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Levantine Joint-Stock Companies, Trans-Mediterranean Partnerships, and Nineteenth-Century Capitalist Development

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On Rue Sursuq (Sursock) in the Achrafiyya district of present-day Beirut sits the palatial townhouse and garden of the well-known Sursuq family. Today, the Sursuq palace is a museum, a tourist attraction, and a popular venue for weddings and elite gatherings. It is also home to Yvonne Sursuq Cochran, heiress to what remains of the Sursuq family fortune. On the same Rue Sursuq stands the Bustrus palace, now the Ministry of Foreign Affairs and Emigrants. Rue Selim de Bustrus and a side street named after the family's oldest living member, Michel de Bustrus, are nearby. From the mid-nineteenth to the early twentieth century, these Greek Orthodox families, along with the Tueinis, Khuris, Debbases, Trads, Tabets, Naggiars, and Farahs, comprised the wealthiest business community in the Levant.

Across the Mediterranean, on 31 Brook Street, Grosvenor Square in London, a storefront still stands on the site of what was once the Sursuq family's first European office, established in 1858. The Bustrus family occupied another building nearby. When not conducting business in Beirut, Alexandria, Istanbul, Adana, Mersin, Paris, or Marseille, family members used their

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London offices for business dealings in global commerce, trade, and social visits. They discussed their investments in Ottoman land markets, sent and received bills of lading, negotiated their roles as creditors in European, Ottoman, and Levantine banks, purchased majority shares in major European cotton and transport companies, and strategized corporate litigation presided over by British judges and Beirut's Islamic (*shari'a*) and commercial courts. Unlike ethnic-based networks, like those of the Greek Phanariots and the New Julfa Armenians, whose members participated in long-distance trade in the early-modern period, the Beiruti companies grew up as part and parcel of the new nineteenth-century capitalist economic order. Their goal was capital accumulation.[1] The size of the Levantine families' trans-Mediterranean networks, the breadth of their portfolios in the Levant and Western Europe, and the formidableness of their competition with British companies put the Levantine business community alongside Ritu Birla's Marwaris and Greek and Jewish networks in the Black Sea and the Mediterranean as integral to the history of nineteenth-century capitalism.[2]

Despite new literature challenging earlier views of East-West economic divergences, modern capitalism—free wage labor, production for the market, private ownership over means of production, and the extraction of surplus value for the purpose of capital accumulation—continues to be synonymous with rapid European industrialization led by the British and Dutch and exported abroad.[3] Culturalist accounts comprehend revolutionary change through an invidious comparison: Modern capitalism was a product of the absolute advantages of European traditions, values, and institutions over flawed Eastern ones. Perhaps the most flagrant example of this is David Landes's *The Wealth and Poverty of Nations*, which argues that the Judeo-Christian tradition was responsible for the success of Western modernity by establishing cultural norms of private property ownership and limiting the despotism of the Western state and church.[4] Joel Mokyr's most recent book is a testament to the persistence

[1] Sebouh David Aslanian, *From the Indian Ocean to the Mediterranean: The Global Trade Networks of Armenian Merchants from New Julfa* (Berkeley: University of California Press, 2010). Christine Philliou, *Biography of an Empire: Governing Ottomans in an Age of Revolution* (Berkeley: University of California Press, 2011).

[2] Ritu Birla, *Stages of Capital: Law, Culture, and Market Governance in Late Colonial India* (Durham: Duke University Press, 2009). For Greek Networks, see I. P. Minoglou and H. Louri, "Diaspora Enterpreneurial Networks in the Black Sea and Greece, 1870–1917," *Journal of European Economic History* 26, 1 (1997): 69–104; Gelina Harlaftis, *A History of Greek-Owned Shipping: The Making of an International Tramp Fleet, 1830 to the Present Day* (New York: Routledge, 2005).

[3] For examples of new literature on similarities between European and Greek economic institutions, see Ferry de Goey and Jan Willem Veluwenkamp, *Entrepreneurs and Institutions in Europe and Asia, 1500–2000* (Amsterdam: Aksant, 2002). Also see the fascinating, nascent project on a slightly earlier period than that covered here, "Mediterranean Reconfigurations: Intercultural Trade, Commercial Litigation, and Legal Pluralism 15th–19th Centuries," http://configmed.hypotheses.org (accessed 8 July 2017).

[4] Landes, for instance, repeats the quaint idea that private property can be traced back to biblical times. Quoting the Old Testament, he tells us that it "was transmitted and transformed by Christian

of the culturalist narrative in British history.[5] Moreover, New Institutional Systems paradigms, formulated as foils to Orientalist tropes, end up propagating neo-culturalism. Timur Kuran's *The Great Divergence*, for instance, contends that Islam—institutionalized in the form of rigid Islamic Hanifi law as applied by the Ottoman state—obstructed capital accumulation in the Ottoman Empire.[6] Scholars of Middle East studies have posed frequent and biting critiques of these Orientalist and neo-Orientalist models,[7] yet many scholars continue to characterize nineteenth-century Ottoman forms of labor control for production as backward, feudalistic, or precapitalist holdovers distinct from or at odds with nineteenth-century European capitalism.[8]

Marx was wrong to consider capitalism fully matured in England by the nineteenth century, but he was cognizant of the fact that capitalist development during this period depended on a host of so-called "precapitalist" elements.[9] Capital accumulation in the nineteenth century relied on free and unfree labor and the subordination and appropriation of "women, nature, and colonies."[10] I argue here that the story of Levantine joint-stock companies and their trans-Mediterranean Greek-Orthodox partnerships helps us to rethink narrow culturalist theories of capitalism and paradigms resting on precapitalist/

teaching"; *The Wealth and Poverty of Nations: Why Some Are So Rich and Some So Poor* (New York: W. W. Norton, 1998).

5 Joel Mokyr, *A Culture of Growth: The Origins of the Modern Economy* (Princeton: Princeton University Press, 2017).

6 Timur Kuran, *The Long Divergence: How Islamic Law Held Back the Middle East* (Princeton: Princeton University Press, 2011); Avner Greif, *Institutions and the Path to the Modern Economy: Lessons from Medieval Trade* (Cambridge: Cambridge University Press, 2006); Timur Kuran, "The Absence of the Corporation in Islamic Law: Origins and Persistence," *American Journal of Comparative Law* 53, 4 (2005): 785–834.

7 For many years, scholars of Ottoman history have pointed out that non-Western societies have not been given their deserved place in the history of global markets, consumption patterns, labor relations, and property rights. Yet, few of these works deal with the period of late nineteenth-century globalization, challenge precapitalist/capitalist distinctions in the history of capitalism, or explore the mutual sharing of techniques across the Mediterranean as I do here. Beshara Doumani, *Rediscovering Palestine: Merchants and Peasants in Jabal Nablus, 1700–1900* (Berkeley: University of California Press, 1995); Kenneth Cuno, *The Pasha's Peasants: Land, Society and Economy in Lower Egypt, 1740–1858* (Cambridge: Cambridge University Press, 1992); Peter Gran, *Islamic Roots of Capitalism in Egypt, 1760–1840* (Syracuse: Syracuse University Press, 1998); Halil İnalcik, "Capital Formation in the Ottoman Empire," *Journal of Economic History* 29 (1969): 97–140.

8 Gershon Shafir, *Land, Labor and the Origins of the Israeli-Palestinian Conflict, 1882–1914* (Berkeley: University of California Press, 1996), 201–2; Roger Owen, "Introduction," in Roger Owen, ed., *Studies in the Economic and Social History of Palestine in the Nineteenth and Twentieth Centuries* (Oxford: Palgrave, Macmillan, 1982).

9 Karl Marx, *Pre-Capitalist Economic Formations*, Jack Cohen, trans., 2d ed. (New York: International Publishers, 1964).

10 Maria Mies, *Patriarchy and Accumulation on a World Scale: Women in the International Division of Labour* (London: Zed Books, 1986). See also, Jason Moore, *Capitalism in the Web of Life: Ecology and the Accumulation of Capital* (London: Verso, 2015), 51–75.

capitalist distinctions.[11] I draw on the unexplored archive of the Levantine family companies—account records, private letters, court reports, legal correspondences, land records, and business contracts, in Arabic, Ottoman Turkish, and French—to show how these companies accumulated considerable capital by freely borrowing from Europe when beneficial, but largely remaining grounded in the Ottoman social formation. It was in fact the flexibility of these Levantine family firms that made them fierce competitors and likely partners for European capitalists. Through their engagement with multi-regional firms and global and European markets, the Levantine joint-stock companies contributed to the shape and expansion of modern capitalist activity in the second half of the nineteenth century.

THE LEVANTINE JOINT-STOCK COMPANY AND CAPITAL ACCUMULATION IN THE OTTOMAN SOCIAL FORMATION

At the beginning of the nineteenth century, the Sursuq, Bustrus, Tueini, Khuri, Debbas, Trad, Tabet, Naggiar, Farah, and other Levantine business families began acquiring wealth at a rapid pace. Originally becoming rich as local tax farmers, moneylenders, and owners of small silk factories, the Sursuqs migrated to Beirut in the early eighteenth century from the district of Barbara, and before that Jubayl (Byblos).[12] The Bustrus family settled near Beirut from Cyprus at the end of the seventeenth century.[13] By 1832, many of these families had established small businesses in the city of Beirut. Just after the start of the civil war between the Maronites and Druze in 1860, other Greek-Orthodox families joined the Beiruti community.[14] The families who settled in the streets of the Achrafiyya district watched their fortunes grow as global silk prices began to increase exponentially in the 1850s and 1860s. In the early 1860s, when the silk market was at its peak, the Levantine firms built new silk factories to meet European demand, taking the number of

[11] Landes, *Wealth and Poverty*; Mokyr, *Culture of Growth*. Focusing narrowly on the part of imperial expansion, P. J. Cain and A. G. Hopkins, *British Imperialism: 1688–2000*, 3d ed. (New York: Routledge, 2013). For the New Institutionalist critique that ends up being a form of neo-culturalism, see Kuran, *Long Divergence*; and "Absence of the Corporation"; Greif, *Institutions*.

[12] 'Isa Iskandar al-Ma'luf, *Diwan Al-Qatuf Fi Tarikh Bani Al-Ma'luf*, 3d ed. (Damascus: Dar Hawran, 2003), 391 n2; *Tarikh Al-Usar Al-Sharqiyah* (Beirut: Riyad al-Rayyis lil-Kutub wa al-Nashr, 2007); Leila Fawaz, *Merchants and Migrants in Nineteenth-Century Beirut* (Cambridge: Harvard University Press, 1983), 91; Fawwaz Traboulsi, *A History of Modern Lebanon* (Ann Arbor: Pluto Press, 2007); Leila Salameh Kamel, *Un Quartier de Beyrouth Saint-Nicolas, Structures Familiales et Structures Fonciéres* (Beirut: Université Saint-Joseph, 1998), 107–37.

[13] Author's interview with Michael Bustrus, Dec. 2015, Beirut.

[14] The National Archives of the UK (henceforth TNA) C15/787/S127, "Sursocks V. Lascaridi Letter of Complaint" (London: Waterlow & Sons, Printers, Carpenter's Hall, 1858), 4. Dimitri Debbas, for one, fled to the port city with several Christian refugee families from Mount Lebanon in 1860.

Levantine-company-owned factories from thirty-seven in 1862 to forty-seven in 1867, compared to ten or eleven European-owned ones.[15]

The families were not yet millionaires or owners of ornate palaces; their early investments in silk buttressed the formation of their own businesses and business partnerships, as they engaged in the accumulation of capital in conjunction with the renewed acceleration of Mediterranean trade. Dimitri (Mitri) Sursuq was the founder of the family firm Niqula Sursock et Frères, which he named after his first-born son. Niqula and his six brothers and half-brothers—Musa, Lutfallah, Khalil, Nakhlé (Michel), Yusuf (Joseph), and Ibrahim—worked to grow the business into a major house for trade and investment. Antun Bustrus, like Dimitri, established the family company, Bustrus and Sons, which became Musa Bustrus and Nephews in the mid-nineteenth century after the premature death of Musa's three older brothers, George, Bustros, and Joseph.[16] Different branches of the Debbas family formed the joint-stock companies G. S. Debbas and K. Debbas and Company (the latter run by Khalil). George Tueini formed George Tueni and Co., Ibrahim Tabet established his own firm Tabet and Company, while the members of the Naggiar family formed the prestigious Naggiar & Co.[17]

As predominantly Christian companies, the Levantine firms exploited their European cultural connections to become competitive on the global market. They became dragomans for local consular offices and members of European Chambers of Commerce, which gave them access to potential European business partners.[18] To be sure, the Levantine families' Christian status gave them an advantage in global business circles, but it did not lead them to mimic Western capitalist models, as contemporary Europeans observed and scholars of Europe and the Middle East maintain.[19] Indeed, Levantine joint-stock companies in the Ottoman Empire emerged as part of a larger movement of joint-stock business organization in the nineteenth-century Mediterranean. Some new joint-stock firms were Muslim, even in the heavily Christian city of Beirut.[20] The sultan, for instance, granted a concession for the steam

[15] Roger Owen, *The Middle East in the World Economy, 1800–1914* (London: I. B. Tauris, 2002), 157.

[16] Author's interview with Michael Bustrus, Dec. 2015, Beirut.

[17] TNA C15/787/S127, "Sursocks V. Lascaridi."

[18] Niqula Sursuq, for instance, was the third dragoman to the Russian consulate in Beirut; Niqula Sursuq et Freres was under the protection of Moscow. Between 1875 and 1881, Musa Dimitri Sursuq was under Berlin's protection. See Lorenzo Trombetta, "The Private Archive of the Sursuqs, a Beirut Family of Christian Notables: An Early Investigation," *Rivista Degli Studi Oriental* 82, 1–4 (2009): 197–228.

[19] "With the Kaiser in the East," *Daily News*, 18 Nov. 1898.

[20] By some accounts, the Christian population was higher in Beirut than anywhere else on the Levantine coast. Henri Guys put the number at about half of the population. Out of fifteen thousand, he said, seven thousand were Muslim, four thousand were "Greeks" (or Greek Orthodox Christians), 1,500 Maronites, 1,200 "Greek Catholics," eight hundred Druze, four hundred Armenians and Syrian Catholics, two hundred Jews, and four hundred Europeans. In 1850, David Urquhart

tramway between Beirut and Damascus in 1891 to the Sunni Muslim family company of Hasan Beyhum.[21] Beyhum's firm, later run by his son Omar, worked closely with the Greek-Orthodox and Maronite business communities in matters of agricultural land in Palestine.[22] The Beyhum family partnered with the Sursuqs to create the Syreo-Ottoman Agricultural Company Ltd., "a joint-stock company with limited liability shares."[23] Outside of Beirut, Muslim joint-stock companies emerged alongside Levantine ones. The predominately Muslim marine transport company Şirket-i Hayriye established its offices in Istanbul in 1851 and divided its assets into two thousand tradable shares, with Sultan Abdülhamid as the primary shareholder.[24]

Both Christian and Muslim companies consolidated their family firms by working within the mechanisms of the *shari'a* courts.[25] While Islamic-based laws of inheritance tended toward divisions of shares of investments, family members continued to hold their investments collectively through private legal contracts drawn up by company lawyers and approved by the *shari'a* courts. The profits from Niqula Sursuq et Frères, for example, were divided among the seven sons of Dimitri Sursuq, but kept under the company umbrella. The other shares went to members of the extended family by marriage. Dimitri's third son, Lutfallah, married Zarife Bustrus; his other sons married members of the Debbas, Khoury, and Trad families. Niqula's first-born daughter was wed to Khalil Debbas (of K. Debbas & Co.); his second daughter married George Tueini (of George Tueini and Co.). The Sursuq sons and daughters had little choice when it came to their own betrothals; marriages served to keep their quickly accumulating wealth—particularly land revenues, credit exchanges, and growing assets from trade brokerage—within a small group of families of Greek Orthodox and Maronite origin. At the turn of the century the company had well over one hundred kin-related shareholders.[26]

confirmed similar numbers. Samir Kassib, *Beirut* (Berkeley: University of California Press, 2010), 229. The Levantine family companies' neighbors, Habib and Ibrahim Sabbagh, established the joint-stock company H. Sabbagh et fils, splitting shares amongst its family stakeholders from its office in Beirut's Hamra district.

[21] Acting Consul Khuri, "Beirut-Damascus Steam Tramway," in *Reports from the Consuls of the United States* (Washington, D.C.: Washington Government Printing Office, Jan.–Apr. 1893), 567.

[22] Sursuq Family Archive (henceforth SFA) 17803, letter from Negib Moussalli to Alfred Sursuq (Sursuq Et Frerés) concerning land of Jedro, Kafratta, and Mejdel in Palestine's Jezreel Valley (Marj 'Ibn Amr), 14 Dec. 1921.

[23] TNA CO 733/60, "Concession and Regulations of the Syreo-Ottoman Agricultural Company Limited," Beirut, 1914.

[24] Kuran, "Absence of the Corporation."

[25] Jessica Marglin explores the plurality of legal systems in the Ottoman Empire, in *Across Legal Lines: Jews and Muslims in Modern Morocco* (New Haven: Yale University Press, 2016).

[26] SFA 23420–23422, "Account Records Explaining the Ownership of Shares in Villages of Jedro and Kerdani" (1925). See family tree in Trombetta, "Private Archive," 228. For more information about the part the family played in operations of markets, see Harold James, *Family Capitalism: Wendels, Haniels, Falcks, and the Continental European Model* (Cambridge: Belknap

Betrothals, supported by specific understandings of gender roles in the families, laid the foundation for the Levantine joint-stock companies. But the firms' specific character grew out of the Ottoman social formation, specifically the companies' participation in the Ottoman enterprises of tax farming, silk farming, and moneylending (later, banking). The Sursuq, Bustrus, Debbas, Khuri, Farah, Tabet, Naggiar, and Tueini companies began to take shape through the families' joint shareholdings in the agricultural hinterlands of burgeoning ports on the Eastern Mediterranean coast. In the 1860s, Niqula Sursuq et Frères began to increase their control over land by extending credit to peasants through local agents. The companies hired local merchants to act as their overseers in the hinterlands of Jaffa and Mersin-Adana. In the case of Jaffa, for seven months a year the Levantine firms directed overseers to protect their investments by observing growing seasons in the fertile plains. In exchange for credit to peasants for seeds, tools, irrigation repairs, and so forth, the companies received repayments in kind, taking anywhere from one-fifth to the entirety of the total season's crop.[27] Soon, these companies had large warehouses in the region of Jaffa's port for the storage of exports, which a steamer collected at least twice a week on its way to Manchester, Hull, London, and Marseille.[28]

From the early 1850s, the Levantine companies began to vertically integrate their businesses by increasing their control over agricultural production and distribution in the fertile hinterlands of Jaffa, Mersin-Adana, Beirut, Haifa, Acre, and Alexandria. Some of the first lands that they purchased were in Mersin-Adana. In the 1850s, Aziz Sursuq, a member of a branch of the Sursuq family living in the Mersin-Adana district, attained title deeds for the fertile Upper Plains regions of Mersin together with Nejib Tueini and Selim Bustrus.[29] In 1866, the Ottoman government formed Emlak Commissions (Property Commissions) to register all *miri* (state-owned) land in the province. These surveys commenced in the region of the Jezreel Valley

Press of Harvard University Press, 2006). For Jewish networks in the Levant conducting business in the Mediterranean, see Joel Beinin, *The Dispersion of Egyptian Jewry: Culture, Politics, and the Formation of a Modern Disapora* (Cairo: American University in Cairo Press, 1998), 252–62. Also see Peter Stansky, *Sassoon: The Worlds of Phillip and Sybil* (New Haven: Yale University Press, 2003).

[27] London Metropolitan Archive (henceforth LMA) MS 31/522/211, Palestine I: Foreign Agency Memorandum of the Royal Sun Insurance Company, London: Royal Sun Insurance Records, [c. 1860–1872], 18 [these are undated, hand-written notes from insurance surveyors].

[28] LMA CLC/B/192/DC/019/MS31522/21, "Palestine I: Royal and Sun Insurance Alliance Group, Foreign Agency Memorandum," London: Royal Sun Insurance Company [c. 1860–1872], 19 [see note 27]. For descriptions of warehouses, see p. 21. For steamer schedules and bills of lading, see Marseille Chamber of Commerce Archive MQ 54/21, "Israel: Observations About Jaffa's Port and Trade of Products," 1879.

[29] Meltem Toksöz, *Nomads, Migrants and Cotton in the Eastern Mediterranean the Making of the Adana-Mersin Region 1850–1908* (Leiden: Brill Publishers, 2010), 3.

(Marj ibn ʻAmr) in 1869. At the very start of the state's application of the land survey, before claims to the land could come forward, representatives of the Levantine companies—Niqula Sursuq, Habib Bustrus, Gebran Tueini, and Mata Farah—went to the wali of Syria Muhammad Rashid Pasha and bribed him with 3,000 Ottoman lira to help them convince the state to grant the companies title deeds for 240,000 *dunams* (about 60,000 acres) of land in the Jezreel Valley and outside of Nazareth.[30]

By the mid-1880s, the Levantine business community controlled the most fertile land in Greater Syria and Palestine and valuable plots in Egypt. From the 1870s onward, the companies purchased title deeds from peasant inhabitants, whose families felt the real effects of declining global prices for their products during the great depression (1873–1896) and harsh climatic conditions.[31] After this push for land ownership, the Beirut-based families controlled approximately 800,000 *dunams* (nearly 200,000 acres) of prime agricultural land in Palestine, including the most coveted villages of the Jezreel Valley (Marj ibn ʻAmr). The *shariʻa* court records from Jenin, Haifa, Hebron, Jerusalem, Nablus, and Jaffa, in particular, illustrate that Islamic jurists in these regions ruled in favor of the Levantine companies' purchases of land for debts and legally condoned the families' consolidation and commodification of land.[32] In addition, the families held majority shares in seven villages in the Mount Lebanon region: Jdayel, Chikhan, Garzouz, Mounsef, Bekhaz, Barbara, and

[30] In *The Land of Gilead, with Excursions in the Lebanon* (New York: D. Appleton, 1881), Laurence Oliphant reported that a certain member of the Sursuq family bought large stretches of land in Palestine in 1869 from the Ottoman imperial government. The land totaled 240,000 *dunams* and on it sat twenty villages with a total population of four thousand people. For these plots a "Mr. Sursock" paid 6,000 Ottoman Lire to the Ottoman State Treasury and 12,000 Lire to some unnamed politician, ostensibly in the form of a bribe (p. 277). This view is supported by observations of Mansur As'ad: see his *Ta'rikh Al-Nasira: Min Aqdam Azamaniha Ila Ayyamina Al-Haditha* (Cairo: Matba'a al-hilal, 1924), 97, 288. Furthermore, the painstaking work of Amin Abu-Bakr in the Jenin and Nablus court records has provided a further layer of empirical density in support of this view: "Mulkiyyat al-Sursuq fi Filistin 1869–1948," (The properties of the Sursuq family in Palestine 1869–1948)," *Majlat Jamiʻat al-Najah li-l-abhath* (Journal of the University of al-Najah [Nablus] for research [in the social sciences]) 18, 2 (2004): 395–444.

[31] Due to the depression and a long period of drought and locusts, the peasants had been borrowing year after year at high rates of interest. Due to reduced yields, the 1870s also witnessed a period of inflation; stories circulated about peasant fathers selling their daughters for wheat. Asʻad, *Ta'rikh Al-Nasira*, 244; Abu-Bakr, "Properties," 66.

[32] See the explanation of these court records in Abu-Bakr, "Properties." For an illustration of the accumulation of capital due to the consolidation of landholdings, see, SFA 18078, "Property Requisitions and Rents for ʻAkka Properties,'" 1894–1903. Exports from Levantine company land increased exponentially over the course of the late nineteenth century: Liverpool Records Office HQ 338.7, "The Liverpool Commercial List," 1877; SFA 18113, "Letters Regarding Cotton Trade," 1912; SFA 23464, "Letter Regarding Sales of Tapu Land to George Tueini," n.d.; SFA 19247 *Account Records, 1875–1887*; SFA 18148, "Correspondences: Report on the Villages of Kerdani, Kafratta, Mejdel, Jedro," 1896–1915; SFA 18034, "Account Records for Sursuq Et Frerés," 1888–1894.

Rihan,[33] and they possessed shares in much of the fertile land in Adana-Mersin. In the 1860s, in exchange for the families' backing for the reign of Khedive Ismail in Egypt, their companies were also granted "huge cotton plantations" on some of the most fertile land outside of Alexandria.[34]

How did the Levantine companies hold their agricultural companies as joint-shareholders? In the Ottoman *tapu* system, a village was comprised of 24 *qirats* (or parts of a whole). For the Levantine companies, these *qirats* translated into shares of the agricultural surplus. Once the shares were distributed, bought, and sold among family members, each family company possessed a defined share in the net profit or losses of a given village at the end of each calendar year, represented by the companies' shares minus the tax they paid to the government (in Palestine, this tax was called the *werko*). The families and the Ottoman registry would often multiply their original number of *qirats* (or partial *qirats*) to not have to deal with too many fractions of a share. This type of shareholding led branches of family companies to assert, for example, that they owned 1/6th of the 135 *qirats* that the companies owned in the villages of Dalieh and Umm al-Dafouk, which was then further partitioned into shares for the companies' individual members.[35] Most of the family companies then added value to those shares by renting out part or all their shares in a village to individuals or companies whom they called "guarantors" (Arabic *daman*).[36] The guarantors paid a fixed sum per year in exchange for one-half of the net profit for those shares in the agricultural surplus.[37] In other words, the renters were simply guaranteeing shares by assuming the bulk of the risk. Some renters took a more hands-on approach,[38] but most "guarantors" visited the land only to oversee the divisions of the seasonal harvest when it hit the threshing floor.[39]

The Levantine families' choice to rely on Ottoman institutions was neither accidental nor simply a "precapitalist" holdover. Educated in Greek and French

[33] Kamel, *Quartier*, 135 n4. The six villages plus Barbara formed an area that was called "Qurnat al-Rum" in the vernacular of its local inhabitants; observers reported they were "colonized by Greek-Orthodox families from Turkey."

[34] Ibid., 108; SFA 12925, "Liquidation of Commercial Company Sursuq and Brothers," 1902, 1–2.

[35] "Shares of ownership in lands in the district of Acre, adjusted revenues in piasters, name of place, our total shares," SFA 18078_022v, "Land Account Records for Sursuq Et Frères," 1895–1902. There is no indication in these records of the original number (the family could have owned, for example, 7.5 *qirats* of the original 24).

[36] SFA 18022_135r, "Letter to Mikhail Habiab (Haifa) from George Sursuq (Beirut)," 1908; SFA 18022_166r, "Contract for Lease with Mohammad 'Afifi (Acre) and George Musa Sursuqm," 1908. For an example of a lease agreement in the region of Mersin-Adana, see SFA 18022_155, "Letter to Dimitri Abdullah Fashaghi from George Musa Sursuq," 1911.

[37] Ibid.

[38] SFA 18022_109r, "Letter to George Farazali (Manager) from George Sursuq," 26 May 1908.

[39] SFA 19232_164, "Letter to Selim Habib Jahel (Manager) from Mikhail Habaib (Renter)," 1911.

schools, the leaders of the Beirut-based firms were aware of European-style forms of absolute private property ownership, but until these leaders sold the land to European companies and settler-colonial groups they rarely chose to hold their land as private property in the Europe sense.[40] Where labor was inexpensive and plentiful, like in parts of Egypt, the firms held land in a manner akin to absolute private ownership.[41] In most regions of the Levant, though, the companies' members relied on the Ottoman system of collective sharecropping (*musha'a*) in the villages they purchased in Palestine; this was for them simply the most effective mode of capital accumulation. Labor was scarce in the Levant and therefore expensive.[42] British companies learned this hard lesson in 1868 when they were forced to relinquish as much as one-third of their newly purchased agricultural land in the hinterlands of Izmir (Smyrna). Attempting to hold it as private property, they could not find enough labor to work it.[43] Through Ottoman tax farming structures whereby the landholder took a percentage of the surplus yield the Levantine family firms amassed agricultural products for export to European ports. The Beirut-based companies could then import the labor that they needed to supplement labor from sharecroppers. In the case of their properties in Mersin-Adana, for instance, the firms imported as many as fifty to seventy thousand workers every summer to help to harvest the grain and an additional twelve to fifteen thousand to harvest and clean the cotton.[44]

THE BIRTH OF THE BRITISH JOINT-STOCK COMPANY

The Levantine joint-stock companies, indeed, grew out of the Ottoman social formation and a conscious rejection of European models that were unsuitable for capital accumulation in the Levant. Moreover, as Paddy Ireland has noted, English joint-stock companies were still maturing and not yet readily available as forms to imitate. Across the Mediterranean on English shores, the development of the British limited liability company as a dominant institution of capital accumulation was in fact not inevitable in the mid-nineteenth century. While the East India Company is a notable exception, during the years 1720 to 1844, royally or parliamentary sanctioned joint-stock ventures in Britain were rare. The Bubble Act of 1720 deterred the legal promotion of

[40] Fawaz, *Merchants and Migrants*, 91.

[41] SFA 18148, "Correspondences between George Musa Sursuq and Negib Moussalli," 1896–1915.

[42] Labor shortage was also, unsurprisingly, the justification for American slavery in the nineteenth century. It was also one of the reasons for farmers to seek semi-free indentured labor after the mid-nineteenth century. Peter Kolchin, *Amercian Slavery: 1619–1877* (New York: Hill and Wang, 2003 [1993]), 5.

[43] Abdul-Karim Rafeq, "Ownership of Real Property by Foreigners in Syria, 1869–1873," in Roger Owen, ed., *New Perspectives on Property and Land in the Middle East* (Cambridge: Harvard Middle Eastern Monographs, 2000), 185.

[44] Owen, *Middle East*, 115.

incorporated joint-stock companies in most sectors by prohibiting the transfer of shares in a company, and limited liability without state sanction.[45] Most joint-stock companies in the eighteenth and early nineteenth centuries had no corporate legal status granted to them by the state. Only through "the ingenuity of corporate trust lawyers [did they create] a legal form reasonably suited to them through skillful use of deeds of settlement."[46] Deeds of settlement permitted companies' investors to form joint-stock partnerships and designate the owners of the companies as joint trustees without parliamentary act or royal charter.

Throughout eighteenth- and early nineteenth-century England, the primary form of commercial organization was decidedly the *un*incorporated joint-stock company, or private partnership. And even in the case of the incorporated company, its distinction from the unincorporated one was extant but small. "[At this time,] shares in joint stock companies, [both] incorporated and unincorporated, were consistently conceptualized as equitable interests in the assets of the company. Shareholders were regarded as owners in equity of the company's property and shares as an equitable right to an undivided part of the company's assets."[47] The incorporated joint-stock company came about in England after parliament passed the 1844 and 1856 Joint Stock Companies Acts and the Companies Act of 1862. But what did it mean for a company to be legally incorporated? Traditionally, scholars have been quick to interpret formal incorporation by the state as an absolute uncoupling of the object company from its owner-members; they have contrasted the incorporated company with the family firm, for instance, finding the latter to be unstable, antithetical to capitalism, and unmodern.[48] However, in social practice, as Ireland demonstrates, the simple "act of incorporation [actually] did *not* effect a *complete* separation of company and its members" during this period.[49] Nor did it arise in opposition to the family firm.

Beginning in the late 1870s, literary and propaganda texts such as Laurence Oliphant's "An Autobiography of a Joint-Stock Company" began to connote the joint-stock company's acquisition of aspects of limited liability and public personhood.[50] In the areas of transportation, companies became

[45] Ron Harris, "The Bubble Act: Its Passage and Its Effects on Business Organization," *Journal of Economic History* 54, 3 (1994): 610–27.

[46] Paddy Ireland, "Capitalism without the Capitalist: The Joint Stock Company Share and the Emergence of the Modern Doctrine of Separate Corporate Personality," *Journal of Legal History* 17, 1 (1996): 41–73, 43.

[47] Ibid., 47–73. Also see Jairus Banaji, "Islam, the Mediterranean and the Rise of Capitalism," *Historical Materialism* 15 (2007): 47–74, 54; Ron Harris, *Industrializing English Law: Entrepreneurship and Business Organization, 1720–1844* (Cambridge: Cambridge University Press, 2000).

[48] Robert C. Clark, *Corporate Law* (Boston: Little Brown, 1989); L.C.B. Grower, *Principles of Modern Company Law*, 4th ed. (London: Stevens and Son, 1979), 100.

[49] Ireland, "Capitalism," 42, original emphasis.

[50] Laurence Oliphant, "The Autobiography of a Joint-Stock Company (Limited)," in *Traits and Travesties: Social and Political* (Edinburgh: William Blackwood and Sons, 1882), 107.

registered at a rapid pace and some received protections from the law as well as harsh critiques from the public.[51] Still, for much of the nineteenth century, Britain maintained the status quo. Contemporary accounts continued to approach the company as a collection of associated individuals and not as an *object* separated from them. Nathaniel Lindley's 1878 book *A Treatise on the Law of Partnership*, for instance, describes company law as a "mere statutory development" of the law of unincorporated partnership.[52] Articles in the *British Controversialist* rigorously debated, "Is Limited Liability in Public Companies Productive or More Harm than Good?"[53] And works of fiction, like Gaskell's *Crawford*, regarded the incorporated company as immortal and corrupt, a way to permit society's crooks to take reckless risks without consequence.[54] Records of companies during the late nineteenth century show that, aside from the woolen textile industry, most English manufacturing companies between 1830 and 1914 chose not to register their businesses.[55] Unincorporated "small-to-middling business remained the most characteristic form of enterprise, even in the 'leading sectors,'" and their leadership was often tied to informal family bonds, and, if they were really lucky, the royal dynasty.[56]

Hence, different normative understandings of the unincorporated partnership remained in the practice of British courts well into the late nineteenth century. In the decades following the enactment of the Companies Acts, judges continued to employ the "laws of partnership," finding individual shareholders responsible for the debts to the company in times of failure. Only at the century's turn did the notion of "corporate personhood" begin to permeate the corners of English courtrooms.[57] In the final decades of the century the "corporation as legal person" began to crystalize into a legal category in its own right. Even then, the designation was malleable, with the meaning negotiated and the company itself not hostile to the family firm. Only at the start of World War I were high numbers of private companies registered under the British

51 James Taylor, *Creating Capitalism: Joint-Stock Enterprise in British Politics and Culture, 1800–1870* (London: Royal Historical Society 2006), 53–73.

52 Nathaniel Lindley, *A Treatise on the Law of Partnership, Including Its Application to Joint Stock Companies* (London: Maxwell, 1878), 14.

53 "Is Limited Liability in Public Companies Productive of More Harm than Good," *British Controversialist, and Literary Magazine* 2, 18 (1865): 281–88.

54 A. H. Miller, "Subjectivity Ltd: The Discourse of Liability in the Joint Stock Companies Act of 1856 and Gaskell's *Cranford*," *English Literary History* 61, 1 (1994): 139–57; Taylor, *Creating Capitalism*, 53–92.

55 P. L. Cottrell, *Industrial Finance 1830–1914: The Finance and Organization of English Manufacturing Industry*, 2d ed. (Abingdon: Routledge, 2006), 112. "Fine spinning was still mainly in the hands of private firms, while joint stock companies were only just appearing as a permanent feature of the weaving branch of the industry in the mid-1880s."

56 Ibid., 231.

57 Ireland, "Capitalism," 53–62.

Companies Acts *and* denoted as having the legal form of incorporated association separated from their individual members.[58]

THE PLURALITY OF CAPITALIST INSTITUTIONS AND THE GREEK-ORTHODOX CONNECTION IN BRITAIN

As Levantine companies were beginning to vertically integrate their businesses in the mid-nineteenth century, the Levantine business community drew upon the established networks of their Greek-Orthodox Christian co-religionists who owned medium-sized trading and shipping companies in Britain.[59] Some of these Greek-Orthodox companies chose to incorporate their business under British company law, and some did not. Their decision often had to do with the distinct circumstances of the business. In the case of the Greek-Orthodox joint-stock companies, any decision to incorporate had to consider competition within their political, social, and cultural milieus. The model of the Levantine joint-stock company and some of their Greek-Orthodox partner companies in Britain served the purpose of accumulating capital and protecting their assets. Furthermore, the very character of their unincorporated joint-stock family companies put these firms at a distinct advantage in Eastern Mediterranean trade and in British litigation around it.

One of the Levantine companies' earliest relationships was with the London firm Lascaridi & Co., created under the direction of George Peter (G. P.) Lascaridi. Through this firm, the brothers acted as merchants, insurance and discount agents, dealers, and chapmen.[60] In addition to their many local and global business pursuits, members of the Lascaridi family invested in the purchase and operation of steamers between London and the Levant and other regions of Europe and the Ottoman Empire, establishing the Greek and Oriental Steam Navigation Company in 1857 with Stefanos Th. Xenos as managing partner.[61] The Lascaridis had first chartered big steamers to carry imports and exports from their associated merchant houses; the Beyrout and the Aleppo were two of the largest and most profitable.[62] With Stefanos, they began to

[58] Ibid.

[59] Although the history of the Levantine families from Beirut has yet to be told, scholars have documented the history of Greek networks across the Mediterranean. For instance, see chapters in Anastasdia Yiangou and George Kazamias and Robert Holland, eds., *The Greeks and the British in the Levant, 1800–1960s: Between Empires and Nations* (New York: Routledge, 2016); Harlaftis, *History of Greek-Owners Shipping*. On Greek joint-stock companies from an economics perspective, see: Ioanna Sapfo Pepelasis and Elpianna Emmanouilidi, "Joint Stock Company Births: Historican Coincidence and Economic Causality (Greece, 1830–1909)," *Working Paper Series* Athens University of Economics and Business, Department of Economics, 13 (2013).

[60] Harlaftis, *History of Greek-Owners Shipping*, 62.

[61] Stefanos Th. Xenos, *Depredations: Or, Overend, Gurney, & Co., and the Greek & Oriental Steam Navigation Company* (London: Published by Author, 1869), 1.

[62] Stephanos Th. Xenos purchased the latter two steamers in the name of the joint-stock company with his own shares with the endorsement of *Lascaridi and Co*. The *Marco Bozzaris* could carry 1000 tons in total. The *Scotia* could carry 1200 tons. Ibid., 14–16.

purchase ships in large numbers.[63] These boats, of all sizes and types, carried much of the approximately 7,000 tons per month of export trade to Levantine coastal ports at this time, in addition to their trade with Istanbul and the Black Sea region.[64] They also carried raw materials, including cotton and grains from Levantine ports and iron and copper, to places like Istanbul.[65]

Stefanos Th. Xenos had the opportunity to incorporate the Greek and Oriental Steam Navigation Company but chose not to. He reasoned that if he made the company public, he would have to approach his fellow Greek businessmen in Britain for their investments. These businessmen happened to be major shippers and mainly engaged in the practice of chartering ships.[66] If he went to them, he would run the risk of creating potential competitors out of potential shareholder-owners. Xenos reasoned,

> I shall be obliged … to show them my profits. I shall open their eyes; and the result will be that, being exporters and importers themselves on a large scale, having all the means, they will try the business and will go themselves into shipowning—as already Messrs. Spartali and Co. have begun at Liverpool—the Greeks unfortunately following each other in a transaction; so, in a couple of years, every two or three houses will have three or four steamers … everyone would have to work for 5 per cent. instead of 40 or 50 per cent.; so as long as I can keep alive the Greek and Oriental, I must keep in darkness those people from whom I fear a true and ruinous competition.[67]

For Xenos, incorporating the Greek and Oriental would mean exposing the company's record books to many potential Greek investors in competitive industries. The consequence could be that they would use the Greek and Oriental Steam as a model to emulate rather than a company to invest in. What is more, the newly incorporated company would have to have a board of directors, whose members, Xenos feared, might not make timely agreements about cargo shipments. Consequently, "The steamer will remain at Constantinople, waiting telegraphic orders, till the board meets and decides—perhaps twelve or fifteen days."[68] This was antithetical to his business model that relied on quick transfers of bills of lading and sales by telegraph to the most favorable markets.[69]

[63] *Admiral Miaoulis, Bobolina* (steam barge), *Botassis, Tzamados, Marco Bozzaris, Admiral Kanaris, Asia, Scotia, Modern Greece, Patras, Smyrna, Palikari, George Olympus, Zaimis, Londos, Petrobeys, Mavrocordatos, Leonidas, Colocotronis, Rigas Ferreos, Powerful Lord Byron*. Gelina Harlaftis has a slightly different list from the Lloyd's Register of Shipping (1860): *Kanaris, Asia, Coletis, Olympus, Bozzaris, Modern Greece, Petrobeys, Scotia, Smyrna,* and *Zaimis* (*History of Greek-Owners Shipping*, 62).

[64] Ibid., 42.

[65] Xenos, *Depredations*, 17–18.

[66] Quoted in ibid., 77.

[67] Ibid., 76.

[68] Ibid., 77.

[69] Malcolm Ronald Laing Meason, *The Bubbles of Finance: Joint Stock Companies, Promoting of Companies, Modern Commerce, Money Lending, and Life Insuring* (London: S. Low, Son, and Marston, 1865), 163.

Xenos's trepidations were well-founded; according to the journalists of the *British Trade Journal and Export World* at the time, proponents of incorporation did not have the statistical evidence to make a claim for its advantage: from the 23,140 joint-stock companies newly incorporated through formal registration in England, "From 1862 to 1884 as many as 14,302 companies, with a nominal capital of £2,243,000,000, disappeared altogether."[70] Even though Xenos wondered if limited liability would have brought more profit, he cites the example of absentees and disputes within the board of the failed Anglo-Greek Steam Navigation and Trading Company Ltd. in 1866 as an example of an incorporated company folding for just this reason.[71] Incorporation was plainly neither a panacea for commercial capitalists' success nor an aspiration for all budding capitalists in Britain or globally.

Not only was the British limited liability company not a widespread form to be mimicked in the mid-nineteenth century, but London court cases reveal that the distinct character of the unincorporated Levantine family firm was oftentimes just as successful, if not more successful, than the incorporated company in avoiding individual risk in British courtrooms. In the 1860s, the Sursuq family entered a partnership with The European Bank, Limited. In 1868, the bank issued a bill of complaint to the High Court of Chancery against N. Sursuq and Brothers (a.k.a. Niqula Sursuq et Frères) for 20,000 francs that the Sursuqs had failed to deliver on behalf of their partner Nichoaides Trad & Co.[72] When the court summoned Niqula Sursuq to appear in court, the only Sursuq the high court could find in London was his twenty-year-old son Iskander (Alexandre). At the time, Iskander was beginning to learn the business of running his father's joint-stock company, and he certainly was a member of the company as a junior partner and a recipient of future shares.[73] Yet, when asked about the company's debts, he claimed, "I am not and never have been a member of the firm of N. Sursock and Brothers in the Bill of Complaint mentioned.… I have not and never had any interest in the said firm."[74] This was not necessarily outright perjury; given the nebulous nature of the network of family firms in the Levant, Iskander could simultaneously be part of all or none of the family business. In this case and others, the flexibility of the unincorporated joint-stock company rooted in Ottoman

[70] "The Progress of Joint-Stock Enterprise," *British Trade Journal and Export World* 24, 281 (1 May 1886): 283–85. The authors of this journal criticize the proponents of the Limited Liability Company, claiming that the statistics they employ do not support the Company's success.

[71] Xenos, *Depredations*, 77.

[72] TNA C16/489, "The European Bank, Ltd V. Sursock, Amended Bill of Complaint," Chancery High Court, 1868, 5.

[73] SFA 14094, "Land Inheritance Records," n.d.; and Central Zionist Archive (Jerusalem) J15/2284/2, Agreement for the sale of lands from Alexander Sursuq to the Jewish Colonization Association (JCA), 15 Oct. 1907.

[74] TNA C16/489, "The European Bank."

structures made it difficult for the British courts to identify who was responsible for owed payments and thus whom to prosecute.[75]

GREEK-ORTHODOX PARTNERSHIPS AND THE EXPANSION OF EASTERN MEDITERRANEAN TRADE

Already in the mid-nineteenth century, the Levantine families had begun to solidify their positions in trade between the Levant and Britain and demonstrate to European companies that they had the power to compete in and disrupt European markets. Europeans remarked that the Levantine merchants, with the Beiruti families at the center, were the "chief merchants of Egypt" and Greater Syria and highly engaged in commerce with Europe.[76] The agents at the Royal and Sun Insurance Alliance Group made bids to insure the families' Beirut warehouses for grains, cotton, metals, and textiles for millions of pounds.[77] In the city, the German Consul General to Beirut (1873–1877) Julius Zwiedinek Von Südenhorst observed that by the early 1870s, "most cotton merchant houses in Acre and Lattakia [were] branches of [these] Beirut houses."[78] This was also true for Mersin.[79] By the late nineteenth century, business publications in Britain bemoaned that the Levantine companies were capturing a large percentage of the trade market. The *Daily News*, for example, reported: "One sees how the Eastern element is being swamped by the Western, or by the Christian Syrian element that is so rapidly absorbing the Western spirit, and even beating the West on its own commercial ground."[80] The *Daily News* and other major publications in Britain and France misperceived the Levantine companies' success as due to these businessmen "adopting the Western Spirit" and mimicking the ways of "Western capitalism."[81]

In 1854, the Sursuqs entered a joint-stock partnership with Lascaridi & Co. Several Beiruti- and London-based shareholders invested in the company: the Lascaridi brothers, George Tueini, Edward Morris (the clerk), and G. P. Lascaridi's long-time Greek-Orthodox partner and financial backer J. Fachri and Company.[82] A few years later, the Bustruses became partners with the established firm Spartali & Co. As two of the few Greek-Orthodox

75 TNA C 16/1004/D138, "Tewson, Debenham, Farmer, and Bridgewater V. Slaters and Selim Bustros [Bustrus]," 1875.

76 LMA "Egypt 4, Alexandria: Royal and Sun Insurance Alliance Group, Foreign Agency Memorandum, Egypt, Alexandria," n.d.

77 LMA CLC/B/192/DC/019/MS31522/250, "Syria 4: Royal and Sun Insurance Alliance Group, Foreign Agency Memorandum," n.d., 14.

78 Julius Zwiedinek von Südenhorst, *Syrien: Bedeutung Für Den Welthandel* (Vienna: Beck'sche Universitats-Buchhandlung, 1873), 56.

79 SFA 22015, "Map of Mersin, Including the Greek Orthodox Churches at the Port," n.d. (pre-World War I); SFA 22015_1, "Letter Concerning Trade and Trading Houses in Mersin," n.d.

80 "With the Kaiser in the East," *Daily News*, 18 Nov. 1898.

81 Ibid.

82 TNA C15/787/S127, "Sursocks V. Lascaridi," 7–8.

companies that owned ships at that time, Lascaridi & Co. and Spartali & Co. carried out most of their early transactions in silk, sugar, iron, and other metals between London, Liverpool, and Marseilles and the port cities of Beirut, Alexandria, Mersin, and Jaffa, in addition to Black Sea ports.[83] Sometime in the mid-nineteenth century they switched almost entirely to cotton and cotton manufactures, such as t-cloth and inexpensive textiles from Manchester factories.[84] The partners of Lascaridi & Co. and Spartali & Co. also invested in the larger conglomerate Lascaridi & Spartali.[85]

Some Greek-Orthodox and Levantine companies' members sought British naturalization papers so as to remain in residence in London and work in their branch offices. Indeed, the Beirutis operated in the global market by drawing from the multiple identities available to them—Ottoman, Beiruti, Christian, Levantine, Arab, Greek—for the sake of their political standing, residency, or litigation, and business interests.[86] In the mid-nineteenth century, the British and other governments granted naturalization papers to families like the Sursuqs, Bustruses, Lascaridis, and Spartalis.[87] Members of the Lascaridi family became naturalized citizens of the United Kingdom in 1855 after a mere twelve-month residency in England; members of the Bustrus firm received naturalization papers from the British government in the 1870s.[88] While Selim Bustrus and Constantine Lascaridi were legally British, the Bustruses had been born in Greater Syria and resided in Beirut. Likewise, the Lascaridis were an Ottoman Greek-Orthodox merchant family from the small town of Broussa in the major commercial province of Bursa.[89]

The individual families in the Greek-Orthodox partnerships shared robust economic, cultural, and social bonds with the Levantine business community. At least some members of the Lascaridi family owned townhouses and villas close to the palaces of the Sursuqs, Bustruses, and other Levantine families

[83] For more information on the make-up of the Spartali Company and its beginnings see: LMA CLC/B/192/DC/019/MS11936/534/1157873, "Foreign Agency Memorandum Book, Messrs Spartali and Company," 7 Aug. 1833; and "The Failure of Messrs Spartali," *Yorkshire Post*, 19 Nov. 1884.

[84] Ibid.

[85] LMA CLC/B/192/DC/019/MS 11936/534/1157873, "Royal and Sun Insurance Company Records for Spartali and Lacaridi," 1837.

[86] There is a long historiography on the plurality and fluidity of identities in the Ottoman Empire and elsewhere. Michelle Campos makes the important argument that lines of division between communities in the late Ottoman Levant were not only religious, but also class-based. She also argues that in each locale, like in Beirut, the divisions between Muslims, Christians and Jews were "shaped by residential patterns, economic situations, and a wide variety of cultural factors in addition to the polices set in place by the Ottoman state." Michelle Campos, *Ottoman Brothers: Muslims, Christains, and Jews in Early Twentieth-Century Palestine* (Stanford: Stanford University Press, 2011), 9.

[87] "Report of the Royal Commission for Inquiring into the Laws of Naturalization," (London: George Edward Eyre and William Spottiswoode, 1869).

[88] TNA HO 334/6/2022, "Naturalization Papers of Selim Bustrus," 1876.

[89] TNA HO 1/69/2163, "Naturalization Papers for Constantine Peter Lascaridi," 1855.

in Beirut's Achrafiyya district.[90] At that time, the youngest generation of Greek boys from the Lascaridi and Spartali families attended secondary school in Aix en Provence along with the youngest Sursuqs and other Greek Orthodox sons from Beirut.[91] In Lebanon, Greek primary institutions educated the boys in the Greek language as well as Turkish, Arabic, French, and English.[92] Stephanos Xenos published a newspaper in Greek in which the majority of articles urged the Greek community to support their community steamers in England.[93] Moreover, the church served as a place of congregation as well as a place to build economic relationships and conduct business deals, particularly after the migration of Christians from Mount Lebanon after 1860. From 1862 to 1876, the Levantine businessmen with ties to Liverpool, Marseille, Paris, Hamburg, and other important commercial ports populated the Majlis al-milla, the council of Beirut's Greek Orthodox community.[94]

The solidification of the shared community of Greek-Orthodox families in Beirut buttressed partnerships between joint-stock companies in the Levant and the major Greek-Orthodox trading houses in Europe. George Peter, from the Lascaridi family, entered into various private ventures, both as a partner of Lascaridi & Co. and as an individual. In the years that Lascaridi & Co. operated out of London, some of its members invested in the purchase of their own shares in this co-partnership outside of their family company. The Sursuq family also contributed individual shares: For this business venture, Niqula Sursuq partnered with the Italian family of Fratelli, also a resident of the Achrafiyya district; Niqula's half-brother, Yussef Sursuq, made his own investment in the trading company, partnering up with George Tueini to form G. Tueini, J. Sursock and Co.[95] These shareholders' main clients were from their own families. In other words, the shareholders of N. Sursuq et Frères profited from the revenues that Niqula brought in as an intermediary agent/partner in Lascaridi & Co. In addition, by doing business with George Tueini as well as Niqula's other half-brother Ibrahim and his son Ilyas, and members of the Debbas family firm —G. S. Debbas and K. Debbas and Brothers—the Sursuqs profited as shareholders in the brokerage and sale of the products they sold.[96]

90 TNA C15/787/S127, "Sursocks V. Lascaridi."
91 Fawaz, *Merchants and Migrants*, 91.
92 "In school for the Greek nationals, he was taught science, mathematics, how to read Arabic and French and learned Turkish." Başbakanlık Osmanlı Arşivi (BOA) DH_SAID 85/48, "Genel Sicil Kaydı, Nakhlé Sursuq," 1888–1906.
93 Xenos, *Depredations*, 46.
94 May Davie, *Beyrouth Et Ses Faubourgs: Une Integration Inachevée* (Beirut, Lebanon: Presses de l'lfpo, 1996), 57.
95 While Niqula and his brothers were first born from Dimitri Sursock's first wife, Dimitri also had three sons—Khalil, Joseph, and Ibrahim—with his second wife, Rizkallah. TNA C15/787/S127, "Sursocks V. Lascaridi," 6.
96 Ibid., 4.

The trust and familiarity within the Greek-Orthodox community was based on familial relationships, which in turn created the foundations for successful business partnerships extending between various points in Europe and the Levant. The Greek-Orthodox partnerships spread risk among a limited number of diverse shareholders and provided guaranteed business and support. Stephanos Xenos, for example, attributes the success of the Oriental and Greek Navigation Company to his fellow Greek-Orthodox firms in Britain. He had support from his co-religionists and was an insider in a club that shared a religion, culture, community, and language. In a letter to G. P. Lascaridi (which Xenos translated from the original Greek) he explains: "I have exclusive support of the Greek merchants in London. In the Levant I am popular, owing to my family name…."[97] He credits Greek-Orthodox backing in Britain and abroad for his shipping company's wealth vis-à-vis London's top shipping firms: "[The company is] able to keep up a brisk competition with Messrs. Smith, Sundius, and Co., and others, as [it] enjoyed the exclusive patronage of the Greek houses of London and Manchester."[98]

A major part of the Greek-Orthodox families' success was their participation in specific, still nascent forms of large-scale, speculative trade—what was later institutionalized as the "futures" market for cotton and other goods. The exchange of bills of lading for products like cotton prior to the arrival of cargo to ports was a practice that Sven Beckert traces to the early nineteenth century.[99] However, he suggests, at mid-century speculative trade remained in its infancy.[100] The Greek-Orthodox and Levantine companies appear to have been at the forefront of the rapid growth of speculative trade. As Malcolm Meason observes from his own experience working for these firms: "For a purely English house to carry on transactions of such magnitude would have been a simple impossibility … it was not until the Greeks—or rather what is called the Levant trade—took to trafficking in bills which had really nothing whatever behind them in the way of money or capital, that a regular and large profit began to be made out of this kind of paper."[101] From the mid-nineteenth into the early twentieth century, members of the Levantine companies telegraphed bills of lading for several different raw goods to their partners in Europe. These partners sold the goods in whichever market would give them the best price, before they reached English, French, or

[97] Xenos, *Depredations*, 12.
[98] Xenos admits that the Liverpool lines and the London steamers, like Messrs. Smith, Sundius, and Co., were likely making enormous profits, which illustrates how competitive the Greek-Orthodox steamers were in comparison (ibid., 1).
[99] Sven Beckert, *Empire of Cotton: A Global History* (New York: Random House, 2014), 210–11.
[100] Ibid.
[101] Meason, 163. This form of futures trade is analogous to the post-1970s financialization of capitalism—trading in derivatives, not the actual commodity or stock share.

other European shores.[102] The profits that the trading houses made from the anticipated sales could then be used to purchase textiles or other manufactured products for the return cargo.

Despite the occasional damaged shipment or diverted ship, the Levantine businessmen's early partnerships with the Greek firms of Spartali & Lascaridi brought in well over £100,000 in 1857 alone due to their risky but profitable futures trade.[103] In the late 1860s, speculation on futures started to become enshrined in market institutions of products like cotton and grains. The members of the Greek-Orthodox partnerships influenced the restructuring of British trading practices in cotton and other markets.[104] In the late 1850s, Greek businessmen Constantine Peter Lascaridi, for example, became a major shareholder and decision-maker on the board of directors for The Atlantic Royal Mail Steam Navigation Company, which was a partner of the American Express Company in New York.[105] In the growing cosmopolitan port city of mid-nineteenth-century Beirut, twenty-nine different Levantine merchants with ties to the Sursuq extended family served the four biggest Greek trading houses.[106] By 1866, the Levantine business families had added to their 1858 London branch by building offices in the major commercial centers of Paris and Liverpool.[107] As global trade increased, they had become major investors in European stock markets and established partners in British-based companies.

FROM GREEK-ORTHODOX CONNECTIONS TO EUROPEAN PARTNERSHIPS

At the beginning of Europe's recovery from the great depression, technology, modern science, and capitalist power began to form a trifecta for global capitalist expansion by appropriation: rubber from Malaysia, nitrates from Chile, and copper and gold from Australia all entered the world market.[108] European polities and companies scrambled for Africa. With the British occupation of Egypt, British companies renewed their search for new sources of raw cotton and other raw materials to fulfill Manchester's increased manufacturing demands. Imports and exports between the Ottoman Empire and Britain quadrupled and increases in commodity exchanges between the Mediterranean

[102] See, for instance, TNA J55/4/66, "Bustrus V. White," High Court of Justice, London: Queens Bench Division, 1876.

[103] The companies received a discount limit from the Bank of England of 30,000£. Stanley Chapman, *Merchant Enterprise in Britain: From the Industrial Revolution to World War I* (Cambridge: Cambridge University Press, 1992), 158.

[104] The Levantine families introduced other major European companies to the futures trade. See, for example, TNA J55/4/66, "Bustrus V. White."

[105] "The Atlantic Royal Steam Navigation Company Ltd.," *Economist*, 6 Oct. 1858.

[106] Chapman, *Merchant Enterprise in Britain*, 158.

[107] LMA CLC/B/192/DC/019/MS31522/80, "Beirut: Report on Merchants in Royal and Sun Insurance Alliance Group, Foreign Agency Memorandum," n.d.

[108] Moore, *Capitalism*, 139.

coast and Britain were even more pronounced.[109] By the end of the nineteenth century, the import of cotton-piece goods and other manufactures to the Levant and the export of grains, raw cotton, and cottonseeds to Europe comprised a major part of the Levantine companies' business. The Levantine business families expanded the production of cotton and other export products, extended their European-Ottoman business partnerships, and became majority shareholders in major trans-regional and European cotton companies.

Even in the period of intense, European-dominated trade on the global market, the Levantine companies continued to partner with and compete against European firms, at times dominating the European market. Trade between parts of the Ottoman Empire and Western Europe escalated in both directions after the signing of the Anglo-Ottoman Convention in 1838, and then during the American Civil War, in part pushed by business interests on both sides of the Mediterranean. They reached an apex in the final two decades of the nineteenth century and the early part of the twentieth. Cotton trade made up the bulk of this increase.[110] New industrializers like Germany and Italy entered the Levantine market. The years 1895 and 1907 corresponded to a construction boom in the Levant, including the building of Syrian railways such as the Damascus-Hauran Line (1894), the Damascus-Beirut Line (1895), connections to Aleppo (1906), and the Hijaz railway link to Haifa (1906), many of which were funded legally or arguably illegally by the Levantine companies.[111] In the beginning of the twentieth century, the Khedivial Line (The Khedivial Mail Steamship & Graving Dock Co.) and other steamers made frequent trips between Liverpool and Alexandria before heading to Haifa and other Syrian ports.[112] After a brief lull in the global market due to the Knickerbocker crisis, trade continued to increase with metals, minerals, and hydrocarbons gaining value as well.[113] Foreign banks rushed to open

[109] Charles Issawi, *An Economic History of the Middle East and North Africa* (New York: Columbia University Press, 1982), 115.

[110] Places like Egypt exported fourteen times more raw cotton from 1822 to 1860, and twelve times more than that from 1860 to 1920, making up more than one-fifth of the overall cotton imports to Britain. Beckert, *Empire of Cotton*, 205, 94. For a detailed breakdown, see figures provided by Roger Owen in *Middle East*, 136, 241.

[111] BOA DH_SAID 85/48, "Genel Sicil Kaydı, Nakhlé Sursuq." There was speculation among Ottoman officials that the Sursuqs were using their political posts to illegally fund public money to railroads.

[112] William Alexander Graham Clark, "Cotton Textile Trade in the Turkish Empire, Greece, and Italy," *U.S. Department of Commerce and Labor* 10 (1908): 40–41, 41. Marseille Chamber of Commerce Archive MQ 55/105, "Commerce International: Relations Avec Les Pays Etrangers En Particular Parrots Avec Les Pays European" (Turkey, Office Commercial François du Levant, 1900–1923).

[113] Owen, *Middle East*, 248. Copper prices stayed the same or increased between 1870 and 1914, even as other products' prices were declining in the years of the Great Depression. Also see Moore, *Capitalism*, 139.

multiple branches in Istanbul, Cairo, Beirut, and Jaffa as foreign interest and investments in the region intensified.[114]

The number of grain and cotton exports traveling from Haifa and Syria's other ports also rose steadily from the 1880s.[115] The growth of Haifa as a major port in the region was linked to the Ottoman government's choice to move the administrative capital of the region to Beirut, influenced by the Sursuq and Bustrus families. In 1865, an imperial *firman* (decree) announced that Damascus would be the new capital of the "super-province" of Syria.[116] Even before the *firman* was published, the Levantine companies, led by Niqula Sursuq and Habib Bustrus, petitioned the Ottoman government to make Beirut the administrative center instead.[117] The leaders of the Sursuq and Bustrus companies understood what was at stake economically and politically if Beirut was to become the administrative capital of northern Palestine. The Eastern coast of the Mediterranean was becoming one of the most rapidly developing coastal regions in the Ottoman Empire. Indeed, the question of whether Beirut was a provincial capital or a province of Damascus directly affected the capital accumulation and business standings of the Levantine companies. By making Beirut an administrative capital, the Ottoman government would "[shift] the jurisdiction of [the Levantine companies'] newly acquired land [in the Jezreel Valley (Marj ibn 'Amr)] to the courts of capital Beirut," placing "their landowning affairs on their own doorstep."[118] This move would help the Levantine families administer their own land to the south.

[114] For a detailed description of the rush of banks entering the Ottoman Empire between 1905 and 1907, see Murat Çizakça, "Evolution of Domestic Borrowing in the Ottoman Empire," in Ian L. Fraser, Phillip L. Cottrell, and Monika Pohle Fraser, eds., *East Meets West—Banking, Commerce and Investment in the Ottoman Empire* (New York: Routledge, 2016).

[115] TNA FO 195/2056, "Report on the Position and Prospects of the Haiffa-Damascus Railway," 1899–. From 1894 to 1897 the volume of exports from Haifa went from 3,547 to 4,459 tons, with some customhouse officials quoting the number as high as 7,512 tons just for wheat in the latter years of the 1890s. Products also went through the Acre region, as much as 36,000 tons of exports for 1898 alone. Quarterly reports from the British government put the total tonnage of British imports from Haifa in 1905 at 328,128 and French imports at 286,529. According to the French Chamber of Commerce reports, from immediately after the Knickerbocker crisis to 1912, the Greater Syrian ports alone did 225.3 million francs in total trade (92 million francs in exports and 131.7 million in imports); the number was likely over 300 million given the irregularity of statistics from the region. For more information concerning imports and exports from Palestine's ports in the late nineteenth and early twentieth centuries; see TNA FO 368/58/41, "Letter from O'connor to Bart: Quarterly Report on the Affairs and Administration of the Vilayet of Beirut," 14 Apr. 1906; and Marseille Chamber of Commerce Archive 55/105, "Memorandum on the Economic Value of Greater Syria," 23 June 1915.

[116] Bustrus Abu Manneh, "The Establishment and Dismantling of the Province of Syria, 1865–1888," in John Spagnolo, ed., *Problems of the Modern Middle East in Historical Perspective: Essays in Honour of Albert Hourani* (Oxford: Middle East Center, St. Antony's College, 1996), 7–26.

[117] Jens Hanssen, *Fin De Siécle Beirut the Making of an Ottoman Provincial Capital* (Oxford: Clarendon Press, 2005), 36, 44.

[118] Quoted in ibid., 45.

Indeed, the primary reason for the Levantine companies' interest in making Beirut a provincial capital was that their land in Marj ibn ʿAmr would then fall under the jurisdiction of officials in Beirut, officials who, like Ali Pasha, were economically, politically, and oftentimes even familially related to them.[119] The move also gave the Levantine business community a familiarity with the judges and the system of the *shariʿa* courts in Beirut as well as a political leg up when it came to major infrastructure decisions that affected their own capacity for capital accumulation.[120] As shareholders of the Beirut port company, and landowners of the most fertile land in Palestine, the Levantine companies' success was tied to the port's expansion and their own land consolidation, tasks more easily realized if *shariʿa* courts and Ottoman administration were familiar and close to home.[121] Moreover, Levantine families took on administrative roles in the region in order to support their businesses both politically and financially. For instance, Ottoman officials in Istanbul correctly speculated that Nakhlé Sursuq was capitalizing on his new position in Haifa and its ties to officials in Beirut to funnel money into the creation of a railway from his family's lands to the Haifa port.[122]

By the 1880s, the Levantine business families were associated with much of the cotton and grain trade between the Levant and Britain. They caught the attention of companies in Britain, France, and Germany. The Levantine firms partnered with large European companies for the development of export-oriented agriculture. The Beiruti-based firms could easily translate the shareholding practices of their own companies into shareholding in joint-stock European companies. In the second half of the nineteenth century, the Levantine firms did business with German settlers organized as the German-Levantine Cotton Company (Deutsch-Levantinische Baumwoll-Gesellschaft).[123] In 1899, the company was exporting more than fifty thousand bales per year from Levantine company-owned land and was using several thousand spindles each in Tarsus and Adana, "[all] owned by the wealthy Greeks," some of them members of the Levantine business community.[124] In the early twentieth century, the leaders of the Levantine firms helped the German-Levantine Cotton Company establish a

[119] SFA 21354, "Letter from Alfred Sursuq to Ibrahim Khalil," 1908. This private letter explains Alfred's cousin's new seat on Beirut's commercial court and how this will positively influence the family company.

[120] SFA 18022_222, "Letter from Alfred Sursuq to Mikhail Habaib," 1909. In this letter, Alfred explains to Mikhail, how to present his argument for land to the local court. Namely, if the family company paid for an official document prepared by a land surveyor, this is highly effective way to "get us permission before the *shariʿa* court."

[121] SFA 18046, "Sursuq Et Frères Account Records," 1898–1899; SFA 18101_004, "Letter from Isabella Bustrus to Credit Lyonnais, London," 1903—this letter concerns the shares/stocks of her husband, Negib Bustrus, in Haifa-Damascus Railway, port of Haifa, and port of Beirut.

[122] BOA DH_SAID 85/48, "Genel Sicil Kaydı, Nakhlé Sursuq."

[123] Toksöz, *Nomads*, 179. Fawaz, *Merchants and Migrants*, 3, 91. Fawaz tells us, "much [Mersin] was built on Sursuq land."

[124] "Year Book 1909," *Texas Department of Agriculture Bulletin* 13 (May–June) 1910: 40.

"musterfarm" to grow cotton and teach peasant laborers about cotton production, and to expand into the regions adjacent to Mersin-Adana. Similarly, the French Company of the Imperial Farms of Çukurova (La Société des Fermes Imperiales de Tchoucourova), founded in 1912, entered into partnership agreements with Levantine firms when the Ottoman government ultimately prevented the companies' planned purchase of 720,000 *dunams* to grow cotton for the German market.[125]

In 1906, about fifteen years after they encouraged large-scale cultivation for the export market, one member of Sursuq and Brothers, Negib Sursuq, became a director on the board of directors in Egypt for The United Egyptian Lands, Ltd.[126] In the United Lands own outline of objectives, its members proclaimed the need for stability and "capitalist principles," such as the introduction of a stable market for land with the nurturing of the "purchase, development, and subsequent leasing or re-sale of agricultural and building land."[127] One of the company's first actions, in November of 1906, was to begin purchasing large tracts of land in the Sursuqs' names. This family and their Levantine business partners consorted with the company to develop the fertile areas of the Nile Delta for growing long-staple cotton for export.[128] Some of the European companies and settler-colonial groups failed to attain permission from the Ottoman government to buy land in places like Adana-Mersin and the Jezreel Valley, as was the case with the French Company of the Imperial Farms of Çukurova. The Levantine companies instructed them in how to use various permissions granted by *shari'a* courts, such as power of attorney, to transfer land through private contract without having to change names in the official *tapu* registry.[129]

In addition to partnering with European companies, the Sursuq family created a company with various local partners with the initial "capital of $40,000 … for the cultivation of cotton in the neighborhood of Beisan."[130] The Sursuq and the Tueini family members began to grow cotton in this region and others in Palestine's fertile valley, helping to bring more and more land under cultivation.[131] After the Levantine business community had

[125] Ibid., 180.
[126] "The United Egyptian Lands, Limited, Incorporated under the Companies Acts, 1862–1900," *Western Daily Press*, Monday, 10 Dec. 1906, 4.
[127] Ibid.
[128] Ibid.
[129] In the case of Bethlehem (Bayt Lahm), the *shari'a* courts ruled that the individual who possessed power of attorney on behalf of the owner of the land was "authorized in an absolute manner, to sell [this land] to whomever he wants"; Israeli State Archive 3173/37-p, "Court Records Alexandria, Egypt," 13 May 1906. Private lease agreements served a similar purpose for German companies in Mersin-Adana. SFA 18113_322, "Letter from Shehan to George Lutfallah Sursuq," 11 Nov. 1912; SFA 18113_312, "Letter from Shehan to George Lutfallah Sursuq," 29 Oct. 1912.
[130] "Year Book 1909," 40.
[131] SFA 18148, "Letter Addressed to Mrs. Sursuq & Sons Concerning the Properties of Jedro, Kafratta, and Mejdel," 27 Nov. 1908, 227.

accumulated land in the Jezreel, it purchased pumps powered by small engines or kerosene and electric small turbines to redirect the output of water mills near canals for irrigation.[132] They began trading Palestine's cotton on the global market for an average of 18 francs per ton for cotton from Besian, 10–16 francs per ton for cotton from the Jezreel Valley (*Marj Ibn 'Amr*), and 10 francs per ton for cotton grown in the environs of Nazareth, in villages like Aylut.[133] The Sursuq records show that the Levantine companies also began to encourage the cultivation of tobacco and sugar on their land in Alexandria, but the majority of this land they reserved for cotton.[134]

The Levantine companies' influence on the British markets went beyond their role as landowners. As trade increased, their primary residences and storage spaces remained in Beirut, but their control over European cotton, grain, and metals markets became so significant that their activities impacted European stock markets and global trading behaviors. Companies in Britain and France paid close attention to the Levantine business activity because it affected their bottom lines. In October of 1881, for example, the *London Standard* and the *Daily News* reported that one single joint suspension of payments from the Sursuq and Debbas families had greatly disrupted the stability of the French Bourse. One transaction made on behalf of the network of these family companies and their partners led to "liabilities … estimated at five million francs, lost on speculative operations in the rise in Egyptian Stocks."[135] The Levantine companies also sold large volumes of copper, helping to sustain its continued high price on the global market.[136] In one transaction alone, George and Alfred Musa Sursuq sold 400 tons of copper at £77 per ton to The Russian Bank for Foreign Trade and its London-based partners.[137]

In Liverpool, representatives from the Levantine business families, like Alfred and Iskander Sursuq, sat alongside their Greek partners on the Liverpool Cotton Exchange Board and partnered with new trading firms like Charles Coury, and reputable Liverpool-based companies such as Hornby Hemelryk & Co., R. Atwood Beaver & Co., and Merryfield, Ziegler & Co.[138] Beckert mentions the long-time merchant company Zeigler & Cie., and the important bankers the Rothschilds, as having vital connections to cotton during the first half of the nineteenth century.[139] What he does not mention is that the Levantine companies traded with these companies and acted as bankers and

[132] Ibid., 226–28.
[133] TNA FO 195/2056, "Report on the Position."
[134] SFA 18062, "Sursuq Et Frerés Account Records: Cotton, Sugar, Coffee," n.d.–1901.
[135] "The Money Market," *London Standard*, 31 Oct. 1881.
[136] Moore, *Capitalism*, 139.
[137] SFA 18119, "Letter from George Musa Sursuq to Monsieur Hamel," 22 Apr. 1900; "Letter from Alfred Musa Sursuq to Monsieur Hamel," 30 Apr. 1900.
[138] Liverpool Records Office 380 COT 6/4, "Minute Books of General Meetings of the Liverpool Cotton Association," 29 July 1895–30 Sept. 1901).
[139] Beckert, *Empire of Cotton*, 184, 214.

intermediaries for Baron Edmond de Rothschild and The Russian Bank for Foreign Trade in Palestine.[140] Furthermore, the Sursuqs and their Levantine relatives became major shareholders in some of these British companies, contributing expertise and capital to the thriving merchant trading houses in Liverpool. "The business of the firm [Charles Coury & Co., for instance] include[d] transactions in Cotton, Sugar, Wheat and other produce."[141] In 1912, the firm's directors Charles Coury and Alcide Barriere called on the Sursuqs to invest. Ilyas Sursuq became the company's largest shareholder, although it retained its name Messrs. Charles Coury & Co.[142] Behind the doors of 31 Brook Street Grosvenor Square, the Levantine business community was controlling the majority shares and the activities of successful so-called "European" trading firms.

LEVANTINE COMPANIES, THE EASTERN MEDITERRANEAN, AND MODERN CAPITALISM REVISITED

This study of the Levantine companies has illustrated the parallels and collaboration between nineteenth-century Western and non-Western business communities, and the amorphous naturalized Britons in between. Dutch and English capitalism, which have come to be recognized as modern forms of capitalism, developed out of the protracted history of long-distance trade. In the nineteenth century, European capital moved to the production of cash crops such as sugar, tobacco, indigo, opium poppies, and cotton and to the discovery and mining of gold and silver in America that relied on coerced or semi-coerced labor for production and extraction. The members of the Sursuq, Bustrus, Tueini, Khuri, Debbas, Trad, Tabet, Naggiar, and Farah families maintained tenant contracts, preserved sharecropping structures, and engaged in other forms of labor control rooted in the Ottoman social formation. Observing this from parts of Britain, France, and Germany, Europeans and newly immigrated settler-colonialists mistook these types of labor control for production as "backward" forms of feudalism or precapitalist modes of production. Scholars like Timur Kuran, as well as experts in the regions of Palestine and Egypt such as Gershon Shafir and Roger Owen, have repeated these European observations as fact. Yet the Levantine companies own private papers show that Ottoman configurations were much more efficient for capital accumulation in the Ottoman context and for Ottomans doing business in parts of Europe. While these same European observers attributed the Levantine companies'

[140] SFA 18148, "Letter from George Musa Sursuq to Monsieur Hamel," 26 Jan. 1909; SFA 18119, "Letters from Sursuq Et Frerés to Monsieur Hamel, Explaining the Credits the Former Provided to the Jewish Colonization Association from a Large Paris Bank," May 1900. Hamel was the director of the Paris branch of The Russian Bank for Foreign Trade, headquartered in St. Petersburg.
[141] Liverpool Records Office 380 COT 2/5/6, "Letter from Blease & Sons, Accountants, to Cotton Board, Liverpool," 15 Oct. 1913.
[142] Ibid.

successes to "adopting the Western Spirit" of capitalism, their reliance on semi-coerced labor sometimes resembled strategies of their European and American competitors and they were often more effective.[143]

So what is capitalism, and how did nineteenth-century capitalism develop if not from European practices exported across the Mediterranean, as culturalists and their critics imply? After all, Shafir asserts that it was the European-inspired political and economic reforms of the Ottoman Tanzimat that started the Ottoman Empire on its trajectory toward the adoption of European capitalism.[144] I argue here that, in changing historical contexts, the primary economic features of capitalism—free wage labor, production for the market, private ownership over means of production, and the extraction of surplus value for the purpose of capital accumulation—depended on certain cultural and political factors and social relations, many of which scholars continue to consider as pre-capitalist, non-capitalist, or anti-capitalist. Expressly, between the mid-nineteenth century and World War I, competition between Western and Levantine firms around mutual sharing of techniques, some of them not strictly capitalist, shaped the development of capitalism around the Mediterranean.

The tendency for Marx's "two freedoms"—free wage labor and a class that is "free" of ownership of the means of production—in fact came to dominate labor-capital relations sometime in the post-World War I period.[145] After World War I, primarily because of the ruptures the war created, the Levant and Levantine forms of labor began to look much different. Settler colonialism in Algeria, Palestine, and to a lesser degree Tunisia, the settlement of nomads in Çukurova, and large-scale European capital investment backed by imperial power, particularly in cotton in Egypt, led to the imposition of colonial rule. Only then was Levantine capital accumulation reshaped into a form that was largely, though never entirely, subordinate to Europe.

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143 As Walter Johnson correctly avers for the American context, "However else, Industrial capitalism might have developed in the absence of slave-produced cotton and Southern capital markets, it did not develop that way." *River of Dark Dreams: Slavery and Empire in the Cotton Kingdom* (Cambridge: Belknap Press of Harvard University Press, 2013), 254.

144 Shafir, *Land, Labor.*

145 For a detailed analysis of changing forms of property ownership and labor relations in the early twentieth-century Levant, see my forthcoming dissertation, The Business of Property: Levantine Joint-Stock Companies, Land, Law, and the Development of Capitalism around the Mediterranean, 1850–1925 (Stanford University, forthcoming June 2018).

Abstract: The Levantine business community—the Sursuqs, Bustruses, Tuenis, Khuris, Debbases, Trads, Tabets, Naggiars, and Farahs—created large agricultural estates in the Levant and established company branches in Beirut, Alexandria, Haifa, London, Liverpool, Paris, and Marseille in the mid-nineteenth century. Against both culturalist and new institutional paradigms, I argue that the trajectories of the Levantine firms were much like those of their European counterparts; Dutch and English capitalism—what came to be recognized as modern forms of capitalism—developed out of long-distance trade and relied on forms of coerced and semi-coerced labor as well as other so-called "non-capitalist" or "precapitalist" elements. Beirut-based companies relied on tenant contracts, sharecropping, and other forms of labor control rooted in the Ottoman social formation. Drawing upon the unexplored private papers of these business families in Beirut and a diverse collection of documents from Istanbul, Beirut, Jerusalem, London, Liverpool, and Marseille in Arabic, German, Ottoman Turkish, and French, this paper examines the parallels and the links between the business practices of the Levantine joint-stock companies and their European partners. It contends that the development of nineteenth-century capitalism relied on several different institutions and relations of production formulated and articulated on both sides of the Mediterranean and in the competition between them. Only after World War I, because of settler-colonialism, the settlement of nomads, and large-scale European capital investment backed by imperial power, did Levantine capital accumulation begin to take a form that was subordinate to Europe.

Key words: Levant, capitalism, Mediterranean, trade, Ottoman Empire, corporation, cotton, Middle East, property, land