TRADE ON THE ICY COASTS: THE MANAGEMENT OF AMERICAN TRADERS IN THE SETTLEMENTS OF CHUKOTKA NATIVE INHABITANTS

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Introduction
This article describes research into the trade management practices of Europeans from Northern America when bartering with Chukotka native inhabitants between the middle of the 19th and beginning of the 20th centuries. The Chukchi Peninsula was still a largely undeveloped and sparsely populated territory during this period. People could travel the small distance between the American and Asian mainland across the sea for only a few weeks of the year, at risk of their own lives, due to the extreme weather and difficult icy conditions. The fur trade in Chukotka was both beneficial and dangerous, and it attracted people with wide-ranging skill sets. These merchants, captains, translators, mushers and hunters - all in one person - organised their businesses according to their own experiences, adjusting to the communicative traditions of the indigenous people of Chukotka and the whims of the arctic environment.

Based on detailed descriptions of the specifics of the economic region and product distribution processes, various forms of trade practiced by the Americans have been identified. Depending on contacts with consumers, trade could be direct or through intermediaries. Intermediaries were natives who were respected by their fellow tribesmen. During the year they collected furs and ensured their warehousing before the arrival of merchant ships from the United States.

According to the organisational processes, trade on the Chukotski Peninsula can be divided into summer, which involved the sale of goods directly from schooners; winter, based on trade and hunting operations; and trade through a trading post. Summer trade from vessels was practiced mostly by whalers and small independent traders. A schooner served as a

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floating trading shop, going from one settlement to the other. The success of such trade depended on the date of arrival of a vessel to the coast of Chukotka. Teams of schooners remaining to hibernate converted their vessels into temporary trading posts, which served simultaneously as houses, trade centres and fur warehouses. Over a period of eight months, winter furs, walrus tusks and fur clothing that were brought for exchange by locals were accumulated on the schooner. Additional stocks of furs were obtained by hunting.

A particular form of trade organisation was trading posts where American sales agents lived all year-round. Merchants residing in these outposts travelled between Chukchi and Inuit settlements with a cargo of goods and visited the camp herders, exchanging manufactured goods for products of the traditional economy, and also hunted. Trade with white men was a constant exchange: industrial goods were exchanged for furs, furs for industrial goods and the cycle repeated. But trade was not just an occupation associated with the exchange of material goods: for traders it was a way of life.

Analysis of the forms and patterns of trade in this article shows that the trading and technological processes created by Americans in the extreme north-east of Russia were the most effective and appropriate given the specific conditions of the Chukotski Peninsula. Forming a close relationship with the indigenous people was part of the Americans’ trade management practices.

Background
The icy coasts of the Chukotski Peninsula were always considered to be an unfavourable place for man’s presence due to the cold climate and the severity of nature. However, profitable trade can open doors to the most inhospitable localities and make the most extreme natural and climatic conditions attractive. Between the end of the 19th and the beginning of the 20th centuries, the Chukotski Peninsula was an arena of active trade contacts between Europeans from north-western states of America and native inhabitants - Chukchi and Asian Inuits. Europeans from the United States started visiting the Chukotka coast from the middle of the 19th century. Originally they were whalers and travellers, carrying out one-time exchanges with native inhabitants. The profile of the typical American trader changed after a significant increase in Alaska’s population from 1898, which was connected with the discovery of gold on the Seward Peninsula. Due to a gold rush, by 1900 the population of Nome - the closest settlement to
Chukotka - had increased to 12,488 people. By no means did all meet with success on the American side of the Bering Strait, so people inclined towards opportunism and adventure were looking for new opportunities to earn in the Russian North. Chukotka, despite its icy coasts and severe winds, was attracting such people thanks to its unexplored resources and new perspectives. After some time, it turned out that gold-seeking in Chukotka was of less interest than fur trade with the local population, and many of these gold prospectors re-qualified themselves as merchants. These people were not professional traders: their trade management skills were the result of their own experiences, and their economic profits often depended on the whims of the weather or the mood of local inhabitants. However, images of American traders, their goods and their trade culture are still alive in the memories of Chukchi and Inuits. Their approaches to trade were copied by local inhabitants and the first builders of the Soviet government. Coastal inhabitants retained the Americans’ systems of business organisation across a century, and they were not effaced by Soviet ideological opposition to commercialism.

Modern developments in the areas of marketing and management allow us to consider these past systems of trade organisation in a new light: to reveal the details of the trade process, to understand its specifics and to estimate the role of the trader’s personality within trade relationships with native inhabitants.

**Methodology**

The history of trade in Chukotka was studied in relation to other research into socio-economic relations in the Far East, the north-east of Russia and the districts of the Bering Strait. In Russian research projects, the American traders have tended to be assessed more from a political position, as potential colonisers, not taking into account their activity as a labour process. Moreover, the initial negative perception of commerce in Soviet scientific tradition has locked the history of trade in Russian academic papers within the enumeration of statistical data and the detection of the role of large and small capital.

American historians and anthropologists have researched trade on the Chukotka coast from a wider perspective that allowed the study of the process of trade organisation as an economic system, having geographical

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1 Census Office 1900, p. 136.
expression and socio-cultural peculiarities.\(^3\) While accepting the contribution of all of these authors to the study of Bering trans-boundary trade history, it is necessary to point out that research into details of the history of the trade process and trade communications using qualitative methods, the examination of traders biographies and the placing of the topic within the context of modern marketing and management research, has not previously been undertaken.

As Mark Block writes, “it is necessary to understand the past with the help of the present.\(^4\)” From the beginning of the 20th century - after marketing was segregated from economic theory and became an academic science - there were many achievements within the field regarding the types of human activity directed to meet peoples’ needs and requirements by means of exchange. The development of marketing technologies around the world and their study has widened our conception of the structure, content and possibilities of the social-administrative process of exchange; as a result, it has become possible to look at trade history in a new way.\(^5\) In this study, we have used a conceptual framework, instrumentality and theoretical evidence in the areas of marketing and trade management with the aim of describing the history of trade organisation in the language of modern economics.

We have reviewed the trade process through the trader’s everyday experiences, his behavioural attitudes and his living conditions in a specific natural-geographic and socio-cultural environment. Papers by F. Brodel, who suggested distinguishing two structural levels in the economy of any society - material and non-material, including human psychology and everyday practices - have been a source of guidance for us.\(^6\) A micro-historical approach has allowed us to pay attention to the concrete personal fates of a quite small group of traders from Northern America, and from examining the detail in the sources, to expose the cultural and behavioural codes of their labour activity.

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\(^4\) Block 1998, p. 17.

\(^5\) Such a tendency is indicated by the appearance of the Journal of Historical Research in Marketing (Emerald Group Publishing Limited), which publishes academic research concentrated on marketing history and the history of the idea of marketing, including the study of retail trade, advertisement, consumption and all aspects of marketing as a whole, from a historical point of view.

While describing the characteristics of the trade process organisation, the techniques and skills involved, and the Americans’ trade traditions, we also took into account that in many areas these things were dependent upon the individual characteristics of a specific person who was organising the trade within Chukotka’s extreme conditions. It is for this reason that the analysis of traders’ biographies and their memories is an important methodical technique in this paper. The resources used included various reports, ethnographic descriptions and itinerary notes of the traders, officials and travellers who visited Chukotka or were living there for some time between the second half of the 19th and the beginning of the 20th centuries and had the opportunity to directly observe trade operations or to take part in them. The sources themselves, most of which are texts created by eyewitnesses, were considered as a form of ethnographic resource, received from the point of view of insiders or from direct observations.

**Characteristics of trade organisers**

The personality of businessmen plays a big role in the organisation of commercial activity. It is for exactly this reason that when describing the history of trade management, any generalisations will not, in our opinion, be objective. Individual character traits, abilities, motivations and even ethnic and cultural stereotypes of individual people influence the specifics of business organisation.

American businessmen trading on the Chukotski Peninsula came from a society with a well-developed hierarchy of social and political institutions, in which market relations had already penetrated into nearly every sphere of life and commercial activity was assuming a quite significant place.\(^7\) Representatives of this group belonged to a community displaying economic behaviour that was notable for individualism, practicality, dynamism and cultural diversity.

The analysis of Chukotka traders’ biographies has shown that they were representatives of different nationalities and different professions, but that the majority of them were gold prospectors. Before going to Chukotka, these people had come to the north-western region of the United States under the influence of the gold rush. Some of them went to the Chukotski Peninsula as employees of the North-Eastern Siberian Society, which began its activities in Chukotka in 1902, seeking gold and other mineral resources. Trader Clarendon (Charlie) Carpendel came to the river Yukon in 1900 from Australia with the aim of finding gold, and later made his way to

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Chukotka with a group of prospectors. The Swede Karl Johnson, who worked as a trade agent in Chukotka from 1920, had originally migrated to Seattle in the early 1900s. August Maisick, Estonian by nationality, arrived in Alaska in 1905 and subsequently began visiting the Chukotski Peninsula to trade. Charlie Madsen was a Dane who arrived in Nome in 1902, at the age of 19, seeking gold. However, he dedicated his life to trade with the native inhabitants of the Bering Sea coast. Bend Wall was a Norwegian who, at the age of ten, left Norway and went to Alaska with his grandfather. In 1902 he arrived in Chukotka for the first time as a gold prospector, and worked there until the 1930s as a trade agent. Olaf Swenson was born in Michigan State, his father having moved to America from Sweden. This man was the major organiser of trade operations on the Chukotski coast.

Traders Petr Brjukhanov and Yakov Sokolovsky were Russians, Ivan Menenko and Grigory Konchenko were Ukrainians, and Magomet Dobriev and Sandro Malsagov were Ingush. All of them arrived in America during the period of the gold rush and worked there before going to Chukotka at the beginning of the 20th century.

The economic behaviour of future traders was formed under the impact of particular cultural and behavioural stereotypes inherent to the community of gold prospectors during the gold rush period. Because of the particular working conditions in gold mines, nonchalance towards those around and towards death, selfishness, the ability to take risks and a tendency towards opportunism, the ability to work hard in the most unfavourable conditions, a rejection of comfort for the sake of future profits, the desire for enrichment, multiculturalism and energy were inherent characteristics of the representatives of this community. These traders had no experience of commercial activity before arriving on the Chukotski Peninsula, but rather were gaining trade skills whilst already in the process of implementing trade activity.

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9 Smith, Worley 2007, p. 119-120.
10 Masik, Hutchison 1938, p. 5.
12 ARACSODCH, register no. 6, marriage record no. 3 of 25.11.1925 (B. Wall and Tynatvaal).
13 Swenson 1944, p. 1-2, 8.
14 ARACSODCH, register no. 6, death record no. 11 of 19.12.1938 (M. D. Dobriev), birth record no. 33 of 23.12.1927 (N. Konchenko), register no. 1 marriage record no. 1 of 19.02.1929 (S. I. Mal’sagov and Tegrettau); Kaltan 2008, p. 310; Dobriev 1997, p. 3.
15 Tanaseichuk 2008, p. 76-93.
The main part of the Chukotski Peninsula coast and the eastern part of Chukotka were within America’s sphere of influence from the end of the 19th to the beginning of the 20th centuries. Independent Russian trade on the Chukotski Peninsula coast did not exist as a separate activity; nearly all Russian-speaking businessmen who were trading there either represented American and Canadian companies or were connected with them and were getting goods from the United States.16

It is only possible to count the number of Americans trading in Chukotka from the late 19th to early 20th centuries rather approximately. According to N. Krivitsyn’s materials, annually between 30,000 and 40,000 Americans were living here, and the main source of their existence was trade.17 The number of Americans arriving on the coast on schooners varied every year. Because of the remoteness of the territory and its inaccessibility, it was impossible for Russian authorities to keep records of all foreigners arriving in the peninsula; in fact, state trade control of the territory was non-existent. Most trade vessels were arriving on the Chukotka coast illegally.

On the whole, the Americans did not represent any united socio-professional group. They were diverse in terms of ethnicity and professional relations. They were connected mainly by a common business territory and by the new American culture - they were bearers of a specific economic spirit that was inherent to settlers and labour migrants. It is possible to divide the various types of businessmen into trading whalers, trade agents for big companies and independent trader-travellers. Regarding forms of trade, a distinction can be made between stationary traders (permanently living in Chukotka trading posts) and traders who arrived at the coast by schooner.

**The organisation of goods distribution**

Delivery of goods to the customer is the most important step of the trade process, and the reason for travel. In Chukotka, barter trade was practised exclusively - industrial goods were exchanged for goods from the native inhabitants’ traditional economy. Accordingly, the distribution of goods was circular: traders were importing tea, tobacco, weapons and factory goods to the Chukotski Peninsula, and were exporting furs, walrus fangs, whalebones, clothes and footwear made of deer and sea animals’ skins to the United States.

The path these goods took is directly connected to the natural and climatic peculiarities and geographical conditions of the territory, the level

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16 Krivitsyn 1923, p. 56.
17 Ibid., p. 50-51, 58.
of development of vehicles, and the population density within the territory. The main bulk of industrial goods used for exchange with the native inhabitants of Chukotka were imported by American traders from the territory of Alaska, where goods from other cities in the United States were accumulated. Other goods were received directly from Seattle, San Francisco and other ports, mainly through whalers.

By the beginning of the 20th century, Nome had become the main Alaskan port from which Americans specializing in trade embarked for the Chukotski Peninsula. It was in this town that the majority of trade schooners visiting Chukotka shores were fitted out. In this town of gold prospectors there were many stores, shops and trade warehouses where it was possible to purchase all the necessities, at prices which did not greatly exceed those of the Pacific coast. Traders from Nome were dependent on seasonal deliveries, and before embarking for the Chukotski Peninsula they usually had to wait for the arrival of steamships with goods and products from Seattle.

The distance between Alaska and Chukotka in the narrowest part of the Bering strait is 85.2 km. Between the trading post at the settlement of Unazik (Chaplino, Indian Point) in Chukotka and Nome, the distance is about 400 km; the distance between Uelen and Nome is about 280 km. Relatively small distances were made to seem longer by inconstant and challenging hydrological, meteorological and icy conditions in the waters of the Bering Strait.\(^{18}\) Frequent gale-force winds led to significant redistribution of the ice cover on the seas around Chukotka, and these changing conditions affected the level of shipping possible within the short period that the Arctic is navigable. Intensive ice melting, starting at Cape Dezhnev, usually occurs in late May/early June; it is possible to see the surface of the Chukchi Sea free from ice only in the south-eastern part, adjoining to the Bering Strait.\(^{19}\) By the end of October, ice begins to form around the Chukotka coast, which would have obstructed schooners attempting to approach settlements. Sailing through the Bering Strait also becomes dangerous around this time due to a flip in both weather and wind direction, and by the beginning of November the navigational season is over. Analysis of the first and last dates that American schooners embarked from Nome for the Chukotka coast between 1910 and 1914 revealed the following periods of travel: 1910 - 4 May to 30 October; 1911 - 17 June to 28 October; 1912 - 12 May to 24 October; 1913 - 24 April to 26 September;

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and 1914 - 13 June to 26 September. This shows that American traders could usually only deliver goods to the Chukotski Peninsula for four months of the year, and due to frequent storms their journeys were associated with significant risks.

According to the conclusions of an employee carrying out an analysis of trade on the Chukotski Peninsula in 1923,

“one of the most important conditions for trade success at the coast, apart from the experience and ability to sell, is that it is necessary to ... have a well-adapted motor schooner for long-term sailing in the northern waters at one’s disposal.”

At the end of the 19th century, before the internal combustion engine was widespread in the west of the United States, American businessmen were using high-speed sailing schooners with a small draught, of various displacement and weight-bearing capacities, for journeys to the Chukotski Peninsula. For example, trader Charlie Madsen accomplished his first trade journey on tiny, flat-bottomed, two-mast schooner-type skiff, the “Immaculate,” a little over ten meters in length; however, on his return from the Chukotski Peninsula he noted that because of its small weight-carrying capacity he “had to refuse one thousand dollars value of good furs.” Next time, he hired a more capacious schooner, the “Mary Sachs,” which did not yet have an engine mounted.

While analysing this second journey he recalled:

“[W]e sailed up overfilled with furs, however ... she [the ‘Mary Sachs’] depended exclusively on the whims of the wind and nothing will make me go on her to the Chukotski Peninsula again.”

Hereinafter, Charlie Madsen, as well as the majority of other traders, started using motorised schooners to carry out journeys.

By the very end of the 19th century, a variety of companies producing engines had widened their business areas to include the western part of the United States. At the beginning of the 20th century, petrol engines began to be installed on sailing schooners. For example, in order to install a gasoline (petrol) engine into the “P. L. Abler,” a sailing schooner of the North-

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20 NARA 1425 RG-36-2(a) US Customs, Alaska, Nome, Vessels engaged in the coastwise trade-entered.
21 RSHAFE, fund R-2485, file 7, inventory 1, sheet 19.
22 Madsen, Douglas 1957, p. 15, 58.
23 Ibid., p. 63.
Eastern Siberian Society, the boat was sawn in half and supplemented with a middle part in which engine was placed.\textsuperscript{26} The installation of internal combustion engines to sailing schooners at the beginning of 20\textsuperscript{th} century and the purchase and freight of motorised schooners by American businessmen significantly influenced the development of trade with the Chukotski Peninsula inhabitants.

According to data from customs registers in the period from 1910-1925, schooners were taking anything from 5 up to 140 tonnes of goods out from Nome, depending on each vessel’s weight-carrying capacity. For example, L. Lein’s schooner the “Polar Bear” could be loaded with 55 tonnes of goods; the “Luella,” whose owner was M. Gotshalk - 6 tonnes, B. Tompson’ s schooner, the “Trader” - 10 tonnes; the “Iskum,” which was owned by an American company “Phoenix” (Phoenix Northern Trading Co.) - 42 tonnes; O. Sensone’ s “King and Winge” - 97 tonnes, etc.\textsuperscript{27}

Traders aimed to own their own schooners, as journeys to Chukotka were connected with a significant risk of loosing both schooner and goods. Charlie Madsen hired his first schooner, the “Immaculate,” from the Catholic Church parish for a percentage of the profits from selling furs, and with the condition of it being repaired.\textsuperscript{28} Vilhjalmur Stefansson affreighted the schooner “Polar Bear” for transporting goods, but then decided that it would be better to buy the vessel itself and paid $20,000 for it, plus $10,000 for the cargo and $14,000 for already existing affreight debt.\textsuperscript{29} Traders and trading companies operating in Chukotka and having stationary trading posts on the peninsula (Swenson Co.; Phoenix Northern Trading Co. et al.) could hire schooners for goods delivery to the peninsula. Such a proposal - to take milk and sugar to Chukotka trading post - was the reason for the protracted journey made by Josef Bernard on the schooner “Teddy Bear” in the middle of October 1921.\textsuperscript{30} Also, a system was practiced in which trading firms in Nome purchased a schooner, supplied it with their goods and let it out on commission to one or two attorney sailors, as a rule for 50\% of the profits.\textsuperscript{31}

The distribution of goods was not restricted to settlements on the Chukotski Peninsula coast, Nome or Seattle. Furs delivered to Alaska continued their journey as goods into other towns. Some industrial goods

\textsuperscript{26} Tul’chinsky 1906, p. 39.
\textsuperscript{27} NARA 1425 RG-36-2(a) US Customs, Alaska, Nome, Vessels engaged in the coastwise trade-entered.
\textsuperscript{28} Madsen, Douglas 1957, p. 15-16.
\textsuperscript{29} Barr 1988, p. 21-22.
\textsuperscript{30} Bernard 1977, p. 341-349.
\textsuperscript{31} Kalinnikov 1912, p. 174.
brought to the Chukotka coast remained in the settlements, but others were used by dealers or American traders themselves in further chains of exchange with reindeer breeders, as a result of which American goods were reaching as far as the Kolyma river.

Assortment choosing, purchasing work and goods prepacking and packing
The peculiarity of trade with native inhabitants was its barter nature. Furs and other craft products were exchanged for some quantity of industrial goods. Accordingly the trader had to have a certain set of goods which would be taken by the native inhabitants and which aroused the desire to make an exchange.

Correct selection of industrial goods was very important in the trade with native inhabitants. In 1904, the manager of the North-Eastern Siberian Society sent a telegraph to the administration stating that to trade with Chukchi, sugar, tea, tobacco, whiskey, rifle cartridges (44 bore), gunpowder, and other goods were needed, and in a subsequent communication he reported that there were some unnecessary goods at the trading posts - namely hats, cloths, playing cards, ketchup and rowing boats, which were not taken by local inhabitants.

Thanks to Russian merchants and foreign whalers, the native inhabitants of Chukotka were already acquainted with some industrial goods at the time American traders began to penetrate. By this point, locals had already developed a firm demand for tableware, tea, tobacco and alcohol. However, as trade developed, American businessmen gradually widened the assortment of goods. Olaf Swenson wrote that when preparing for his journey to Chukotka and choosing goods for exchange, he was oriented towards the needs of the populations of Northern Canada and Alaska, and supposed that the same goods would be wanted in Chukchi. “While collecting goods for sale, I have bought, for example, haberdashery, which might particularly interest the native inhabitants.” Trader Charlie Madsen described in detail his worries when he decided to buy a phonograph and take it to Chukchi to exchange.

A trade organisation operating on the Chukotski peninsular put in claims for starting capital and for the hire or purchase of a schooner, as well

33 Ibid. Letter from Podkhorsky to Rosene 25 June 1904.
34 Swenson 1944, p. 67.
35 Madsen, Douglas 1957, p. 143-144.
as for purchasing goods for exchange. According to the records of American, Martin Widding, who was trading with his two companions on the schooner "Kittiwake" in the district of the Kolyma river and the settlement Naukan in 1911, he purchased three tonnes of flour, sugar, cartridges and rifles for the total sum of $3,500 in the shops of Nome, for the period of a month’s journey to Chukotka.36

American traders exporting 5-10 tonnes of goods on schooners per journey were connected with firms in Nome and Seattle, which supplied them with these goods, and often had credit relationships with them. For example, the US Mercantile Company, which operated in Nome during first decades of the 20th century, specialised in the delivery and sale of goods to private traders for subsequent export and exchange, and was also a dealer in the sale of the aboriginal craft products which were imported from the Chukotski peninsular.37 The purchase of goods for exchange could occur several times per year, depending on the number of journeys a trader planned to make to Chukotka. For example, trader Billy Tompson, who owned a schooner of Russian origin called the “Trader,”38 made five journeys from Nome to Providence Bay in 1910, two journeys in 1911, five journeys in 1912, three journeys in 1913, and three journeys in 1914.39 In 1912, the departure dates of his schooner from Nome were: 29 June, 15 July, 10 August, 25 September and 24 October.40 Accordingly, the length of time required to equip the schooner, purchase goods, sell furs and complete one round trip to the Chukotski peninsular and back during the navigational period was between 17 and 45 days.

After concluding exchange operations and returning to Nome, traders had to sell the furs and craft products they had obtained, in order to purchase new goods and pay back their credit. According to Charlie Madsen’s recollections, on returning to Nome after one trip, the furs and mammoth bone that he brought from the Chukotka coast were bought by rich gold prospectors and their wives. The rest of the cargo he sold to local trade companies, including the US Mercantile Company.41 At a later date, furs purchased from traders went to Seattle for auction.42

36 NARA 3051, no. 2468/1913.
38 SACH, fund R-1, file 2, inventory 1, sheet 1.
39 NARA 1425 RG-36-2(a) US Customs, Alaska, Nome, Vessels engaged in the coastwise trade-entered.
40 Ibid.
41 Madsen, Douglas 1957, p. 58.
42 Kalinnikov 1912, p. 178.
Industrial, mass-produced goods made in United States factories and delivered to Alaska had, as a rule, industrial packaging with the brand name. To transport goods and preserve them from spoiling and damage, and also to optimise weight and volume, items were packed into goods cases, boxes and sacks. For example, several types of smoking and chewing tobacco were brought to the Chukotski peninsular by American traders: the tobacco brand “Black Navy Tobacco” was packed into boxes of 5 and 10 pounds (a 10 pound box containing 50 small tobacco bars); “Chipper” and “West-Over” tobacco was packed in 8 bar boxes; chewing tobacco “Big Stump” was packed into boxes with the weight of 12 pounds, while chewing tobacco brands “Domino,” “Star” and “Spearhead” went into boxes of 12 bars. Regarding other products, “Sea Island” brand sugar was transported in boxes of 80 and 30 pounds, “Crescent” tea came in packages weighting 1 pound, “Centennial Best” flour was packed into bags weighting 50 pounds, etc.43

In this marketing society, packaging was seen as a way to make and stimulate demand. American trader Olaf Swenson wrote about how he packed the goods in a special way, first wrapping them in waterproof paper, then in oilcloth and sackcloth, so that when the local population transported them they would not get wet.44 It was his opinion that this strengthened the native inhabitants’ trust in him as a trader, and also helped him to develop friendly relationships with them.

When packing goods, experienced American traders took into account certain peculiarities of the native Chukotka inhabitants’ world view concerning numbers and counting. Chukchi and Asian Inuits used the so-called “quinary-vigesimal” system of counting, which is closely connected with images of the natural environment. Chukotka aborigines believed that twenty represented “the whole man,” and undertook all numerical operations using the fingers and toes of both hands and both feet.45 The numeral 20, in the world view of Chukchi and Inuits, thus represented integrity and completeness. The following incident, described by N. Galkin in 1930 years of the 20th century, is significant:

“[W]hile trading, it was suggested to one Chukcha that he take half a packet of cartridges for the rest of the money. He was offended ... dividing a

43 AAEM, fund 36, inventory 1, file 123, sheet 16-17; Ashton 1928; p. 171; Madsen, Douglas 1957, p. 134.
44 Swenson 1944, p. 67.
45 SPBARAS, fund 250, inventory 5, file 114, sheet 23; Pervov 1903, p. 41; Madsen, Douglas 1957, p. 133.
Native inhabitants, who were not acquainted with measures of weight, did not perceive the goods in a package as an amount, they perceived them as a piece, and this was used by dishonest traders who re-packed goods into smaller packages. Undamaged packaging and the grouping of items in fives and twenties was more trusted by native inhabitants.

**Goods storage and trade agency**

Maritime traffic between the Chukotka and American coasts was restricted by the short navigational period. Regularity of trade processes throughout the year was maintained through the opening of trade stores in the settlements of native inhabitants, and by the organisation of trade agency work on the Chukotski peninsular.

Originally, the Americans’ trade agents were native inhabitants, who maintained small storage spaces. The number of such agents was not stable and was subject to a slight annual variation. In 1898, Hieromonk Venedict, who was travelling along the coast for missionary purposes, counted 13 shops. In 1900, according to information provided by V. G. Bogoraz, there were 14 shops, and these were situated, he states, mainly on the eastern cape and Cape Chaplino where, due to strong currents, the sea is free of ice from the middle of April. In 1902, the chief of Anadyr district, N. Sokol'nikov, wrote of 12 wooden stores, the owners of which were Inuits. In 1905-1906 Dr Kirillov counted not less than 15 small houses/barns made of American wood which were used as trading stores. In 1909, according to N. F. Kalinnikov’s account, there were already several dozen stores.

Trade storage-shops were small barns, about 33 m² in size, knocked together in the American style of beams and boards, with one or two windows. Inhabitants would receive such houses as a reward for successful work on the whalers, or purchase them on credit from the trader. The owner of such a building became a trade agent and accumulated industrial goods delivered by Americans and furs supplied by native inhabitants at his

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46 Galkin 1931, p. 55.
47 RSHAFE, fund 702, inventory 1, file 313, sheet 3.
48 Bogoraz 2011, p. 86.
49 RSHAFE, fund 702, inventory 1, file 313, sheet 30.
50 Ibid., inventory 2, file 206, sheet 46.
51 Kalinnikov 1912, p. 178-179.
52 Ibid., p. 178.
store. The task of the trade agent was to guarantee availability of resources such as furs, whalebones, walrus fangs and items of traditional craft, which he obtained through exchange for American goods during the winter months. This was necessary to secure credit for more American goods the following year. Native owners of wooden house-stores or their fellow villagers undertook journeys along the coast and within the peninsular in order to exchange American goods for furs.\textsuperscript{53} K. I. Bogdanovich describes meeting a trade agent’s broker, who was going back with furs he had collected - foxes, Arctic foxes and deer skins. The trade agent/store owner received credit from the American traders, and would then offer credit to travelling brokers\textsuperscript{54}.

The process of interaction between native agents and their suppliers was as follows: during the navigational period Americans unloaded industrial goods at the storage houses and took back with them the furs collected there during the winter months, along with other products prepared by the agent. N. Shnakenburg describes the relationship of native agents with American businessman Olaf Swenson:

“Swenson was giving the goods on credit at the agreed price. The following year, he received raw materials and furs. Without fur, Swenson refused to give credit. In due course, Swenson had arranged firm staff of trade agents, dealing exclusively with him.”\textsuperscript{55}

In 1906, P. F. Unterberger witnessed an American, Talentayer, deliver goods from Nome to a store owned by a Chukchi who was trading in Enmelen, on the three-masted schooner the “Martha Wilks.”\textsuperscript{56} In 1922, the Phoenix Northern Trading Co. left a consignment of stock to a Chukchi called Inka to sell, which included 1,000 pounds of sugar, flour, dry biscuits, tobacco and gunpowder.\textsuperscript{57}

As trade developed and Americans became acquainted with Chukotka territory, the trade post system on the coast began to develop as well. Americans living permanently on the peninsular became agents at the trading posts. In the first quarter of the 20\textsuperscript{th} century, there were two types of stationary traders living on the peninsular: traders who organised the whole trade cycle by themselves (starting with purchasing goods and finishing with selling them directly to native inhabitants), and traders who functioned as dealers connected, as a rule, through contractual relationships with trade

\textsuperscript{53} Ibid., p. 179-180; Bogoraz 2011, p. 86.
\textsuperscript{54} Bogdanovich 1901, p. 63.
\textsuperscript{55} AAEM, fund 36, inventory 1, file 123, sheet 14.
\textsuperscript{56} Unterberger 1912, p. 280-281.
\textsuperscript{57} RSHAFE, fund 2422, inventory 1, file 1636, sheet 66.
companies or other traders. According to evidence from the man in charge of granting concessions, A. E. Minkin, Olaf Swenson’s company alone had 16 trade agents living on the coast. One of those agents was Bend Beshvenson Wall (1873-1944). Between 1902 and 1930 he acted as a dealer at the trade post close to Cape Serdtse-Kamen (Cape Heart-Stone) operating through Olaf Swenson’s company; Swenson delivered goods to him annually from Seattle on his ships, which he would exchange for furs.

Independent traders had their own schooners. During the navigational period they would go to Nome to get goods themselves, supplying the trading post with the necessary items for exchange. American Billy Tompson organised his trading activity in this way. His trading post was situated in Providence Bay and his family lived there as well. He used his schooner, the “Trader,” to transport goods to the trading post, and during the summer time he also used it for trade along the coast.

In the second decade of the 20th century, foreign trade companies such as the Phoenix Northern Trading Co. (USA) and Hudson’s Bay Company (Canada) started expanding their activity. As a rule, these companies were hiring and taking their trade agents to the peninsular and building or renting placements for trading posts. Karl Johnson (1875-1939), for example, was a trade agent with the Phoenix Northern Trading Co. Company who arrived in Chukotka at the invitation of that company’s manager. His goal was to organise trading posts in a row of settlements on the Chukotski peninsular and to carry out trade during the year with the native inhabitants. According to his wife’s recollections and documents, Johnson worked at the trade post in Kolyuchinskaya Bay. In the summer of 1920, he left Cape Senyavin, where he had already organised trade and built a post, “with the aim to find a new locality to organise another post.” He left G. Parsons as an agent in Cape Senyavin and organised a new trading post in Kolyuchinskaya Bay where, in the same year, a schooner of the Phoenix Northern Trading Co. Company called the “Iskum” delivered goods. The new trading post was a single room where K. Johnson lived with his wife; the same room was also used for storage, as well as being a shop. “Our trading post was awkward - customers were arriving during day and night times to get goods in exchange for furs.” Later, a house made of driftwood and turf was built close to the post. For delivering American

59 SACH, fund R-1, inventory 1, file 2; Flerov 1964, p. 31; Smith, Worley 2007, p. 105-107; Starokadomskiy 1953, p. 44.
goods to settlements in the winter and collecting furs Johnson used dogteams, and for this purpose he kept draught dogs.\textsuperscript{60}

The role of the trade agent at the trading post was to formally receive, sort and store craft products, and to issue goods. Moreover, agents often hunted animals for fur themselves, as well as dressing the skins; they would also undertake delivery and sale, going to neighbouring settlements and nomadic camps. Often they had dealers or agents from amongst the native inhabitants.

The organisation of work at the trading posts, as with all aspects of life on the Chukotski peninsular, was under the command of the seasons. N. F. Kalinnikov describes the trading post work in this regard:

“[A]s soon as the bays were covered with ice and the first snow way was opened, Chukchi from neighbouring settlements started arriving, taking their simple goods; but the main bargaining was happening in the second part of winter, starting with January, when sledges were arriving by dozens to every post sometimes ... By the spring time, usually, all of the main goods were sold and agents were packing exchanged raw materials. With the first water one or two schooners were arriving, taking bands of leathers, furs, whalebones, bones and carrying them to Nome.”\textsuperscript{61}

In the summer time trade agents, as a rule, were occupied with storing newly-delivered supplies of goods for winter, and most were travelling around neighbouring settlements of native inhabitants on the arriving schooners with the intention of bartering goods.\textsuperscript{62}

The organisational system of trading posts on the Chukotski Peninsular worked successfully up until the establishment of the Soviet Government on that territory in the 1930s. After this, Soviet trading posts started to appear in Chukotka, although these actually operated according to the principles of the American trading posts.

**Conclusions**

Hudson’s Bay Company - which had two centuries’ experience of the fur trade in America and Canada,\textsuperscript{63} was fully technically equipped, and had enough floating funds for successful trade - from the beginning of its

\footnotesize
\begin{itemize}
  \item \textsuperscript{60} SACH, fund R-191, inventory 1, file 4, sheets 8, 9; file 5, sheet 7-8; Smith, Worley 2007, p. 109, 111, 119.
  \item \textsuperscript{61} Kalinnikov 1912, p. 178.
  \item \textsuperscript{62} Smith, Worley 2007, p. 127; Tul’chinsky 1906, p. 25.
\end{itemize}
activity in Chukotka in 1921 it did not once meet with failure, but it did have to redefine its working practices, adopting them to local conditions. One of the main strategic objectives was to increase the attention paid to staff selection, seeking those who had the right abilities and individual qualities for trading on the Chukotka peninsular. It was precisely these personal qualities that ensured success in the business of trading in such an inhospitable area. American traders gained colossal experience of survival in harsh conditions and of intercultural communication during their years working in Chukotka.

The study of the Americans’ management practices shows that the trade-technological processes they created on the Chukotski peninsular were the most effective and appropriate within the specific conditions of the Arctic coast. Forming close relationships with the native inhabitants was an integral part of the Americans’ trade management. Involvement in trade gradually became the way of life for these people, and the organisation of trade became more and more subordinate to economic cycle and trading culture of the native inhabitants of Chukotka, while its basis included friendship, sexual and emotional connections with exchange partners.

American traders were active in Chukotka during a period which saw some of the most important discoveries around the world, as well as the active development of trading techniques. The traders used the fruits of this progress to optimise and improve their work. Moreover, they were opening the door to technical and industrial innovations for native inhabitants.

Trade on the Icy Coasts: The Management of American Traders in the Settlements of Chukotka Native Inhabitants

(Abstract)

A trade business organisation cannot function according to pre-set rules: each businessman sets his own parameters. Studying numerous sources on trade on the Chukotski peninsular nevertheless allows us to make some generalisations. Management structures differed depending on the trading seasons.

Summer’s trade workflow started with preparing or hiring a schooner and purchasing industrial goods for exchange, which were then prepared, packed, loaded and shipped to the Chukotski peninsular. On arrival, they were exchanged with natives or used to replenish supply stores, after which the schooners returned to Nome or Seattle with craft products to be sold. This process was repeated several times a year - working exclusively during the short period the Arctic was navigable - and was undertaken by

64 RSEA, fund 413, inventory 5, file 1160; fund R-2422, inventory 1, file 1020, sheets 501-550.
65 Ibid., fund R-2485, file 7, inventory1, sheets 21-22.
Trade on the Icy Coasts

private traders, whalers and trade company representatives who maintained trading posts on the Chukotski peninsular. In summer, exchanges occurred directly from the schooner, which served as a floating trade store sailing between settlements.

Winter business was based on trade, hunting and commerce through trading posts. Schooners’ crews turned their vessels into temporary trading posts, serving as home, trade point and fur storage. Over this eight-month winter period, furs, walrus bones and fur clothes were collected from the natives. An extra stock of furs came from hunting. Winter allowed the American traders to study the market needs of the native population to better supply them, establishing a friendly connection with locals and widening their territorial knowledge. Traders travelled between Chukchi and Inuit settlements with cargoes of goods, visiting reindeer breeders’ nomadic camps, exchanging industrial goods and hunting. They assimilated themselves into native cultures, gradually adopting local ways of life. Many stationary traders married local women and, with their help, involved new relatives in the trading process.

Bibliographical Abbreviations

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A. A. Yarzutkina


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SPBARAS - Saint Petersburg Branch of Russian Academy of Sciences Archive.


Trade on the Icy Coasts


**Keywords:** ethnohistory, American traders, Chukotka native inhabitants, trade management, trade relationships, trading posts, the Arctic.
<table>
<thead>
<tr>
<th>Abbreviation</th>
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<tr>
<td>AAMT</td>
<td>Advances in Archaeological Method and Theory. Orlando.</td>
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<td>Art-menedzher</td>
<td>Art-menedzher. Business magazine considering culture and art as a resource for the social and economic development of society and offering various technologies and methodologies of management of this process. Moscow.</td>
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<td>Byilyie godyi</td>
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<td>CAn</td>
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<td>CHR</td>
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<td>- European Journal of Natural History. The Russian Academy of Natural History. Moscow.</td>
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<td>EZ</td>
<td>- Evoluciajizni na Zemle. Tomsk State University. Tomsk.</td>
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<td>Forsait</td>
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<td>Fundamental Research</td>
<td>- Fundamental Research. Russian Academy of Natural History. Moscow.</td>
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<td>Geologiya i geofizika</td>
<td>- Geologiya i geofizika. Institute of Geology and Geophysics of the Siberian Department of the Science Academy in the USSR, Novosibirsk. Published by the Siberian department of the Science Academy in the USSR, Novosibirsk.</td>
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<td>Karavan</td>
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<td>Istoriografiya</td>
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<td>JIISV</td>
<td>Jekonomicheskie i istoricheskie issledovaniya na Severo-Vostoke SSSR. Economic and historical research in the North-East of the USSR. Magadan.</td>
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<td>Marketing</td>
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<td>MENP</td>
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<td>MIA</td>
<td>Materialy po istorii i archeologii SSSR. Moscow, Saint Petersburg.</td>
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<td>Materialy po istorii fauny i flory Kazahstana. Kazakhstan.</td>
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Mir bibliografii - Mir bibliografii. Moscow.
MUSEUM - MUSEUM. UNESCO.
Narodnaya shkola - Narodnaya shkola. Saint Petersburg.
Nauchnoye obozreniye - Nauchnoye obozreniye, series 2, Gumanitarnyi nauki. Lomonosov Moscow State University. Moscow.
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NTB - Nauchnyye i tekhnicheskiye biblioteki. The State Public Scientific and Technical Library Russia. Moscow.
ONS - Obshchestvennye nauki i sovremennost. Russian Academy of Sciences. Moscow.
OT - Otechestvennye zapiski. Saint Petersburg.


Prizrenie - Prizrenie i blagotvoritel’nost’ v Rossii. Izdanie Vserossijskogo so’uza uchrezhdennykh, obshhestv i dejateley po obshhestvennomu i chastnomu prizreniju. Saint Petersburg.


PT - Perspectives on Terrorism. The Terrorism Research Initiative (TRI) headquartered in Vienna, and the Center for Terrorism and Security Studies (CTSS) headquartered at the University of Massachusetts’ Lowell campus. Massachusetts.

RA - Rossiiskaia Arkheologiiia. Moscow.

Reka vremen - Reka vremen. Moscow.


SA - Sovetskaja Arkheologiiia. Institute of Archaeology, Russia, Moscow. Moscow.

SC - Sviyazhskie chteniya. Sviyazhsk.


Serdalo - Obschenacionalnaya gazeta Republiki Ingushetiya “Serdalo.” Nazran.

SGV - Saratovskie gubernskie vedomosti. Saratov.


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<td>SV</td>
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<td>Vestnik Kazak</td>
<td>Vestnik Akademii nauk Kazakhskoy SSR. Academy of Science of the Kazakh SSR. Kazakhstan.</td>
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<td>Vestnik Semej</td>
<td>Vestnik gosudarstvennogo universiteta imeni Shakarima goroda Semej. Shakarim State University of Semey.</td>
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Voprosi Literatury - Voprosi Literatury. Writer's Union of the USSR. Moscow.


VTP - Istoricheskiye, filosofskiy, politicheskiye i yuridicheskiye nauki, kul'turologiya i iskusstvovedeniye. Voprosy teorii i praktiki. Tambov.

