DOBRE – Felicia LEBĂDĂ, *Rolul fraților Gheorghiev în comerțul franco-englez al țării române*, Hrisovul, New series 2, 1996, pp. 211–224.

4 Ion NISTOR, *Handel und Wandel in der Moldau bis zum Ende des 16. Jahrhunderts*, Czernowitz 1912.

5 Alexandru GONȚA, *Legăturile economice dintre Moldova și Transilvania în secolele XIII–XVII*, Bucharest 1989.

6 Nicolae N. CONSTANTINESCU (ed.), *Romania's Economic History. From the Beginnings to World War II*, Bucharest 1994. In the third chapter, the author notices the difficulty of tracing the evolution of prices, as well as that of calculating average prices.

7 Bogdan MURGESCU, *Circulația monetară în Țările Române în secolul al XVI-lea*, Bucharest 1996.

8 Mircea N. POPA, *Revoluția prețurilor în Europa*, Studii și articole de istorie 12, 1968, pp. 151–167; Idem, *La circulation monétaire et l'évolution des prix en Valachie (1774–1831)*, Bucharest 1978.

9 Paul CERNOVODEANU – Beatrice MARINESCU – Irina GAVRILĂ, *Comerțul britanic prin Galați și Brăila între 1837–1852*, Revista de Istorie 31 (1), 1978, pp. 629–650; Paul CERNOVODEANU – Beatrice MARINESCU, *British Trade in the Danubian Ports of Galatz and Brăila between 1837 and 1853*, Journal of European Economic History 8 (3), 1979, pp. 707–741; Paul CERNOVODEANU, *Implicațiile de ordin politic ale activității și falimentul casei de comerț Bell & Anderson din București*,

It is also necessary to mention the fact that, methodologically, Romanian contributions to this topic are far from similar studies of world history. The researchers into these matters are confronted with serious difficulties because of the lack of a conversion of the prices into a real, non-inflationary unit, such as the silver or gold standard, or of the absence of any reference to the evolution of prices in the neighbouring areas. More often than not, these studies compile references to more currencies that circulated in the Romanian Principalities.¹⁰ The few contributions to the history of grain prices in the two extra-Carpathian Romanian Principalities are geographically restricted to some areas or, more precisely, to the amounts paid by foreign merchants in exchange for goods purchased in the ports of Brăila and Galați. Neither do more recent studies manage to fully shed light on the difficult path from producers, going through intermediaries and carriers, to the representatives of the European trading houses. And since I have mentioned the diversity of currency used in the Romanian area, it is equally worth mentioning the multitude of historiographical controversies arising from the units of measurement used by producers and merchants in Moldo-Wallachian space.¹¹

Historical background

The story of the radical changes in Moldo-Wallachian society had begun half a century before and a few hundred kilometres eastwards. The Turks had controlled the navigation at the mouths of the Danube for three centuries. It took Tsarina's expansionist ambitions to break the Ottoman monopoly in the Black Sea basin. In July 1774, after a six-year war with the Ottoman Empire, Russia signed the Treaty of Küçük Kaynarca, obtaining the fortresses on the shores of Azov, the protectorate over the Crimean Khanate, Kabardia and the steppe between the Bug and Dnieper, and direct access to the Black Sea and the Aegean Sea. Only nine years had to pass until Empress Catherine II announced the annexation of the Crimean Peninsula. Russia became

Studii și Materiale de Istorie Modernă 12, 1998, pp. 3–20.

- 10 Before 1867, when the new leu was introduced in Romania, the quotation of coins was at different and variable levels. A gold coin was worth 32 lei, the napoleon 20 French francs or 54 lei, the pound sterling was worth 25.20 French francs or 68 lei. The adoption of the new national monetary system, with the leu-bimetal (gold and silver) standard, was fixed at 0.3226 g gold or 5 g silver, identical to the French and Swiss francs. The equivalence with the previous coin, based on the metallic standard, was: 100 new lei = 270 old lei; 1 gold coin = 11.75 new lei; 1 French franc = 1 new Romanian leu. After 1867, the Romanian coinage was related to the other imported coins of that time as follows: £1 = 25.25 lei; \$1 = 5.18 lei; 1 German mark = 1.24 lei; 1 French/Swiss franc = 1 leu (see: Costin C. KIRIȚESCU, *Sistemul bănesc al leului și precursorii lui*, vol. 1 și 2, Bucharest 1964; Victor AXENCIUC, *Avuția națională a României. Cercetări istorice comparate 1860–1939*, Bucharest 2000, p. 19).
- 11 See studies on the units of measurement utilised in the Romanian area in Nicolae STOICESCU, *Cum măsurau strămoșii: Metrologia medievală pe teritoriul României*, Bucharest 1971; Petre DO-DOC, *Metrologie generală*, Bucharest 1979; Nicolae LEONĂCHESCU, *Bătălia pentru sistemul metric*, Bucharest 1986.

a force in the Black Sea basin. In the summer of 1793, José de Ribas was appointed to build the city of Hadjibei and a new port nearby, thus setting the foundation stone of Odessa. The ruling circles in Saint Petersburg, encouraged by the prospects of reconnecting the Black Sea basin to the international trade, paid great attention to the export by sea of food from Novorussia and Ukraine and ordered massive investment in the harbour infrastructure of Odessa. The empress's grandiose plans were pursued further by her heirs.¹²

The years went by, and another Russo-Turkish War burst out in 1828. More and more often, disputes would appear between the tsar and the sultan. Russia recorded another victory and seemed to have an open path to the Balkans. The Treaty of Adrianople (2/14 September 1829) also marked a new beginning for the two extra-Carpathian Romanian Principalities. Moldavia and Wallachia had large plains watered by a rich hydrographical basin, and were underpopulated. Owing to the international context, they became part and parcel of a competitive international trading system in the steppe north of the Black Sea and in the ports of Novorussia.¹³

12 See studies on the commercial impact of the opening of the ports north of the Black Sea for international navigation in Patricia HERLIHY, *Russian Grain and Mediterranean Markets, 1774–1861*, Ph.D. diss., University of Pennsylvania, 1963; Jean Louis van REGEMORTER, *Commerce et politique: préparation et négociation du traité franco-russe de 1787*, Cahiers du monde russe et soviétique 4 (3), 1963, pp. 230–257; Jan REYCHMAN, *Le commerce polonais en mer Noire au XVIIIe siècle par le port de Kherson*, Cahiers du monde russe et soviétique 7 (2), 1966, pp. 234–248; Trevor J. HOPE, *Britain and the Black Sea Trade in the Late Eighteenth Century*, Revue roumaine d'études internationales 8 (2), 1974, pp. 159–174; Jean Louis van REGEMORTER, *La Russie Méridionale, la Mer Noire et le commerce international de 1774 à 1861*, Ph.D. diss., Université de Paris 1, Panthéon – Sorbonne, Paris 1984; Patricia HERLIHY, *Odessa: A History, 1794–1914*, Cambridge Mass. 1986; B. N. Mironov, *Le mouvement des prix des céréales en Russie du XVIIIe siècle au début du XXe siècle*, Annales. Économies, Sociétés, Civilisations 41 (1), 1986, pp. 217–251; Robert E. JONES, *The Dnieper Trade Route in the Late Eighteenth and Early Nineteenth Centuries: a Note*, The International History Review 11 (2), 1989, pp. 303–312; Faruk BILICI, *La politique française en mer Noire, Vicissitudes d'une implantation, 1747–1789*, Istanbul 1992; Eyup OZVEREN, *A Framework for the Study of the Black Sea World, 1789–1915*, Review (Fernand Braudel Center) 20 (1), 1997, pp. 77–113; Vassilis KARDASSIS, *Diaspora Merchants in the Black Sea. The Greeks in Southern Russia, 1775–1861*, New York – Oxford 2001; Charles KING, *The Black Sea. A History*, Oxford 2004; T. C. PROUSIS, *Risky Business: Russian Trade in the Ottoman Empire in the Early Nineteenth Century*, Mediterranean Historical Review 20 (2), 2005, pp. 201–226; John P. LEDONNE, *Geopolitics, Logistics, and Grain: Russia's Ambitions in the Black Sea Basin, 1737–1834*, International History Review 28 (1), 2006, pp. 1–41; Nilghiu ISMAIL, *Relații economice anglo-otomane în Marea Neagră între 1774–1840*, Cluj-Napoca 2011; Constantin ARDELEANU, *The Discovery of the Black Sea by the Western World. The Opening of the Euxine to International Trade and Shipping (1774–1792)*, New Europe College. Ștefan Odobleja Program: Yearbook 2012–2013, 2014, pp. 21–46.

13 Venera ACHIM – Viorel ACHIM (eds.), *Modernizare socială și instituțională în Principatele Române, 1831–1859*, Bucharest 2016.

The 'Organic Statutes' and the development of the Moldo-Wallachian grain trade

The establishment of the Russian Protectorate and of constitutions of liberal inspiration (i.e., the 'Organic Statutes'/'Organic Regulations') suggested that the two extra-Carpathian Romanian Principalities were on the path to becoming modern states. However, Romanians' emancipation and modernisation proved to be a decades-long phenomena, made sooner by the intense, unmediated contact with capitalist western elements.¹⁴ The role in the Moldo-Wallachian economy of the large Ottoman *entrepôt* on the shores of the Bosphorus was gradually decreasing, replaced by beneficial exchange relations with the Greek, Italian and French ports of the Mediterranean Sea.¹⁵

The 'Organic Statutes', with a similar structure in the two provinces, established modern political and administrative principles, such as the division of power, a public budget, a state educational system, a national militia, judicial stability, etc.¹⁶ With such written provisions, the new regulations were among the most advanced constitutions in South-Eastern Europe at that time.¹⁷ The application of the 'Organic Statutes' stepped up the modernisation of the feudal institutions and set up new ones likely to entail the development of capitalism, initiating changes that represented an impulse to a new economic, social, and political stage. The way to the market economy and capitalist investments was widely opened in the Danubian Principalities of Moldavia and Wallachia. With the end of the Ottoman right of pre-emption over the Romanian exports and the growing demands from the West, Moldo-Wallachian landowners sensed the excellent opportunity to maximise the profitability of their estates, on which they were designated, for the first time, as actual owners of the land. Among the relevant provisions for the modernisation of the economic and

14 Ioan C. FILITTI, *Principatele române de la 1828 la 1834*, Bucharest 1934; Constantin BUȘE, *Comerțul exterior prin Galați sub regimul de port franc (1837–1883)*, Bucharest 1976; Paul CERNOVODEANU, *L'Activité des Maisons de Commerce et des Négociants Ioniens du Bas-Danube durant l'Intervalle 1829–1853*, in *Economies Méditerranéennes. Equilibres et Intercommunications, Xlle–XIXe Siècles*, Athens 1985, pp. 91–106; Idem, *Relații comerciale româno–engleze în contextul politicii orientale a Marii Britanii (1803–1878)*, Cluj-Napoca 1986; Constantin ARDELEANU, *Evoluția intereselor economice și politice britanice la Gurile Dunării (1829–1914)*, Brăila 2008.

15 P. CERNOVODEANU, *British Trade in the Danubian Ports*, pp. 707–741; Constantin ARDELEANU, *Câteva informații cu privire la navigația și comerțul statelor italiene prin gurile Dunării (1829–1856)*, *Analele Universității "Dunărea de Jos" din Galați* 5, 2006, pp. 121–131; Cristian CONSTANTIN, *Grain market integration in the Lower Danube region (1829–1853)*, *Epohi* 27 (1), 2019, pp. 89–101.

16 The Moldavian Statute is printed, in French, in *British and Foreign State Papers*, vol. XXXII, London 1859, pp. 586–789.

17 Constantin ARDELEANU, *International Trade and Diplomacy at the Lower Danube: The Sulina Question and the Economic Premises of the Crimean War (1829–1853)*, Brăila 2014, pp. 53–56.

commercial milieu, reference should be made to Chapter V, *Commerce Regulation*, which developed the stipulations of the 1829 treaty; thus, article 148 defined the freedom of trade as the true source of prosperity.¹⁸

Brăila for Wallachia and Galați for the Moldavian Principality were termini of the internal itinerary of the agricultural goods from the plains in the meadow areas of the Danube, Siret, and Prut Rivers. As a consequence, this study refers to the exchanges carried out through these two ports. The Moldo-Wallachian bounty could reach the maritime Danube ports with great difficulty, which had turned into genuine merchant hives. The goods would be transported preponderantly by water, on various rudimentary vessels, or heaped in genuine ox-carts caravans.¹⁹ Railroads were still lacking in Eastern Europe at the time. The tumult of the Levantine bazars had relocated to the Lower Danube, and the Danube ports soon turned into a Tower of Babel. The 'entrepreneurial bug' that had spread north of the Black Sea after 1774 also contaminated the mouths of the Danube area after 1829. Daily life in the Principalities on the Danube would hum with activity, as the Romanians would gradually give up their Oriental idleness for the dynamism of the Western capital. Merchants from the entire world would enquire about the cost and quality of Romanian goods.²⁰ But, more than anything, the price of grain was everybody's concern.

For a foreign observer not involved in such financial speculations, the ports of the maritime Danube may evoke the adventures portrayed in Charles Dickens's novels. As a matter of fact, the renowned English novelist himself visited these ports in 1855, in the end of the 'Organic Statutes' era:

18 John R. LAMPE, Marvin R. JACKSON, *Balkan Economic History (1550–1950): From Imperial Borderlands to Developing Nations*, Bloomington 1982, passim; Keith HITCHINS, *The Romanians*, Oxford, 1996, pp. 58–189; Radu R. FLORESCU, *The Struggle against Russia in the Romanian Principalities: a Problem in Anglo-Turkish Diplomacy 1821–1854*, 2nd edition, Iași 1997, pp. 31–36.

19 Thomas THORNTON, *The Present State of Turkey... Together with the Geographical, Political and Civil State of the Principalities Moldavia and Wallachia*, London 1807, p. 398; *Commercial Resources of Wallachia and Moldavia*, Portfolio 5, 1837, p. 302; Jean Henry Abdolomyne UBICINI, *Provinces d'origine Roumaines. Valachie, Moldavie, Bukovina, Transylvanie, Bassarabie*, Paris 1856; Thibault LEFEBVRE, *Études diplomatique et économiques sur la Valachie*, Paris 1858, p. 323; Iilie CORFUS, *Agricultura Țării Românești în prima jumătate a secolului al XIX-lea*, Bucharest 1969, pp. 195–251.

20 See the news series of the edition *Călători străini despre Țările Române în secolul al XIX-lea*, I–IX, Bucharest 2004–2015; C. ARDELEANU, *International Trade and Diplomacy*, pp. 95–132.

*"We go stumbling along the unpaved streets of Galatz by the dim light of a lantern carried before us by a servant. The town, although the chief commercial city of the Danubian Principalities, and numbering its inhabitants by tens of thousands, is of course unlighted. The outward civilisation of these countries showy as it appears, has unhappily gone no further, up to the present time, than jewellery and patent-leather boots. Light, air, and cleanliness are at least two generations a-head of it. [...] The silver spell succeeds. A sooty little fellow, like a chimney-sweep, agrees to accompany me, and we go scuffling among rat-holes, open sewers, sleeping vagabonds, and scampering cats down to the quagmire by the waters-side; and scrambling over bales of goods, and a confused labyrinth of chains and cordage, gain the deck of the good ship Ferdinand. A cigar, a joke, and a dollar, overcomes the steward's scruples about a berth, and I wake next morning to the rattling sound of the paddle-wheels. The boat is very full. It is as difficult to get at the wash hand-basins as to fight one's way to the belle of a ball-room."*²¹

New perspectives and analyses

In order to be able to utilise a price indicated by a certain source in the construction of various retrospective series, the respective product's quality (and a short description), weight or volume and exact price should be mentioned.²² Unfortunately, in the Romanian area, documents do not always reflect the diversity of types and qualities of the grains on the market. Their imprecision and the many lacunae for certain years make the attempt of establishing the evolution of these prices per one product extremely difficult. Consequently, more scientific accuracy is required in using these sources in order to avoid slipping into methodological and interpretive errors.

Recently, there have been published two volumes which seem to bring the history of the Moldo-Wallachian grain prices into a favourable light. On the one hand, Constantin Ardeleanu²³ brings to the fore data collected by the research team coordinated by Paul Cernovodeanu, while also emphasising the interest of the contemporary international media²⁴ in the Danubian grain market; on the other hand, the second

21 Charles DICKENS, *The Roving Englishman*, in: *Household words*. A weekly journal conducted by Charles Dickens, 33 (19 January 1856 to 12 July 1856), New York 1856, pp. 22–23.

22 David Hackett FISCHER, *The Great Wave. Prices Revolutions and the Rhythm of History*, Oxford – New York 1996, pp. 117–178.

23 See details in C. ARDELEANU, *International Trade and Diplomacy*.

24 See Hunt's Merchants' Magazine and Commercial Review from New York; and Portfolio from London.

volume²⁵ provides an overview of the entire phenomenon of the grains exported through the mouths of the Danube (1829–1940). Ardeleanu pursues a comparative analysis of the exports traded through the ports of the maritime Danube and through Odessa, and manages to order the statistical series that his Romanian predecessors elaborated based on their searches in British archives. The second book features an effortful, thorough study aimed at presenting, as accurately as possible, the evolution of prices from the producer to the storage of goods in the warehouses of European ports. Also, in this latter case, it is worth mentioning the efforts made towards facilitating the access to information. The quantities found in archival or media sources in various units of measurement have been transposed in the metric system, and the many currencies used on the grain market in the area at the mouths of the Danube have been converted into the hard currency of the time, the pound sterling. All these efforts pave the way towards the ensuing analysis, which is also complemented by the introduction of the information found in several Romanian newspapers from the first half of the nineteenth century in the historiographic circuit.²⁶

Economists define ‘price’ as the monetary reflection of the value of goods or services, compared and correlated on the basis of quantity, quality and other criteria. Two broad categories of prices are encountered in economic practice: supply prices (purchase price, negotiated price, wholesale price, import price, importer’s delivery price, trading company wholesale price, stock price, etc.) and selling prices (producer price, importer price, trading company wholesale and retail price, etc.). All traders know that prices depend on supply and demand, as well as on usefulness, quality and availability or scarcity of the product. The analysis of the evolution of prices for a product must also take into consideration the main functions of prices: supply/demand correlation, calculation or measurement of expenses and outcomes, cost recovery and revenue reimbursement, and stimulating the economic agents. Moreover, the price influences the profit directly.²⁷

25 See details in Cristian CONSTANTIN, *Comerțul cu cereale la Gurile Dunării: integrarea pe piață, structuri productive și infrastructura de transport (1829–1940)*, Brăila 2018.

26 Reference will be made to the periodical *Mercur. Jurnal comerțial al portului Brăilei*, edited by Ioan Penescu, in Brăila, between 1839 and 1842.

27 See an evolution of the perception on prices in Adam SMITH, *An Inquiry into the Nature and Causes of The Wealth of Nations*, Petersfield Hampshire 2007; David RICARDO, *Principles of Political Economy and Taxation*, London 1891; Maurice J. ROCHE – Kieran MCQUINN, *Grain price volatility in a small open economy*, *European Review of Agricultural Economics* 30 (1), 2003, pp. 77–98; Karl Gunnar PERSSON, *Mind the Gap! Transport Costs and Price Convergence in the Nineteenth Century Atlantic Economy*, *European Review of Economic History* 8 (2), 2004, pp. 125–147; Tălis J. PUTNIŢȘ, *What do price discovery metrics really measure?*, *Journal of Empirical Finance* 23, 2013, pp. 68–83.

Undoubtedly, the capitalist spirits of the first half of the nineteenth century would consider, to a great extent, the modern theoretical explanations of the components and functions of prices. Furthermore, they would be aware of the fact that grain businesses pay off and become lucrative if carried out for a long period of time. The Danube market was still lacking many defining elements of modern trade. For the traveller coming from the Ottoman Empire there will follow quarantine, in one of the lazarettos established by the authorities in Iasi or Bucharest, which may last up to two weeks, enough for him to get acquainted to and record the Romanian realities. Whether they have a direct interest in the evolution of the local market or not, these 'pilgrims' soon come into contact with the prices of local goods. Their stay, even if short-termed, requires food consumption and the use of a currency acceptable for local merchants. Currency exchangers are everywhere, ready to speculate the needs of a rudimentary financial and banking market.²⁸ The first stock market in the area was to appear as late as in 1883, in Brăila.²⁹ For the Levantine merchants that had ventured in the ports at the Lower Danube, the costs of the terrestrial, fluvial and maritime transport of grain would substantially increase their final price on the Mediterranean markets.³⁰ A low purchase price of wheat in Brăila or Galați could compete against the price in Odessa. But, from Sulina to Brăila, nature would often play tricks on the navigators, increasing freight price, which, in turn, affected the costs of the Danube grains compared to the prices in Novorussia.³¹ The merchant had to take all these into account and speculate the well-timed moment of the market.

Sinusoidal curves of prices

On 18 December 1839 (Julian calendar), a publication useful for the commercial environment of its age was launched in Brăila: 'Mercur, jurnal comerțial al portului Brăilei' ['Mercur – A Commercial Journal of the Port of Brăila']. Three months had to pass from that Monday to the release date of the next issue, 16 March 1840 (Julian calendar).³² Contemporaries considered the commercial journal necessary, as 'the

28 See ample descriptions of foreign travellers who visited the maritime Danube ports in C. ARDELEANU, *International Trade and Diplomacy...*

29 Gheorghe IAVORSCHI, *Istoricul Bursei de cereale Brăila (1883–1948)*, *Analele Brăilei*, New series, 1, 1993, pp. 41–53.

30 C. KNICK HARLEY, *Coal Exports and British Shipping, 1850–1913*, *Explorations in Economic History* 26, 1989, pp. 311–338; Andrei EMILCIUC, *The Trade of Galați and Brăila in the Reports of Russian Officials from Sulina Quarantine Station (1836–1853)*, in Constantin Ardeleanu and Andreas Lyberatos (eds.), *Port Cities of Western Black Sea Coast and the Danube: Economic and Social Development in the Long Nineteenth Century*, Corfu 2016, pp. 63–93.

31 C. CONSTANTIN, *Comerțul cu cereale la Gurile Dunării...*, pp. 117–122.

32 Viorel BRATOSIN, *O publicație de succes [Mercur. Jurnal comerțial al portului Brăilei] falimentată de abonați*, *Magazin Istoric* 39 (3), 2005, pp. 31–32.

merchant class [had] to have their own publication, like all the other political, liberal, and religious classes.³³ The editor Ion Penescu outlined the general lines of the commercial publication: ‘local and foreign news, product prices, import and export information, state of harvest, product quality, names of all ships that come and go through Brăila port, and the products that they import or export’. With the issuance of the newspaper *Mercur*, another stringent problem of the age was partly solved, as the editorial board would keep the traders and the general audience interested in ‘matching various European currencies with the exchange rates in our country’. The currency exchangers had ‘infested’ the Lower Danube ports and were taking advantage of the exchange rates at their will, which quickly turned them into merchants well-connected in the Western *entrepôts*.

It is almost impossible to reconstruct any statistical series based on data provided by the newspaper from Brăila, but the two-centuries-after reader may notice the trends of the grain market in the Black Sea area. The news included in the pages of the gazette goes towards horizons way beyond the natural border created by the alluviation in Sulina.

March 1840 was a month characterised by stagnation. The movement in the port of Brăila proves the important traders’ lack of interest in the Danubian grain throughout that year. The total grain export (wheat and maize) in the ports of Brăila and Galați amounted only to 1,353,325 quintals all year long,³⁴ with substantial balance in favour of the Moldavian port. The unsatisfactory harvests of 1839 and 1840 seem to be the reason for the low activity of the grain market at the Lower Danube. Experts consider the two harvests low, respectively bad. Nonetheless, Brăila port was animated during those early days of March 1840 by the presence of more ships under the Ottoman flag. These ships had arrived unloaded, in the hope of returning to Istanbul loaded with various Romanian goods. Wheat was sold for 135 lei/ Brăila kilo, the price of high-quality maize went above 80 lei/ Brăila kilo³⁵, and that of second-rate maize above 75 lei/ Brăila kilo. Barley was sold for more than 64 lei/ Brăila kilo, and millet for 34 lei/ Brăila kilo. The goods were purchased from rural merchants directly; no purchases were made in the *entrepôts* set up for the use of ships. One Brăila kilo equals 6.8 hectolitres and 510 kilograms of wheat or maize.³⁶ Judging by the conversion made a few deca-

33 *Mercur*. Jurnal comerțial al portului Brăilei, 18 December 1839 [Julian calendar], p. 1.

34 C. CONSTANTIN, *Comerțul cu cereale la Gurile Dunării*, pp. 107–108.

35 Old capacity measure for cereals, equal to about 680 litres in Wallachia (Brăila) and about 430 litres in Moldavia (Galați); see: <https://www.dex.ro/chil%C4%83> (07.09.2022) and C. CONSTANTIN, *Comerțul cu cereale la Gurile Dunării...*, pp. 712–713.

36 *Ibidem*, p. 712.

des later, one pound sterling was worth 67.20 lei at the time.³⁷

The newspapers do not describe 1840 as a year of outstanding trades. The ship 'Ferdinand' would bring from the capital of the Ottoman sultans as few as five passengers and three parcels of manufactured goods, while only six persons would embark in Brăila. 'Argos' had come to anchor in Brăila around 15 March, coming from Schela Cladovei with just three passengers on board and a load of iron and seeds, headed for Galați. In the Moldavian port, it loaded five parcels of iron and groceries to be delivered in Rușciuc, Pest and Vienna, and boarded four passengers heading to Turnu Severin.³⁸

The grain price on the Brăila market significantly increased towards the end of April 1840. The improper and rudimentary conditions in which the stocks had been kept led to splitting the two cereals mostly traded on the Danubian market into three categories. According to these categories, wheat was sold in Brăila for 170, 150 and respectively 140 lei/ Brăila kilo. The price of maize would go as high as 100 lei/ Brăila kilo for the first category, and 95 and 85 lei/ Brăila kilo for the other two. The prices of barley and millet were 60, respectively 42 lei/ Brăila kilo. The port was animated by loads made on ships under Ottoman, Russian, Sardinian, and Greek flags.³⁹

On 1 August 1840 (Julian calendar), 'Ferdinand' laid anchor in Brăila, bringing a handful of passengers and 'money groups' (cash). The exports from the Romanian ports on the Danube at the end of July 1840 consisted of very few cereal goods, a sign of their inexistence. Rarely are sales conducted in Turnu Severin mentioned at all.⁴⁰

In the second half of August 1840 (Julian calendar), the Brăila grain market was marked by the same quietude as in the last few weeks because of the lack of goods. Not even one sale had been concluded around the date of 20 August 1840 (Julian calendar). Ships were still present in the port, but no freight was paid, although it was more than reasonable. Maize, yet to be cropped, was missing from the market, while new wheat was selling for about 140–145 lei/ Brăila kilo.⁴¹

There are various reasons for the relatively low export of Moldo-Wallachian grains. The Russian Protectorate over the two Romanian provinces on the Danube, the Russian vexation of the navigation on the Sulina Channel, and the frequent occupations of the Principalities by the armies of the three neighbouring great powers are just a few factors determining the stagnation of the Romanian grain market, which resulted in a trade at the mouths of the Danube which was far from its true potential.

37 *Mercur. Jurnal comerțial al portului Brăilei*, 16 March 1840 [Julian calendar], p. 3.

38 *Ibidem*, 20 March 1840 [Julian calendar], p. 1.

39 *Ibidem*, 24 April 1840 [Julian calendar], p. 1.

40 *Ibidem*, 5 August 1840 [Julian calendar], 2.

41 *Ibidem*, 25 August 1840 [Julian calendar], 1.

From the analysis of the total amount of exports in the two ports results that Galați's best year was 1847 – £775,528 – whilst the worst was recorded in the first year of its having received the *free port* status – exports amounting to just £120,213. By comparison, for Brăila, the Wallachian gate to the West, the most productive year was also 1847 (£1,592,944). At the opposite end is the year 1837. The total amount of exports in both ports ranges from £233,694 (1837) to a highest level in 1847 (£2,368,472). During the first years, Galați export was superior to that in Brăila, whilst the Wallachian port gained precedence after 1840. In the most profitable year (1847), exports from Brăila amounted to more than double of the numbers recorded for Galați. An equally spectacular situation was to be recorded in 1852, when goods amounting to £567,110 were exported through the Moldavian port, while foreign trade in Brăila totaled £916,933, 80% more than Galați.⁴²

Important grain exporters (but not only), Moldavia and Wallachia traded together in 1845, through the two maritime ports, goods amounting to c. 1-million pounds sterling, in conditions of a 'disastrous' harvest. Over the next two years, improvements in the grain production in the Danubian Principalities were recorded, but 1846 and 1847 are not the peak of the harvest recorded during the 1829–1853 interval. Ilie Corfus ranks these years' harvests as 'good', unlike the maximum of the period, 1842, when a 'mediocre' export was recorded (£556,989), twice the amount recorded in 1837 (£233,694), a year with a 'low' harvest. The phenomenon of an almost continuous increase of the value of exports traded through Brăila and Galați is noticeable in the years of 'disastrous' harvests (1841, 1845 and 1849), when it reached higher levels than the ones recorded during the early years of the implementation of the 'Organic Statutes', and even than the years with a clearly superior quantitative and qualitative grain production.⁴³ Consequently, the trends of international trade of the two Romanian ports were significantly influenced by the international policies concerning cereals in the large deposit-ports.

In 1850, the freight of a quintal of grain transported from the Black Sea ports (e.g., Odessa) to Great Britain was of approx. 4 shillings.⁴⁴ For Moldo-Wallachian grains, additional costs had to be added for the Brăila/Galați – Sulina sector, reaching as much as one third of the value of maritime freight. Before the Crimean War, the freight from the ports of the maritime Danube to Great Britain amounted to 5–6 shillings/quintal, and represented half the cost per quintal traded in the Romanian ports.

What is essential for studying grain trade is the price comparison for various con-

42 *Commerce of the Danube*, Hunt's Merchants' Magazine and Commercial Review, New-York 27 (3), 1852, p. 293.

43 I. CORFUS, *Agricultura Țării Românești*, pp. 252–253.

44 KNICK HARLEY, *Coal Exports*, pp. 311–338.

temporary markets. The price of grains on the British market amounted to an average of £2, in the 1826–1830 interval, and in the range of £1 and 6 shillings – £1 and 8 shillings/q⁴⁵, in the years 1830–70. Until 1846, Great Britain preserved the grain import tax system according to their internal production.⁴⁶ By comparison, on the European markets, grain prices ranged from 15 and 18 shillings/q in Italy in the 1826–1845 interval, to £1 – £1 and 4 shillings/q in France (1825–1850).⁴⁷ In Brăila and Galați (see Table 1), the wheat price recorded fluctuations between 7 and 8 shillings/q (1836–1838), went above 10 shillings/q (1839) and set at a value of approx. 8–17 shillings/q (in the 1840s).⁴⁸ In the first years of *free ports* (*porto-franco*) status, in Brăila (1836) and Galați (1837), wheat price was approximately a quarter of the British average price and half of the Italian one. After 1840, the grain export through the ports at the maritime Danube continued to amount to values two or three times lower than the British and 1.5–1.8 lower than the Italian ones.⁴⁹ In the fourth decade, the prices in Brăila and Galați were below the prices in the Russian hinterland north of the Black Sea, which was, at that time, the main grain exporter at the European level. The Romanian Principalities must have massively exported grains ever since the 1830s, and this aspect should be correlated with the customs tax system of Great Britain.⁵⁰

For example, the year 1848 should have represented a new starting point for Danubian trade. The abolishment of the Corn Laws in Great Britain in 1847 and the famine in Ireland during those years did not trigger an ample and immediate process of increasing the grain production in the Romanian Principalities. On the basis of some rudimentary sources of the 'Organic Statutes' era, Ilie Corfus described the Wallachian harvests of 1848 and 1850 as 'mediocre', and the one of 1849 as 'disastrous'.⁵¹ Cropping

45 1 q = 1 quintal = 100 kilograms.

46 The British system of import taxes was based on a mobile scale (valid from 1828 through 1846), which made the grain traders' profit vary depending on the price on this state's market. When the price of British wheat went above 73 shilling/quarter, the customs tax was of 1 shilling. If the price was between 70 and 71 shilling/quarter, the tax went up to 10 shilling and 8 pennies; when the price of British grain was of 52–53 shillings/quarter, the tax reached 34 shillings and 8 pennies. The need for grain forced Great Britain to import quantities that were no less than 1.5 million quintals/year. See detailed interpretations in Ulrich MENZEL, *Auswege aus der Abhängigkeit. Die entwicklungspolitische Aktualität Europas*, Frankfurt am Main 1988, p. 442; Paul BAIROCH, *Commerce extérieur et développement économique de l'Europe au XIX^e siècle*, Paris 1976, pp. 40–43, 190–193; Brian R. MITCHELL, *International Historical Statistics. Europe 1750–2000*, 5th edition, Houndmills 2003, p. 403.

47 Bogdan MURGESCU, *România și Europa. Acumularea decalajelor economice (1500–2010)*, Iași 2010, p. 118.

48 Paul CERNOVODEANU, *Relații comerciale româno–engleze în contextul politicii orientale a Marii Britanii (1803–1878)*, Cluj-Napoca 1986, pp. 92, 123–124, 149.

49 Michael G. MULHALL, *The Dictionary of Statistics*, 4th edition, London 1903, p. 149.

50 Ibidem.

51 I. CORFUS, *Agricultura Țării Românești*, pp. 252–253.

in Wallachia was carried out in 1849 and 1849 under revolutionary auspices and under the intervention of foreign armies. Quantitatively speaking, the grain export in Brăila in 1848 amounted to only c. 45% of the one recorded a year earlier. The price was only 31% of the one obtained for trading grains in 1847. Taking 1847 as a reference year, in 1849 a regression of more than two thirds was recorded in grain quantity, and of 80% in amounts collected from its trade.⁵² Considerable decline is recorded in the mean grain selling price, which decreased by more than 30% in 1848–1852 as compared to 1847, when the maximum value on the Danubian market was set at 15 shillings/q. The statistical data identified up to this moment do not allow a more detailed analysis.

Conclusion

Broadly speaking, foreign trade through the mouths of the Danube between 1829 and 1853 represents the transition, which began timidly at the end of the 18th century, from the habits of the Eastern world, embodied by the sovereign power (the Ottoman Empire), to the mechanisms of the capitalist market, visible in the ports of the Maritime Danube through the substantial increase in the number of merchants, connected to the movement of the market from Western *entrepôts*, and foreign-flagged vessels, travelling from the Levant to purchase grain at reduced prices from the ports of Brăila and Galați.

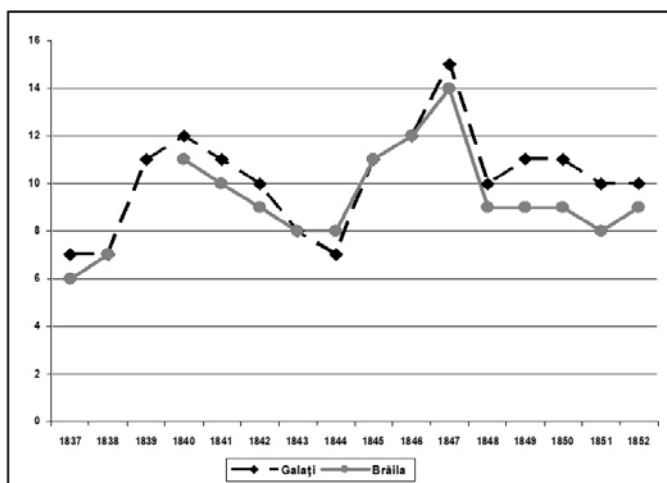
Concretely, as can be observed in *Figure 1*, the wheat price in the Danubian Maritime ports, the most traded cereals in the European *entrepôts*, recorded fluctuations between 7 and 8 shillings/q (1836–1838), went above 10 shillings/q (1839) and set at the medium value of 11–12 shillings/q (after 1840), with a maximum of 17 shillings/q (1847/1848). The grains from the Moldo-Wallachian hinterland became attractive due to their relatively low price, and were quickly integrated into the Mediterranean *entrepôt* market, to be subsequently sent to the ports of the UK and Northern Europe.

The identification of contemporary sources which helped in creating a first tentative statistic of the evolution of the prices of wheat and maize traded in the ports of Brăila and Galați represents a genuine accomplishment for Romanian historiography and is, at the same time, a marketable tool for future research. There are grounds to consider that a work on grain prices on the Danubian market, without claims to statistically record their annual or monthly evolution, might be possible on condition that more researchers join forces and pursue the research collectively. I consider that such a project might be significant for Romanian historiography, even at more than one century from the debut of the scientific approaches to prices in European historiography.

52 P. CERNOVODEANU, *Comerțul britanic*, pp. 635–639; P. CERNOVODEANU, *British Trade in the Danubian Ports*, pp. 716–717.

Table 1. Price of grains exported through the Danubian ports (1837–1852). Values (in shillings/quintal)⁵³

Product	Wheat		Maize	
	Galați	Brăila	Galați	Brăila
1837	7	6	4	4
1838	7	7	4	4
1839	11	---	6	---
1840	12	11	8	7
1841	11	10	7	7
1842	10	9	6	5
1843	8	8	5	5
1844	7	8	5	5
1845	11	11	6	5
1846	12	12	9	9
1847	15	14	12	12
1848	10	9	9	8
1849	11	9	8	7
1850	11	9	8	7
1851	10	8	7	6
1852	10	9	8	6

Figure 1. Evolution of the price of wheat exported from the Galați and Brăila ports (1837–1852). Values in shillings/quintal⁵⁴

53 Paul CERNOVODEANU – Beatrice MARINESCU – Irina GAVRILĂ, *Comerțul britanic prin Galați și Brăila între 1837–1852*, *Revista de Istorie* 31 (1), 1978, pp. 635–639; Paul CERNOVODEANU – Beatrice MARINESCU, *British Trade in the Danubian Ports of Galați and Brăila between 1837 and 1853*, *Journal of European Economic History* 8 (3), 1979, pp. 716–717.

54 Ibidem.

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Summary

This paper presents the toilsome means of reconstructing the statistical series required for studying the evolution of grain prices in the Lower Danube ports in the second quarter of the nineteenth century. The provisions of the Russo-Turkish Peace Treaty of Adrianople (2/14 September 1829) and the implementation of some apparently liberal constitutional projects (the 'Organic Statutes', 1831/1832) in Wallachia and Moldavia by the suzerain power, Russia, created a favourable framework for the development of the open international trade in the Romanian ports on the Lower Danube. Brăila (for Wallachia) and Galați (for Moldavia) became two centres integrated into the international grain market, whilst the rates for maize and wheat in the meadows of the Danube, Siret and Prut Rivers represented a constant concern for foreign traders. Recent research has allowed the identification of several sources which support the analysis of the sinusoidal curves of the price of Romanian wheat and maize traded in the ports of Brăila and Galați.