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France: Ally and Financial Partner of Russia (Finance and Politics)

The aim of this article is to try and discern from the example of Franco-Russian relations in the late nineteenth century the degree to which a political and military union may affect the financial and economic ties between two countries.

Beginning in the second half of the eighteenth century, foreign loans played a significant role in Russia's economy. As a rule, Russia's creditors were friendly countries. In the early 1770s the main creditor of the government of Catherine II was Holland's money market, in particular the Hope and Company banking house. Following the Napoleonic wars, the leading role in financing Russia passed to English banks, especially Baring Brothers and N.M. Rothschild & Sons, who cooperated with Dutch banks.

After the Crimean War of 1853-56, Anglo-Dutch loans to Russia were an important source for filling the Russian treasury. In the second half of the 1870s when Anglo-Russian relations experienced a period of relative cooling off brought on by rivalry in the Near East, the role of main creditor to Russia passed from Great Britain to Germany. By the early 1880s, the following group of influential German banks formed the so-called Russian Syndicate for floating Russian loans: Diskonto-Gesellschaft, Bleichroder, M.A. Rothschild, Mendelssohn, Warschauer, and the Berliner Handelsgesellschaft. In connection with tensions in Russian-German relations in 1887 Bismarck began a campaign against giving credit to Russia. A decree was issued that prohibited government organizations from investing their resources in Russian securities and the Reichsbank was not allowed to accept these securities as mortgages. At the same time Russia's Ministry of Finance set about converting its foreign debt and launched a series of conversion loans. Now French banks began to buy up Russian securities. Beginning in the early 1890s Russia's main creditor became France and remained such up to the outbreak of the First World War.(1)

As we see, during the entire course of the 19th century, the replacement of Russia's financial partners depended on political relations with the creditor nation. This interdependence of financial and political interests acquired a particularly marked nature in the relations between France and Russia in the late 19th century and early 20th century. The transfer of a significant amount of Russian securities to the French money market occurred against the background of a warming in relations between the two countries. This coincided with a deterioration in Russian-German relations. In France Russia was regarded as a potential ally as well as a lucrative market for investing free capital. Many French banks participated in the conversion of Russian loans. In Paris a syndicate of banks was established to buy up Russian securities on the German market. French holders of securities

invested their money in Russian loans not only because they looked upon Russia as an ally. In their eyes the Russian government seemed a definite guarantor of the timely cashing of loans and payment of interest on these loans. Also, Russian loans carried 4% interest, while internal loans in France yielded just 3.5%.

As the result of the transfer of a significant part of Russian securities from the German to the French money market, the French foundation was built, one upon which the Franco-Russian political and military alliance was built. Importantly, the Treaty of 1891-1894 foresaw regular consultations between representatives of the general staffs of the two countries.

Russia was just as interested in France as France was in Russia. By the early 1890s the Russian Ministry of Finance adopted a program to speed up the development of national industry. As Minister of Finance Sergei Witte announced, Russia needed capital as much as the Sahara desert needs water.⁽²⁾ Witte was the successor to Friedrich List, who supported the development of a country's national economy and protectionism. In order to realize the ideas of this German economist in Russian conditions, the tsarist government needed the French money market with its free capital. Witte's economic system envisaged economic expansion fuelled by state and foreign capital in the markets of the Far and Near East, primarily in Manchuria and Persia. The Minister thus counted on preparing these markets for the expansion of Russian industry. Foreign loans and French banks were to play an important role in the realization of this policy. Witte hoped that eventually earnings from the sale of Russian goods in the markets of Manchuria and Persia would be used to pay interest rates on Russia's foreign loans.

In 1895, upon the initiative of the Ministry of Finance, the Russian-Chinese Bank was founded to participate in the development of economic ties between Russian and Far Eastern countries. The St. Petersburg International Commercial Bank along with a group of French banks took part in establishing it: Hottinger & Co., Banque de Paris et des Pays-Bas (Parisbas), Credit Lyonnais, and Comptoir National d'Escompte. The bank's capital stock was 6 million rubles, of which three eighths (3/8) were invested in Russia, and five eighths (5/8) in France. French representatives entered the bank's administration. The Russian government however retained control of its main operations. It became for Witte an instrument for carrying out Far Eastern policy. Russia's Ministry of Finance employed French capital in its political interests, irrespective of how profitable the participation of French banks in its operations was. French banks mere by no means passive partners in joint operations with the Russians in the Far East. As is well known, in May, 1895 it was precisely on the initiative of French banks, and in particular Paribas, that a group of Russian banks took part in a consortium to float a 4% loan for China.

Franco-Russian financial cooperation did have its cloudy spots. By decree to

which the total value of Russian securities in the French market rose, the nature of the interrelations of creditor and debtor grew more distinctive. Beginning in 1894 the French government began to complicate the process of allowing Russian securities to circulate on the French market. It explained this by arguing that the Parisian securities market was chock-full with Russian securities. The French press began a campaign against Russian loans and Parisian and provincial newspapers began to warn the public about Russian funds. This campaign took on a particularly widespread character in 1895-96, and was the result of a conflict with a group of French financiers who suffered losses in speculative operations with Turkish funds. The initiator of their purchases was to a large extent the famous financier N. Bardac. When it turned out that it was impossible to liquidate them, even at a great loss, the decision was taken to attract the Russian Ministry of Finances in this operation. The French Rothschild (A. Rothschild) representative appealed to his government with the request to relay to the Russians that in the case of a fall in prices of Turkish funds, the French stock exchange could not guarantee that Russian funds would not also fall. He argued that it was thus in the interests of Russia to support the value of the Turkish funds(3). During the visit to France of Nicholas II, the French Minister of Foreign Affairs Hanotaux managed to secure the agreement of the tsar to create of a special project for the participation of Russia in operations to liquidate the Turkish funds. However Sergei Witte became involved in the deal, and this effort of the French financiers failed, which evoked the stormy reaction of the French press. Agitation against Witte and the Russian Ministry of Finance was encouraged not only Hanotaux, but also the President of the Council of Ministers, Melin, who supported bimetalism and opposed the introduction of the gold standard in Russia.

The mood in the French press seriously worried Witte, and he ordered the creation of a special fund for expenditure on "public opinion," hoping this way to regain the favor of the French press. This fund was formed upon the conclusion of the Chinese loan of 1895. At the disposal of the Ministry of Finance and the Hottinguer & Co banking house was a sum of 250 thousand francs that was replenished whenever necessary in subsequent years. In 1897 the French Ministry of Finance decided to put an end to a state of affairs in which Witte, borrowing money on the Parisian market, could spend it at his discretion even on enterprises (including the introduction of the gold standard in Russia) that did not exactly receive the blessing or approval of French ruling circles.(5)

The changes in the relations between the Russian and French ministries of finance prompted Witte to seek new markets in which to place Russian securities. In 1898-1900 he attempted to open English and American money markets for Russian loans, but these attempts did not bring the expected results. The reason were both political disagreements in the relations between Russian and England and Russia and the United States, as well as the pan-

European financial crisis that grew into a crisis of industry.

However, the political and military union between France and Russia also facilitated the development of Franco-Russian financial relations. In 1899 the French Republic's Minister of Foreign Affairs, Delcasse arrived in Petersburg with the aim of strengthening the Franco-Russian union. In part this visit was connected with deteriorating Anglo-French relations as the result of the Fashod crisis of 1898. By initiative of the French government, talks began on the building of the strategic railroad from Orenburg to Tashkent. The new road was to unite the railway network of European Russia with Central Asia. In the event of military conflict it could be used to send significant armed forces to bring pressure upon England in Central Asia. From the very beginning of these talk, Witte drew the attention of the French government to the economic senselessness and unprofitability of building such a road. He maintained that this would require significant means that would thus be diverted from a more productive purpose – construction of railroads necessary for Russia that also had a primary economic importance. In response to Witte's position the French government took upon itself the task of placing Russian loans to the sum of 200 million rubles in the French money market. And in fact in 1900, in the Parisian stock exchange, the State Noble Land Bank's 3.5% 3rd issue mortgage obligations were realized at a sum of up to 50 million rubles. In the spring of 1900 Witte visited Paris and conducted negotiations with French bankers and the Ministry of Finance.

Meanwhile, the crisis that had begun in 1898 in European markets found reflection in the prices of Russian loans, including on one of the main forms of state securities – 4% rents. The first 4% rents were issued in Russia in 1894 in exchange for a series of 5% internal loans. However the Ministry of Finance did not intend to regard 4% rents exclusively as an internal loan and strove to facilitate its exit to the foreign market. To reach this goal in 1898 a 4% rent parity with foreign currencies was established. However there was less demand abroad for 4% rent certificates than for the obligations of other Russian loans – just 300 million rubles had been placed here by the time the crisis began. Now foreign holders of 4% rent certificates began to sell them. By the end of 1900 more than 100 million rubles of this type of securities returned to Russia. In order to prevent the return of 4% rents to the country, Witte took the decision to exempt certificates held by foreign nationals not living in Russia from a 5% levy on earnings. Despite the fact that the principle of equality was thus violated at the expense of Russian nationals, this decision was sanctioned by the tsar.(6) In the beginning of 1901 Witte agreed with the Parisian Rothschilds regarding the placing in France of a Russian loan in the form of 4% rents at the sum of 424 million francs. At the same time the Russian government promised not to take new foreign loans during the course of the year. In May a 4 % Russian loan should have been issued at the Paris market, but the French Minister of

Finance Caillaux withheld quoting the Russian loan on the market. Via Arthur Rafalovich, the agent of the Russian Ministry of Finance in Paris, the French Minister of Finance put forth a whole series of demands upon whose satisfaction depended access to the quoting of the Russian loan. Caillaux insisted on a number of things: more rights for owners of foreign societies active in Russia, Russian state orders from French industry, as well as the issuance by the Russian State Bank of a loan of two million rubles to the Ural-Volga Society in which French capital had been invested.

The Russian Minister of Finance would have been compelled to accept all of Caillaux's conditions if he had not ensured in 1899 the written obligation of the French government to permit the quoting in France during the course of 1900 and 1901 of Russian securities amounting to 200 million rubles. Witte demanded access to the quoting of a 4% loan and rejected all of Caillaux's demands. The French government was forced to retreat.(7) The conflict that arose in 1901 around the 4% loan is interesting as a phenomenon typical of the relations that had been formed by now between the Russian and French financial departments. The French government did not any longer consider it necessary to camouflage its intention to use the dependence of the Russian government upon France's money market as a means to pressure it.

In February 1901 in Petersburg at the meeting of Russian and French chiefs of staff, the French representative raised the question of the construction of a new strategic double-tracked railroad from Bologoe to Sedlets, which in turn would link up with the branch-line with Warsaw.(8) The Bologoe-Sedlets line would have assured a faster transfer of troops to Russia's western border from the Petersburg, Moscow and Kazan military districts. The proposal of the French general staff received support in Russia's military department. In April 1901 in Petersburg Delcasse arrived anew, in part to come to an agreement with Russian financial and diplomatic departments regarding the construction of the Bologoe-Sedlets railroad.

From the very start of the negotiations Witte made it clear he was not a categorical opponent of building the Bologoe-Sedlets road. But he did not cease pointing out its unprofitability and insisted on the conclusion with France of a special loan to finance its construction. However this second attempt to ensure new loans in France in the form of strategic railroad construction came up against serious difficulties. In the end however, Witte was nevertheless able to obtain the agreement of the French government to the conclusion of Russian loans in France to the total sum of 200 million rubles for the period between 1903 and 1904. But this success was clouded by a new attack by the French and Belgian press against Russian finances.(9)

On 5/18 September, following his meeting with Wilhelm II in Danzig, Nicholas II arrived in Dunkirk aboard the yacht *Shtandart*. Scarcely had the visit of the

Russian emperor to France ended that the French press attacked the Franco-Russian union and Russia's financial and economic position. The newspapers called Witte the initiator of Nicholas II's trip to France, and suggested it had been carried out exclusively with the aim of preparing new financial operations in the French market. Soon the Belgian press joined this campaign. In these conditions Witte was compelled to turn to Nicholas II with the request to permit the opening of a special line of credit of 160 thousand Francs that would be used to bribe the press. Witte told the tsar that the "newspaper storm" in the French press was a power struggle among various parties in the French parliament. He told him the main participants in the newspaper campaign were first and foremost French wine producers and wine dealers who saw in Nicholas II's visit hope for the lifting or at least lowering of duties on French wine exported to Russia. He also blamed those French capitalists whose expectations had been cheated and who had bought up the shares of questionable enterprises founded in Russia by Belgians and had lost their shirts in the process. Finally, he noted the negative role of Russian immigrants displeased with the political and state order in Russia.(10)

The credit issued to bribe the press made it possible for Arthur Rafalovich, the Russian Ministry of Finance's agent in Paris, to come to agreements with a whole string of influential French papers, including *Le Temps*, *Petit Parisien*, *Figaro* and *Matin*, among others. However it was only possible to somewhat muffle the campaign in the press. In April 1902 *Le Temps* published an entire series of editorial articles under the heading "Russian Industry and French Capital". The articles stressed that the influx of French capital had helped Russia catch up with France and Belgium in iron smelting, and that Russia had shown great tempos in developing the steel-founding and coal industries. At the same time the French themselves had not seen large profits from the export of their capital to Russia (unless earnings from interest rates are taken into account). Furthermore, the political union with Russia had not brought them serious political gains. Appraising Russia's annual foreign trade turnover at 3 billion francs, commercial ties with Russia at 236 million francs, and French exports at 66 million, the newspaper called for French exports to Russia to completely replace German exports to Russia by means of certain tariff arrangements.(11)

Witte replied to the attacks of the French press only once he had succeeded in wrapping up negotiations with a consortium of German bankers headed by Mendelsohn. These talks regarded the placement in Germany of Russia's share of the Chinese contributions in the form of a state loan at a nominal capital of 181,969,000 rubles. Witte carried out this operation literally under the nose of German diplomacy and avoided payment of any obligations whatsoever. Reichchancellor Biulov was besides himself when he realized the moment had been missed when it was possible to exert pressure on Witte and force him to establish trade tariffs favorable to Germany. "We need to take care that the Jews

(Mendelsohn, etc.) do not think only about their own purses but also of the interests of the state,” he wrote in a state of great irritation to the German ambassador in Petersburg.(12) In the April 13, 1902 issue of “Vestnik finansov, promyshlennosti i torgovli” Witte published, with the permission of Nicholas II, an official article on the German loan. It was presented as an obvious refutation of the claim that Russia was somehow exploiting its friendship with France. Running insistently throughout the article was the point there was not the slightest connection between the political union and Franco-Russian financial relations. “If our funds,” read the article, “were up until now most eagerly bought in France, they were bought because of the profits they yielded – just as Germany lent us money in the past and is lending to us now based on commercial calculation.” The demagogic nature of this statement was obvious. However in the polemics with the French press the last word was left to Witte.

The Franco-Russian union and financial relations between the allies underwent a new test during the Russian-Japanese war. The war demanded of Russia a straining of all financial resources, and the tsarist government was forced to embark on the organization of an entire series of war loans on foreign stock exchanges. The war began in February 1904, and already on 29 April/12 May yet another loan was signed with France to the sum of 800 million francs. This time the French government did not miss the opportunity to take advantage of the difficult financial position of its ally. Minister of Finance V.N. Kokovstov was obliged to promise to place the orders of the War and Naval Ministries, as well as the Ministry of Communications, primarily with France. Moreover, the French government demanded that part of the loan be used to complete construction of the Bologoe-Sedletsk railroad. French bankers refused to attract German banks to participate in the loan and it was issued only in rubles and francs.(13) However German banks nevertheless drove a wedge between Russian-French financial relations. In autumn 1904 Mendelsohn initiated talks on concluding the loan with Germany. This provoked the dissatisfaction of French financial circles and this poured over into the Russian-French conflict. Boutiron, who was France’s chargé d’affaires in Petersburg, considered that Germany received two-thirds of the war orders made by Russia abroad, whereas France got only one third. He demanded that the conditions pertaining to provision of orders were henceforth included in the loan contracts. This point of view received the support of the French government and press. Kokovstov sharply protested against the French claims, saying they were incompatible with Russia’s dignity. At the same time he made clear his readiness to compromise via diplomatic channels. In December 1904 he appealed to the French ambassador in Petersburg with an official letter and confirmed that same spring the obligation to place war orders primarily with French industrialists. Kokovstov promised that very soon French companies would receive order to the tune of 13 million rubles.(14) In January 1905 the

Russian government made a 4.5% loan for 231,500 thousand rubles with Germany via the Mendelsohn and Co. banking house. This loan was the last major operation of the Russian government on the Berlin market. The political currents on the international scene after 1905 clearly carried Russia to the Entente's shores.

The revolutionary events in early 1905 were cause for great concern in Paris. In early February, E. Noetzlin, the representative of Paribas and the head of the Russian syndicate in Paris, arrived on a special mission in St. Petersburg. He demanded that Kokovstov take measures to prevent the catastrophic fall on the Paris market of Russian securities. He also suggested the Russian government significantly increase its credit to support the French press. Noetzlin's demands were then repeated in a most categorical form by Verneuil. Following consultation with the president of the French republic Loubet, Verneuil convinced the Russian ambassador in Paris of the need to greatly increase subsidies to French newspapers. He suggested the figure be raised to two or even three million francs.(15) In Petersburg the reaction to this new call was met with understanding because new negative statements by French industrialists were feared. The fact of the matter was that the order of the Department of Artillery, which Kokovstov promised back in the fall of 1904 to the French industrialists, had in actuality been placed in Germany. The prices quoted by French companies turned out to be higher by 30% than German ones. The difference in the price of the order came to 3 million rubles and the Russian government was obliged to turn down the services of French industrialists. In order not to antagonize French industrialists, an order of 114 small locomotives was made in France for the Manchuria railroad, and this despite the fact that the price of the order was by 137 thousand rubles more expensive than the one offered by German industrialists.(16) Nevertheless, despite the measures taken by the Russian Ministry of Finance in the spring of 1905 it was not possible to calm the French market. The culprit was the revolutionary movement in Russia.

In early March 1905, representatives of large French loans arrived in Petersburg for negotiations about a new loan. But the talks were never held. News came of the defeat of Russian troops near Mukden, and the French left Petersburg. Incidentally, this move did not have the sanction of the French government. The French Ministry of Finance took measures to dampen the conflict that now arose unexpectedly. He assumed control of all affairs connected with bribing the press. The French president invited director of Paribas Noetzlin and told him that the conclusion of the loan met the political interests of France and that he was confident of full provision of the sums invested in the Russian loans.(17) In April 1905 Kokovtsov was able to place in Germany 5% short-term State Treasury obligations at a total sum of 150 million rubles with subsequent realization in December 1905 – March 1906. Parisian political and financial

circles reacted with their usual jealousy to the operations in Berlin, especially after the news became widespread that a significant part of obligations of the State Treasury appeared in Paris via middlemen. Soon after the conclusion of the loan in Berlin, Franco-Russian talks were renewed regarding a new loan. French creditors were interested in maintaining a strong state in Russia as a guarantor of French investments in Russian funds and the principles of the Franco-Russian union. When it became obvious that Russia had lost the war with Japan, and that the revolutionary movement in the country had not relented, the French government put forth two basic conditions for the financial support of its ally. The first was the conclusion of peace, the second – a liberal transformation in the country. Moreover, French diplomacy set a course to support the gradual rapprochement of a militarily weakened Russia with England.

The October political strike in 1905 broke off yet another set of talks on French loans. The scope of the revolutionary movement in November-December 1905 led to an intense outflow of gold from savings banks. In early December the Russian State bank's correspondents in Berlin requested that a party of Russian gold be sent to Berlin, threatening otherwise to cease paying the coupons on the Russian loans. 50 million rubles in gold ingots were sent to Berlin.⁽¹⁸⁾ At the end of December 1905 the emissions limit set by law for the State Bank was nearly exhausted. The fate of the circulation of gold money in Russia ended up being dependent upon large foreign loans. Kokovtsov was immediately sent to Paris to conclude a loan. His visit coincided with the heightening of the Franco-German conflict over Morocco. The Moroccan crisis should have been resolved at the international conference in Algeiras, which opened in January 1906. The French government repeatedly stated that it counted on Russia's support in Algeiras. When he sent Kokovtsov to Paris, Nicholas II permitted him to convey to the French government his willingness to support it at the Algeiras conference. Kokovtsov arrived in Paris on 17/30 December 1905. Following him came a telegram about the suppression of the Moscow uprising, which he hurried to announce to the French bankers. However they categorically refused to conduct negotiations on the loan. They stated that they were not very worried about the removal of the gold standard because Russia would anyway have to pay its foreign debts in gold. After two days of fruitless negotiations with bankers Kokovtsov was received by the president of the French Council of Ministers, M. Rouvier. He agreed to personally take on the organization in France of a small loan that was to be followed after the conclusion of the Algeiras conference by a large loan. However, he requested of Kokovtsov an assurance of unconditional support by the Russian government of France on the Moroccan question. Kokovtsov replied that he was authorized by the tsar to give such an assurance and that he was willing to do so in writing. In the end, an oral agreement was reached on this question between Kokovtsov and Rouvier. The result was a new

program to renew the Franco-Russian union. On the fifth day of Kokovtsov's visit to Paris a complete turnabout occurred. The French bankers Noetzelin, Mazerat, Ulman, Dorizon and Hottinguer were invited to the Ministry of Foreign Affairs. Rouvier himself led the negotiations. Following his energetic statement that a strong situation regarding the circulation of money in Russia was necessary for France and her government, representatives of banks made known their readiness to conduct negotiations with Kokovtsov.(19) On 29 December/11 January a contract was signed with French banks for a loan of 100 million rubles. The situation in Petersburg was so critical that even after this loan was concluded they did not wait until the documents on the conclusion in Paris of the operation had actually arrived in Petersburg by post. Instead, they rushed to show a State Bank foreign balance of 50 million rubles. After Kokovtsov's return from France Witte's government busied itself with the preparation of a large foreign loan. Witte wanted to give it an international character. However the main role in the preparation of the loan was left to the Paris market, and the success of the loan was this time also dependent upon the successful conclusion for France of the Algeciras conference. Witte's notes addressed to V.N. Lamzsdorf, Minister of Foreign Affairs, at the meeting of the Council of Ministers on 27 January/9 February and 10/23 March 1906, have survived: "Algeciras. By all means! By all means, Algeciras!" The financial situation of Russia was critical when on 18/31 March an agreement was finally reached in Algeciras and the French Minister of Finance permitted A.I. Nelidov, the Russian ambassador in Paris, to begin negotiations with bankers on the loan. "Hopefully nothing will occur in the next two weeks to break things off again! Otherwise we're lost," Witte reacted to the news of the conference's closure.(20) A Russian state 5% loan was concluded on 9/22 April 1906 to the sum of 2,250 million Francs. Of this amount, 1,200 million were taken on by France herself, 330 by England, 165 by Austria, 55 by Holland and 500 million by Russian banks. It was not possible to give the loan a broader international character – German, Italian, American and Swiss banks refused to participate in it.

The loan of 1906 saved the tsarist government from the bankruptcy that threatened it and maintained the system of gold currency circulation that Witte had introduced in 1897. The relationship as allies between Russia and France were from the very beginning tightly connected with the financial interests of both countries. The strengthening of the Franco-Russian union of 1899 and 1901, when Delcasse arrived on his special mission to Petersburg, had been accompanied by agreements on loans and the construction of strategic railroads. However it was precisely in 1906 that finance and politics in Franco-Russian relations became bound tighter than ever. Like no other financial operation of Russia abroad, the 1906 loan ended up being connected with an extremely important political action – the unconditional support by Russia of France in her

conflict with Germany.

While it preferred to act as a mediator in the conflict between Germany and France, Russian diplomacy was forced to act in strict accordance with the conditions of the Franco-Russian agreement. 1906 was a turning point in Russia's foreign policy: the road was paved for the agreement in 1907 with Japan and England and the completion of the formation of the Entente.

Needless to say, French banks possessed a sufficient degree of independence in carrying out operations with their Russian partners. However the French government had various means of control over financial operations, including such an effective one as access to the quoting of Russian securities on the Paris market.

After 1907 a new period began in Russian-French financial and economic relations. During the years of industrial boom on the eve of the First World War, cooperation between Russian and French banks took on a closer and more varied nature. Russian-French banking groups began to participate in joint operations tied to the financing of railroad construction, financial expansion in the Balkans, and restructuring of Russian banks.⁽²¹⁾ The French government continued to follow the development of these relations and, when possible, to exert its influence on them. As earlier, it strove to convince its ally to carry out liberal reforms, was jealous of the slightest signs of a Russian-German rapprochement, and strove to have Russia place industrial orders with France.

NOTES

1. Rondo Cameron and V.I. Bovykin, eds. *International Banking, 1870-1914* (New York, 1991), pp. 257-59.
2. B.V. Ananich, *Rossia i mezhdunarodnyi Kapital* (Russia and International Capital) (Leningrad, 1970), p. 82. See also Rene Girault, *Emprints russes et investissements francais en Russie, 1887-1914* (Paris, 1973).
3. *Ibid*, p. 17.
4. *Ibid*.
5. *Documents Diplomatiques Francais (DDF), I Serie, t. XII, No. 266.*
6. Ananich, *Rossia*, pp. 50-52.
7. *Ibid*, pp. 53-55
8. A. Zaionchkovskii, *Podgotovka Rossii k mirovoi voine v mezhdunarodnom otnoshenii* (Russia's Preparation for World War as Manifested in International Relations) (Moscow, 1926), p. 91.
9. Ananich, *Rossia*, pp. 63-70.
10. *Krasnyi arkhiv*, 1925, No36, pp. 37-40.
11. *Le Temps*, 1, 3, 5, 8, 13 Avril, 1902.
12. *Die Grosse Politik der Europaischen Kabinette, 1871-1914*, 18/1 No5405.

13. Ananich, Rossia, pp. 108-109.
14. B.A. Romanov, ed. Russkie finansy i evropeiskaia birzha v 1904-06 gg. (Russian Finances and European Stock Exchanges in 1904-06) (Moscow-Leningrad, 1926), pp. 100-01.
15. Ibid, pp. 157-59.
16. Ibid, pp. 163-64.
17. Ananich, Rossia, p. 136.
18. Ibid, pp. 154-55.
19. Ibid, p.161.
20. Ibid, p.173.
21. See S.G. Beliaev, Russko-frantsusskie bankovskie gruppy v period ekonomicheskogo pod'ema. 1909-1914 gg. (Russian-French Banking Groups in the Period of Economic Growth, 1909-1914) (St. Petersburg, 1995).