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The Economic Content of the Russian-Iranian Peace Treaties 1810-1820's

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ABSTRACT: The article examines the clauses of the Gulistan (1813) and Turkmenchay (1828) peace treaties between Russia and Persia, which relate to trade and economic relations between the two countries. On the basis of their analysis, the author proves that international legislative acts were designed to create the most favored nation treatment for development of the Russian trade in the Iranian area, and ultimately contributed to the expansion of the sphere of the Russia's economic and political influence in the region, as well as to optimization of the initial stage of the industrial revolution in the country.

Despite the fact that Iran acted as the losing party, in clauses of the treaties concerning the regulation of the legal status and trading rights of the Iranian merchants who carried out trade with Russia, the desire of the Russian side to create the most favored nation treatment for Persian merchants is clearly visible. The latter, during the first half of the XIX century, confidently dominated in Russian-Asian trade in the Caspian, and the supplies of the much-needed raw materials to Russia ultimately depended on their behavior in the market. First of all, cotton paper and raw silk. Another goal pursued by the Russian government was the creation of a positive balance for the Russian trade, which could also be achieved only with the legislative consolidation of certain trade preferences in relation to the merchant class.

Keywords: peace treaty, trade relations, trade duties, merchants, economic interests, Russian-Iranian trade.

1. INTRODUCTION

Entering a military confrontation with Iran, at the beginning of the XIX century the Russian Empire pursued, first of all, geopolitical goals. After the entry of Georgia into Russia in 1801, the issue of ensuring the security of the new possessions arose. There were plans to expand Russian possessions in Transcaucasia. As a result of the Russia's victorious completion of the two Russian-Iranian wars of 1804-1813 and 1826-1828, peace treaties were concluded in Gulistan and Turkmenchay, which fully satisfied the political ambitions of the winning party.

One of the significant results was the transformation of the Caspian Sea into the inland sea of Russia, a situation that persisted until the early 1990s. The Caspian-Volga trade route, thus, turned out to be completely under the control of the Russian authorities. The challenge of regulating trade along the way had emerged. In addition, in the context of the emerging rivalry with England, Russia sought to gain a foothold in the markets of Asia, of which Iran was considered among the most promising. All these aspects led to the existence of clauses in the treaties that regulated economic relations between the two countries. Solid rates of the customs duty taxation were established, the legal status of the Persian merchant trading in Russia was defined.

II. METHODS

The relevance of the stated problem lies in the fact that studying the issues of international legal and economic cooperation between Iran and the Russian Empire in the past can help in building mutually beneficial and economically effective relations between the two countries in the present. Especially in the current political realities, when Iran and Russia are developing strategic cooperation, including economic.

In Russian historical science, the question of the political results of Russia's victory over Iran, enshrined in the treaties of 1813 and 1828, began to be studied in the pre-revolutionary period [5, 7, 10, 15]. And for a long time they were in the focus of attention not among historians, but lawyers - experts in international and trade law. The economic component has never been considered in these works.

After 1917, the development of the Russian economy in the context of the formation and development of capitalist relations in the country and the Russian Imperial colonialism became one of the main areas of research by Soviet scientists. In this situation, the first task was to show all the most negative, "class-alien", "imperialist" intentions of the tsarist government [6, 9]. Foreign researchers paid more attention to the issues of colonial rivalry between England and Russia on the Iranian market, without dwelling on the problem of the economic effect of treaties for Russian-Iranian trade [17-21].

We abandoned the prejudiced view of the Soviet historical school and using the principles of objectivity and historicism, we give a modern assessment of the phenomenon under the study. Source-study methods of analysis and synthesis are used in this work. Source analysis involves researching the source by examining its individual aspects, properties, parts, that is, parsing the source for certain components and their

consideration. In this article, we have identified the economic articles of the Gulistan and Turkmenchay peace treaties of Russia with Persia.

Synthesis is a way of studying the source in unity, interconnection of its parts, that is, generalization of the data obtained during the analysis. In this case, this led us to a generalization of the content of the economic clauses of the treaties, creation of an integral picture of the legally regulated conditions for trade on the Volga-Caspian route between Persia and Russia in the XIX century.

III. RESULTS

The issue of Russia's dominance in the Iranian domestic market was hidden under political and strategic circumstances [4], leading to an armed clash between Russia and Persia in the early XIX century. The wars against Persia and their results (the peace and trade treaties between Russia and Iran, concluded in 1813 and 1828) were only a small part of the "Russian irruption", which went hand in hand with the growth of the Russian industry in the early XIX century [8].

Entering the stage of the industrial revolution, Russia was in dire need of favorable sales markets for its goods and in the markets of cheap raw materials for the manufacturing industry. For many centuries, Iran had been one of Russia's main trading partners. Therefore, it is not by chance that, within the framework of solving political problems, which were called upon to resolve the peace treaties between the two countries, they also touched upon issues of an economic nature.

Russia, having won both wars, could, to some extent, afford to dictate terms. But, nevertheless, the interests of the counterparty country were also taken into account. Especially it was impossible to ignore the fact that since the 1790s Persian merchants had been confidently dominating in the Russian-Iranian trade in the Caspian Sea, squeezing the positions of Russian and Armenian merchants in this area.

The trade and political tendencies of the Russian government towards Persia at the time of the conclusion of the treaty between Persia and Russia can be clarified from the directives outlined in the letter of Gr. Rumyantsev to the Gen. Rtishchev dated on April 7, 1812:

"... 5) to pronounce the sole dominion of the Russian flag on the Caspian Sea.

9) Everything that can serve mutual benefit needs to be uttered about trade relations, but with observation, so that nothing would violate our fundamental legal principles in the reasoning of the merchant class and trade" [2].

The Gulistan Treaty on Eternal Peace and Friendship [16] was signed on October 12 (24), 1813, and came into force after the exchange of ratifications, on September 15, 1814. Clause 5 of this treaty transformed the Caspian Sea into an inland Russian lake. Actually, trade relations are dealt with in clauses 8, 9 and 10, built on reciprocity and equality of both sides. Clauses 8 and 9 established the general order and freedom of trading between Russia and Persia and promised mutual patronage to the merchants.

In addition, Clause 9 defined import and export duties of both states at a rate of 5% of the price of goods crossing the border, and, as usual at that time, the amount of fixed duties was not related to the origin of the goods, but to their belonging to citizens of another country.

As a result of the conclusion of the Gulistan peace Treaty, the political and economic influence of tsarism in the Transcaucasus was strengthened, through which Russia was beginning to actively develop relations with Iran. Nevertheless, the main results of the Gulistan world were seen not in the economic, but in the political sphere. Russia's victory over Iran was a strong blow to the plans of England and France, which aimed to turn Iran into a bridgehead for penetration into the Caucasus and Central Asia [1].

The Peace Treaty of 1813 on the mutual relations of the two neighboring countries, it would seem, laid the legal foundations for the further fruitful development of bilateral economic ties. However, the historical practice did not realize some important items from the general complex of the adopted treaty. First of all, 5% of the duty was not actually applied in trade between both countries. Up to 1822, the Astrakhan tariff of 1755 continued to operate, according to which 23% of the duty in customs and ports of the Caspian Sea was taken from all goods (with the exception of Iranian raw silk) [6].

The Russian government and the Ministry of Finance were not satisfied with the Gulistan treaty and pointed to the need for a future treaty with Persia to make a number of improvements [3]. It was signed on the night of February 9 to February 10 of the old style (February 22) in 1828. The Petersburg government ratified the Turkmenchay Treaty on March 20, 1828. Shah signed it on June 3, 1828 [6].

The main documents of the Turkmenchay Treaty [11] are a Peace Treaty containing 14 clauses, and a special supplementary act containing 9 clauses. Clause 10 of the Peace Treaty, in its first part, indicated the allotment of all the trade and political resolutions into a separate convention that formed an integral part of the entire treaty as a whole. This separate document was called the Special Trade Act and represented, in effect, a trade and settlement agreement.

Clause 8 of the Peace Treaty of 1828 defined the rights of navigation of Russian and Persian vessels on the Caspian Sea and represented an almost exact reproduction of clause 5 of the Gulistan Treaty [13].

Clause 3 of the Turkmenchay Treaty is devoted to the issues of customs taxation. First of all, it fixed the level of customs taxation both for export and import trade of both sides at a rate of 5% from the value of the goods carried, i.e. in the same amount, which, as we saw above, was established under the Gulistan Treaty and which was subsequently applied in practical reality [11].

5% duty was confirmed also in the Imperial Decree on January 20, 1827, i.e. even during active military actions between Russia and Persia. According to the text of the document, "for the maintenance of trade in the Transcaucasian region and in the provinces lying between the Black and Caspian Seas," it was ordered "from Persian goods transported to Georgia and to the ports of the Astrakhan customs district, for Russian or Persian nationals, to charge up to 5% of the price from now on, without subjecting any additional duty on the import of such goods from Georgia to Russia" [11].

Further, a deep distinction was established between the goods imported by Russian merchants into Iran and the goods imported into Russia by Persian merchants, although import and export duties in both cases amounted to 5% of the value of the goods. The first paid this duty regardless of where they delivered their goods to Persia from or where the Persian goods were transported to. Consequently, the same taxation was due to the provenance of third countries, and Persian goods,

which were not re-exported to third countries. This privilege, acquired under the Turkmenchay Treaty by Russian merchants, subsequently played a negative role in relation to the Russian industry, since the right to a five percent taxation regardless of the country of a manufacturer of the goods, provided that it belonged to the Russian national, led to the fact that the latter often preferred to import goods into Iran, which were not Russian, but Western European.

It was a different case with the Persian merchants, who paid the customs duty at the specified amount only from the Russian goods imported to Iran, and from the products of Iran sent to Russia.

The problems of transit are touched upon in clauses 1 and 4 of the Turkmenchay Treaty, but the issue has not been clearly interpreted in the text, since it reflects only the interests of Russia. Clause 1 provides only for the free transit of Russian merchants through Persia and says nothing about the similar right of the Persian merchants to carry their goods through Russia in one direction or another. The issue of transit fees is completely unaffected by these clauses. Finally, clause 4 speaks of the right of transit trade of one of the parties through the territory of another party with a third state at war with the second country.

The Turkmenchay treaty was supplemented by the convention of 1844. The convention of July 3, 1844, concluded on the development of Clause 14 of the Turkmenchay Treaty, [11] was devoted to the issue of mandatory availability of passports from citizens of another country and special permission of their government for border crossing when moving from one country to another.

This convention was of more significance than it could seem at first glance, as its clause 1 was in practice interpreted as prohibition for Persian citizens to transfer to Russian citizenship without permission of their government.

This decision was directly connected with the desire of the Persian government to keep their citizens from this step, caused by the advantages that the citizens of Russia enjoyed in Iran under the Turkmenchay Treaty.

IV. DISCUSSION

By its content, the Turkmenchay Treaty according to the words of the court historian of the early twentieth century N.K. Schilder, "struck diplomats, just like a club kick" [14, p.92].

Another researcher, a specialist in the history of international law, A.A. Zonneshtral-Piskorsky, noted that the strong impression of diplomats fully corresponded to the enormous significance of the Russian-Iranian peace treaties of the 1810s-20s. Indeed, the Turkmenchay Treaty was destined to become a pillar of the entire Iranian treaty system until the First World War [6, p.130]. Another important outcome of the ratification of the trade clauses of the Gulistan and Turkmenchay treaties was the creation of a regime economically advantageous for both countries, as evidenced by the durability of these agreements (until 1917) and the volume of trade relations between the two countries in the following decades.

V. SUMMARY

Despite the increased interest in the history of entrepreneurship, trade and diplomatic contacts between Russia and Asian countries at the turn of the XX-XXI centuries, as well as the achievements in their scientific

comprehension, it seems fair to us that the aspect of the problem that interests us, which is the economic content of the Russian-Iranian peace treaties of 1813 and 1828, remains poorly studied.

VI. CONCLUSIONS

Peace treaties between Russia and Iran in 1813 and 1828 became a key moment in the regulation of trade relations between the two countries in the course of a century. The clauses of the treaties clearly defined the economic rights of the merchant class, primarily the Persian one. The customs taxation was strictly fixed and the most favored nation treatment regime was established for the mutually beneficial circulation of goods between the two countries.

Of great importance were the agreements for determining the social and legal status and citizenship relations on the part of the Transcaucasian and Persian merchant class, which the Russian government considered as the main agent of influence for the realization of its plans in the Caspian region. In the end, the trade clauses of the Gulistan and Turkmenchay peace treaties with Iran became the guarantor of political stability in Transcaucasia.

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