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THE GREEK MERCHANT MARINE: A UNIQUE COMBINATION OF NAUTICAL
SKILL AND COMMERCIAL SAVVY

A Thesis
Presented to
the Graduate School of
Clemson University

In Partial Fulfillment
of the Requirements for the Degree
Master of Arts
Department of History

by
Alexander John Billinis
December 2022

Accepted by:
Dr. Steven Marks, Committee Chair
Dr. Pamela Mack
Dr. H. Roger Grant

ABSTRACT

«Η Ελλάδα δεν είναι ξηρά, είναι θάλασσα που αγκαλιάζει την ξηρά.»
“Greece is not land, but rather the sea which embraces the land.”

-Plaque in Hydra Nautical Academy

The Greek-owned merchant fleet remains the world’s largest, and while plenty of histories have been written about this fleet, there is a definite absence in the historiography about *why* the Greeks’ relation to the sea is unique, and *how* this fleet came into existence. The author argues that the Greek merchant fleet is a successful hybridization of a commercial middleman minority ethos born out of conditions in the Ottoman Empire and post-independence Greece, combined with the shipping skills of a littoral people who invested in this expertise.

To understand the how and why of the Greek merchant fleet, it is necessary to understand the political, economic, and geographic environment of the modern Greeks. This includes their insular, cohesive yet cosmopolitan ethno-religious identity rooted in the Ottoman Millet system, together with a nationalism nurtured in the commercial and shipping diaspora. Combined with a littoral homeland in the Aegean and Black Sea basins, and a quest for economic and political agency denied at home, resulted in a successful merchant shipping culture which survives to this day with the same key features.

The thesis includes a section on the island of Hydra as a prototype nautical island with a key heritage pedigree; its converted merchant ships helped Greece to win her political independence, and the island is the site of the oldest nautical academy in the

world. Key diaspora commercial sites wherein commercial skills and foreign ideas, particularly nationalism, developed, form a key part of the discussion. The transition of the commercial merchant into an emphasis on shipping as an “ethnic specialty” also receives due attention. Finally, the carnage of World War Two and the horrific loss of tonnage and lives starts the final chapter, which then covers the rebound of the Greek fleet due to the decision to purchase excess wartime US tonnage. Combined with the skills of the Greek mariner and the commercial agility and cohesiveness of the shipowner class, resulted in Greeks topping the ship-owning charts in 1970, where they remain to this day.

DEDICATION

This dedication is to the memory of Alexandros Konstantinou Billinis, my grandfather, a Greek Merchant Mariner, who was killed in a U-Boat attack on his ship, the Halcyon, on February 6, 1942, in the deadly Battle of the Atlantic, about three hundred miles from the North Carolina coast.

ΑΦΙΕΡΩΣΗ

Αυτή η αφιέρωση γίνεται στη μνημη του παπού μου Αλέξανδρου Κωνσταντίνου Μπιλλίνη, ο οποίος ήταν Έλληνας ναυτικός που σκοτώθηκε κατά τη διάρκεια της καταστροφικής μάχης του Ατλαντικού, όταν το καράβι του το Αλκυόν δέχτηκε επίθεση στις 6 Φεβρουαρίου του 1942 από Γερμανικό υποβρύχειο, περίπου τριακόσια μίλια από την ακτή της Βόρειας Καρολίνας.

ACKNOWLEDGMENTS

To my wife, Vilma Sari Billinis, for over two decades, two children, two continents, four countries and several cities and states, my love and companion. To our children, John, like his grandfather for whom he is named, a good captain in any storm, and now a college student himself, and my beloved Helena, still in middle school and by our side. Thank you for your inspiration and your indulgence, and most of all, your love.

To my mentor, Dr. Pamela Mack, who helped me arrive at the Master's Program in History at Clemson University, with more than just a scholarship but an instructor opportunity in the Science and Technology in Society (STS) Program, which she ably chairs. In every sense, there would be no thesis if we had not met. Having mentored me through my classes as a graduate student and in the STS Program, you now have kindly agreed to be part of my committee.

To the chair of my thesis committee, Dr. Steven Marks, recently Emeritus Professor of the Department of History at Clemson University. Like Pamela, you also took a great deal of time and effort mentoring my studies and my instructor work at the university. In spite of the enforced distance of the COVID era, your mentoring over Zoom, and the occasional tapas and drinks remain with me long after the printing of this thesis is over, as inspiration for future work.

To Dr. H. Roger Grant of the Clemson History Department, and of my thesis committee, with his love of transportation history, most notably the American railroads, I am certain that your work on my thesis will be the beginning of a wonderful learning

experience for me as I am constantly teaching seminars about transport, infrastructure, and culture, and I look forward to this collaboration.

A Final acknowledgement is due to another brilliant Clemson faculty member and administrator, Dr. William Lasser, Dean of Clemson Honors College. Via a chance meeting a close friendship and working relationship developed, and it is my great honor to teach several seminars at this premier faculty, as well as to coordinate the Dixon Fellows Program, an intellectual mentoring program for Honors College students.

I must also offer my deep appreciation for my fellow islanders from the island of Hydra, who spoke to me on several occasions and gifted me their books. Captain Dimitrios Tsigkaris, author, his brother Captain Evangelos Tsigkaris, both graduates of Hydra's Nautical Academy, the world's oldest and still going strong. I must also add my appreciation for the contact and work of Mrs. Dina Adamopoulou, for decades the brilliant and elegant curator of the Hydra Museum and Archives. Thanks are due to my fellow Hydriot, Spilios Spiliotis; every town should have such a chronicler of history. Thanks are due to Captain Velissarios Theodorou, for his insights on the postwar Greek shipping story, and Mrs. Maggie Spiros Maag, of the Holy Trinity Archives in New Orleans, Louisiana, for her assistance in researching the Greek merchants in New Orleans.

The last voice that rings in my ears is that of my late father, the Hydriot John Alexander Billinis, son and grandson of sailors, veteran of the Greek Royal Navy, and merchant mariner (apprentice captain). His love of the sea, the "Blessed" Liberty Ships, his family, Greece, and his beloved adopted country, America, have always served as an inspiration.

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CHAPTER ONE

INTRODUCTION, THE QUESTION, THE PROPOSED ANSWER, AND THE HISTORIOGRAPHY

This is a difficult study to write, because beyond a study of the Greek-owned merchant fleet, it is a paper about ethnicity, about my own family, and my own identity as a diaspora Greek. I am the “son of a son of a sailor,” to quote the song by Jimmy Buffet, and most of my family in Greece are a merchant marine captains, engineers, and sailors. When I worked in Greece as a banker, much of my work was with the maritime sector, and I hail from one of the most famous Greek nautical islands, Hydra. Detachment and an absence of bias are a futility here, and I am fortunate to have the works of so many talented historians with granular knowledge to draw both information and inspiration.

One must ask, therefore, what can I add to this discussion about the Greek merchant marine? There are excellent, detailed histories written about it, and there exist popular culture tales surrounding the glamorous lives of mid-twentieth century shipping magnates such as Aristotle Onassis or Stavros Niarchos. Modern Greek history has a plethora of devoted authors and historians, both Greek and foreign. There are meticulous cargo, port statistics, and ship’s logs analyzed in granular detail. As for discussions on the global economy and technology, these abound, though the history is often dry to read and not widely disseminated. Why then should I make this attempt?

The Question

The answer is because I am simply not satisfied with any author’s position on why the Greek Merchant Marine is so important to the Greek identity and why the Greeks’ relation to the sea is unique. These are the questions I seek to answer, and I do

not believe that they are properly addressed by historiography, or by quick references to “geography as destiny.” Certainly, other nations have seacoasts and a deep relation to maritime pursuits. What makes the Greek version unique?

The Answer

Answering these questions requires an inquiry into the wider historical and social contexts of the Greek world from the late Ottoman era to the present, as well as the key role of geography. **The Greek merchant marine is unique because it is a successful hybridization of the merchant minority ethos and the technical skills of a maritime culture.** Further, and crucially, at sea was where the modern Greeks could realize an economic, political, and cultural agency denied to them on land.

Agency herein is a complicated topic. Since the fall of the Byzantine Empire in the 1400s, the former Byzantine peoples lived in a type of suspended animation in the Ottoman Empire, with their identity intact yet clearly conscious of their institutional second-class status among the Ottomans. They also suffered from bigotry from their fellow Christians who were Catholic and Protestant, and like other Ottomans, saw that the economic and scientific center of gravity in Europe moved north and west of their lands. Lacking a political outlet, they chose economics, and particularly commerce at sea to provide a form of agency denied to them at home. Curiously too, this agency would be as elusive to the Greeks even after the costly struggle for independence and continuous bloodletting to expand—or to defend—the frontiers of the Greek state. Only at sea could the Greeks achieve this agency—then and now.

The Historiography

While suggesting (and hopefully, in these pages, showing) that the answer to why the Greeks have such a deep and unique relationship with the sea, we need to refer to historiography and to discuss how my position is different.

First there is the history of the Greek merchant marine itself, and here, no historian can match the granular knowledge and scholarship of Gelina Harlaftis of Ionian University, in Corfu, Greece. Her *History of Greek-Owned Shipping* is the definitive work on the Greek-owned shipping fleet, for over half a century the world's largest. Harlaftis defines "Greek" as considerably different from a citizen of the Greek state, and from the beginning provides the reader with an overview of key aspects of the Greeks' success: tight-knit family or kin-based businesses, nautical skills, combined with commercial and political savvy, without necessarily going into *why* those traits developed, and *how* those skills were fostered. We receive a plethora of statistics and a cohesive history of what happened, including where the ships went, ownership structure, flags flown, commodities traded, yet less about how or why it happened. "How and why" are either implied or is assumed that the writer understands.

Further, while Harlaftis does an excellent job describing the importance of certain Greek islands in the Greek shipping phenomenon, particularly Chios in the eastern Aegean and Cephalonia in the Ionian Islands on Greece's west coast, she does not cover the story of Hydra, which I consider the prototypical Greek maritime island. Hydra's converted merchantmen played a fundamental naval role in Greece's war of

independence, and crucially for the future of the Greek merchant marine, the island was the site of the world's first merchant marine academy which operates to this day.

The Greek-owned fleet grew to prominence about the same time as a Greek commercial diaspora. It had key similarities to other middlemen minority diasporas, and emerged in the Hapsburg, Ottoman, and Romanov Empires, together with major commercial colonies in Egypt, Marseilles, and eventually Britain and the United States. This commercial merchant diaspora eventually merged substantially (but not entirely) with the shipping diaspora in the latter nineteenth century, often hailing from the same islands, and Harlaftis outlines the process well in a few articles. More granular information on this commercial diaspora could be found in the works of Olga Katsiardi-Herring and Traian Stoianovich for the Greek (and Serbian) Orthodox diaspora in Austria-Hungary, particularly Trieste. Both authors discuss the role of these diasporas in developing cultural identity and their importance to the development of the homeland, yet here too the issue of agency is implied, but not addressed.

Various publications by Patricia Herlihy, among others, provide detail for the Greek commercial community in Odessa and its decline due to competition from other merchant diasporas and the role of new technologies. This decline in the more traditional middleman minority diaspora role resulted in a more complete shift towards shipping where Greeks held a competitive advantage. Alexander Kitroeff also discusses various *loci* of the Greek diaspora and provides exceptional detail on the Greek commercial community in Egypt in the nineteenth and the first half of the twentieth century in *The Greeks and the Making of Modern Egypt*.

As alluded to early, the island of Hydra merits a particular study as the *quintessential Greek nautical island* (italics mine), rising from a barren, rocky obscurity in 1600 to become the preeminent maritime power in the Eastern Mediterranean by 1800, with a vast wealth and ships that dominated Mediterranean and Black Sea commerce. The island founded the first nautical academy in the world. Curiously this investment in technical knowledge—the “how” of the Greek shipping phenomenon—is noticeably absent in other discussions of the Greek merchant marine but is present in Antonis Lignos’ seminal three-volume work, *Ιστορία της Νισου Υδρας* (*Istoria tis Nisou Ydras-History of the Island of Hydra*), written in 1948 as well as more recent works by Spilios Spiliotis, *Η Μυστική Υδρα* (*I Mystiki Ydra-The Secret Hydra*), and Captain (ret) Dimitrios Tsigkaris’ *Υδρα 1828-2020: Τρεις Αιώνες Ναυτικής Ιστορίας* (*Ydra 1828-2020: Treis Aiones Nautikis Istorias-Hydra 1828-2020: Three Centuries of Nautical History*) for a more detailed discussion of the Hydra Nautical Academy. Captain Tsigkaris also provided, via interviews, granular details of the post-World War Two Greek shipping “miracle.”

Hydra is a case study of how Greek islanders navigated the economic and political shoals of the Ottoman, Venetian, and Russian Empires—along with the eventual *Pax Britannica* and the later *Pax Americana*—to achieve a remarkable level of economic and political agency. It was this island—though initially hesitant—that plowed its ships and fortunes into the Greek War of Independence (1821-1830), yet the discussion is absent from Harlaftis’ (and others’) analyses. While most Greeks give Hydra her due for her role in the fight for independence, few consider the island’s pivotal role in the Greek

merchant marine “story.” Shipping is a knowledge business, and the role of the Hydra Nautical Academy was central yet largely absent from the historiography.

Any discussion of Greeks’ successful hybridization of the shipping and merchant minority ethos must also take the wider political, economic, and technological currents into account. For this reason, various publications on the maritime geopolitics such as Arthur Herman’s *To Rule the Waves: A History of the British Navy*, various books about the Greek War of Independence in Greek and English such as David Brewster’s classic *The Greek War of Independence* with its deep discussion of Anglo-Greek political, maritime, and financial relations is an absolute must-read, along with various volumes of Ekdotike Athinon’s *Ιστορία του Ελληνικού Έθνους* (*Istoria tou Ellinikou Ethnos-History of the Greek Nation*) for both historical detail and the “how” of the Greek nautical tradition.

I find Joel Kotkin’s work, *Tribes*, to be particularly succinct discussion of global commercial diasporas. Highlighting the successes of several global diasporas, including the Jews and Armenians (though not the Greeks in his work) he highlights key factors to successful merchant diasporas, including a strong group identity and sense of mutual dependence, that adjusts to changes without losing its essential unity, coupled with global networks based on mutual trust, and a technocratic and cosmopolitan ethos.¹ While focused more on the global diasporas of today, Kotkin discusses the historical factors that made such merchant diasporas a success, and the Greeks possess many of these attributes.

¹ Joel Kotkin, *Tribes: How Race, Religion, and Identity Determine Success in the New Global Economy*, New York: Random House, 1992, 5.

To these must be added ancillary reading of Greek military and economic history post-independence and the strained love-hate relationship between Greece and her diaspora, merchant, shipping, and emigrants. All these factors play a role in why the Greek merchant marine plays such a central role in the Greek identity, and no other work focuses on this story. The Greeks' complicated relationship with Britain and later the United States is crucial to understanding the Greek identity of today, and the role of the merchant marine. Again, there are places where maritime historians such as Harlaftis imply it but it is not sufficiently articulated.

Finally, there are certain historical events in the twentieth century that are fundamental to understanding Greece and Greeks, and these include the Asia Minor Catastrophe of 1922, World War Two, and the subsequent Greek Civil War (actually, there were three). The impact on the Greek psyche of these traumas cannot be overlooked and it had a direct effect on the Greek merchant marine story.

For shipping in particular, the horror of the Battle of the Atlantic during the Second World War is etched in the memory of every maritime Greek to this day; my own grandfather was a U-Boat casualty, yet the tragedy is balanced by a triumph in the resurrection of the Greek fleet, and that cannot be understood without an in-depth understanding of role of the ugly, mass produced, welded ships known to this day in Greece as the "Blessed' Liberty Ships." Accordingly, several works on the Battle of the Atlantic, the Liberty Ships, my own analyses and interviews with postwar Greek merchant mariners must form a key component of this discussion. Here these retired

seamen will be asked the question of how the merchant marine provided them with opportunities unavailable in Greece.

Finally, I must add one final book to the historiography discussion, a work of fiction, *The Bourlotas Fortune* by Nicholas Gage, a former *New York Times* investigative reporter and its previous Athens Bureau chief. His is the first book I ever read on the merchant marine, to supplement my late father's constant stories. His book was compiled via hundreds of interviews where the names are changed to protect both the guilty and innocent, but the events described therein are actual history. There are times when a fictionalized account may help in a search for the truth, and that is certainly the case for this subject using Gage's book.

Again, pardon my bias, but my favorite art form is the mosaic, fitting for a successor to Byzantium, yet it is only in a mosaic, made up of so many disparate and broken pieces that we will be able to answer a question of why Greeks' relationship to the sea is unique and fundamental to their identity.

CHAPTER TWO

BY WAY OF COMPARISON: SEAFARING NATIONS AND MIDDLEMEN MINORITIES

Greeks are often compared to other peoples or nations with a commercial diaspora tradition, such as Jews, Armenians, overseas Chinese, and Orthodox Christian Serbs, Syrians, or Lebanese. Additionally, Greeks are also compared to seafaring nations such as the British, Spanish, Dutch, Japanese, Portuguese, or Norwegians, all of whom have substantial maritime traditions and remain key merchant marine powers. Given clear historical and cultural similarities with the middlemen minority peoples, and strong preference for maritime pursuits like other seafaring nations, both deserve a hearing in this discussion. The most obvious uniqueness of the Greek merchant mariner vocation is that it is a successful hybridization of both the merchant minority and the seafarer ethos.

Merchant Middlemen Minorities

I suggest that the Greeks clearly have more affinities and cultural similarities with the middlemen minorities than with the seafaring nations. The term, “Middleman Minorities” was coined by sociologist Edna Bonacich. Characteristics include a concentration in commerce or brokerage, cultural distinctiveness, group solidarity and pride of group identification.² She refers to them as “sojourners,” people who travel outside their homelands (if they have one) but do not intend to settle and assimilate into host societies.³ They tend not to invest in large fixed assets, but rather in liquid, mobile

² Edna Bonacich, “A Theory of Middleman Minorities,” *American Sociological Review* 1973, Vol. 38 (October), 583.

³ *Ibid.*, 584.

assets and key skills and professions.⁴ Speaking of mobility of capital, ships are an excellent example of mobile capital, and no other merchant minority has the shipping expertise of the Greeks. Just as the middleman merchant might change residence or allegiance, so too the Greek-owned ship might opt to change its flag, and often did.

Key characteristics of the middlemen minority cultures include a clear unifying history or culture that allows for a defined (though perhaps fluid) group identification or cohesion, a combination of insularity and openness.⁵ Cohesion is both by affirmative choice and by the negative circumstances of the imperial or host societies in which they find themselves living or doing business. Trust and mutual assistance in a strange, often hostile land is absolutely vital and often is a central factor in their economic success and competitiveness.⁶ These minorities tend to marry within the community (defined sometimes extremely narrowly) and foster institutions including religious and educational that will protect this identity in the Diaspora.⁷ There is a precarious, nervous cosmopolitanism borne of necessity along with an appreciation for the social mobility—and literal mobility—that comes with commerce. Such minorities are all too often denied political rights, or at least political equality, and commerce provides a form of agency

⁴ Ibid, 585.

⁵ Kotkin particularly refers to Armenians and Jews as having this characteristic. Joel Kotkin, *Tribes: How Race, Religion, and Identity Determine Success in the Global Economy* (New York: Random House, 1992), 5.

⁶ Bonacich, 586.

⁷ Ibid, 586. Harlaftis writes that sometimes business families from Chios would literally marry within the family with first cousins, contrary to the consanguinity laws of the Orthodox Church, to preserve tight-knit family firms. Gelina Harlaftis, *A History of Greek-Owned Shipping* (London: Routledge, 2015), 51.

otherwise denied due to the institutional or financial poverty of the lands in which they find themselves.⁸ For much of their history, the Greeks fit into this category.

Jews are often described as the archetypical middleman minority people, who, like the Greeks, have a certain cohesion while in the midst of other nations and regimes, a sense of uniqueness, and a talent for commerce. There are fundamental differences, however, in that Jews are a religion first and a people, whereas Greeks are a people who (for purposes of this discussion) share a common faith, Orthodox Christianity. While there is some diversity among Greeks in terms of ethnolinguistic origins, Greeks largely trace relatively recent origins (two or three centuries) to certain parts of the Balkan and Asia Minor peninsulas, and the modern Greek state remains rooted in the Aegean Basin. Jews have been a people in dispersion well before the end of a Jewish political state in the Roman Era, and Jews took on cultural and linguistic traits of key centers of their dispersion, such as Medieval Spain and Central Europe. Though “Greeks” might have spoken various dialects of South Slav, Albanian, or Romanian as a mother tongue, their sense of being Greek Orthodox Christian, and Church and secular education in the Greek language, ensured a sense of identity that was Greek and Orthodox even before the Greek state emerged from the Ottoman Empire.⁹

The Greeks particularly were more like those other minorities who were also subjects of the Ottoman Empire, including the Ottoman Empire’s large Sephardic Jewish

⁸ Kotkin, 46

⁹ Greek language education in both the Greek Diaspora and in lands that would become Greece predated the Greek state. For example, the Greek School of Vienna was founded in 1804. Alexander J. Billinis, “Vienna: Where Greek first appeared in Print,” *Neos Kosmos*, Nov. 15, 2017. <https://neoskosmos.com/en/2017/11/15/features/vienna-where-greek-first-appeared-in-print/>

population and the more culturally akin (to Greeks) *Romaniote* Jewish population. The Ottoman state encompassed the entirety of the Balkan and Asia Minor peninsulas, as well as substantial parts of the Middle East, North Africa, and the Black Sea littoral for several centuries, having destroyed the Byzantine Empire and other Orthodox, Catholic, and Muslim states in the area. The Ottoman state was a theocracy where Muslims were the ruling class yet Christians of all denominations and Jews, as Peoples of the Book, had theocratic autonomy. This was the *millet system*, which remains in some ways the foundation of nearly every Ottoman successor state, such as Greece, Turkey, or Bulgaria.¹⁰

The Ottomans did not recognize ethnicity but rather religious community as one's identity. As the ruling class of an empire with origins in the Asiatic Steppes, the Turks were a warrior tribe which generally looked down on commerce as opposed to rule and conquest. This provided the interstitial opportunity for the second-tier subjects to engage in commerce. George Kaloudis suggests that "Economic activity act[ed] as an alternative outlet to repressed energies and economic success often compensates for lack of political power."¹¹ The Millet System fit well with the Jews' own sense of "peoplehood," and it reinforced the idea that to be Greek is to be Orthodox Christian, and ethnolinguistically Greek Jews or Muslims were not considered Greeks, either by the Ottoman authorities or by the Greek Christians themselves in terms of self-identification. Certainly, both the

¹⁰ F. Asli Ergul, "The Ottoman Identity: Turkish, Muslim, or Rum?," *Middle Eastern Studies*, July 2012, Vol. 48, No. 4 (July 2012), 629-630.

¹¹ George Kaloudis, "Greeks of the Diaspora: Modernizers or an Obstacle to Progress," *International Journal on World Peace*, June 2006, Vol. 23, No. 2, 52.

Greek merchant diaspora and Greek merchant mariners were often declaratively Orthodox.

Armenians are another key middleman minority, both within and without the Ottoman Empire and its successors, as well as in the Russian Empire. Armenians are Eastern Christians but not Orthodox Christians, and under Ottoman rule they were a separate *millet* (community).¹² Like the Jews and the Greeks, the Armenians excelled at commerce using community networks and connections and their activities spread beyond the Armenians' homeland in what is today northeastern Turkey and the present Armenian Republic, into the Russian Empire, Persia, Syria, Lebanon, Egypt, and the Balkans. While fellow Christians to the Greeks and often living side by side in Asia Minor, Istanbul, and various Balkan cities, the communities were largely separate.

The largest non-Muslim community in the Ottoman Empire, and indeed the local majority in most of the Balkans and parts of Asia Minor, were the Orthodox Christians, which of course included the Greeks. The Ottomans referred to these people as the *Rum Milleti* (a rough translation would be the “Roman [Byzantine] Community”) and an Orthodox Christian would be a *Rum* whether in Belgrade or Beirut.¹³ While this would change as the Serbians successfully advocated for their own Orthodox Church, followed by others, including the independent Greek state post 1830s, there was a cultural and identity overlap between Orthodox Christians, both within the Balkans and without. For example, Hungarians would refer to any Orthodox merchant as a “gorog” (Hungarian for

¹² Kotkin refers to the Armenians as an archetype diaspora with a “vocation to uniqueness,” both in terms of an almost mythological origin story (and like the Jews, a genocide in recent memory) but also in their remaining distinctive though spread through many host countries. Kotkin, 29.

¹³ Ergul, 630.

Greek), though the largest Orthodox community in Hungary was the Serbian.¹⁴ Similarly, in Alexandria, even once distinct national identities had emerged, Syrian Orthodox and other Balkan Orthodox might apply to the Greek consulate in Alexandria for Greek citizenship.¹⁵ Religious affiliation easily became a national one, often, as in the case of Greek citizenship in Egypt, with key benefits. Kaloudis suggested that the millet system saved Greek identity through the Ottoman years.¹⁶

The Orthodox Christian merchant minorities, and to a lesser extent the Armenians, also had a potential protector in the growing Russian Empire. The Russians were happy to play the “Orthodox Card” with the Orthodox Christian populations of the Balkans and Asia Minor; Ottoman Christians could operate as a Fifth Column and potential second front in the Tsar’s many wars with the Sultan, and their commercial and shipping skills were actively sought after. As we will see in subsequent chapters, various Russian tsars actively encouraged Orthodox subjects of the Sultan to emigrate to the Russian Empire’s newly acquired Black Sea territories, and they basically subcontracted the import-export trade to these and other minorities. They also extended a form of extraterritoriality to the Orthodox seafaring merchants of the Ottoman Empire, by allowing these ships to fly the Russian flag.¹⁷

¹⁴ Traian Stoianovich, “The Conquering Balkan Orthodox Merchant,” *The Journal of Economic History*, Vol. 20, No. 2 (June, 1960), 266.

¹⁵ Alexander Kitroeff, *Greeks and the Making of Modern Egypt* (Cairo: University of Cairo Press, 2019), 62.

¹⁶ Kaloudis, 51. He also adds that it fused [Orthodox Christian] religion with nationalism. *Ibid.*

¹⁷ Thomas W. Gallant, *The Edinburgh History of the Greeks, 1768-1913* (Edinburgh: Edinburgh University Press, 2015), 12.

While in their Balkan homelands the Orthodox communities would largely overlap, it was ironically in the Diaspora that ethnic identities began to harden. Greeks and Serbs would have joint churches and swap languages on different Sundays, but then, in many Diaspora communities, such as Trieste and Budapest, they would build separate churches, supported by increasingly wealthy communities which funded education that separated the former [Eastern] “Roman” identity into Greek Orthodox and Serbian Orthodox. As one of the foremost Greek historians of the Orthodox communities in the Hapsburg Empire put it: “in the Diaspora the language of nationalism was in their mother’s milk.”¹⁸

Perhaps another element is in play. Greeks and other Ottoman minorities were keenly aware of their inferior status in the Ottoman Empire, but in the Diaspora, particularly in the rapidly developing countries of Western Europe, they also felt the stigma of other Europeans. Disdain of lands and peoples south and west of core, Atlantic, Protestant-Catholic Europe was very real.¹⁹ This may have fostered a pursuit of economic success like the drive these minorities felt in their oppressed homelands, as well as a strong incentive to assimilate when and where possible. For Greeks and Serbs, assimilation into the Orthodox Russian Empire was predictable but a drive for upward mobility and assimilation also occurred in the Austrian and British Empires.

¹⁸ Olga Katsiardi-Herring, “Greek Merchant Colonies in Central and South-Eastern Europe in the Eighteenth and Early Nineteenth Centuries,” *Merchant Colonies in the Early Modern Period*, No. 19 (London: Routledge, 2015), 135.

¹⁹ Richard Stites, *The Four Horsemen: Riding to Liberty in Post-Napoleonic Europe* (Oxford: Oxford University Press, 2014), 5. “The Balkans were said to begin at the back streets of Vienna. ‘Real’ Europeans applied orientalism not only to the Ottoman Empire but also to its Christian Greeks.” Ibid.

The Greeks shared key features with all the middlemen minorities, particularly those who, like the Greeks, emerged from the Ottoman Empire. Their sense of parallel society, official disadvantage, and ethnic-centered business cultures were the secrets to their success both within the Ottoman Empire and without. Notwithstanding the backwardness and arbitrary cruelty often characterizing Ottoman rule, the Ottomans' disdain for commerce and the millet system created a fertile ground for successful middlemen minorities, and this ethos continued.²⁰ All these communities continued, with varying degrees of success, to have merchant colonies everywhere they settled.

However, with the partial exception of the Dalmatian Serbs in shipping, who formed substantial interests in the Adriatic and particularly the Austrian Empire's chief entrepot of Trieste, none of these communities had an appreciable shipping expertise or ethos. This is the case despite these communities' presence in key ports of the Ottoman Empire, and a shipping heritage along the Lebanese and Syrian coasts going back into the Phoenician antiquity. The Serbians in Dalmatia, where they were a minority among other South Slavs of Catholic background, were the only ones who had shipping skills comparable to the Greeks.²¹ These Dalmatian Serbs, along with the Greeks and Croatians, actively participated in the maritime and commercial life of the Republic of Venice, which at times held enclaves in Dalmatia as well as in Greece. The Venetian Republic was a great builder of naval heritage. However, neither the Serbs (largely landlocked) nor any of these other peoples had the geographic advantages of the Greeks,

²⁰ Kaloudis, 54. He quotes a Turkish historian Inalcik who suggested that "the Greeks become successful when excluded from political power." Ibid., 52.

²¹ Djordje Milosevic and Dimitrije Manolev, *Serbs in the History of Trieste* (Belgrade: Jugoslovenska Revija, 1987), 24.

whose homeland centered on the Aegean Archipelago, a center of naval excellence for millennia. This leads us into the discussion of shipping nations.

The Shipping Nations

The British, Italians, Spanish, Portuguese, Dutch, Japanese, the US, Norwegians and Danes all have strong seafaring traditions and major merchant fleets. As with the Greeks, these countries had long coastlines and available sources of quality timber needed for building naval and merchant fleets, together with a strong naval heritage. Certainly, the Danes and Norwegians recall their Viking heritage with strong modern shipping sectors; they are the first documented Europeans to reach the Americas. The English and Scots built a global commercial and naval empire on the waves, as the relative poverty of their resource-poor homeland sent them abroad. Italy has a naval heritage going back to the Ancient Greek, Phoenician, and Roman eras, as well as the more recent power of proto-capitalist maritime republics of Genoa and Venice, the latter particularly impacting the development of the Greek merchant marine. “God created the Earth, but the Dutch created the Netherlands,” so goes the saying, as much of the country was literally reclaimed from the North Sea, and the tiny, crowded land depended on sea and riverine commerce for survival. Finally, the Spanish and Portuguese built their empires on missionary and commercial zeal, and naval skills honed on the Atlantic.

Non-Europeans also possessed strong naval traditions. The Polynesians settled the vast Pacific with its thousands of tiny islands with navigation skills using the stars. The medieval Chinese used their vast economy and state apparatus to send huge fleets west, south, and east, with armadas and ships dwarfing those that the Spanish and Portuguese

would sail to “discover” America. Yet China also stopped their naval program by government fiat, surrendering their naval supremacy in an act that in hindsight must be rated as one of the greatest blunders in history. The Arabs had a substantial naval tradition, particularly in the Indian Ocean, though they also were considerable commercial and naval factors in the Mediterranean, including the infamous Barbary Pirates whose attacks led the United States to its first overseas war.

What do the Greeks have in common with any or all these maritime nations? Certainly, the destiny of geography is the most important common trait. The sea surrounds Greece and has provided an outlet for commerce and conquest—both inward and outward. If the Greek homeland were largely landlocked, there would be no Greek seafaring story. The economic incentives that drove Greeks to sea—poorer soils, local poverty and oppression—also existed in other countries, though none of the above-mentioned European nations had poverty or political oppression any worse than Greece, and in many cases, the countries in question—the United States, Britain, Denmark, or the Netherlands, for example—were among the most enlightened and wealthiest on the planet for the past several centuries. These northwestern Europeans, though they might have furnished plenty of Philhellenes, also tended to look down on Greeks as second-class Europeans.²²

Further, and this point is crucial, until the fitful emergence of the Greek state, which, as we will see, owes a great deal to the wealth and naval skill of its merchant marine, the Greek merchant mariners lacked state support. This, again, is in complete

²² Stites, 5.

contrast to the prevailing model in other maritime nations, wherein governments actively supported merchant mariners. In the case of China, government support was everything and the entire naval program and discoveries of Zheng He were based on state support. Once withdrawn, the Chinese naval empire disappeared. The Venetian and Genoese Republics are good examples of this, as are the Dutch and British states, which supported quasi-state “companies” with their own ships and armies, ultimately supported and co-opted by their host states.²³ Beyond the East and West India Companies of both the British and the Dutch, we might look to legislation such as the several Navigation Acts in the British Empire, clearly designed to promote British industry carried in British Ships, and the acts themselves were a response to Dutch mercantilism.²⁴ The restrictions on American colonial shippers, a major economic segment in the British North American colonies, particularly New England, is often viewed as a proximate cause for the American Revolution.

The Greek merchant marine emerged in spite of, rather than because of, any support in the Ottoman Empire. The Greeks combined their geographic advantages and nautical skills of a littoral people with the insular self-help ethos, technical skill and savvy cosmopolitanism of an embattled merchant minority.²⁵ The emergence of the

²³ The evolution of the corporate form, limited liability, and government legal and actual involvement can be seen in the operation of both the British and Dutch East India companies. Gelderblom, Oscar, Abe de Jong, and Joost Jonker. “The Formative Years of the Modern Corporation: The Dutch East India Company VOC, 1602–1623.” *The Journal of Economic History* 73, no. 4 (2013), 1073.

²⁴ Mercantilism in Europe clearly sought to accrue to each state the best balance of trade and since Europe needed foreign raw materials, it required that these be sent in national flagged, owned, and crewed ships. Curtis P. Nettels, “British Mercantilism and the Economic Development of the Thirteen Colonies.” *The Journal of Economic History* 12, no. 2 (1952), 106.

²⁵ Kotkin emphasizes the key role of insularity, cosmopolitanism, and technocracy in a global merchant diaspora, skills possessed by the Greek merchant mariners. Kotkin, 4.

Greek state only slightly altered this calculation. Much as the shipowners were devoted to Greece, the emerged state continued many of the governance dysfunctions of its Ottoman predecessor. The quest for agency continued after the Greek state these merchants helped to birth emerged.

This hybridized version of the Greek merchant mariner—part middleman minority, part maritime technocrat—was a unique economic and cultural phenomenon. Moreover, it is a mistake to speak of this archetype in the past tense, as much of this ethos remains intact in the Greek owned merchant fleet of today. We will begin with the story of Hydra, in many ways an archetypical Greek “nautical island.” We then will examine the Greek commercial network of the mid-1800s, which combined with the shipping to produce the unique, hybridized Greek merchant marine which continues to be one of the most dynamic and unique forces in commerce to this day.

CHAPTER THREE

HYDRA AS THE PROTOTYPICAL MERCHANT MARINE ISLAND

Most Aegean islands are small, mountainous, rocky, and lacking in natural, forestry, and agricultural resources. Hydra, a narrow, mountainous island twenty-two miles long and three miles wide at its greatest girth, certainly conforms to this description. Its bays are small, with no real natural harbors, and sparse level land suited for habitation and agriculture. Despite, or perhaps, because of, these poor endowments, Hydra for a few decades became one of the richest islands in the Mediterranean Sea, with a wealth based solely on its maritime trade. What the island lacked in natural wealth was amply compensated for by its human factors: skilled pilots, prolific shipbuilders, and savvy merchants who read political tea leaves with the same acumen as the economic ones. This winning combination would be repeated by many of the Greek islands, but Hydra's early successes and its key role in Greece's fight for independence make the island's story worth examining in detail.

Introduction: Setting the Stage

Despite Hydra's proximity to the east coast of the Peloponnesian peninsula of mainland Greece, the setting of over four millennia of advanced and maritime-oriented civilization, Hydra's Mycenaean, Classical, and Byzantine remains are limited. The island did not host large settlements like neighboring islands Poros and Aegina, nor did it, in contrast to the aforementioned islands, have many classical sites of note. In the late

Byzantine period, a small village perched on a defensible escarpment formed the bulk of the inhabited area.²⁶

The Aegean basin from the 1400s to the mid-1700s was the site of see-saw warfare between the Ottoman Empire and the Italian mercantile city-state of Venice, which had considerable enclaves in the archipelago. Beyond these two antagonists, there were any number of pirates, including local Greeks, Turks, Italians and, particularly, from the North African coasts. Turmoil increased as the Ottoman Empire started to suffer reverses, particularly in 1683, where their second attempt to conquer Vienna failed and a large alliance, which included the Venetian Republic, started to counterattack the Ottomans in both the Northern Balkans and the Aegean. Venice, itself an aging empire in decline, managed to evict the Ottomans from several Aegean islands and the large Peloponnesian peninsula in mainland Greece directly opposite Hydra. Under the Treaty of Karlowitz (Sremski Karlovci) in 1699, Hydra remained an Ottoman possession.²⁷ Venetian rule in the Peloponnesus was short-lived, and the depredations of constant warfare drove many to Hydra. Waves of refugees, primarily from the nearby Peloponnesian mainland but also from Central Greece, Crete, and even Asia Minor, continuously increased the size of the Hydriot population, stretching the thin resources of the island and forcing the inhabitants to the sea for survival.

²⁶ The conventional wisdom about the extent of civilization and habitation in pre-Byzantine Hydra has undergone extensive revision after recent excavations. Σπηλιος Σπηλιωτης (*Spilios Spiliotis*), *Η Μυστική Ύδρα (I Mystiki Ydra)* (Αθήνα: Εκδόσεις Κυβέλλη, 1998). (Athina: Ekdoseis Kyvelli, 1998), 41.

²⁷ Γεωργιος Χριστοπουλος, εκ, (George Christopoulos, ed.), *Ιστορία του Ελληνικου Έθνους (Istoria tou Ellinikou Ethnos)* (Αθήνα: Εκδοτική Αθηνών), (Athina: Ekdotike Athninon), Vol. 12, 37.

The Ships

According to various Hydriot sources, the first ship built in Hydra was completed in 1657, described as ugly and unseaworthy, and one source claimed its lanyards were fashioned of vines.²⁸ Designs particularly improved after the return of one of the island's most skilled shipwrights, Konstantinos Sakellarios. Taken as a captive by Algerian raiders, they put him to work as a slave craftsman in a shipyard in Algeria, where he worked on larger ships with greater cargo capacity and speed. Released from bondage, Sakellarios returned to his home island and put his acquired knowledge to work, actively apprenticing new shipwrights.²⁹

The Hydriots' supply chain for construction was about as local as possible; the island's limited forests were actively felled by shipwrights, and shipyards developed in the few bays where there was enough level land to work on boats. Responding to needs for greater scale, the size of ships grew, to the point where one-hundred-ton ships were regularly launched, and the Turks began to worry about the growing power of Hydra and the other nautical islands and banned ships over a certain size. The Hydriots simply ignored the edict and continued with large scale shipbuilding.³⁰ This pattern was typical of other Greek islands and the tradition of family-run companies employing relatives or fellow villagers/islanders would continue into the twentieth century.³¹ There is also the

²⁸ Spiliotis, 47.

²⁹ Ibid., 47.

³⁰ Αττώνιος Λίγνος (Antonios Lignos), *Ιστορία της Νήσου Υδρας, Τομος Πρωτος (Istoria tis Nisou Ydras, Protos Tomos)* (Αθηνά, 1946) (Athina, 1946), 82.

³¹ While officers in particular and sometimes crews would be extended family and usually from the same island, the profit sharing model began to fall into disuse as time went on. Nicholas Gage, *The Bourlotas Fortune* (Stamford: Marine Money Inc., 1975), 55 .

willingness to flout rules that interfere with commerce that would continue and often cause shipowners to run into trouble.³²

As Hydra's wealth grew, they would acquire ships from other Aegean yards, or often enough, as prizes captured at sea, but these local Hydra yards would remain the backbone of the Hydriot fleet, launching ships that sailed throughout the Mediterranean and Black Seas. Hydriots, like other Aegean islanders, would continue to build wooden ships in makeshift yards in similar fashion until the 1960s. The American Philhellene Dr. Samuel Gridley Howe of Boston, who spent many years fighting with the Greeks during their War of Independence, marveled at the skill of the Greek sailor, observing that "Almost every Greek sailor is capable of being a shipbuilder and it is surprising to see the skill and the ingenuity which they exhibit." He recalled walking on the beach of another Greek island where he came upon a lone shipwright, "with a rude ax, saw, and knives [create] a boat so fleet that few barges could overtake her."³³

The Companies

Ships required a great deal of capital and, the maritime business was one fraught with risk. It is therefore important to consider how the Hydriots financed their ships, and how sailors were paid. This was an era with limited maritime insurance, at least in the Mediterranean, and further the concept of corporation as we understand it today, with

³² Over a century after the Hydriots' apogee, the charismatic shipowner Aristotle Onassis would consistently find himself foul of the laws of many countries, not at least the United States. Gelina Harlaftis, "The Onassis Global Shipping Business, 1920s-1950s," *The Business History Review*, Vol. 88, No. 2 (Summer 2014), 267.

³³ Even if there is some mild hyperbole to Howe's view, the learned doctor did have an excellent frame of reference. A Massachusetts native, he would be familiar with shipping and shipbuilding. His assertions, moreover, are borne out by other sources. Samuel Gridley Howe, *An Historical Sketch of the Greek Revolution* (New York: White, Gallaher, and White, 1828), 332.

limited liability, did not exist. As a result, the Hydriots took what might be best described as a “portfolio approach,” wherein investing “shipowners” would own portions of several ships.³⁴ This might include an outside investor, perhaps from a Chios, a Smyrna or a Diaspora merchant.³⁵

Compensation both to capital, management, and labor might be best described today as a partnership. After a journey, an accounting of profits was made. Expenses, including cost of provisions for the crew, other expenses, and taxes due to the island (more on this in a moment), the first half of the profits went to capital investors. The second half was divided between captains, officers, and seamen, in a formula that was three shares for the captain, two or two and a half for the officers (based on experience), and one for the seamen.³⁶ Given that sometimes officer and shipowner were one and the same, and that often enough the seamen came from the same or extended family, a successful voyage could result in considerable household enrichment. Often the ship would also make an endowment to a favorite church or monastery, which in part explains the plethora of churches large and small on the island.

This cooperative formula for ships worked well during this period. It was a sensible apportionment of risks, and it also reflected the lack of legal corporate infrastructure in the late Ottoman period. Certainly, Ottoman law, borrowing heavily

³⁴ Lignos, 84.

³⁵ Traian Stoianovich, “The Conquering Balkan Orthodox Merchant,” *The Journal of Economic History*, Vol. 20, No. 2 (June 1960), 275.

³⁶ Lignos, 81. Gage, in *The Bourlotas Fortune* notes that seamen of a later, more corporate era pined for the earlier cooperative times, when seamen also got a profit share rather than a usually poor wage. “We’re the lowest paid sailors in Europe,” one of Gage’s characters exclaimed. Nicholas Gage, *The Bourlotas Fortune* (New York: Marine Money, 2017), 182.

from Islamic legal norms, did have recognized forms of business associations. The problem here, however, is that Hydriots were Orthodox Christians and under Ottoman law, which followed Sharia principles, Orthodox were subject to their own legal norms, which often continued those of Byzantium.³⁷ A further complication is that property—land or chattels—in theory belonged to the Sultan, and subjects only had the right of use rather than ownership as we would understand the term.³⁸ Further, even the names of ships had little or no relevance to the Ottoman authorities, who often enough identified a ship by the captain’s name, the ship’s carrying capacity, and its armament.³⁹

The Hydra authorities to some degree established their own legal canons on the subject, basically regularizing what was already in practice.⁴⁰ This is particularly the case from 1802, when Captain George Voulgaris was appointed to be the governor of the island, at the behest of key Hydriot shipowners. Voulgaris was well regarded by the Turks as a fearless pilot who had commanded Ottoman ships in many an action, so much that they sought his conversion to Islam, which he refused.

His installation as ruler of the island’s hitherto anarchic government brought a great deal of reform, in particular in commercial practice, basically codifying the cooperative ownership practice for ships, and recording ownership in a government

³⁷ Spyros Vryonis, ed, *Greeks and the Sea* (New York: Aristedes Caratzas, 1993), 13.

³⁸ *Ibid.*, 136.

³⁹ *Ibid.*

⁴⁰ Δημητρης Λισμανης (Dimitris Lismanis) «Ο Καπεταν Γεωργης Δ. Βουλγαρης--Η Αγνωστη Συνεισφορα του στη Προιειτοιμασια του Ναυτικου Αγωνα,» (“Καπεταν Georgis D. Boulgaris-I Agnosti Syneisfora tou sti Proetimasia tou Nautikou Agona”), *Θαλαττα (Thalatta)*, (Αθηνά: Ελληνικου Ινστιτουτου Ναυτικης Ιστοριας, 2021), (Athina: Ellinikou Institoutou Nautikis Istorias, 2021), 8.

register.⁴¹ The last years of Hydra under the Ottomans were ones of prosperity and good local government, the latter a rarity in the area, in any era.

The island's authorities also imposed taxation upon its ships and sailors, both for the local governmental requirements, and to pay the necessary tribute due to the Ottoman Sultanate. The island's tribute was not onerous, particularly since the island furnished plenty of tribute in kind with its excellent sailors and a carrying trade vital to the Ottoman economy. A more haphazard taxation system was replaced, under Voulgaris' reforms, with a regularized set of taxation rates, which helped to fund municipal activities and infrastructure.⁴²

After the Treaty of Kucuk Kaynardji in 1774, the Hydriots, like other Orthodox Christians in the Ottoman Empire, had the right to fly the Russian flag on their ships, giving them a pretense of extraterritoriality and the protection of a Great Power. How this often worked, as a practical matter, is that Hydriot and other Greek ships in the Ottoman Empire would fly the Russian flag without any official Russian sanction. If challenged, a timely payment of some gold coins to the relevant Russian consular official would solve the problem. This is a classic case of asking for forgiveness, instead of permission.⁴³

The Hydriots were primarily commodities carriers, and this preference for bulk carrying shipping would continue to be a Greek specialty to the present day. The most common commodity was wheat, sourced initially from Egypt but more importantly from

⁴¹ Voulgaris also invested heavily in education, and not just in the Nautical Academy but in literature, history, and mathematics; literacy increased and the use of Arvanitika declined considerably in favor of Greek. Lismanis, 8.

⁴² Lignos, 79.

⁴³ Author interview with Captain Vangelis Tsigkaris (retired), February 28, 2021.

the vast Russian-Ukrainian wheatfields, which fed the Ottomans, other Mediterranean peoples, and eventually the British. Other Mediterranean bulk commodity products were important, but none had the value either by tonnage or remuneration as grain.⁴⁴

Subsequent Greek shipowners, whether from Chios or the Ionian Islands, would continue to prefer bulk commodity business.⁴⁵ Bulk shipping was less specialized and more opportunistic and *ad hoc*, which appealed to the Greeks' preference for spot market opportunities and higher margins.

The Sailors

Once the number of ships reached a critical mass, around 1800, nearly all able-bodied Hydriots above adolescence would be employed in some fashion in the maritime trade. Given the poverty of the island and the absence of agriculture or other opportunities, the percentage of the male population involved in shipping was abnormally high, but in time other small Aegean islands would also have high percentages of their manpower employed in the maritime arts. In Hydra's case, the portion of Hydriots employed in a maritime trade neared fifty percent of the population. This incredible number also reflects that most Hydriot ships also had cabin boys on board, some as young as seven years of age, particularly if they were orphaned and needed to earn their keep. It also meant that Hydriots were familiar with the sea from early childhood.⁴⁶

Howe already noted the ability of common sailors to work on building, as well as piloting their ships, but the constant exposure to the shipping profession resulted in

⁴⁴ Stoianovich, 289.

⁴⁵ Harlaftis, *A History of Greek-Owned Shipping*, 38.

⁴⁶ Out of an 1810s population of just over 20,000, about half were at sea. Author interview with Captain Vangelis Tsigkaris, February 28, 2021. Supported by Lismanis, 10.

several generations to use a worn cliché, “born to the sea.” The Hydriots also had ample opportunity to meet other sailors in the ports of the Mediterranean, and they were quick studies. The Turks, too, unwittingly fostered the Hydriots’ nautical skills by requiring an annual levy of the best Hydriot sailors for the Turkish navy; the Turks subcontracted some of their naval defense to key islands such as Hydra in exchange for allowing the Hydriots nearly complete internal autonomy over their affairs.⁴⁷ For decades, the bargain was well worth it as the island was largely left outside of the capricious rule of the Ottomans while the Hydriots gained valuable naval experience which would then be used to great effect against the Turks during the War of Independence.

The Hydriots did not merely rely on the school of experience to teach its pilots, but rather they directly invested in the merchant marine education. This key investment in technocracy and “soft skills” is generally overlooked by other biographers of Greek shipping. In 1749, a wealthy Hydriot established a school which would become the Hydra Nautical Academy, the oldest continuously running merchant marine academy in the world. This academy was as often as not staffed by foreign experts, particularly from the Italian states, and cadets would study languages and commerce in addition to the nautical arts. The goal was to make the captains cosmopolitan and savvy businessmen in

⁴⁷ The levy also meant that Hydriots and other Greek islanders were well acquainted with Turkish naval tactics, and the departure of these sailors when the Revolution started left a skill and manpower hole in the Turkish squadrons. Specifically, Hydra was required from 1797 to the time of the Greek War of Independence, to furnish from 100 to 500 of her best sailors annually for Turkish naval service. Neighboring Spetses was to furnish 80, and Psara the third most important “Naval Island,” was to furnish 75. The far larger number for Hydra is testimony to the island’s size and importance. Christopoulos, 151.

addition to skilled and daring pilots.⁴⁸ The Hydriots, and Greek merchant mariners thereafter, viewed their profession with pride.

In maritime commerce, unlike in the Ottoman (and post-Ottoman) societies, piloting skills and commercial savvy, rather than cronyism and connections, got you ahead. The merchant marine was a path for agency, for upward mobility, personal, professional, and familial. Other islands would eventually build similar academies, but Hydra's remained (and remains) the gold standard, graduating hundreds of cadets to a growing merchant marine. The profession of a merchant mariner was one held in extremely high esteem by Greek society, where the job earned good wages unavailable at home and provided upward mobility for generations of Greeks. To this day, merchant marine captains, active or retired, are always addressed as "Captain," an honorific every bit as respected as "Doctor" or "Professor."

"Greek" Identity

The Hydriots in 1600 inhabited a rough world. They were Orthodox Christians native to the land but ruled by an empire whose ruling class was Muslim. They last had political independence during the (East Roman) Byzantine Empire, which officially fell with the Fall of Constantinople in 1453 but had lost most of its territory well before then. As if this was not enough, the Byzantines were also set upon by Western European Christians, from the Crusaders, who temporarily dismembered the Byzantine Empire in 1204, to the Venetian Republic in Italy, which colonized several Aegean islands and mainland enclaves for centuries. Nodding to the local Orthodox identity, both the Turks

⁴⁸ Interview with Captain Vangelis Tsigkaris (retired), February 28, 2021.

and the Venetians called the Byzantine Orthodox inhabitants of the Balkans “Romans” (*Romani* in various Italian dialects, *Rum* or *Rumlar* in Turkish, *Romioi* in Greek).⁴⁹

Further, and crucially in the case of Hydra, these *Romioi* may or may not have spoken Greek as a mother tongue. Then as now, various linguistic groups inhabited the Balkans, and both on Hydra and many of the neighboring areas of the Peloponnesian peninsula, the source of many refugees to Hydra, the predominant language was a dialect of Tosk Albanian known as *Arvanitika*.⁵⁰ The language was unwritten, and the Orthodox Church liturgy and all documents were written in Greek or if they were Ottoman official documents, in Turkish with the Arabic script in use at the time. There was no sense of Albanian ethnic identity as their identity was *Romioi* and any written literature was in Greek. The average Hydriot sailor was likely to be bilingual in *Arvanitika* and Greek, as well as conversant in Italian and Turkish, if not other languages such as Russian or Arabic.

The Hydriots were conscious of being part of a large “Byzantine” world with Orthodox Christian merchant enclaves in most of the major Mediterranean and European ports, and often enough the Hydriots would trade with other Greek merchants there, though they were just as likely to follow the gold to whoever commanded the best prices.

⁴⁹Thomas W. Gallant, *The Edinburgh History of the Greeks, 1768-1913* (Edinburgh: Edinburgh University Press, 2015), 129. The Venetians would refer, for example, to the Greek town of Nauplion, at one time the capital of the Venetian possession of the Peloponnesus (1699-1715) as Napoli di Romania, to distinguish it from Napoli (Naples) on the Italian peninsula. The use of the term “Roman” by inhabitants of the Italian peninsula to describe Greeks may sound strange, but it is because of the persistence of the (East) Roman identity among the Balkan Orthodox, particularly among Greeks. Also interesting is that ex-Byzantines and Ottoman Turks never called Catholics of the West “Roman Catholics,” but rather “Franks,” a term still in fading use in the Balkans and Turkey.

⁵⁰ Lignos, 5.

These “Greek” merchants might also have a mother tongue different than Greek, particularly Vlach (a Latin-based tongue close to Romanian) or Serbian.⁵¹ While linguistics may have varied, the consciousness of being Roman, or later Greek, was clear, and if anything, key diaspora locations in Europe, connected with the Enlightenment and the spirit of nationalism, imparted a growing sense of Greek national consciousness onto these Greek sailors, who brought these ideas home along with their cargoes. Suffice it to say that the identity was Greek in the sense of being an Orthodox Christian from the Ottoman Empire. These elements of being Greek—Orthodox Christianity and this common origin in the ex-Byzantine Ottoman Empire—rather than solely the Greek language and strict territorial definition of what it meant to be Greek—would inform the Greek merchants’ national identity, even up to the present day.⁵²

The Politics and Economics

Hydriots and other Greek merchant mariners were able to manage successfully the politics of their era, a skill generally replicated in subsequent generations. A basic tenet was not to challenge the prevailing naval hegemon, which for most of the past 300 years was either Britain or, post-World War II, the United States. The Hydriots came into their own in the late 1600s, just as Ottoman and Venetian commercial and naval power were declining in the Eastern Mediterranean, providing a great opportunity not just for the Greeks as local entrepreneurs, but also for Western Europeans, particularly the

⁵¹ Stoianovich, 267.

⁵² Harlaftis, *A History of Greek-Owned Shipping*, xx. “Accordingly, the *millet* may just as well be defined as a church organized into a nationality as an nationality organized into a church.” Werner Cahnman, “Religion and Nationality,” *The American Journal of Sociology*, Vol. 49, No. (May 1944), 527. Stefanos Katsikas, *Prostelytes of a New Nation* (Oxford: Oxford University Press, 2022), 52.

British and French, to penetrate Ottoman markets. Greeks had always served as sailors on both Venetian and Ottoman vessels, and further afield, in the service of Spain. The timing for a wholesale move into shipping by Greek islanders was thus well chosen, and the conditions, despite wars and turmoil, continued to improve for Greek shipping.⁵³

The Ottoman state was suffering major defeats both at land and sea as the 1600s ended, with reverses in Central Europe and the littoral Black Sea steppe. Decades of warfare devastated potentially productive lands, and both the Austrians and the Russians sought to make these areas productive by improving trade and settlement. They actively encouraged Balkan Orthodox to move to these newly conquered territories, and Serbs answered the call due to their geographic proximity to Austria. The Treaty of Passarowitz (Pozarevac) signed in what is today Serbia in 1717, ended nearly four decades of intermittent war between the Austrians and the Ottomans, and included among its terms the right of Ottoman subjects to settle and trade within the Austrian Empire at favorable tariff rates.⁵⁴

Sensing the economic opportunities and the potential for greater agency abroad, Ottoman Serbs and Greeks built solid merchant colonies in key cities, which would become the basis for a strong network of ethnically oriented trade routes. Most importantly for the Greek merchant marine discussion, in 1719 the Austrian Emperor established the small fishing village of Trieste as a Free and Royal City, encouraging

⁵³ Harlaftis, *A History of Greek-Owned Shipping*, 5.

⁵⁴ Harald Heppner and Daniela Schanes, "The Impact of the Treaty of Passarowitz on the Hapsburg Monarchy," *The Peace of Passarowitz* (West Lafayette: Purdue University Press, 2011), 56-57. See also *History of the Greek Nation*, 151. Harlaftis also notes that the development of Trieste spurred maritime Greek activity in the Ionian Islands, Greece's western islands which were part of the Venetian Republic until 1797.

Austrian subjects and immigrants to establish themselves in developing the port. With nautical skills and wide connections in the Ottoman Empire, Greeks and Dalmatian Serbs formed a key economic element in the city.

Trieste quickly became a key port for the rapidly expanding Greek merchant marine. The Greeks established trade networks among their fellow “Greeks” (again, the term might often include Serbs), following a pattern that would continue in the coming years. Further to the east, the Russians managed to wrest the Black Sea coast and the Crimea from the Ottomans, and, like the Austrians, they actively encouraged Balkan Orthodox to immigrate and establish themselves in the newly conquered territories, called *Novorossia* (New Russia). The Russians also sought to create second fronts against the Ottomans by encouraging the *Romioi* to rebel, and one such rebellion broke out in the Peloponnesus in 1770, known as the Orlov Revolt. Poorly organized and lukewarmly supported by the Russians, the revolt was crushed with considerable destruction and loss of life, and thousands of Peloponnesians fled to Russia.⁵⁵ Hydra chose caution over patriotism and did not join the revolt, and instead received a fresh influx of refugees from the mainland, which expanded the island’s economy and relative power in the region.⁵⁶

While the Russians’ failure to support Greek independence in the Orlov Revolt alienated many Greeks, the treaty ending that Russo-Turkish War contained a vital clause for the future of the Greek fleet, particularly that of Hydra. The Treaty of Kucuk Kaynardji, signed in 1774, allowed for the Russians to make interventions on behalf of

⁵⁵ Gallant, 17.

⁵⁶ Hydriot ships also participated in naval action against the Russians under Turkish command on several occasions. Lignos, 80. See also Christopoulos, 151.

Orthodox Christians in the Empire, and, more importantly for Ottoman Orthodox Christian sailors to fly the Russian flag.⁵⁷ No single event proved more important for the fortunes of Hydra, and laterally, the Greek merchant marine, than this treaty. Hydriots could now afford themselves the potential for protection from a Great Power and have extraterritorial benefits within the Ottoman Empire, even as this same Ottoman regime afforded them full local autonomy. For the Russians, this was a winning strategy as well, as they “subcontracted” their export trade to the Greek islanders.⁵⁸ Hydra went from strength to strength, avoiding war with the Ottomans while leveraging to the hilt the benefits of the Russians’ peace. The half century between the Orlov Revolt and the outbreak of the Greek Revolution constituted the island’s Golden Age.⁵⁹

The Hydriots continued to profit even as the Western Mediterranean sank into the wars and blockades of the Napoleonic era, as the British blockaded the French-controlled coasts of the Mediterranean. The British-French conflicts from the Seven Year’s War (1756-1763) onward resulted in considerable damage to both nations’ merchant fleets, but particularly the French. This opened an opportunity for expanded Greek shipping.⁶⁰ Sensing an opportunity for profit, the Hydriots ran the British blockade, trading precious Russian grain for gold and other valuables. Crucially for the Greek merchant marine story, the British captured the Ionian Islands off the west coast of Greece, Greek Orthodox inhabited islands which had been under Venetian and then Napoleonic French

⁵⁷ Gelina Harlaftis, *A History of Greek-Owned Shipping* (London: Routledge, 2015), 29.

⁵⁸ Observers in foreign ports about the great increase in Russian flagged vessels made it clear that they were Greek-owned though Russian flagged. *Ibid.*, 33.

⁵⁹ Christopoulos, 223.

⁶⁰ Stoianovich, 287.

rule. Despite the Hydriots' willingness to engage in some blockade running and piracy, they quickly learned that the British Navy had come to the Mediterranean to stay, and this acknowledgement would prove key to the success of the Greek merchant marine thereafter.⁶¹

Hydra seemed to have the best of all worlds. From a poverty-stricken rock in the 1600s they had become wealthy and cosmopolitan. They had achieved economic and, after a fashion, political agency. Particularly, the reforms under the tutelage of Giorgios Voulgaris brought stability and prosperity with good relations with their nominal Turkish overlords. Hydriots commanded large fleets and wealth, and by 1815 about 20,000 people lived on this tiny island. Hydriot ships called at Odessa, Constantinople, Smyrna, Alexandria, Marseilles, Trieste, and Livorno. Occasionally Hydriot ships called at North and South American ports.⁶² They considered themselves astute navigators of politics, yet the nationalism unleashed by the Napoleonic era could not fail to move them. From Trieste, Odessa, and Marseilles, more than just commerce and gold flowed. In 1798 a Greek merchant from the mountains of Thessaly, Rhigas Pheraios, was arrested by the Austrians for plotting a revolt against the Ottoman Empire. When he was handed over to

⁶¹ There is a story, perhaps apocryphal, of the future Hydriot admiral Andreas Miaoulis being captured by the British in 1802 outside off the Spanish coast near Cadiz. Brought before Admiral Horatio Nelson, the victor of Trafalgar is said to have asked him, "What would you do to me if you were in my shoes?" The pirate captain replied calmly, "I would hang you," to which Nelson said, "Go free, and if I ever capture you again that is exactly what I will do!" Σπυρος Αλεξίου, (Spyros Alexiou) «Όταν ο Ναυάρχος Μιαουλης ανατινάξε το ελληνικό στολό,» ("Otan o Nauarchos Miaoulis Anatinaxe to elliniko stolo") Infowars.gr, August 18, 2020 <https://info-war.gr/otan-o-nayarchos-miaoylis-anatinaxe-to/> Australian sources also show that Australia's first Greek was a convict captured by the British for piracy and blockade running. Andriana Simos, "On this Day in 1829: The First Greeks arrived in Australia," August 27, 2020, *Greekherald.com.au*, <https://greekherald.com.au/culture/history/on-this-day-in-1829-first-greeks-arrived-australia/>.

⁶² Spiliotis, 105.

the Ottomans in Belgrade and led to his execution he said, “I have sown a rich seed which others will harvest.”⁶³ Less than two decades later, three Greek merchants in Odessa founded the *Philike Etairia* (the Society of Friends) a secret society based on Masonic rituals dedicated to the liberation of Greece/the Balkan Orthodox. Membership grew and included many Hydriots. In early 1821, they waited for a sign.⁶⁴

War and the Price of Freedom

War broke out in the Ottoman Danubian Provinces (today’s Romania), where Greeks from Russia invaded the Ottoman Empire attempting to start a pan-Balkan conflagration. The effort there petered out, but in parts of today’s Greece, such as the Peloponnesian peninsula and selected parts of today’s northern, central, and southern Greece, along with certain islands, the revolt took hold.⁶⁵ As the most important and wealthiest naval power, all eyes were on Hydra. Neighboring Spetses, the second largest naval power, joined the revolt, but the Hydriot magnates prevaricated, fearing once again the possibility of a failed revolt to which the fortunes of their commercial empire would be linked. While they certainly identified as *Romioi*, they had full internal autonomy and realized the dangers of taking on what was still a huge empire. There were too many adherents of the *Philike Etairia*, however, particularly among the middle classes, and one of their number, Antonis Economou, led a popular revolt to bring the island into the rebellion. Having had their die cast for them, the magnates then went all in.

⁶³ David Brewer, *The Greek War of Independence* (New York: The Overlook Press, 2001), 32.

⁶⁴ It is also worth noting that the economy was in a slump and revolution might have been a way out of economic decline. Ibid, 90.

⁶⁵ Ibid, 70.

The role of Hydra in Greece's eight-year long War of Independence is an epic story. Like American merchantmen in the American Revolution fifty years before, the Greeks converted their merchant ships for military use⁶⁶; most already had cannon to ward off unwanted attention, particularly from the Barbary Pirates, against whom the United States had fought its first overseas war. Further, the plethora of older, smaller ships were used to great effect as fireships against the less agile Ottoman fleet.⁶⁷

Hydra was never conquered during the struggle, which often descended into civil war between rival Greek factions, but the cost in ships, manpower, and treasure was indeed steep. The Hydriots won key naval victories against the Turks and prevented Turkish landings in many key areas, but the final victory against the Turks was secured by an Anglo-Franco-Russian fleet at the Battle of Navarino, which guaranteed the emergence of a Greek state, albeit territorially truncated, deeply indebted, and riven with factions. The Hydriots themselves were embittered by their losses and felt entitled to compensation from the Greek state, which could not be forthcoming.⁶⁸ Some Hydriots were absorbed into the new Greek ruling class centered in the tiny Ottoman village with the exquisite classical ruins which became the capital, Athens. Others left for France, or other parts of Europe, but the prosperity was gone. By 1850, a Hydriot minister in the Greek government could comment to Greek Queen Amalia that Hydra produces nothing

⁶⁶ Lignos, 80.

⁶⁷ Brewer, 93.

⁶⁸ After the War of Independence, a party of Hydriots seeking compensation, led by Admiral Miaoulis, attacked the Greek fleet at the nearby island of Poros and burned a brand new American-built frigate, bought with a highly usurious London Money Market loan. Brewer, 347.

“but lobsters, and a few good prime ministers.”⁶⁹ He might also have added sea captains from the Nautical Academy.

Conclusion

Other Greek islands took up the mantle from Hydra, using the same “secret formula” of tight-knit, family-based businesses, skilled pilots, economic and political savvy, and global ethnic mercantile connections to the same effect as the Hydriots. They also invested in iron and steam ships, which required more capital and larger shipyards than the tiny island could provide, particularly after a ruinous war. Hydra continued to have its revolutionary war laurels, but the grand mansions started to fall apart, though the Merchant Marine Academy continued to graduate some of the world’s finest captains. Only now they were more likely to be natives of other islands, piloting their growing fleets while the Hydriots languished in a returned obscurity. The more cooperative business model changed to an ownership and wage model, In the Balkan Wars Hydriot sailors and officers scored key victories against the Turks, but the agency and wealth of the past were gone. Hydra serves as a prototype for the successor merchant shipping dynasties, whose skill at sea proved more competitive than the commercial merchant families, who in the coming years would largely merge their operations into shipping. As a tale of a dramatic rise and fall, and of the elements of success (and failure) of Greek shipping, Hydra’s story is indeed instructive.

⁶⁹ Spiliotis, 102.

CHAPTER FOUR THE MERCHANT ETHOS

Having examined the factors behind Hydra's remarkable rise as a merchant marine center, we must consider in detail the parallel growth and development of Greek Diaspora merchant activity in key commercial ports. This commercial diaspora largely—though not completely—merged with the maritime in the late nineteenth and twentieth centuries. The time would come when the Greek merchant fleet, bolstered by diaspora merchant capital, was truly global, building ships in Asia, carrying Persian Gulf and Saudi oil to any number of Western markets, and relying more on long-term contracts and London shipping markets. But in the initial, formative stages of the Greek merchant marine, it is necessary to consider the key overseas ports, who settled there, and the nature of their business. Here, by and large, the Greeks conformed to the Middleman Minority paradigm. Finally, in this discussion, we must examine the role of the island of Chios, a larger Greek island which would help define the Greek mercantile and later shipping ethos, into the present day.

It is worth mentioning Venice as the prototypical (and oldest) of all these diaspora merchant communities. With small enclaves on land in Italy, Dalmatia, and around the Aegean, Venice was built (in the city's case, literally) on wooden ships. Greeks flocked to the city for centuries, even before the fall of the Byzantine Empire, and served the

republic as sailors, soldiers, and merchants. A principal reason that a Greek merchant marine rose in the latter 1600s is that Venice's commercial maritime power declined.⁷⁰

Of the four ports we will discuss, Trieste is the oldest. The site was tucked into the extreme northeastern corner of the Adriatic Sea, hemmed in by the Alps rising almost vertically from the harbor. The Austrians chose this small village on the site of Roman ruins to become a "Free and Royal City" with certain civic autonomies and privileges under Habsburg law, in 1719.⁷¹ The Austrians invited their subjects from throughout their vast empire as well as enterprising immigrants to develop commerce. Among the arrivals were Orthodox Christians from the Ottoman Empire, Greeks, and Serbs, who often developed considerable fortunes from shipping and foreign trade.

Odessa was founded by Russian Empress Catherine the Great on the northern shore of the Black Sea in 1794, on territory newly conquered from the Ottoman Empire. Here, too, the Russians actively encouraged the settlement of enterprising minorities to build up trade that had been devastated by years of warfare. Particularly the Russians needed to export the vast grain potential of the Ukrainian steppe, and at the risk of hyperbole this was essentially "subcontracted" to the growing Greek merchant fleet, which used an essentially ethnically integrated purchasing and transport chain.⁷²

Black Sea and Danubian River trade also occupied the energies of Greeks from the Ionian Islands, a series of islands off the western shore of mainland Greece. These

⁷⁰ Maria Fusaro, "Coping with Transition: Greek Merchants and Shipowners between Venice and England in the Late Sixteenth Century," *Colonizzazioni Interne e Migrazioni*, accesso il 29 luglio 2022, http://storia.dh.unica.it/risorse_omc/items/show/1352

⁷¹ Djordje Milosevic and Dimitrije Manolev, *Serbs in the History of Trieste* (Belgrade: Jugoslovenska Revija, 1987), 12.

⁷² Gelina Harlaftis, "From Diaspora Traders to Shipping Tycoons: The Vagliano Brothers," 243.

islands had never fallen under Turkish rule; they had been Venetian possessions since the 1200s and had participated in Venice's maritime empire, remaining part of the Venetian Republic until the state fell to Napoleon in 1797. After a brief period of French rule the islands were under British control from 1814 to 1864, when Britain ceded the islands to Greece. Ionian islanders, particularly from Cephalonia and Ithaca, often flew the British flag and quickly established themselves in Danubian River trade particularly.⁷³

New Orleans is perhaps the most unexpected port to add to this list, but the reasons are quite sound. While Greeks did not play a role in establishing the city, and their numbers in 1850s New Orleans were only a few hundred, they played an important role in cotton brokerage, and their commercial and maritime presence there illustrates the growing reach of this merchant diaspora. More importantly, the New Orleans Greeks' expertise in cotton directly impacted the development of cotton exports in Egypt, an important alternative source of the fiber for British and European manufacturers terrified with the prospect of a cotton famine due to the American Civil War. Last and certainly not least, there is the port of Alexandria, which quickly became the export hub of a semi-independent Egyptian entity and where the Greek community became the largest foreign element in the city.

What quickly becomes apparent in studying all four of these port cities and their Greek merchant communities is the role played by certain Greek diaspora houses, primarily from the Greek island of Chios. The stage set by the earlier shipping successes of Hydra, Spetses, and Psara went into a different phase in the post-Greek War of

⁷³ Gelina Harlaftis, *A History of Greek-Owned Shipping* (London: Routledge, 1996), 9.

Independence era, coinciding with the massive growth in foreign trade because of rapid industrialization in Northern Europe and the American North. Even before the Greek War of Independence the intrepid mariners of Hydra had started to avail themselves of Chios financiers, and the brokers they dealt with in Trieste, Odessa, and other ports—though fellow Greeks—were often Chiots. The raw skill and daring of the Hydriot with his home-hewn ships was giving way to a more corporate version of shipping with finance, brokers, steam, and scale. In this new world of shipping, the technocratic skill of the Greek sailor would be merged with cosmopolitan skills of the expatriate middleman minority merchant.

About Chios

In contrast to the diminutive Hydra, a mountain range of a mere 19.2 square miles, Chios is large for an Aegean island, at 325.2 square miles. It is also well endowed with resources, particularly the resin from the mastic tree which made the island sought after by various powers. Like other Aegean islands, Chios spent a great many centuries under Italian rule, in this case the Republic of Genoa, another enterprising Italian maritime republic which carved out small enclaves in the Aegean and Black Sea basins. Chios is also situated near to the Asia Minor (Turkish) coast, close to the Gulf of Smyrna (Izmir), for centuries one of the most important ports of the Mediterranean. Chios sailors were ubiquitous in Genoese and other fleets. The Turks captured the island in 1566 and generally gave its inhabitants considerable privileges to ensure the continued supply of mastic so prized in Constantinople. Other key products included citrus, cotton, and silk. The island had few Turks beyond a nominal garrison, and aside from small Catholic and

Jewish minorities, it was a prosperous, largely autonomous Orthodox Greek island with a tendency to avoid the armed rebellions common to Greeks in the Peloponnese, the island of Crete, and certain Aegean islands. At the time of the Greek War of Independence most of their commerce was carried by Hydriot or Psarian ships, but Chiots had already begun establishing their merchant houses in key locations, such as Odessa and Marseilles.⁷⁴

They were initially charterers and brokers of ships from Hydra or from the Ionian Islands such as Cephalonia but like the Ionian Islanders they increasingly moved into shipping themselves.⁷⁵

Chios was in a dilemma with the start of the Greek War of Independence in 1821. While their sympathies lay with their fellow Greeks, they lacked the naval power to defend their island and they were dangerously close to the heart of the Ottoman realm, exposed to Turkish reprisals. Indeed, the Turks reacted to the success of the Greek revolution in the Peloponnese and several Greek islands with pogroms against Greeks in Constantinople and other cities on the Asia Minor coast. The Chiots rejected the appeals of a Hydriot and Psariot fleet, which in May 1821 sought to have them join the revolution.⁷⁶

Soon enough, the issue was decided for them. The nearby island of Samos joined the revolution and landed a small force on the island, to encourage Chios to revolt. The forces mustered were not enough to make a difference, and the Turks landed forces and exacted a horrible price on the island, with massacres and a wholesale enslavement of a

⁷⁴ David Brewer, *The Greek War of Independence* (New York: The Overlook Press, 2001), 153.

⁷⁵ Gelina Harlaftis, "From Diaspora Traders to Shipping Tycoons: The Vagliano Brothers," 238.

⁷⁶ *Ibid.*, 154.

huge proportion of the Chiot population. The Chios atrocities did have the effect of galvanizing further European public opinion against the Turks, which would eventually result in the Franco-British-Russian intervention that would lead to the final independence of the Greek state, with these three nations as “guarantor powers.”⁷⁷

The establishment of the Greek state in 1830 left Chios outside the borders of the Greek state, in the Ottoman Empire. Nonetheless—and perhaps because of this—Chios merchants expanded their operations abroad further and began investing heavily in the Aegean island of Syros, which established large shipyards capable of building larger ships.⁷⁸ Chios merchants moved into shipping, establishing family-owned shipping companies, staffed by relatives and fellow islanders. There was considerable intermarriage between shipping and commercial-merchant families, and family-islander ties easily merged with business ones. Branches of key Chios merchant families—Benachi, Ralli, Rhodocanachi, Petrocchino—were quickly to be found in all the port cities that are part of this discussion, as well as in Britain, the United States, and India.⁷⁹ Despite the horrors of the Chios Massacre, the island had the size, scale, and global connections to emerge—and to remain—as the key Greek shipping island. Moreover, given the horrors they had endured, they understood better even than most Greeks the need to be mobile and global.

⁷⁷ Brewer, 350.

⁷⁸ Syros also took in many Chios families after the massacre of Chios. As always, the presence of local kin spurred Chiot investment. Apostolos Delis, “Modern Greece’s First Industry? The Shipbuilding Center of Sailing Merchant Marine of Syros, 1830-70,” *European Review of Economic History*, Vol. 19, No. 3 (August, 2015) 258.

⁷⁹ The span of some Chiot houses went from North America to Europe/Mediterranean, to the Indian Subcontinent. Sven Beckert, *Empire of Cotton* (New York: Vantage Books, 2015), 232.

The Chiots and other Greek shipping interests also actively pursued good relationships with the world's naval policeman, the British Royal Navy. By the time of Greek independence, it was clear that Britannia ruled the waves, and while Hydriots had enjoyed the occasional act of piracy or blockade running, Greece and her maritime arm required good relations with the British Empire above everything else. It meant that Greek foreign policy would always be pro-British (and later pro-American). A maritime country, it could not be different, and at times the British and/or French would occupy Athens' port, Piraeus, if the message needed to be sent.

The British Ambassador to Greece made it abundantly clear in 1841: "A truly independent Greece is an absurdity. She must either be English or Russian, and since she cannot be Russian, it is necessary that she must be English."⁸⁰ Notwithstanding the deep cynicism of this comment, it was certainly not lost on the Chiots or other Greeks. In this same period, moreover, many Chiots settled in Britain.⁸¹ How could one have agency in their own country given the Great Power attitudes expressed by the British ambassador, and acted on in countless occasions? The Greek state, like its Ottoman predecessor, could not compete with the horizons of the British Empire. The dilemma of political orientation would remain in Greece, finding expression in the various Greek Civil Wars in the 1940s.

Trieste

The Austrian Adriatic port needs to be discussed first, if for no other reason than chronological order. It is significant that the Austrian authorities actively encouraged the

⁸⁰ William Mallinson, "Greece and Russia: Back to the Truman Doctrine?", February 5, 2020, ModernDiplomacy.eu, <https://modernDiplomacy.eu/2020/02/05/greece-and-russia-back-to-the-truman-doctrine/>

⁸¹ Beckert, 232. The grain trade via Russia was another major Chiot activity in Britain.

commercially and maritime savvy Ottoman Greeks and Serbs to settle there. These immigrants had the contacts in the Ottoman Empire to encourage business, and the Greek islanders and Dalmatian Serbs had centuries of nautical acumen which the hitherto landlocked Austrians lacked. The Triestine Orthodox could also call on a growing network of Greek merchants established throughout the vast Austrian Empire as trade agents.⁸² Greeks in Venice also took advantage of Trieste opportunities and moved operations there as the fortunes of the Venetian Republic continued to decline.⁸³ Greek merchants could actively engage with the growing Greek merchant fleets for the carrying trade. The Greeks specialized then and now, in bulk commodities, most specifically grain but also cotton, actively cultivated in Greek Macedonia, Thessaly, and outside of Izmir, in today's Western Turkey. As such, Greeks had a strong familiarity with cotton agriculture and trade.⁸⁴ Trieste was an important depot for the Russian grain trade, as well as a center for maritime insurance.⁸⁵ As diasporas from the Ottoman Empire, Triestine Greek and Serbs both leveraged market knowledge in the Ottoman realm to sell Austrian wares in the Ottoman Empire and elsewhere in the Mediterranean.

In the latter 1700s the Trieste trade, while integrated in Orthodox hands between shippers and merchants, was not necessarily controlled by vertically integrated

⁸²Olga Katsiardi-Herring, "Greek Merchant Colonies in Central and South-Eastern Europe in the Eighteenth and Early Nineteenth Centuries," *Merchant Colonies in the Early Modern Period*, No. 19 (London: Routledge, 2015), 130.

⁸³ The Venetian authorities took steps to encourage Venetian Greeks to remain. Djordje Milosevic and Dimitrije Manolev, *Serbs in the History of Trieste* (Belgrade: Jugoslovenska Revija, 1987), 24

⁸⁴ Katsiardi, 121.

⁸⁵ Harlaftis, *A History of Greek-Owned Shipping*, 50. Financing and insurance would be a key development that the Vagliano Brothers fostered in the Greek shipping industry that was important at a time when it was not easy for Greeks to get insurance or financing. from British firms. Harlaftis, "From Diaspora Traders to Shipping Tycoons: The Vagliano Brothers," 254.

companies. For example, a Spetses ship might work with a Trieste Greek or Serbian merchant, but the merchant houses would be separate from the Spetses shipowner, whose sailors were likely to have a share in the profits and losses of each voyage. Trieste did have its own Orthodox shipowners, primarily Serbian, with integrated buy-sell operations, at least within the Austrian Empire.⁸⁶ As Greek merchants merged with shipping houses, the process would increase the vertical integration of the shipping process.⁸⁷

Trieste is also significant in terms of the identity of these Orthodox merchants. Diaspora Greeks and Serbs began to develop a more nation-state identity, one that would be transferred back to the homelands still under Ottoman rule. Olga Katsiardi-Herring writes that “it was in the merchant colonies that ideas of creating independent Balkan states . . . were nurtured.”⁸⁸ In true Orthodox fashion, this would also be paralleled in Church services; the Orthodox cathedral of St. Nicholas in Trieste alternated between services in Greek and Old Church Slavonic, and eventually two separate churches would be established, within a five-minute walk from each other, in the heart of Trieste.

Trieste quickly became integrated into what Greek maritime scholar Gelina Harlaftis calls the “Chiot Phase” of the Greek merchant marine’s growth.⁸⁹ While local

⁸⁶ Milosevic and Manolev, 24.

⁸⁷ Harlaftis, “From Diaspora Traders to Shipping Tycoons: The Vagliano Brothers,” 238.

⁸⁸ Katsiardi, 135.

⁸⁹ Harlaftis *A History of Greek-Owned Shipping*, 39. Harlaftis argues that the Chiot Phase of Greek shipping extended from 1830 to 1870, and thereafter Greek shipping entered an “Ionian Phase” where shipowners from the Ionian Islands of Ithaca and Cephalonia (off the west coast of Greece, ex-Venetian and under British Rule from 1814-1864) then took the initiative. I would suggest, rather, that the key elements of the Hydriot and Chiot models remained: tight-knit family firms with naval expertise, supplemented by dispersed kinship agent networks. If anything, the “Ionian Phase” marked a return to a more maritime and less mercantile mentality. Nonetheless, it is important to note the large number of Ionian shipping firms and their particular expertise in riverine shipping.

Greek and Serbian houses remained strong in Trieste, and many wealthy members of both communities assimilated into the Austro-Hungarian nobility, the “Chios Houses” of Benachi, Ralli, and others quickly set up residence as well, to service a growing fleet of Chiot-owned ships, flying any number of flags. A total of 18 Chiot trading firms had Trieste operations.⁹⁰ There were of course other Greek owned firms from other islands, particularly the Ionian Islands situated at the south end of the Adriatic Sea which were also active in the Black Sea and on the Danube, as well as long-established, increasingly assimilated Greeks from other parts of the Greek homeland.

In an era of increased globalization brought about by the Industrial Revolution, the Chios model of family-kin-islander agents in dozens of locations was better suited to the new era than locally-based or solely shipping-based merchants. The emerging model was one of near complete vertical integration of the buy-sell process.⁹¹ At the same time, there was gradual assimilation of both the Greek and Serbian minorities into the Hapsburg upper middle class and aristocracy, as wealth opened doors for integration into the host societies. Some of these assimilated Greco-Austrians became captains of industry, such as Baron Sina, who financed both the iconic *Lanchid* (Chain Bridge) in Budapest and parts of the Vienna-Trieste railway.⁹²

Odessa came next . . .

The Russian (now Ukrainian) port bears many similarities with Trieste. Like the Habsburgs, the Romanovs needed to stimulate the growth of exports after a series of

⁹⁰ Ibid, 41.

⁹¹ Gelina Harlaftis, “From Diaspora Traders to Shipping Tycoons: The Vagliano Brothers,” 244.

⁹² Judit Brody, “The Széchenyi Chain Bridge at Budapest.” *Technology and Culture* 29, no. 1 (1988), 106.

costly wars with the Ottomans. The area was sparsely inhabited, and Russians, Serbs, Bulgarians, Greeks, Jews and others flocked to *Novorossiya* (New Russia) to settle the land in the years after the founding of the after the Treaty of Jassy in 1791, which brought the Ochakiv region into the Russian Empire. Lacking a merchant marine, trained sailors, and strong commercial houses, the Russians invited immigrants and settlers from other parts of the Russian Empire. The Russians could play the “Orthodox Card” with the Ottoman Orthodox, encouraging them, as needed, to rebel, or to settle the lands of an Orthodox sovereign.⁹³ As we have seen, they also allowed Ottoman Orthodox to fly the Russian flag, giving these shippers an extraterritorial protection of a Great Power and encouraging them to invest further in shipping operations.

Odessa’s main export from the early 1800s and thereafter was the Ukrainian wheat grown in the vast steppes north of the Black Sea, for decades fallow and largely depopulated due to the constant warfare between Russian and Ottoman. Greek merchants quickly established themselves as the primary intermediary between the agricultural producers and the Greek shippers. They were involved in trade and local commerce, as well as insurance. When in danger, they answered the call of the Tsar; they had their own battalion which fought against the Turks in 1806, and in 1812, in response to Napoleon’s invasion, of 280,000 rubles donated to the cause from the city, the Greek community contributed 100,000.⁹⁴

⁹³ Gelina Harlaftis, *History of Greek-Owned Shipping*, 7.

⁹⁴ Patricia Herlihy, “Greek Merchants in Odessa in the Nineteenth Century,” *Harvard Ukrainian Studies*, 1979-1980, Vol. 3/4, Part 1, 419.

An important parenthesis here is to remember that these diaspora hubs also served as incubators for both Greek national identity and revolutionary agitation. Like Trieste, Odessa exported more than just wheat. Three junior clerks in Odessa founded a secret society based on masonic principles and symbolism, the *Philike Etairia* (the Friendly Society) dedicated to the liberation of Greece from the Ottomans, in 1814. From obscure beginnings the society began to take hold, eventually moving its headquarters to Constantinople and counting hundreds of well-placed Greeks (and a few Serbs and Romanians) in its ranks.⁹⁵ Clearly, national agency was on the Greeks' mind as well as economic agency. This was keeping with the times, as revolutionary fervor was brewing elsewhere in the Mediterranean and the Balkans, such as in Serbia and parts of Italy.⁹⁶

As in Trieste, the Greeks played a key role in the development of Odessa and of Russia's growing grain exports, which by the 1840s were an important part of Western European and Mediterranean supply, along with product from the North and South America. Once again, the more *ad hoc* local Greek-merchant-to-Greek-island-shipper chain that characterized what I refer to as the "Hydra era" of Greek shipping gave way, as elsewhere, to the more kinship-integrated business model of the Chios era. As elsewhere, the Chiot houses are once again in evidence from the 1820s. A few statistics should illustrate the power of this Greek commercial diaspora in Odessa (and several other South Russian ports). In 1841, 21 percent of wheat and linseed exports were by Greek

⁹⁵ Richard Stites, *The Four Horsemen: Riding to Liberty in Post-Napoleonic Europe* (Oxford: Oxford University Press, 2014), 193.

⁹⁶ Stites particularly emphasizes that several revolutions, all in what was considered in the periphery of Europe relative to its Western European core, sought to overturn the verdict of the post-Napoleonic era. Stites, 3.

commercial houses, and that figure rose to 38 percent only four years later, in 1845. For tallow and wool, the Greek export percentage was 40 percent in 1841 though it later dropped in 1845 to 17 percent.⁹⁷ In Taganrog, a port on the Sea of Azov with a large Greek population, the percentage of exports controlled by Greeks was far higher; 84 percent of wheat and linseed exports and 85 percent of wool and tallow exports in 1852.⁹⁸ The Greek element formed a significant population; by one estimate, the population of Greeks or people of Greek descent in Russia in 1906 was over half a million, generally concentrated around the Black Sea littoral.⁹⁹

And Trieste begat New Orleans . . .

The increasingly global scale of opportunities could not fail to impress the Greek shipowners and merchants. Greeks had plied the Atlantic Ocean with Spanish conquistadores.¹⁰⁰ The center of economic and maritime gravity had shifted to the Atlantic, and the Greeks were keen on getting a piece of the pie. New Orleans was of particular interest to them, for very good reason. The port stood at the mouth of the Mississippi, “America’s Danube,” at the heart of the booming American export trade in cotton. As experienced bulk commodity shippers, including cotton grown in the Greek homelands, this “white gold” was too good to pass up.

⁹⁷ Harlaftis, *A History of Greek-Owned Shipping*, 48.

⁹⁸ *Ibid*, 59.

⁹⁹ *Ibid*, 7. The figure Harlaftis quotes is 600,000 in 1914.

¹⁰⁰ One of Pizarro’s commanders was a conquistador from Crete, Pedro de Candia, the strait of Juan de Fuca in Washington state was explored by a Greek captain in Spanish service, and named after the Hispanicization of his name, Ioannis Phocas. Taboada, Hernán G. H. “Extranos Presencias en Las Indias: Acerca de los otros Mediterráneos” *Revista de Historia de América*, no. 144 (2011), 44. One of Argentina’s key naval heroes in its war of independence from Spain was a daring Hydriot sailor named Nicholas Kolmaniotis, from the author’s interview with Greek-Argentine researcher Cesar Villamayor Revythis. Alexander Billinis, “The Hydriot and the Argentine Navy,” *Cosmosphilly*, July 8, 2020, <https://cosmosphilly.com/the-hydriot-and-the-argentine-navy/>.

Via Trieste many Greek (and Serbian) merchants moved to New Orleans, including the Chiots, who quickly established small but vigorous cotton trading operations as branches of the large concerns such as the Ralli and Benachi families. Cotton was King, and the Greeks, with their expertise in riverine and maritime commerce, were a perfect fit for the port. Further, the Franco-Spanish, Mediterranean atmosphere of the city was far more culturally appealing than the Anglo-Protestant port cities elsewhere in America. The American South was the key supplier of the “white gold” to the industrial mills of the world, and the Greeks were part of the rising tide. Their wide contacts and cultural savvy also told them of trouble ahead, and a good portion of the community left the city just before and then during the American Civil War, as the export of cotton dried up due to an ill-advised Confederate self-embargo and then by a generally effective blockade by the Union Navy.¹⁰¹

Some Greeks stayed in New Orleans, forming part of a unit of the Confederate Army. New Orleans was captured by the Union forces in 1862, and some merchant activity, particularly cotton and sugar, resumed. The remnants of the “Greek” community, including Nicholas Benachi, a Chios merchant who served as Greek Consul to the city, formed the first Greek Orthodox Church community in the United States, which served a Greek, Serbian, Russian, and Syrian congregation.¹⁰² The community is interesting as an American branch of a wide network of merchant and shipping network which had little or nothing to do with the Greek state.

¹⁰¹ Interview with Maggie Spiros Magg by Alexander Billinis, January 31, 2020.

¹⁰² Ibid. As in Trieste and elsewhere, the New Orleans Church alternated between Greek and Slavonic liturgies.

An interesting contemporary picture of the success of the Greek commercial-maritime network can be found in an article from the *New Orleans Times-Picayune*, from 1872, which recalls the pre-Civil War presence of Greek merchant houses in the city, commenting on their “coolness and sagacity of nerve,” which had earned the “respect and admiration of the boldest of operators.” While lamenting the dispersal of this merchant colony due to the American Civil War, the article continues its laudatory commentary on the Greeks’ commercial skill and acumen, quoting from the *New York Commercial and Financial Chronicle*:

The influence of the Greeks at New York and Liverpool in the markets for cotton, grain, and other produce is so great and constant that a few words about their country and themselves may not be out of place. . . . They furnish some of the most daring sailors of the Mediterranean. The growth of the merchant marine has been rapid and astonishing . . . [with] 5000 vessels of which 1154 are seagoing and 30 are steamers [totaling] 207,404 tons. Greek [merchant] houses abound in nearly all the Mediterranean ports, and also at Liverpool, London, the French Atlantic ports, Bombay, Calcutta, Rio, our [US] Southern ports, and we have some eight or ten in [New York].¹⁰³

The article further remarks about the Greeks’ apparent business ethos and culture:

They are apparently not jealous of each other . . . but combine constantly for united action and by means of branch houses they pay as few commissions as possible. The transactions are paid on joint account . . . a method becoming more imperative, as the telegraph destroys the legitimate commission business in the great staples in which the Greeks delight. We have thus an explanation of the anomaly which puzzles us, that a Greek can ship cotton and grain where we cannot. . . . As regards cotton, it is through them that a very large portion of our shipments are made, and hence their importance to the trade. They are frequently better and more promptly informed than many others, by reason of the free and full intercommunication among each other.¹⁰⁴

¹⁰³ *New Orleans Times-Picayune*, 1872. Date unavailable. From personal archive of Maggie Spiros Maag, volunteer curator of the Holy Trinity Greek Orthodox Church Archives, New Orleans, Louisiana. Interview with Maggie Spiros Maag, January 31, 2020.

¹⁰⁴ *Ibid.*

And New Orleans begat Alexandria

This statement is the height of hyperbole to illustrate a point. Alexandria has over two millennia of history as a major port and cultural center. The port had also been founded by the ancient Greeks, specifically by Alexander the Great during his conquest of Egypt, but the large Greek commercial colony from the early nineteenth to the mid-twentieth century is the result of largely nineteenth-century emigration to the city from Greece and by Greeks from the Ottoman Empire. The Greeks formed an interesting hybrid; as citizens of Greece, they had extraterritorial rights of Europeans in Egypt, like, for example, the French, Austrians, or British, but they also culturally more resembled the middlemen minorities—Jews, Armenians, Levantine Arabs—who also played important economic roles.

The Greeks had been going to Egypt since the early 1800s, invited by the country's ruler, Mohammed Ali, who was an Albanian Muslim from today's Greek Macedonian city of Kavala. Despite fighting loyally and very effectively against the Greek Revolutionaries as an Ottoman vassal, Mohammed Ali was interested in the political, industrial, economic, and military modernization of Egypt and knew that the Greeks with their maritime and commercial skills could play an important role.¹⁰⁵ Post-Revolution Greece might be nominally independent, but the country was poverty stricken and, in the years, immediately after independence in 1830, about one in ten Greeks quit the Kingdom of Greece, often for Egypt. In Alexandria primarily but also in other

¹⁰⁵ Alexander Kitroeff, *The Greeks and the Making of Modern Egypt* (Cairo: The American University in Cairo Press, 2019), 31.

Egyptian cities they formed a mini-Greece with rising incomes but a deep attachment for their homeland on the north shore of the Mediterranean. Alexandria itself by 1873 had over 25,000 Greeks out of a foreign population of just over 100,000.¹⁰⁶ At its height, the Greek population in Egypt numbered almost 68,000 in 1907.¹⁰⁷

The New Orleans Greeks who moved to Alexandria, with business expertise—and the latest American-standard cotton gins—were able to plug into an established Greek commercial network.¹⁰⁸ This merchant community included plenty of kin; the Ralli family firm, for example, was well established in Alexandria as it had been in New Orleans (and London, Trieste, Odessa, etc.). Drawing on American experience, the Greeks dove deep into the process, financing producers (often at usurious rates) and controlling virtually the entire process, up to and including the shipping of cotton. In 1839, the Greeks controlled 33 percent of the cotton trade in Egypt, which is testimony to their expertise and leverage of their global network of intelligence combined with low-cost ability to ship bulk product.¹⁰⁹ In *Empire of Cotton*, historian Sven Beckert provides us with a brief snapshot of one such Chios dynasty crossing continents, the Ralli family:

Consider too one of the most important cotton trading houses of the nineteenth century, the Rallis. Their world spanning empire had its roots on a small Greek island [Chios] . . . By the 1860s, the House of Ralli had representatives in London (from 1818), Liverpool, Manchester (from 1825), the “Orient” (Constantinople, Odessa), various places within India, including Calcutta (1851), Karachi (1861), and Bombay (1861), and the United States [New Orleans, New York]. Ralli was thus able to purchase cotton in the United States, ship it to Liverpool, sell it to

¹⁰⁶ Ibid., 23.

¹⁰⁷ Ibid., 50.

¹⁰⁸ Ibid., 41. In 1913, Greek concerns controlled 24 percent of Egyptian cotton exports, of a cotton production figure over ten times higher than in 1858. Gelina Harlaftis, *A History of Greek-Owned Shipping*, 22.

¹⁰⁹ Beckert, 233.

manufacturers in Manchester, and then sell the finished goods in Calcutta—all within their own family.¹¹⁰

Clearly, the Greeks' model of maritime commerce, homed in the rough neighborhood of the Aegean, emphasizing close ties, cosmopolitan commercial knowledge, and, crucially, and in contrast to other middlemen minorities, a naval technocracy served to bring a form of agency to generations of Greece despite the political limitations of their homeland.

This closely parallels Kotkin's "rules" for the successful global diaspora.¹¹¹

Herlihy quotes an English traveler to Odessa in 1824 who suggested that Greeks formed a "moral family . . . they have agents of their own country in all parts to which they trade." In many cases, they *were* family or close kin. They had the advantage of being on both sides of the transaction, and when one part of the world was in crisis, the other part of the world was in growth. For example, the Crimean War brought problems to one part of the Rodocanachi family (another major Chios family firm) and profit to another when alternative supplies of grain were procured from the Danubian Principalities (now Romania).¹¹²

Conclusion

By the 1870s this "Chios Phase" of Greek shipping had produced considerable results. The skill, daring, and tight-knit firms of the Hydriot era had, if anything, increased in the Chios phase. Firms were kinship-based yet multinational, increasingly multicontinental, with the Ralli Network, for one, spanning five continents. These firms

¹¹⁰ Ibid.

¹¹¹ Joel Kotkin, *Tribes: How Race, Religion, and Identity Determine Success in the New Global Economy* (New York: Random House, 1992), 4.

¹¹² Patricia Herlihy, "Greek Merchants in Odessa in the Nineteenth Century," 416.

increased the vertical integration of the past and conveyed vital economic and political intelligence via their family networks. At great sacrifice, both to the Chiots and the Hydriots, among others, the Greek state had been reborn, largely thanks to the militarization of the merchant-marine network. The emerged state was small, poor, bankrupt, and weak, with many of the same institutional flaws of its Ottoman predecessor. The maritime Greeks, whether resident in Greece or not, citizens or not, were proud of their country, yet they had few illusions as to the effectiveness of the Greek state.

The horizons of the Greek state remained limited so the option of immigration or the merchant marine—a sort of halfway house between residence and expatriation—remained a preferred option. The Greek merchant mariners, and the Greek diaspora in general, remained devoted to Greece, with the community in Egypt in particular functioning as a wealthier, more cosmopolitan replica of the Hellenic state. While they often evaded taxes via other flags, when the Greek flag was in danger, they always answered their country's call.¹¹³

¹¹³ Kitroeff, 123. Thirteen thousand Greeks in Egypt returned to Greece during the Balkan Wars of 1912-1913, which is nearly a quarter of the population of Greeks resident in Egypt at the time, and certainly a large portion of the able-bodied men in the community. About forty thousand Greeks came back from the United States to fight in the Balkan Wars, including my maternal grandfather.

CHAPTER FIVE MARITIME SHIFT: 1870s TO 1930s

Several factors pushed the Greek merchant diaspora more completely towards a maritime orientation. If we had to put a date on this “maritime shift,” 1870 is probably a good milestone. By the late 1860s, an underwater cable across the Atlantic Ocean was put into full operation, allowing for telegraphic transmission of information, one of the most important components of commerce. The arbitrage opportunities of tight-knit middlemen minorities were reduced accordingly.¹¹⁴ At the same time, the limited liability corporation arose in the Anglo-American world as a brilliant means of raising capital and provided the large corporation with the financial means to operate far and wide. As opportunities rose, so did competition, particularly from other middlemen minorities and from well-financed corporate entities. Greek merchant houses continued to survive, and sometimes to thrive, but Greeks generally began to retreat to the skill set they possessed in abundance and other middlemen minorities lacked—maritime expertise. As always, the Greeks abroad supported Greece, yet tried to keep her many dysfunctions at arm’s length.

The private communication channels possessed by the Greek and other Diaspora merchants, ones spoken of with such admiration by *The New York Commercial and Financial Chronicle* in the previous chapter, could not compete with the instantaneous exchange of pricing across continents enabled by the telegraph. Opportunities for arbitrage and private information exchange were necessarily reduced by the ready publication of current pricing information. In such an environment technology leveled the

¹¹⁴ By the 1880s there were over 30,000 miles of undersea telegraph cables. Tom Standage, *The Victorian Internet* (New York: Walker and Company, 1998), 101.

playing field.¹¹⁵ Further, the railways and inland expansion of the telegraph in the United States primarily but in other key commodity producing markets, such as the Russian Empire, allowed for same-day settlement of transactions at point of production rather than in key clearing markets such as Odessa and New Orleans.¹¹⁶ Inland based merchants, often (particularly in the Russian Empire) Jewish, quickly gained an upper hand in this trade.¹¹⁷

Technological and Competitive Changes

The technology of sea transport changed at the same time as inland transport, and for the same reason—the steam engine. Steamships traveled faster yet required more capital investment. Greek shipowners managed to make the transition to steam basically in line with other major maritime “nations.” By 1910, for example, Greek (or rather, Greek owned) shipping was 69 percent steam propelled, compared with 56 percent in the United States and 59 percent in Norway.¹¹⁸ This transition came at a considerable financial cost, and redirected merchant capital away from traditional merchant activities into shipping.¹¹⁹ The Vagliano Brothers were pioneers in transitioning to steamships, both in terms of direct ownership, and in financing other Greeks’ in buying steamships.¹²⁰

¹¹⁵ Correspondence with Prof. Scott Reynolds Nelson, University of Georgia “Capitalist Souths Graduate Conference,” May 20, 2021.

¹¹⁶ Ibid.

¹¹⁷ Herlihy, 66.

¹¹⁸ Gelina Harlaftis, *A History of Greek-Owned Shipping*, 130.

¹¹⁹ Gelina Harlaftis, “From Diaspora Traders to Shipping Tycoons: The Vagliano Brothers,” *The Business History Review*, Vol. 81, No. 2 (Summer, 2007), 241

¹²⁰ Ibid., 257. Many other shipping firms were founded by ex-Vagliano captains, who purchased their aging steamships from their former employer.

Greek shipping had heretofore been a sailing endeavor, with many of the ships built in local yards, particularly the shipyards on the Greek island of Syros, perhaps the only successful example of Greek-based industrial activity (perhaps in the whole history of the independent modern Greek state) which drew however, on a strong shipbuilding tradition in the Aegean, as discussed in the Hydra chapter. The largely barren Aegean island became a shipbuilding and finance center in the first several decades of Greek independence, with most of the capital coming from the island of Chios and various Diaspora centers, such as Odessa, Smyrna, Constantinople, and Alexandria. Greek financial institutions were largely set up by merchant diaspora capital and focused their loans and expertise (as in the present day) on the shipping sector.¹²¹ This reorientation of merchant capital towards the “ethnic specialty” of shipping coincided with the declines in the power of merchant houses in purely commercial transactions. They then redirected their money to areas where Greeks held a clear technocratic and cultural advantage—shipping. For the time that wooden ships still held sway, Syros and other Greek shipyards produced competitive ships, often besting those of yards of more industrialized nations.¹²²

Harlaftis speaks directly to this transition when profiling the Vagliano family business, Cephalonia merchants who transitioned into shipowners. They often had the

¹²¹ Harlaftis, *A History of Greek-Owned Shipping*, 132-33. Greek based banks continue to have an outside shipping finance sector, as the author realized when working as a banker in Greece from 2006 to 2007.

¹²² Apostolos Delis, “Modern Greece’s First Industry? The Shipbuilding Center of Sailing Merchant Marine of Syros, 1830-1870,” *European Review of Economic History*, Vol. 19, No. 3 (August 2015), 261. Syros also had a very large population of refugees from Chios and the nearby island of Psara, which had been devastated by the Turks in the Greek War of Independence. These enterprising refugees with maritime and merchant kin helped to foster the shipbuilding industry on the island, often with investment from relatives in Black Sea ports or elsewhere. *Ibid.*

same island origins and collaborated with Greek shippers to “vertically integrate” the merchant and shipping processes.¹²³ It was quite natural that these merchants would participate in shipping ventures. Even Hydriot ships of the pre-Greek Revolution era might have a wealthy merchant investor, as seen in the “Hydra Chapter.” Herlihy argues that Greek traders began to exit the Odessa grain business as margins depressed due to American competition, and Jewish merchants “who were content with thinner margins” but had many of the cohesive characteristics as the Greeks, moved into the business. As noted in the previous chapter about the merchant diaspora, Greeks also moved into cotton, in some cases branches of the same houses in Odessa, because of higher margins and a long-standing expertise with the fiber.¹²⁴

Even as Greeks increasingly moved away from the typical merchant middleman minority activities, the merchant “market savvy” ethos persisted, as Greek operators developed a recognized ability to buy ships second-hand at low costs and in high numbers at market downturns.¹²⁵ This reduced considerably cost of ownership and the Greeks’ lower wages and world-class maritime skills created a competitive advantage in competing for the carrying business. The main disadvantage to this method, a perennial one in Greek shipping, was the relative age of the Greek fleet vis-a-vis the competition.

¹²³ Gelina Harlaftis, “From Diaspora Traders to Shipping Tycoons: The Vagliano Brothers,” 243.

¹²⁴ Patricia Herlihy, “Greek Merchants in Odessa in the Nineteenth Century,” *Harvard Ukrainian Studies, 1979-1980*, Vol. 3/4, Part 1, 419. While Herlihy points to antagonism between Greeks and Jews in Odessa, Harlaftis suggests that the relationship could also be symbiotic and almost a division of labor, with the Greeks running the shipping area where they held unquestioned expertise, and the Jews trade. Harlaftis, “From Diaspora Traders to Shipping Tycoons: The Vagliano Brothers,” 248.

¹²⁵ Gelina Harlaftis, “The Onassis Global Shipping Business, 1920s-1950s,” *The Business History Review*, Vol. 88, No. 2 (Summer 2014), 245.

The Greek commercial houses also faced competitive challenges beyond the changes of technology. From the middleman minority standpoint, this meant first and foremost Jewish competition, most specifically in the Russian Empire, but also competition from the growing multinational corporates emerging in major markets such as the United States and Britain. Jews operated throughout the vast Russian empire and hinterland with a network far more extensive and well financed than that of the Greek merchants, using market information via the telegraph. Greek houses began to lose traction and often shifted capital into the shipping sector, where Greeks held multiple competitive advantages. In some cases, too, they played a version of the “Orthodox Card” by encouraging pogroms against Jewish interests in Odessa and elsewhere.¹²⁶

In Russia especially but also in the Austrian Empire, the lure of buying into branches of the aristocracy also encouraged assimilation.¹²⁷ Greek merchant houses continued in certain areas where Greek interests had a particular primacy, particularly in Egypt where the Greeks formed the largest European population and had an extensive financial network into the Egyptian hinterlands which mirrored, to some extent, the Jewish networks in Russia. For example, often enough in small Egyptian villages, the Greek emigrant was the shopkeeper, who often also was a moneylender, at rates often

¹²⁶ Patricia Herlihy, “The Ethnic Composition of Odessa in the Nineteenth Century,” 66. She refers to pogroms where other local merchants stirred up anti-Jewish sentiments, without mentioning the merchants’ nationality. Given the key role of Greek merchants in the same towns, and the same sectors, it is likely that Greeks participated or encouraged attacks against Jewish competitors.

¹²⁷ This is where Greeks and Serbs often lost the trappings of the Middlemen Minority for assimilation. An example is Baron Sina, who bankrolled Budapest’s iconic Chain Bridge. Sina was the grandson of a merchant from Greek Macedonia. Judit Brody, “The Széchenyi Chain Bridge at Budapest.” *Technology and Culture* 29, no. 1 (1988), 105.

usurious.¹²⁸ In Egypt, moreover, the majority population was Muslim and non-European and the intermarriage rate was low. The cultural barrier of religion and ethnicity kept the Greeks a separate middlemen minority there.¹²⁹

In the United States, the post-slavery era and the explosive growth of the railroads and a new factoring system weakened the role of Greek cotton brokers in favor of inland brokers (again, often Jewish) armed with the telegraph, the railways and again a wider financial network.¹³⁰ The transactions took place far from port of delivery where the Greeks had formed strong ties, effectively removing them from the transaction. As mentioned in the previous chapter, much of the Greek cotton trade redirected itself to Egypt and the Ottoman Empire as a result of the American Civil War. In Egypt, Greek cotton interests and maritime interests, allied, as ever, with those of the British, continued to play a primary role.¹³¹

Both in sentiment and politics, the Greek shipping classes tied themselves with Britain, the “Monarch of the Seas” to paraphrase Gilbert and Sullivan’s play *HMS Pinafore*. Merchant shipping depended on secure sea lanes, and no country could manage this in the nineteenth century like Britain, whose navy remained the world’s largest until the middle of World War Two. Britain had extensive colonies on nearly every continent, and controlled key parts of the Mediterranean, including, Greece’s Ionian Islands from

¹²⁸ Alexander Kitroeff, *Greeks and the Making of Modern Egypt* (Cairo: The American University in Cairo Press, 2019), 43.

¹²⁹ Kitroeff, 204.

¹³⁰ Correspondence with Professor Scott Reynolds Nelson, University of Georgia “Capitalist Souths” Graduate Conference, May 20, 2021.

¹³¹ Kitroeff, 41. See also Peter Schwartzstein, “How the American Civil War built Egypt’s Vaunted Cotton Industry and Changed the Country Forever,” *The Smithsonian*, August 1, 2016, 35.

1814 until 1864, when they were given to Greece, the new kingdom's first territorial acquisition. Britain had bankrolled the Greek independence movement and intervened at a crucial time to "protect that investment."¹³² When the young kingdom acted contrary to British interests, such as, during the Crimean War by attempting to attack Turkey to support the Russians and to expand Greece's frontiers, the British and French occupied Piraeus, Athens' port.¹³³ Greek merchants were active in Britain, particularly Liverpool and Manchester, and often held British nationality. Problems with Britain were bad for business, and the Greek merchants, as opposed to the often-cantankerous Greek state, did not want to upset Britain.

This is particularly true in Egypt, where the Greeks played a key role in the economy, and in the construction and piloting of the Suez Canal. When Britain established a protectorate over Egypt in 1882, Greece sent token naval support to the British.¹³⁴ Certainly Greeks of all political backgrounds resented British support of the Ottoman Empire against Greece's clear expansionist aspirations, and pro-Russian/Orthodox sentiment in the country was a factor, but the geopolitical realities of a small state on the Mediterranean with a vital and dynamic maritime sector dictated that Greece—and Greek shipping—policy be aligned with the *Pax Britannica*. As is in the past, the Greek mariners were determined to find their agency at sea, navigating political realities. The Greek state rarely showed such realism and wisdom.

¹³² As an example, in 1898 Greece was effectively placed into receivership of an international commission that included Britain, France, Germany, Austria, Russia, and Italy. Thomas W. Gallant, *The Edinburgh History of the Greeks, 1768 to 1913*, (Edinburgh: Edinburgh University Press, 2015), 300.

¹³³ Gallant, 139.

¹³⁴ Kitroeff, 51.

The results for the Greek shipping sector from this reconcentration to shipping resulted in a global reach for the sector previously confined to Europe and the Mediterranean. Greek ships confronted heavy competition from other maritime nations, such as the British, Dutch, Americans, Italians, Spanish, and Danish, but the Greeks tended to be nimbler and more willing to change jurisdictions when needed, as well as having skilled mariners and captains generally lower compensated than their competitors. In London, Greek shipowners faced what must be called bigotry from British brokers and insurers, who claimed that Greeks were unethical and scuttled ships for insurance purposes.¹³⁵ The northwestern European prejudice towards southern and eastern Europeans alluded to earlier was alive and well in Victorian Britain,.

The Greek Political and Financial Environment

With the turn of the twentieth century, Greek shipping continued to grow, even as Greece went through multiple financial crises, including a crushing military defeat in 1897 by the Ottoman Empire, bankruptcy and waging (and winning) the two Balkan Wars in 1912 and 1913. While Greek shipping and the Greek diaspora communities, particularly in Egypt, continued to thrive in the era of nineteenth century globalization, the Greek state was focused on the task of growing its borders in the Balkans to liberate Greeks and Orthodox Christians under Ottoman rule, a task quite beyond the resources of the poor (and poorly developed) state. The mass of Greeks were desperately poor

¹³⁵ Nicholas Gage, *The Bourlotas Fortune*, 147. Here Greek firms such as the Vagliano Brothers' operation had a ready insurance market among their fellow Greeks often excluded by the British. Harlaftis, "From Diaspora Traders to Shipping Tycoons: The Vagliano Brothers," 259.

peasants at the mercy of a patronage state and a few cash crops, as well as the constraints of the international financial system.¹³⁶

One of a series of revolts on the island of Crete, still a restless Ottoman province at the dawn of the twentieth century, resulted in a disastrous war with the Ottoman Empire in 1897, where Greece was soundly defeated, forced to pay an indemnity, and Greece went into bankruptcy.¹³⁷ A few years later, the currant crop collapsed, leading to the mass emigration of tens of thousands of Greeks to the United States.¹³⁸ Not for the first or last time, Greeks actively quit the country and its political and financial chaos. However, Greeks from Egypt, the Ottoman Empire, and Russia rushed to serve in Greece in 1897¹³⁹ and later, a wave of Greeks in the United States repatriated to serve in the Balkan Wars.¹⁴⁰ Military endowments by Greek shipowners and Diaspora Greeks were crucial, in particular the Battlecruiser *Averoff*, purchased via an endowment created by a Greek merchant in Egypt.¹⁴¹ This ship led the Greek fleet to spectacular victories against the Turks in the First Balkan War and turned the Aegean Sea into a virtual Greek Lake.¹⁴² As ever, the Greeks abroad were willing to die for Greece, just not to live for her.

Though Greece was neutral for most of the First World War, its stance was controversial domestically, and the British and French regularly violated Greek

¹³⁶ The International Financial Commission of 1898 is an example, but Greece's financial woes made it even difficult for Diaspora Greek bankers in the Ottoman Empire to lend Greece money. Gallant, 289.

¹³⁷ Ibid, 300.

¹³⁸ Helen Z. Papanikolas, "Toil and Rage in a New Land: The Greek Immigrants in Utah," *Utah Historical Quarterly*, Vol. 38, Number 2 (Spring 1970), 104.

¹³⁹ Kitroeff, 72.

¹⁴⁰ Among the returning immigrants to fight in the Balkan Wars was the author's grandfather, who left Utah in 1912 to fight the Turks, and later, in the Second Balkan War, the Bulgarians. Papanikolas, 137.

¹⁴² Kitroeff, 72.

sovereignty in the Gallipoli Campaign and to support Greek factions that were pro-Entente. As in the next world war, Greek shipping generally worked with the Entente and suffered as a result. Greece entered the war in 1917 and participated in the routing of German and Bulgarian forces in the Balkans, and in 1919 Greek troops landed in Smyrna as part of an Allied (primarily British) strategy to bring the Turks to heel. For the Greek state, it seemed that her irredentist goals would finally be realized. Greeks were the plurality in Smyrna and along the Turkish Aegean coasts they were a large population.

The Greeks' invasion of Asia Minor resulted in a disastrous defeat in a war of attrition and the Turks' genocidal campaign against the large Greek Orthodox population in Asia Minor. Greece took in 1.4 million refugees, generally without a male head of household and usually penniless.¹⁴³ The safety valve of emigration to the United States effectively ended with the restrictive, discriminatory Immigration Act of 1924.¹⁴⁴ Among the multitude of refugees from Asia Minor was a tobacco merchant's son from Smyrna named Aristotle Onassis, who quickly tired of Greece and, with the United States shut, emigrated to Argentina.¹⁴⁵ The merchant marine was one of the only stable employments in spite of the booms and busts of the world economy in the tumultuous interwar years.¹⁴⁶

¹⁴³ Renee Hirschon, *Heirs of the Greek Catastrophe* (New York: Berghahn Books, 2008), 38.

¹⁴⁴ In practice the Act heavily discriminated against Southern and Eastern Europeans, essentially shutting off emigration to the US as a safety valve for a Greece in the throes of post-World War One and Asia Minor Disaster devastation. Helen F. Eckerson, "Immigration and National Origins." *The Annals of the American Academy of Political and Social Science* 367 (1966), 7.

¹⁴⁵ Gelina Harlaftis, "The Onassis Global Shipping Business, 1920s-1950s," 245.

¹⁴⁶ The author's grandfather spent most of the 1920s in the Greek merchant marine, providing for his nuclear family of five in Pireaus, the port of Athens, as well as his mother and other family. His story was not atypical.

Notwithstanding tremendous trauma of the period, the Greek merchant marine grew slowly as the next global war approached in the late 1930s.

CHAPTER SIX WAR, RESURRECTION, AND THE TOP OF THE CHARTS

Greece and her merchant fleet suffered terribly in World War Two, with over 60 percent of ships lost and at least 2000 mariners dead.¹⁴⁷ The war at home was also particularly horrific with battle casualties, starvation, and three rounds of a bloody civil war killing approximately one out of ten Greeks in the near-decade long struggle from 1940 to 1949.¹⁴⁸ Greece was already poverty stricken prior to the conflict, having fought several wars from 1912 to 1922, absorbing 1.4 million penniless refugees into a country of five million people.¹⁴⁹ Aside from basic agriculture, Greece depended on her merchant fleet and emigrants' remittances (including a still dynamic diaspora merchant class discussed previously) to stay afloat. The Second World War cut Greece off from these vital supplies and remittances and destroyed her fleet, while opening horrific fissures that resulted in civil war.

A series of synchronous events and interests, however, set the stage for Greek-owned fleet to emerge in the years that followed far stronger and to become the world's largest by 1970, a position still held after fifty years. What is also remarkable is that some of the same traits that served the Greek shipowners and sailors in the past—kin-based

¹⁴⁷ Sources disagree as to the number of Greek ships lost, which depends, in part, on how you define the Greek fleet. Harlaftis, in *A History of Greek Owned Shipping*, quotes a figure of 72 percent tonnage loss. Gelina Harlaftis, *A History of Greek-Owned Shipping* (London: Routledge, 1996), 227. Roger Jordan, whose figures the author prefers, has a total number of 404 Greek ships in 1939, of which 206 were destroyed due to war causes and 39 due to maritime hazard. As a percentage of ships, this is slightly over 60 percent. Roger Jordan, *The World's Merchant Fleets, 1939* (Annapolis: Naval Institute Press, 2000), Appendix.

¹⁴⁸ Stathis N. Kalyvas, *Modern Greece: What Everyone Needs to Know* (Oxford: Oxford University Press, 2015), 85.

¹⁴⁹ Kalyvas, 74.

companies, exceptional nautical skills, political and market savvy—once again proved crucial to the reemergence and survival of the Greek fleet. The Greek mariners and captains had the skills, and the shipowners a merchant's eye for opportunity. Like its Ottoman predecessor, the independent Greek state generally was a hindrance which reaffirmed that the sea was the only way that Greeks could have agency in a closed, patronage-based society.

In 1939, the Greek Merchant Marine was the world's ninth largest.¹⁵⁰ The Greek fleet, largely though not always Greek flagged, generally consisted of smaller, older ships. As in the past (and future) the companies were closely held with family shareholders, and offices were primarily in either London or in Piraeus, Athens' port. As in the previous hundred years, the Greek merchant marine almost functioned as an appendage of the British Empire's economic and naval system. Greek ships carried supplies to the British Isles and were targets of German submarine warfare. In the Second World War the same situation prevailed, and though Greece declared her neutrality with the outbreak of the Second World War in September 1939, her ships were constant targets of German and Italian submarine, surface, and aerial attacks.¹⁵¹

Greece entered the conflict against Italy, but not Germany, when Italy attacked Greece on October 28, 1940. By that date, already 59 ships had been lost, with considerable loss of life.¹⁵² Germany invaded Greece on April 6, 1941, in part to rescue the Italians from their crushing defeat at the hands of the Greek military in Albania, and

¹⁵⁰ Jordan, Appendix.

¹⁵¹ Ibid.

¹⁵² Ibid.

the carnage of Greek shipping continued unabated, with 1941 as the worst loss of tonnage. In 1942, with the United States in the war, U-Boats had a began a killing spree along the extensive American Gulf and East Coasts, at times so close to shore that explosion concussions shattered beach house windows.¹⁵³ Only in 1943 did a substantive naval and air antisubmarine effort materialize to protect merchant ship convoys. Greek ships, often older and slower than their American and North European counterparts, were easy prey if they fell behind convoys.

The death toll for Greek and other Allied merchant mariners was horrific; as an example, the death rate for American merchant sailors in World War Two was higher than any branch of service except the US Marines.¹⁵⁴ In Greece's case, about two thousand sailors lost their lives, and 60 to 70 percent of Greek shipping lay at the bottom of the ocean. Greece was already a poor country and the merchant marine, together with emigrant remittances, formed the backbone of the economy.¹⁵⁵

Greece also experienced very bad war at home. Though Greeks could point with considerable pride to their record of military success and resistance, the country was deliberately starved by the Germans and hundreds of thousands died, particularly in the winter months of 1942. Greeks continued in their age-old tradition of mountain guerilla resistance, but this too quickly assumed a more "ideological" form, as economic and political grievances mirrored larger geopolitics, with the better organized communists gaining the upper hand. These ideological fissures, moreover, impacted the large Greek

¹⁵³ William Geroux, *The Matthews Men: Seven Brothers and their War against Hitler's U-Boats* (New York: Penguin Books, 2017), 72.

¹⁵⁴ Geroux, 270.

¹⁵⁵ Harlaftis, *A History of Greek-Owned Shipping*, 227.

military and naval forces which continued the fight in the Middle East, particularly in Egypt (with their wealthy and politically active Greek commercial colony). An actual mutiny in the Greek naval forces in Alexandria was put down by force in 1943.¹⁵⁶ Greek merchant mariners were also impacted by these political fissures, as well as the larger economic and military problems of the war. The “first” Greek Civil War between communist and non-communist forces occurred in 1943, while Greece was still occupied by the Germans.¹⁵⁷

Greek shipowners, who largely transferred their “seat” during the war from London to New York, also viewed the situation with deep trepidation. Their ships were increasingly at the bottom of the Atlantic or the Mediterranean, and they lost family members and compatriots, often from their same island or village. Most were quite comfortable personally but worried about the possibility to restore businesses and livelihoods after so much destruction and the scepter of civil war in Greece, even if the Allies were victorious. They also were concerned about communist agitation on their ships but also the prospect of a communist victory in the civil wars in Greece effectively shutting off their most important resource, Greek sailors. Speaking of sailors, their politics were also a major concern for shipowners both in the war and in the postwar era. Blacklists of leftists were not uncommon. This topic would resurface in a postwar Greece where shipowners often would side with the right-leaning governments and even the

¹⁵⁶ Alexander Kitroeff, *Greeks and the Making of Modern Egypt* (Cairo: American University Press, 2017), 141.

¹⁵⁷ Kalyvas, 86.

military junta that ruled from 1967 to 1974. Not for the first time the relationship between shipping and regime was destined to be complicated and divisive.

Enter the “Liberty Ship”

Though the Liberty Ships are, quite rightly, associated with American industrial might and production genius, the ship’s design is originally British. The British developed the general plan for a mass producible 10,000 deadweight ton (DWT) cargo ship, but their inadequate production facilities, raw materials supplies, and demands of competing war industries made the idea impractical in Britain. Further, the entire island of Britain was being bombed incessantly by the Germans in 1941 and such facilities were sure to be prime targets. Accordingly, the British assembled the British Shipbuilding Commission and crossed the Atlantic in the hopes of ordering such ships from the US or Canada.¹⁵⁸ The British Shipbuilding Mission found Henry Kaiser, a brilliant American industrialist, willing to undertake the challenge of mass-producing cargo ships, a feat never done before. America had plenty of space to design high-capacity yards, and the labor and capital to build the ships.

Most importantly, both for efficiency, ease of shipyard training, and to reduce weight and raw materials, the ship’s parts would be welded together rather than riveted. For many classical shipbuilders, and shipowners, this was sacrilege, and there were concerns about the ability of welded ships to handle wartime conditions.¹⁵⁹ A few of the early Liberty Ships cracked, and the reputation of their unseaworthiness lingered.¹⁶⁰

¹⁵⁸ Peter Elpick, *Liberty: The Ships that Won the War* (London: Chatham Publishing, 2001), 45.

¹⁵⁹ *Ibid.*, 45.

¹⁶⁰ *Ibid.*, 143. Also referenced in Gelina Harlaftis, *A History of Greek-Owned Shipping* (London: Routledge, 1996), 235.

However, the times called for unorthodox solutions. The first ship keel was laid in April 1940 and launched in August, a remarkably short time, and indicative of what could be accomplished. The rate of production of traditional merchant ships was too slow and that maybe it made sense to sacrifice quality for quantity under wartime conditions.

Kaiser's operation would eventually comprise 80,000 men and women.¹⁶¹ Kaiser put the "Henry Ford" assembly line, mass production ethos into shipbuilding, and the operation drew on America's vast reserve of land, natural, and human, resources. The US was still emerging from a period of massive unemployment as the war began, so employers such as Kaiser could draw on a large supply of educated, skilled workers, training others as men were drawn off by the draft once the war began.¹⁶² There were eighteen sites by 1943 on the Pacific, Atlantic, and Gulf coasts.¹⁶³ The ship that emerged was basic and functional, more to the specifications of an accountant than an engineer. The Liberty Ship was described as an "Ugly Duckling" and a "sea-going boxcar" by the ship-loving President Roosevelt.¹⁶⁴ and alternatively as a "sea-going boxcar." Given the shipping losses at the start of the program, in 1941, it did not make sense to build fancier ships at a time when the kill rates were so high.

The results were fantastic even by the high bar set by the American war effort. The record for completing a Liberty Ship from keel laid to launch was an astounding five days, set in November 1942, less than a year since the US had been at war and during a

¹⁶¹ Jonathan Dimbleby, *The Battle of the Atlantic: How the Allies won the War* (New York: Oxford University Press, 2016), 408.

¹⁶² Elpick, 10.

¹⁶³ Ibid., 83.

¹⁶⁴ Ibid., 18.

shipping carnage in that year. While the five-day record was indeed extraordinary the average completion rate was what mattered and that was forty-five days by early 1943.¹⁶⁵ While Liberty Ships were not the only ships set in production, they were the main type. To get an appreciation of just how vast the effort and success of the American shipbuilding program was, it is worth noting that 41 percent of all ocean-going ships built in the US in the thirty-year period between 1915 and 1945 were built in one year, 1943. In that year, President Roosevelt asked for 16 million deadweight tons of shipping, and the industry delivered 19.2 million tons.¹⁶⁶

While an enormous supply of ships was coming into service, the Battle of the Atlantic started to swing decisively in favor of the Allies. There was increasing discussion, on both sides of the Atlantic, about what to do with so much shipping tonnage when the war was done. It was clear that Britain's naval primacy, both military and commercial, would be another casualty of the war. The *New York Times* reported:

The pooling of operations and facilities by Allied nations during a war is one thing, but the post-war division of the pool is quite another, as U.S. and British shipping and aviation administrations are beginning to find out. Although no decisions have been reached, investigations have gone far enough to persuade Washington and London that in the peace settlement none will be more delicate and difficult than those affecting merchant marine and commercial flying The fundamental U.S. anxiety is how to make a fair division of the pool—*not forgetting other nations* and the Axis countries—and yet not sacrifice more national advantages than the American people will be willing to approve. (emphasis added)¹⁶⁷

¹⁶⁵ Dimpleby, 408. This ship, built in five days, was in service until 1965.

¹⁶⁶ Elpick, 83.

¹⁶⁷ *New York Times*, July 25, 1943. Quoted in Elpick, 75.

Already, in the summer of 1943, the Americans were pondering on what to do with the impending surplus of ships. So were the British, and the “other nations” who also suffered extensive losses. Aside from the US and Britain, the Allied nations included several considerable maritime powers, such as Norway, the Netherlands, France, and Greece. All suffered catastrophic war losses, but Greece’s case was acute both due to her relative poverty and the outsize role that shipping played in the Greek economy, society and identity. Despite horrific loss of life, the country still had plenty of sailors willing and able to work and in need of jobs. Even before the war ended, several Liberty Ships had been passed to the Greek merchant marine. There were several Allied countries, including the Soviet Union, which received Liberty Ships during the war from the US to transport supplies to the various fronts.¹⁶⁸ Despite these devastating losses, the Greeks had both the financial and, especially, the human capital. They needed ships.

The US Military-Industrial Complex delivered such a huge bounty of oversupply that needed to be disposed of wisely, and, with an eye to the deterioration of the US-USSR Alliance, the possibility that the merchant fleet would need a strategic tonnage reserve in case the coming Cold War turned hot. There was also the “actual and implied” need to assist the allied nations in replenishing their devastated fleets.¹⁶⁹ Combining strategic and economic disciplines, the US government commissioned Harvard Business School to conduct a study of what went wrong post-World War One and to offer

¹⁶⁸ Thirteen Liberty Ships had been transferred to the Greek merchant marine during World War Two. Elpick, 389.

¹⁶⁹ John G. B. Hutchins, “United States Merchant Marine Policy and Surplus Ships,” *Journal of Political Economy*, 59, No. 2 (1951), 199.

recommendations for the post-World War Two disposition of a (much larger) merchant fleet.¹⁷⁰

Much of the Harvard Report found its way into the Merchant Ship Sales Act of 1946.¹⁷¹ Under the act and amendments, over 1,385 ships had been sold by June 30, 1947. Of these 440 were sold to American operators and 945 to foreign governments or citizens of foreign countries, which indicates an over 2 to 1 ratio of foreign to domestic sales. This left approximately 3,000 vessels in government hands at that date, with purchase applications pending on 712 vessels, of which 649 were from foreign governments or citizens, a 9 to 1 ratio.¹⁷²

The Merchant Marine Sales Act of 1946 textually provided priority to US citizens, but there was a clear path for foreign operators to buy these ships, and, crucially, at the same price as Americans. The Act also contained language suggesting that “the Commission . . . shall consider the extent to which losses in prewar tonnage of the various member nations of the United Nations, incurred in the interests of the war effort, have been overcome, and the relative effects of such losses upon the national economy of such member nations.”¹⁷³ Purchasers were required to pay 25 percent of the purchase price,¹⁷⁴ and there would be an interest rate applied of 3.5 percent.¹⁷⁵ Though government guarantees would be required of non-US purchasers, the terms were essentially “national

¹⁷⁰ Hutchins, 119.

¹⁷¹ Daniel Marx, Jr., “The Merchant Ship Sales Act of 1946,” *The Journal of Business of the University of Chicago*, 21, No. 1 (1948): 25.

¹⁷² Marx, 25.

¹⁷³ Merchant Ship Sales Act of 1946, Public Law 321, March 8, 1946, Sec. 7(a).

¹⁷⁴ Merchant Ship Sales Act of 1946, Sec. 4(b).

¹⁷⁵ Merchant Ship Sales Act of 1946, Sec. 4(b).

treatment” for foreign buyers so long as they were US allies (and Italy, which switched sides after 1943).

These sales, without a national price preference for domestic operators resulted in an immediate uplift to ravaged European fleets, who depended on foreign exchange (essentially US dollars) to rebuild a Europe shattered by the Nazi occupation. At the same time the purchasing countries were US allies and could be relied upon to operate in tandem with American economic and political objectives. European fleets operated much more economically than the American fleet, particularly poorer countries like Greece and Italy (the biggest purchasers) and lower shipping costs would benefit American exporters. There is no question that larger goals of rebuilding Europe, providing an outlet for American exports, played a role as well. European reconstruction required international trade, and the lower the carrying costs, the better for all. The Act itself clearly indicated its intent to help Allied nations and their economies, in some proportion to the losses they suffered and in consideration to the importance of shipping to the subject nation’s national economy. The Act’s intent and language was perfectly suited to the Greeks’ needs.

The opportunity to buy brand new ships at cut rate prices was not lost on the Greeks, who were skilled entrepreneurs and operators, as well as risk takers. Prominent Shipowner Manolis Kulukundis spoke for most of his counterparts when he said in October 1945, before passage of the Merchant Ship Sales Act, that, “we depend on Liberties for the replacement of our sunken ships.”¹⁷⁶ That said, there were hesitations

¹⁷⁶ Gelina Harlaftis, *A History of Greek-Owned Shipping*, 235.

within the Greek shipping community. A few of the more conservative shipowners disdained welded ships, believing them to be unsafe. Some of the early Liberty Ships which cracked or capsized due to welding failures remained in their minds.¹⁷⁷ Others did not like to finance their ships, which opened opportunities for the more credit-savvy types like Aristotle Onassis and Stavros Niarchos—both from non-islander, non-maritime backgrounds—to build large fleets on the back of low shipping prices, cheap credit, low operating costs and rising freight rates.¹⁷⁸ The savvy merchants saw the opportunity for what it was—the ultimate buy low, sell high scenario. Combined with low wages, low purchase costs, and war-induced pent-up demand, the shipowners built fantastic fortunes, but rank-and-file mariners and officers realized an economic and personal agency as never before. Aristotle Onassis, a tobacco merchant’s son, an Asia Minor refugee, was the exemplar of this mentality.

The Onassis Style

It is no accident that one of the biggest, and certainly most flamboyant buyer of these surplus American ships, was Aristotle Onassis, son of a prosperous Smyrna merchant from a non-maritime background, and a refugee from the Greek genocide in the Ottoman Empire, who first went to Greece and then settled in Argentina. Because he remains the iconic (yet not necessarily representative) picture of the Greek shipping tycoon, it is worth considering him in detail. After arriving in Argentina, Onassis leveraged family expertise in tobacco to import Greek and Turkish tobacco into

¹⁷⁷ Ibid.

¹⁷⁸ Ibid, 237.

Argentina, establishing his first fortune.¹⁷⁹ While happy to be out of the chaos of a Greece reeling from its disastrous war in Asia Minor, he nonetheless actively sought to leverage both the local Greek-Argentine and the wider Greek Diaspora, as well as the Greek government.

Onassis secured, like Benachi in pre-Civil War New Orleans, the appointment as Greek consul in Buenos Aires. In some ways like the Chiots who moved from merchant activities into shipping, the Smyrnan merchant Onassis also sought his stake in Greek shipping, which was playing an increasing role in the key Argentina-Europe grain trade.¹⁸⁰ He joined the rank of shipowner at the height of the Great Depression, in some ways a curious time to enter the business, but for one with a buy-low, sell-high ethos like Onassis, it suited him perfectly.¹⁸¹ Again, Greek shipping magnates historically had a knack for such buy-low strategies, a function of their dual heritage as merchants and naval pilots. Onassis clearly was more of a merchant than a shipowner, but he could leverage the skill of his compatriots.¹⁸²

While popular legend credits Onassis with the move to the Panamanian flag as a flag of convenience, as we have seen, Greek shipowners swapped flags from the outset of the modern fleet, switching from Ottoman to Russian to Venetian to British as and when

¹⁷⁹ Gelina Harlaftis, “The Onassis Global Shipping Business, 1920s-1950s,” *The Business History Review*, Summer 2014, Vol. 88, No. 2, 245.

¹⁸⁰ Harlaftis, “The Onassis Global Shipping Business, 1920s-1950s,” 248.

¹⁸¹ *Ibid.*

¹⁸² It would be a mistake, however, to suggest that Onassis’ style did not grate on other more typical shipowners, including his erstwhile father-in-law, George Livanos, a Chios shipowner. Most specifically, however, the fact that he was not an islander, but rather an Asia Minor refugee, would always mean that Onassis, like the Athenian society scion Stavros Niarchos, would never be considered as part of the “tribe.” Onassis, however, changed the way Greek shipping looked and acted, and today there are many Greek shipowners from the mainland. Harlaftis, *A History of Greek-owned Shipping*, 276.

needed.¹⁸³ To the more established Greek shipowners, who generally came from island backgrounds with strong naval experience, and in most cases former captains and seamen, Onassis was an upstart, and his merchant-style approach to shipping offended many of the more traditional shipowners, even though many had family ties to such merchants who bought or married into the shipping business.¹⁸⁴

Onassis' style, however, was perfect in the postwar era when the opportunities for Liberty Ships beckoned as he had none of the misgivings of some shipowners about welded hulls or high indebtedness. His market savvy honed on several continents told him that the time was right to go all in on Liberty Ships and T-2 Tankers, and he made a fortune.¹⁸⁵ While he may not have been of a naval heritage, Onassis, like other Greek merchants, could leverage the brilliant skills of his fellow Greeks with such backgrounds. Here too, he was following in well-traveled footsteps, as Chiot merchants readily transitioned from the classic merchant middlemen to high seas shipowners. He also was the first Greek to get into the soon to be lucrative oil tanker business, prior to World War Two.¹⁸⁶

While Onassis' merchant ethos certainly mirrored the Chiot merchants who merged with shipping concerns, in some ways Onassis (and Niarchos) definitively broke the mold of the Greek Merchant Shipping "code." Greek merchants and shipowners usually played (and play) close to the vest, with discreet family-owned firms and unobtrusive—though often quite luxurious—lifestyles. The earthy Onassis and his

¹⁸³ *Ibid.*, 241.

¹⁸⁴ Harlaftis, "The Onassis Global Shipping Business, 1920s-1950s," 250.

¹⁸⁵ *Ibid.*

¹⁸⁶ *Ibid.*

debonair nemesis, shipowner Stavros Niarchos, with socialite wives and mistresses and glamorous yachts brought a notoriety to Greek shipping which was generally resented by more discreet members of the community.¹⁸⁷ Whether merchants or shipowners, they had generally preferred less notoriety than the Onassis-Niarchos style.

The Resurrection

Rising on the “yeast” of the Liberty Ships, within the space of a few years after World War Two, the Greek merchant fleet was back on its feet, plying the oceans with fleets primarily consisting of World War Two-vintage freighters and tankers. Despite their welded hulls and aspersion cast about the ship’s lines and looks, these freighters were workhorses and in so many ways a step up from the prewar ships.¹⁸⁸ For one, despite their mass-produced nature, the ships in the late 1940s were brand new; the 1939 Greek merchant fleet by and large consisted of ships often 20 or more years old. Further, the prewar Greek ships were generally smaller in tonnage, seldom much larger than 5,000 tons, and the Liberty Ships carried nearly 10,000 tons of cargo. When added to the low price, ready financing, and the availability of insurance money, the makings of a fortune were at hand, and many Greek shipowners took the calculated risk to pile into Liberty Ships, with great subsequent rewards.

Further, the Greek tradition of using Flags of Convenience did not unduly concern the US Maritime Commission. American operators had been using Panamanian and other registry jurisdictions as well as the Greeks, often enough for some of the same tax

¹⁸⁷ Ibid.

¹⁸⁸ An inventory of Greek ships lost in the Second World War shows an average tonnage size of well under 5000 tons. The Liberty Ships were right around 10,000 tons. Further, most prewar Greek ships were decades old and less economical. Jordan, appendix.

mitigation and regulatory reasons. The US basically controlled Panama during the postwar era (the Canal Zone was US territory), and US petroleum and financial institutions often would explicitly favor operating under the Panamanian or Liberian flags, because of high costs associated with US registry.¹⁸⁹ Here again, US policy and Greek shipping preferences and traditions coincided. Greek crews could be paid less and were highly professional and experienced, which also interested American commercial and political interests.

In addition to the economics, there were mutual political interests. America had replaced Britain as the ruler of the seas and the global economy, and just as the Greek shipowners had been careful to cultivate the British during the *Pax Britannica*. Greek shipowners, Anglophone and generally Anglophilic, could and generally did easily transfer these sentiments to the Americans. Further, and particularly in response to the Greek Civil War[s], they could be counted on to support the Greek alliance with the United States. It is worth noting that the mass of the Greek population did not necessarily agree with this position and this cleavage was exacerbated by the various Greek civil wars. This question of orientation—along with the Turkish threat—dominated postwar Greece and could not help but influence maritime labor relations and the shipowners' relations with the Greek government.

¹⁸⁹ Gelina Harlaftis, *A History of Greek-Owned Shipping*, 242. There might have also been a preference for a non-Greek registry in case Greece, which was in the throes of a Communist insurrection, fell to the Communists. Better to have non-domiciled Greek ships under foreign (friendly) flags of convenience rather than the Greek flag in case Greece fell to the Communists.

Testimonials

“There is no question that the Liberty Ships were the ‘yeast’ that grew the fleet,” said retired Captain Velissarios Theodorou, who served on a series of Liberty Ships in the mid-1960s.¹⁹⁰ He described the ships as excellent, well built— “considering that they were built for one trip”—in the middle of a war. After twenty years of service, the ships continued to be put to profitable use by Greek shipowners. Captain Theodorou did allow that the ships were slower and not as economical as later models, and that there were fewer hydraulic and mechanical mechanisms that had become standard by the 1960s. Still, these ships were still seaworthy and comfortable. Given the ships’ rapid manufacture, he did not consider that anything was amiss. In fact, he remarked on the spacious food coolers, and the manufacturer’s attention to detail.¹⁹¹

As the 1960s wore on, the World War Two vintage ships were replaced by larger, more modern ones, often enough built in German and Japanese yards, contributing affirmatively to both of these former Axis countries’ postwar “economic miracles.”¹⁹² Shipbuilding is a labor and materials intensive activity, and naturally production would shift to lower cost locations such as South Korea and eventually China.¹⁹³ Greece too sought to leverage its shipbuilding heritage with modern yards, particularly at Skaramanga Shipyards near Athens, financed by shipowners. However, local bureaucracies, patronage and labor issues made doing business in Greece—as always—a

¹⁹⁰ Interview with Captain Velissarios Theodorou (Retired) by Alexander Billinis, March 9, 2019.

¹⁹¹ Ibid.

¹⁹² Gelina Harlaftis, *A History of Greek-Owned Shipping*, 264.

¹⁹³ Ibid.

difficult process that Greek shipowners tended to avoid.¹⁹⁴ As a result, twentieth century Greece did not experience the shipbuilding boom of nineteenth century Greece.

There is no question that the infusion of foreign currency paid at wages far higher than local wages was a boon to sailors' families, to their local communities, and to the economy. Further, reflecting their productivity, Greek sailors in the 1950s and 1960s often were paid at rates higher than their British counterparts.¹⁹⁵ Captain Theodorou brought home concrete examples. In a country with a weak currency in need of foreign exchange, the dollars and sterling of the Greek merchant mariners were vital. In exchange for repatriating hard currency, merchant mariners had various tax breaks in Greece, such as exemptions from stamp duties in home purchases. Captain Dimitris Tsigkaris, another veteran of the Liberty Ships, mentioned that this exemption from stamp duties saved him 13 percent on his home purchase price.¹⁹⁶ His brother, Captain Vangelis Tsigkaris, also referenced income tax deductions that mariners received.¹⁹⁷

The upward mobility of both captains and crew can be seen in the careers of several interviewed retired captains, who went from the captain's role to shore management in shipping companies or other maritime related activities.¹⁹⁸ Sons would follow their fathers into the business, usually advancing up the salary chain or expanding

¹⁹⁴ Onassis and Niarchos attempted to invest in Greek shipyards in Skaramanga, in a bay west of Pireaus and Athens, but labor and bureaucratic problems caused perennial troubles for the yard, which was in receivership and recently sold. Reuters Staff, "Greece Concludes Tender for the Sale of Skaramangas Shipyards, Reuters, July 7, 2021. <https://www.reuters.com/article/greece-shipyards-sale/greece-concludes-tender-for-the-sale-of-skaramangas-shipyards-idUSL5N2OI40M>

¹⁹⁵ Gelina Harlaftis, *A History of Greek-Owned Shipping*, 233.

¹⁹⁶ Interview with Dimitris Tsigkaris, Captain (Retired) by Alexander Billinis, May 14, 2021.

¹⁹⁷ Interview with Evangelos Tsigkaris, Captain (Retired) by Alexander Billinis, August 17, 2020.

¹⁹⁸ Ibid.

into related businesses. Often ships chandlers, maritime brokers, attorneys, or bankers will have come from shipping families. Upward mobility, strong educational and experiential background, and an outlook both cosmopolitan yet discreet and insular are the hallmarks of Greek mariners, then as in the past.

For an important section of the Greek economy and geographies, particularly certain towns and islands, the revitalized merchant marine brought not just a reconstruction to a shattered economy, but a relative and localized prosperity which further fueled a growing postwar Greek economy. The merchant marine, and Greek sailors rising through the ranks via experience and the many nautical academies, brought thousands of poverty-stricken Greeks into the middle class and beyond. Shipping was a key means for Greeks to be upwardly mobile without having political connections or emigrating, though the merchant marine provided a free ticket abroad which many used to get to, and to remain in the Diaspora, including both my father and his brother.

Though Greek shipping grew more geographically inclusive in the twentieth century, with the addition of mainland or non-islander shipowners, even into the late twentieth century it was remarkably island based. For example, before World War Two two-thirds of the shipping crews came from traditional shipping islands, from 1945 to 1960 half did, and even as late as 1980, when foreigners were being more actively employed as crewmembers, 36 percent were islanders. A large percentage were also from Athens' port, Piraeus, which itself was largely settled by islanders.¹⁹⁹ As in the case of

¹⁹⁹ Harlaftis, *A History of Greek-Owned Shipping*, 276. My own family was somewhat typical. My paternal grandfather was from a mountain village in the southern Greek mainland, married to the daughter of a Hydra sponge fishing captain. My father and uncle were both born in Hydra and were seamen, as we all

Hydra in the 1800s and in later generations, whole communities actively depended on the merchant marine, where owners, officers, and sailors often hailed from the same families, villages, or islands. This network provided familiarity and trust, as well as a talent and hiring pool.

Shipping is a knowledge business, and the greatest asset of the Greek shipowner is the Greek mariner. Until the late 1970s, Greek owned ships were almost exclusively crewed by fellow countrymen, but the sailors increasingly began to be from developing countries while the officers remained Greek, trained in some of the world's oldest and finest academies, such as the venerable Hydra Nautical Academy.²⁰⁰ By the late 1990s, even officers were often foreign, particularly from Ukraine and Russia, reflecting in part longstanding commercial ties, but Greeks remained in other areas of the industry, particularly in management, law, financing, chartering and brokerage, often children of sailors, captains, and shipowners. My work as a banker in Greece confirmed this; our shipping division was generally made up of colleagues of island background with merchant marine families. The mass employment nature of shipping to Greeks has faded, and it remains to be seen if this will alter the unique relationship Greeks have to shipping.

Captain Dimitrios Tsigkaris suggests that the benefits of the maritime culture resonated beyond those employed directly in shipping. For a country with a chronic balance of payments deficit, the dollars and sterling of the maritime sector were vital, but even the tourism sector benefitted by the presence of so many mariners with commercial

their male first cousins, ranging from captains, first engineers, and regular seamen. Most of my paternal line are involved in shipping. Captain Theodorou, interviewed herein, is my first cousin's husband.

²⁰⁰ As a child spending my summers in Hydra, I remember many of my playmates' fathers spending several months a year at sea.

and linguistic skills. “The sea is a university,” he says, where generations of Greek sailors learned about foreign countries, and when these foreigners came to Greece, mariners had the cultural skills (and the capital) to be successful in the burgeoning tourist industry so vital to the Greek economy.²⁰¹

The Greek state remained problematic for both shipowner and sailor. On one hand, the state recognized that shipping was a vital national resource, but the Greek state did little to foster shipping beyond certain grudging tax exemptions and in some cases financing the nautical academies.²⁰² Greece was and is a land of smothering bureaucracy, patronage, and closed shop industries, even to the present day. This cronyistic ethos which is anathema to the laissez-faire, economically savvy, discreet, and technocratic world of the Greek mariner. Skaramanga Shipyards is a metaphor for the failures of terrestrial investment in Greece, and it is in contrast with the success of nineteenth century shipyards—also financed by shipping and diaspora merchant interests—particularly on the island of Syros.

Conclusion: “Greece is Not Land, it is the Sea that Embraces the Land.”²⁰³

That these two Greeces—a global one at sea and a lovely, static, and statist state—exist side by side is perhaps the reason why Greek shipping continued to be the only real option for Greeks’ quests for agency. Various Greek governments would try to extract more from the shipping industry, and at every attempt the shipowners would be

²⁰¹ Interview with Dimitris Tsigkaris, Captain (Retired) by Alexander Billinis, May 14, 2021.

²⁰² Hydra’s famous nautical school, profiled in the Hydra Chapter, passed to state control in 1930.

Interview with Dimitris Tsigkaris, Captain (Retired) by Alexander Billinis, May 14, 2021.

²⁰³ Quote in Hydra Nautical Academy, Hydra, Greece.

prepared “up anchor” from Greek shores, switching flags, and ditching local Greek offices, which in any case were a tiny part of their global revenue stream. The quest for agency remains to this day, as a functionally bankrupt Greek state continues to eye the riches of the shipping industry as a quick fix and a sop to populism. Captain Demetrios Tsigkaris even offered that the independent Greek state was in some fashion more oppressive to the shipping industry than the Ottoman predecessor, a rather stinging indictment.²⁰⁴

For Greek shipowners, the postwar boom brought wealth far greater than the considerable fortunes of the prewar era. Some shipowners, like Niarchos and Onassis, became international celebrities whose luxurious yachts were paparazzi magnets. The vast majority, however, were and are quiet, unobtrusive though lucrative family-owned affairs, closely held and with ties to one of a dozen of native or ancestral islands. Some islands, such as Chios, Andros, and Cephalonia, are the ancestral islands for dozens of shipowners, whose mansions and endowments dot the islands, and relatives and fellow islanders likely as not share in their fortune as officers on their ships, maritime brokers, and maritime lawyers. Though they are viscerally Greek and often quite vocally Orthodox, the Greek state itself they view with a mixture of disdain and perhaps a tinge of guilt in response to aspersions cast on their patriotism.²⁰⁵ Greece’s often parochial

²⁰⁴ Interview with Captain (ret) Dimitrios Tsigkaris by Alexander Billinis, May 14, 2021.

²⁰⁵ Some Greek shipowners make large donations to the state, either via foundations such as the Onassis and Niarchos Foundations, or particularly to the Greek armed forces. One rags to riches shipowner recently bequeathed a large percentage of his estate to the Greek military. Newsroom, «Απεβίωσε ο Ιακώβος Τσουνής,» (“Apeviose o Iakovos Tsounis-Iakovos Tsounis Passes Away”) *Καθημερινή (Kathimerini)*, April 4, 2021. <https://www.kathimerini.gr/society/561326521/apeviose-o-iakovos-tsoynis/>

society and politics clash with their cosmopolitanism and their global education and experience.

For Greek merchant mariners, Greece becomes more a place of reference than of residence, and the retired captain all too often misses the wide horizons of the oceans even as he enjoys a generally comfortable retirement in one of the most beautiful countries in the world. The shipowner or descendants largely are non-domiciled in Greece and it becomes a land best loved from afar or from the deck of a yacht, or with a skeleton operation in Athens' port and perhaps a villa on their ancestral island.²⁰⁶ This "Liberty Ship" generation of Greek mariner, now in retirement, saw their fathers fight the Battle of the Atlantic, and they oversaw the advance of the Greek fleet to the top of the world's tonnage charts from 1970 to the present day. The same combination of nautical skill, kinship ties, technocracy, merchant savvy, and an adept reading of political and economic tea leaves were keys to their success. The absence of agency in their beautiful homeland, however, made the Greek shipping phenomenon have everything to do with Greeks—"yet nothing to do with Greece."²⁰⁷

²⁰⁶ It would be a mistake to suggest though that these Greek shipping scions, largely educated abroad and usually multilingual and with multiple passports, do not fully identify as Greeks or with their ancestral islands. They often still marry within island networks (or even extended family), and though their Greek may be British or American-accented, it is often very much the dialect of their home island. Harlaftis, *A History of Greek-owned Shipping*, 275.

²⁰⁷ Interview with Dimitrios Sfakianakis, former colleague, ABN AMRO Bank Athens, by Alexander Billinis, April 14, 2012. The same sentiment, though more crudely stated, was echoed by Panos Laskaridis, who said that "People who are in shipping don't need the Greek government, don't need the [shipping] ministry . . . don't need the prime minister. They can [expletive] on the prime minister. They have no need of the prime minister," Laskaridis said. "Why? Because shipping has nothing to do with Greece. There is nothing that a shipowner will gain from Greece. No cargoes to Greece, no contracts from Greece, nothing in Greece. Only his office is here. 80 percent has foreign flags. They don't care about the Greek flag." This led to his resignation from the Union of Greek Shipowners. While his remarks might seem unpatriotic, the Laskaridis Foundation has also donated considerable funds to the Greek naval forces. Staff, *The Maritime Executive*, July 7, 2021. <https://www.maritime-executive.com/article/panos-laskaridis-departs-ugs-over-politically-charged-comments>

Greeks are such good seamen because facts on the ground gave them little choice, and the sea gave them a chance. Today, the Greek-owned merchant fleet remains the largest in the world, a position held for over fifty years.²⁰⁸

²⁰⁸ Union of Greek Shipowners, *Annual Report 2020-2021*, 3.

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