

アレクサンドル 2 世治世初期における財政政策の変化と大改革

Changes in Financial Policy in the Early Period of Alexander II's Reign
and the Great Reforms

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1. Introduction

This paper deals with the turnaround of financial and monetary policy after the Crimean War and proves that in the process of preparing a reform plan at the ministry of finance, it was recognized that there was a need for a shift from state control to the initiative of the society. As a result, a new economic policy based on innovative ideas was formed, which influenced the evolution of policy regarding the emancipation of serfs. The aim of this paper is to explore the impact of the Crimean defeat on the Russian economy and the start of the Great Reforms.

2. Historiography

The cause of the abolition of serfdom has been debated for a long time. There are several reasons why Alexander II decided to implement the emancipation and it has been explained by economic, political, and social factors, one of which is the triumph of liberal humanitarian ideas. Mainstream Soviet scholarship has focused on the “substructure” and maintained that a fear of peasant rebellions and the weaknesses of serf economy brought about the revolutionary situation and forced the tsarist government to abolish the serfdom. However, such an explanation has been denied by Western historians and now Russian historians accept it. Peasant movements were not the reason for the reform because they increased not before but after the government announced the emancipation, as Daniel Field showed.² The Russian economy did not experience a comprehensive economic crisis in the mid-1850s. In agriculture, farmed areas continued to grow. 1856 was a good crop year, and the country exported grain.³ Industrial production increased during the pre-emancipation period, and judging from the price data, growth accelerated in the two decades after 1845.⁴

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¹ This article was originally presented to the Tenth East Asian Conference on Slavic Eurasian Studies (June 29–30, 2019, at the University of Tokyo) .

² Daniel Field, *The End of Serfdom: Nobility and Bureaucracy in Russia, 1855-1861* (Harvard University Press, 1976) , pp. 51–52.

³ Alexander Polunov, *Russia in the Nineteenth Century: Autocracy, Reform, and Social Change, 1814–1914* (M. E. Sharpe, 2005) , p. 93.

⁴ Peter Gatrell, The Meaning of the Great Reforms in Russian Economic History, in Ben Eklof, John Bushnell, and Larissa Zakharova eds., *Russia's Great Reforms, 1855–1881* (Indiana UP., 1994) , p. 86.

Of course, not a single factor decided the historical course of Russia, and at the same time, any one of several causes might have been enough to trigger the event on its own. What is important in understanding this episode of history further is to establish a hierarchy of causes. Some historians highlight the Russia's defeat in the Crimean War as one of the main causes of the emancipation of the serfs. P. A. Zaionchkovskii, one of the most distinguished specialists in this field, wrote that the Crimean War exposed all the rottenness of the system of serfdom and the ruling class began to understand the impossibility of maintaining its supremacy without reform.⁵ L. G. Zakharova, another leading scholar in this subject and Zaionchkovskii's successor at the Moscow University, shared this view and pointed out that the defeat and the conditions of the Peace of Paris of March 18, 1856 shed doubt on Russia's prestige as a great power and exposed the extent to which Russia was lagging behind other European countries. The outdated equipment and system of recruitment for the army, the absence of a railway network and telegraph communications in the south of the country, as well as many other indicators of the country's backwardness left little doubt as to the need for change.⁶

On the other hand, there are historians who hold the opposite opinion. Daniel Field maintains that it is very hard to establish the causality of the reforms and estimates negatively the factor of the Russia's defeat, because it discredited the regime and impoverished the serfholding elite.⁷ Bruce Lincoln, who examined the precondition of the Great Reforms and contested that a group of reform-minded enlightened young bureaucrats emerged in the last decade of the Nikolaevan era in his highly estimated, "In the Vanguard of Reform," also states that the Crimean defeat and serf revolts made Russia's statesmen more aware of the need for reform, but there was not much evidence to indicate that they felt *any acute urgency* about launching a dramatic program of change.⁸

3. The Atmosphere after the Defeat

The defeat in the Crimean War changed the atmosphere in educated society. Igor Khristoforov, a representative of a new generation of Russian sophisticated historians, making use of theories of social sciences to explain the history of the Great Reforms, points to two important reasons why the government started the reform: the emergence of "a revolution of consciousness" in educated society and the age of

⁵ P. A. Zaionchkovskii, *Otmena krepostnogo prava v Rossii* (Moskva, 1954) , p. 73.

⁶ Larissa Zakharova, "The Reign of Alexander II: a watershed?" in Dominic Lieven ed., *Imperial Russia, 1689–1917* (Cambridge History of Russia, vol. 2, 2006) , p. 594. Gregory Freeze in his popular textbook of Russian history also writes that the key linchpin was the débâcle of the Crimean War. Gregory L. Freeze, *Russia: a History*, third edition (Oxford, 2009) , p. 201.

⁷ Daniel Field, "The "Great Reforms" of the 1860s, in Abbott Gleason (ed.) , *A Companion to Russian History* (Wiley-Blackwell, 2009) , p. 199.

⁸ W. Bruce Lincoln, *The Great Reforms-Autocracy, Bureaucracy, and the Politics of Change in Imperial Russia* (Northern Illinois UP., 1990) , p. xiv.

Alexander II when he succeeded Nikolai I.⁹ He regards the coincidence of the change of emperor (1855) and the defeat of the Crimean War (1856) as the triggers to the reform.¹⁰ I agree with him, however, they are necessary and relative causes but not absolute ones.¹¹

Those who see the defeat as the most important factor do not show any concrete historical facts that connect the Crimean defeat with the decision to start the abolition of serfdom. The minister of internal affairs, S. S. Lanskoï, was one of the first ministers whom Alexander II appointed after he ascended the throne. In his inauguration speech, he said that he had been asked by the emperor to protect the rights of the nobility. It is said that he was selected as a minister because he had a conservative mind and did not have any intention to go forward with the emancipation.¹²

In March of 1856, Alexander II made a renowned speech before the nobility of Moscow province. “I have heard, gentlemen, that rumors have spread among you to the effect that I intend to abolish serfdom. In order to dispel various unfounded rumors about a subject of such importance, I consider it necessary to inform you that I do not have the intention of doing that at this time. But of course, you yourselves know that the existing order of ruling over living souls cannot remain unchanged. It is better to abolish serfdom from above than to await the day when it will begin to abolish itself from below. I ask you, gentlemen, to consider how this is to be accomplished. Convey my words to the gentry for their consideration.”¹³ In this speech, he clearly denied that he had any intention to abolish the serfdom immediately. In August of 1857, he gave his support to the first conclusion of the secret committee on the peasant affairs: it is not presently possible to undertake the general emancipation of the peasants. Grand Duke Konstantin Nikolaevich, a liberal-minded younger brother of the emperor and would-be leading figure in preparing for the emancipation, repeatedly refused the request of the emperor to become a member of the committee until July of 1857.¹⁴ This fact shows that to solve the peasant question was not an urgent matter for him for at least a year and three months after the end of the Crimean War.

Of course, there were some young bureaucrats who thought that they had to do something to get out of the difficult situations in the country. Nikolai Miliutin was one of them. He was a member of the salon of the

⁹ I. A. Khristoforov, *Velikie reformy: istoki, kontekst, rezul'taty // Reformy v Rossii s drevneishikh vremen do kontsa XX v. Tom 3. Vtoraia polovina XIX-nachalo XX v.* (Moskva, 2016) , p. 35.

¹⁰ Khristoforov, *Velikie reformy*, p. 71.

¹¹ Richard J. Evans, *In Defence of History* (Granta Books, 2000) , p.157.

¹² Khrushchev D. P. (ed.) , *Materialy dlia istorii uprazhneniia krepostnogo sostoiianiia pomeschchikh 'ikh krest'ian v Rossii v tsaristovovanie Imperatora Aleksandra II. T. 1* (Berlin, 1860) , pp. 102–103.

¹³ Khrushchev, *Materialy dlia istorii*, p. 114. Terence Emmons, *The Russian landed gentry and the peasant Emancipation of 1861* (Cambridge, 1968) , p. 51.

¹⁴ P. P. *Epokha osvobodzheniia krest'ian v Rossii (1857–61 gg.) v vospominaniakh P. P. Semenova-Tian-Shanskogo. T. 1* (Spb., 1911) , p. 95.

Grand Duchess, Elena Pavlovna, and he wrote a plan to emancipate the serfs of her estate in Poltava province, Karlovka, and sent it to the emperor in autumn of 1856 but Alexander II did not allow the plan to be carried out.¹⁵ This meant that even if there was a “revolution of consciousness,” reform-minded bureaucrats were too young to carry out their plan. What is important is not the fact that they shared the idea of a state crisis after the Crimean War. It is one thing to think or discuss something, but it is another to carry it out. We must investigate additional concrete problems with which the emperor or other high-ranking statesmen confronted and what urged them to carry out the reform. What did they think about their situation and which of the problems did they regard as a priority? In my opinion, when the Crimean War ended, Russian elites in the government were confronted not with the problem of the emancipation but with the issues of fiscal deterioration and the reconstruction of the army and navy.

4. The Impact of the Crimean War on the Russian Economy

The Crimean War did damage the economic situation in Russia. There are a lot of studies on this subject. Here I rely mainly on the study of V. Stepanov. Peasant agriculture in Russia was not, strictly speaking, subsistence agriculture. There were some admirers of the English agricultural revolution but there were few practitioners.¹⁶ Crop production decreased during the war. Both 1851 and 1852 were good crop years. The Production of crops totaled 167 million and 169 million chetvert' respectively. But it decreased a little in 1853 and 1854 (to 137 and 130 million, respectively) and there was a sharp decrease in 1855 (88 million) and, consequently, the country suffered from famine. One of the reasons of this was a shortage of workers in the countryside because of the war. The number of people who were enlisted was 10 times as many as usual and peasants were forced to give their carts and crops to the army.¹⁷ But crop production recovered in 1856 (131 million) and both 1857 and 1858 were good crop years (153 and 170 million, respectively).¹⁸

Of course, a large amount of money was spent on arms. Military expenditure (both army and navy) from 1852 to 1857 was 1 billion 76 million rubles. But if you consider the sum for the maintenance of the army and navy in peacetime, 528.2 million rubles was spent exclusively on carrying out the war.¹⁹

How did the military expenditure influence the Russian finances? The Budget deficit increased to 772,5

¹⁵ GARF. F. 722, op. 1, d. 230, l. 21. Lincoln, W. Bruce. The Karlovka Reform, *Slavic Review*, XXVII, no.3 (September 1969). L. G. Zakharova, *Alexander II i otmena krepostnogo prava v Rossii* (ROSSPEN, 2011), pp. 94–99.

¹⁶ Field, Great Reforms, p. 197.

¹⁷ Stepanov V. L. Krymskaia voina i ekonomika Rossii // Jerzy W. Borejsza (ed.), *The Crimean War 1853-1856: Colonial Skirmish or Rehearsal for World War? Empires, Nations, and Individuals* (Warsaw, 2011), p.277-278. Bestuzhev I. B. Krymskaia voina i revoliutsionnaia situatsiia // *Revoliutsionnaia situatsiia v Rossii v 1859-61 gg. T. 3* (Moskva, 1960), p. 194.

¹⁸ Stepanov, Krymskaia voina, p. 276, 296.

¹⁹ Stepanov, Krymskaia voina, p. 279–280.

million rubles or by 3.5 times as much as the annual budget.²⁰ The Budget deficit as a result of the war was covered by traditional financial methods: additional issues of credit bills (*kreditnyi билет*, 431 million rubles) , additional issues of bills of the state treasury (*билет государственного казначейства*, 36 million rubles) , loans from state credit institutions (228,8 million rubles) , loans from the state liquidation committee (12.3 million rubles) , and interest income from the state long-term bond (92,4 million rubles) .²¹ The Fiscal situation continued to be rather stable after the reforms made by the minister of finance, Egor Kankrin, from 1839 to 1840 until the start of the Crimean War in 1853. One credit bill was redeemed for 0.9416 silver rubles in 1854 and one for 0.9339 in 1855. The additional issuing of money in wartime caused the reduction in the ratio of exchange, but by trying to keep the reserve rate of metals, the exchange rate for credit bills increased to 0.984 in 1856. This means that when the Crimean War ended, in spite of a large budget deficit and a drop in the conversion reserve rate, the value of the currency was rather stable.²² A serious financial and monetary crisis emerged after 1857, which was not so much a result of the war as the failure of the economic policy of the minister of finance, Petr Brok.²³ His strategy was right but we must say that his tactics were wrong as we will see below.

5. Changes in the Fiscal Policy and the Banking Crisis

It was almost impossible to cover the deficit by tax increases without a change in the social structure because the main tax revenues were from poll tax, *obrok* (dues in money) of state peasant, tax on industry, liquor tax, stamp duty etc. Arrears amounted to 130 million rubles annually. The abolition of serfdom could be one alternative in terms of changing the social structure. In fact, the director of the Special Chancellery credit division, Iu. A. Gagemeister, proposed emancipation to strengthen the financial basis in his memorandum. He also had several concrete plans to get out of the chronic budget deficit: curtailing army and navy expenditure and constructing a railway, lowering debt without a time-limit, reducing the expenditure of the agency of the imperial court, simplifying the civil administration, concentrating all national income on the ministry of finance, making clear all individual and material obligations to the state, privatizing the state

²⁰ Annual deficit (in million rubles) are as follows: 32 in 1852, 51,2 in 1853, 123,2 in 1854, 261,9 in 1855, 265,8 in 1856 and 38,5 in 1857. Stepanov, Krymskaia voina, p. 280. Annual national budget was 220 million rubles in 1852. Gagemeister Iu. A. O finansakh Rossii // *Istoricheskii arkhiv*, 1956, no. 2, p. 117.

²¹ Stepanov, Krymskaia voina, p. 288.

²² Ito Shota, *Kyuu Roshia Kin'yushi no Kenkyu* (Hassakusha, 2001) , p. 138–139.

²³ He was the minister of finance from 9 April 1852 until 23 March 1858. K. A. Skal'kovskii, *Nashi gosudarstvennye i obshchestvennye deiateli* (Spb., 1890) , pp. 466–476. Vysshie i tsentral'nye gosudarstvennye uchrezhdeniia Rossii. 1801-1917. T. 2 (Nauka, 2001) , p. 111. Yoshida Hiroshi, Start of “The Great Reforms” and Fiscal and Monetary Policy in Imperial Russia, *Journal of the Faculty of Letters, Okayama University*, vol. 68 (December, 2017) , pp. 39–40.

factories, reforming the tax system, and reforming and simplifying the treasury.²⁴ But the emancipation was very risky because it would deprive the nobility of their privileges, and they were thought to be the main supporters of the tsarist regime. Also, it might mean that many proletariats were without land. It was the last choice for the discredited and impoverished state. This is why the task for the financial bureaucrats was to make up this loss by changing the structure of industry and increasing revenue. M. Kh. Reiter, a minister of finance at the time of the Great Reforms, shared this view.²⁵

To achieve this purpose, Alexander II issued a decree on the railroad in January 1857 and approved the construction of a railway about 4000 km. He announced the construction of the first railroad network in Russia and the formation of the giant Russian Railroad Company with an authorized capital of 275 million rubles. Much of the capital, in the form of stocks and bonds, was to be raised internally on the St. Petersburg and Warsaw credit markets.²⁶ In May of that year, a new customs regulation was adopted in which the import by sea of pig iron was permitted and there were reduced tariffs on several imported goods. This policy is seen as liberal in the sense that by eliminating the privilege of iron manufacturers and the protection of the cotton business, the country was urged to modernize and supply a cheap means of production for the development of industry, including the railroad business.²⁷ At that time, Russia's top trade counterpart country was Great Britain. England accounted for about 40% of Russia's exports and 30% of its imports. For the Russian Empire, the total share of both exports and imports to and from England, France and the Ottoman Empire accounted for about 50% of all foreign trade before the Crimean War. So, when the war began, Russia's foreign trade suddenly decreased and the restoration of trade became inevitable and was made a priority in governmental policy after the war.²⁸

On 20 July 1857, the government announced a lowering of interest rates on deposits (4%→3%) and loans (5%→4%) in state credit institutions to increase domestic incentive to invest in joint-stock companies, mostly railroad and steam navigation firms.²⁹ Debt had become a considerable burden for state credit institutions and the treasury would save over 5 million rubles a year by reducing the interest rate on loans to the state by 1 percent. The government would save another 6 to 7 million rubles if the idle capital could be

²⁴ Iu. A. Gagemeister, O finansakh Rossii // *Istoricheskii arkhiv*, 1956, no. 2, p. 123–124.

²⁵ Zapiska, predstavlennaia Vel'ikomu Kniaziu Konstantinu Nikolaevichu Daisvitel'nyim Sotsialskim Sotvetnikom Reiterom v 1857 godu // *Reka Vremeni*, kniga 5, 1996, pp. 184–189. V. L. Stepanov, Mikhail Khristoforovich Reiter // *Russian Studies in History*, vol. 35–1, 1996, pp. 15–16.

²⁶ PSZ II, vol. 32, no. 31448 (January 26, 1857). Steven L. Hoch, The Banking Crisis, Peasant Reform, and Economic Development in Russia, 1857–1861, *American Historical Review*, vol. 96, no. 3, 1991, pp. 800–801.

²⁷ Wada Haruki, Roshia no 'Daikaikaku Jidai' in *Sekai Rekishi*, no. 20 (Iwanami Shoten, 1971), p. 262–263.

²⁸ Stepanov, Krymskaia voina, p. 289–292. See also Tomioka Shoichi, *Roshia Keizaishi Kenkyu* (Yuhikaku, 1988), ch. 1.

²⁹ PSZ II, vol. 32, no. 32082 (July 20, 1857).

driven out of the banks.³⁰ The government itself explains the aim of the statute: “In recent years, very substantial capital has begun to accumulate in state credit institutions, and these institutions, by virtue of their operations, are not able to give it proper use. Wanting to avoid the losses foreseen from this for the banking institutions and to give idle capital a use more in accordance with state interests, we deem it proper to lower the interest rate on deposits.” One of the main problems for the state credit institutions was that most of capital was used as mortgage loans for the nobility, not for industrial development. The nobility had already pledged over 60% of its serfs, and many unencumbered estates were not eligible for mortgage.³¹ Another problem was that they had also been used to cover a budget deficit since the 1820s.³² Russia’s financial system had a structural defect that slowed the development of industry. This is why this policy represented a break with the past. In fact, a future minister of finance, N. Kh. Bunge, evaluated this policy very positively. “We dare to assert beforehand that the lowering of interest rates has had a happiest results, assisting on the one hand the establishment of a proper balance between deposits and loans and on the other hand the development of domestic industry.”³³ But this new policy brought an unexpected result. Driving out deposits from the state credit institutions began and never ceased.³⁴ It led to catastrophic withdrawals. During 1858, withdrawals exceeded deposits by 50 million rubles. By the end of 1858 and the beginning of 1859, all the signs of a banking crisis had already appeared which in turn, raised the problem of a fundamental transformation of the then existing banking system. Thus, the commitment of massive private resources to finance railroad construction and steam navigation brought about the liquidation of the state credit institutions and the establishment of a new State Bank. A banking commission was established in April 1859 to solve the banking crisis. Almost at the same time, a finance commission was formed to write the peasant land redemption law as one of the Editing Commissions to draft the statutes to abolish serfdom. Five people belonged to both the banking and finance commissions. Each commission had eight members. Thus, they decided to make use of peasant payments for land to save the state credit institutions, as Steven Hoch shows.³⁵ There had been a long debate over the method of emancipation in the general committee of peasant affairs

³⁰ A. P. Pogrebinskii, *Finansovaia reforma 60–kh godov XIX veka v Rossii // Voprosy istorii*, 1951, no. 1, pp. 78–79. Hoch, *The Banking Crisis*, p. 801.

³¹ Hoch, *Banking Crisis*, p. 800. In the beginning of 1859, 44,100 out of 111,600 estates were mortgaged or 7.1 million serfs. Landowners’ debt to state credit institutions amounted to 425.5 million rubles in 1860. A. V. Bugrov, *Gosudarstvennyi bank 1860–1917* (Interkrim-press, 2012) , p. 93.

³² *Ministerstvo finansov, 1802–1902* (Spb., 1902) , chast’ I, p. 443.

³³ *Zhurnal dlia Aktsionerov*, 77 (June 26, 1858) .

³⁴ There were four types of state credit institutions: Social Welfare Boards, Savings Banks (Moscow and St. Petersburg) , the State Loan Bank and the State Commercial Bank. Mortgage loans for serfowners were not secured by the value of the land but by the number of serfs. Pogrebinskii, *Finansovaia reforma*, p. 77.

³⁵ Hoch, *Banking Crisis*, p. 802, 808.

and provincial committees of nobles: with land or without land. But at the end of 1858, the former committee at last decided on the emancipation with land.³⁶ The emergence of banking crisis must have influenced this.³⁷ Many of nobles had long been against emancipation with land. Without the consent of the nobility, it would not have been possible to implement the emancipation of the serfs. But when long-term credit on mortgages of landed estates was abolished in April 1859, they were forced to accept the governmental plan for the emancipation. In this sense, we can say that a change in fiscal policy and the banking crisis were necessary and absolute causes for the emancipation.

6. Conclusion

It has been argued that the turning point in the financial policy of modern Russia was between 1860–61 (the foundation of the State Bank and the promulgation of statutes regarding the emancipation of serfs) , but as Leonid Shepelev writes, 1856–57 was the turning point.³⁸ In my opinion, it is not certain whether the tsarist government went ahead with the abolition of serfdom before the end of 1858.³⁹ Even if it had been decided by the end of 1857, it was reversible until 1858 and there were various patterns of emancipation: partially or gradually from west provinces, with or without land, and so on. In this sense, the economic situation of the country and the abolition of serfdom influenced each other and a change in financial policy influenced the way serfdom was abolished. The First of the Great reforms, “a new economic policy” started immediately after the end of the Crimean War. On the contrary, there was not much evidence to indicate that high-ranking statesmen felt *any acute urgency* to launch a dramatic program of change, i. e., the emancipation of serfs. Those who insist that the main cause of the emancipation was the defeat in the Crimean War are wrong. They confuse the issue and tend to identify the start of the Great Reforms with the start of the abolition of serfdom.

³⁶ Zakharova, *Alexandr II*, pp. 190–203.

³⁷ In February 1859, Alexander II told Grand Duke Konstantin that it was impossible to solve the peasant question without a solution to the finance problem. Cited from M. D. Dolbilov, *Aleksandr II i otmena krepostnogo prava // Voprosy istorii*, 1998, no. 10, p. 34–35.

³⁸ L. E. Shepelev, *Tsarizm i burzhuziia vo vtoroi polovine XIX veka* (Leningrad, 1981) , pp. 45–46.

³⁹ Yoshida Hiroshi, From the start of the emancipation of serfs to the Great Reforms, *Roshia shi Kenkyu*, no. 90 (2012) , p. 95.