

JAMES WILLIAM LONG

Russian Manipulation of the French Press, 1904–1906

The Russian government had at various times subsidized the French press before 1904 but not for any long period or on such a large scale as was attempted from 1904 to 1906. During these critical two years the tsarist government appropriated over two and a half million francs for the French press. The French government acted as the catalyst by demanding that Russia “subsidize” the French press every time disturbing news reached Paris.

The Franco-Russian alliance suffered serious stresses and strains from 1904 to 1906, mainly because of divergent foreign policy objectives. French policy directed by Foreign Minister Théophile Delcassé aimed at the preservation of the European balance of power and the advancement of French imperial interests in the Mediterranean. The emergence of Germany’s aggressive *Weltpolitik*, manifested in the seizure of Kiaochow in 1897 and the Reichstag’s passage of the first naval bill in 1898, threatened to upset the balance of power in Europe. Throughout his term of office Delcassé feared Germany’s ambitions in the Mediterranean. The Fashoda crisis of 1898 dramatically revealed France’s vulnerability and the hazards of being on unfriendly terms simultaneously with Europe’s chief naval power and its foremost military power.

In July 1903 Delcassé initiated negotiations with Great Britain which he hoped would realize his chief foreign policy goals: recognition of France’s predominant interests in Morocco and, ultimately, a permanent realignment of European powers by uniting Great Britain, France, and Russia in a defensive combination against Germany.¹ Since the agreement of April 8, 1904, did not refer directly to European affairs, most Europeans viewed the Entente Cordiale as simply granting France and Great Britain a free hand in Morocco and Egypt respectively, but Delcassé foresaw another more far-reaching possibility. In a July 12, 1905, interview in *Gaulois* shortly after his resignation Delcassé declared, “The Entente Cordiale was the road toward the final détente between Russia and England, a détente of which the French foreign minister might have been, and still might be, the promoter.”

Prospects for such a diplomatic revolution had appeared dim enough in

1. For an excellent account of French foreign policy during this period based on numerous unpublished sources see Christopher Andrew, *Théophile Delcassé and the Making of the Entente Cordiale* (London and New York, 1968).

1903, but Russia's adventurist policy in Manchuria and the outbreak of the Russo-Japanese War on February 8, 1904, delayed and complicated Delcassé's task. In February 1904 Maurice Bompard, the French ambassador to Russia, wrote to Delcassé that as a result of the war the alliance had undergone a complete transformation. Although the alliance had been intended to defend France and Russia from European attack, Russia was using the alliance to guard her western frontiers while she carried on colonial adventures in the Far East.² Great Britain's interests in the Far East and her alliance with Russia's enemy placed the Quai d'Orsay in the extremely delicate position of maintaining friendly relations with two countries that were bitter foes.

The Franco-Russian alliance did not require France to support Russia against Japan unless England attacked Russia; therefore Delcassé's policy of neutrality was remarkably successful despite German efforts to arouse Russia against the Entente Cordiale.³ However, the Russian government believed it was the duty of the French government, as an ally of Russia, to give generously of its abundant financial resources. Although opposed to the Far Eastern war, the French at first willingly made loans to Russia; then the Russian army suffered some shattering defeats that caused more and more Frenchmen to question the wisdom of such a policy.⁴

In 1904 the French government also received bleak reports from its official representatives in Russia predicting domestic chaos there. Colonel Moulin, the military attaché in St. Petersburg, wrote on May 10 that the war in the Far East was imposing such a heavy burden on Russia that the people would rebel and revolutionary fever would revive.⁵ Ambassador Bompard reported in August that all classes of Russian society were in ferment and were demanding a political and social transformation of the country. He said that France must realize that Russia sooner or later would pass through a severe

2. France, Ministère des Affaires Étrangères, *Documents diplomatiques français, 1871-1914*, ser. 2 (1901-11), vol. 4 (Paris, 1930), p. 422.

3. Delcassé reluctantly abandoned his neutral policy by permitting the Baltic Fleet under Admiral Rozhdestvensky to use French colonies as ports of call en route to the Pacific. He expressed his predicament to Maurice Paléologue: "If we refuse [to give support], think of the capital Germany will make out of it. It would mean the end of the alliance." See Maurice Paléologue, *The Turning Point*, trans. by F. Appleby Holt (London, 1935), p. 126. Many Russian newspapers criticized Delcassé's mediatory role in the Dogger Bank incident in October 1904 by asserting that France should have severely reprimanded England for threatening to blockade the Russian fleet.

4. In January 1905 A. L. Guernaut, head of the department in the Ministry of Finance dealing with foreign loans, warned Finance Minister Maurice Rouvier (who had also just become premier) that Russia might not be able to pay the interest on the debt contracted in France. He advised that France's policy of "indefinite" lending to Russia be stopped and that the Russian government be informed that its appeals for French credit had reached their limit. See the note from the Direction du mouvement général des fonds, January 1905, in France, Archives Nationales, Finances, F30 329.

5. Paléologue, *Turning Point*, p. 78.

crisis and dislocation which would require time and all of Russia's resources.⁶

The period 1904–6 was a crucial one for Russia. Peace was essential to allow the economy to recover fully from its stagnation. The outbreak of war with Japan and the widespread revolutionary disorders ended all these hopes. The Russian budget was wrecked, and the fate of the gold standard and the entire financial system hung in the balance. There was no doubt among Russian officials that the funds needed to finance the war would have to come from foreign loans, chiefly from Paris. On March 17, 1904, Finance Minister Vladimir Kokovtsov informed his government that new taxes would not bring about any appreciable increase in revenues. The war, he added, would have to be financed primarily by foreign borrowing.⁷

The main reason for Russian subsidies to the French press was to protect Russia's credit standing in France, which had been badly shaken by Russia's involvement and poor showing in the Russo-Japanese War and by the outbreak of the 1905 revolution. The Russian minister of finance received discouraging reports about the state of the alliance. On May 7, 1904, the Russian financial representative in Paris, Arthur Rafalovich, reported that officially and publicly Franco-Russian relations had deteriorated. "In France," he stated, "we are caught in an opposite movement: here there has been no change for the better in attitudes toward Japan, but it has changed for the worse in regard to us."⁸ Consequently, to mollify the French public the Russian government had to reckon with the French press.

The French press was singularly venal. A major reason for this was the large number of newspapers in proportion to the population. In Paris alone there were about two hundred daily and weekly political newspapers. A newspaper or periodical could not survive on income from circulation, which generally was quite small. The influential *Le Temps* had a circulation of only about sixty thousand. Frenchmen deliberately ignored advertisements; consequently that form of financing never took hold as it did in the United States. Thus the French press willingly accepted financial backing from political parties, interest groups, individuals, and even foreign governments which had political or financial interests to defend.

Before 1904 Russian contacts with the French press had been sporadic. In 1901 Sergei Witte, as minister of finance, had granted a credit of 160,000 francs to his financial representative in Paris, Arthur Rafalovich, to distribute to the French press. Witte wrote to Tsar Nicholas:

6. *Documents diplomatiques français*, 5:387.

7. Vladimir N. Kokovtsov, *Iz moego proshlogo*, 2 vols. (Paris, 1933), 1:27.

8. E. A. Preobrazhensky, ed., *Russkie finansy i evropeiskaia birzha v 1904–1906 gg.* (Moscow, 1926), p. 99. This collection of documents includes many related to the Russian government's policies and attitudes concerning the French press.

The corruptness of the French press is a well-known fact, and since I have been Minister of Finance many requests for subsidies to French journalists have been presented to me under various forms and suggestions. Up to now I have attempted to decline such requests, although I have known that not one of our loans in France would have been realized without some influence on the press which was handled [up to this time] by the bankers floating the loans.⁹

The Russian ministers of finance and of the interior worked separately to influence the French press, without attempting to pool their efforts and resources. This was a result of the hostility between the two ministers, Witte and Viacheslav Plehve, and their bitter struggle for power, and of the ministerial system based on the principle of individual, not collective, responsibility to the tsar. Witte sarcastically accused Plehve of courting the French press to promote his public image, "showing that Plehve is the most conscientious man and his policies the most liberal."¹⁰ An excellent example of their lack of coordination occurred in April 1902 when Witte ordered Rafalovich to pay Jules Hansen, a French official and journalist, 12,000 francs for services to *L'Echo de Paris*; Hansen informed Rafalovich that the Zagranichnaia Agentura, the Paris-based Russian secret police agency subordinate to the Ministry of the Interior, had already paid him.¹¹

In the pre-1904 period the activity of the Ministry of the Interior was greater. In March 1903 it even sent Ivan Fedorovich Manasevich-Manuilov, an intriguing man who later was Rasputin's personal secretary during World War I, to work full-time with the French press "by providing news releases and modifying editorial policies."¹² It is impossible to obtain an accurate figure of how much money he doled out to the press, but he was not parsimonious. He was initially allotted 32,500 francs a year, but the sum evidently grew

9. "S. Iu. Vitte, frantsuzskaia pressa i russkie zaimy," *Krasnyi arkhiv*, 1925, no. 3 (10), p. 40.

10. "Perepiska S. Iu. Vitte i A. N. Kuropatkina v 1904–1905 gg.," *Krasnyi arkhiv*, 1926, no. 6 (19), p. 69.

11. Arthur Raffalovich, *L'abominable vénalité de la presse* (Paris, 1931), pp. 12–13. This book contains extensive correspondence of Russian finance officials pertaining to the subsidization of the French press.

12. In Paris Manasevich-Manuilov bribed the press and even published a short-lived journal, *La Revue Russe*, with the purpose of counteracting intrigues against Russia. His activities did not go unnoticed, because *La Petite République* reported on February 5, 1905, that "he is the one who has undertaken 'to organize' the French press for Russia." Some French journalists were on the payroll of the Zagranichnaia Agentura. Notable ones included Jules Hansen, who wrote for many papers, Gaston Calmette of *Figaro*, and Raymond Recouly of *Le Temps* and later foreign editor of *Figaro*. Recouly even had a code name, Ratmir. See Valerian Agafonov, *Zagranichnaia okhranka* (Petrograd, 1918), pp. 36, 41, 60–62, 369; and Okhrana Archives (Hoover Institution on War, Revolution, and Peace), Vb, 5; VIIIa, 2; and IXb, 2B.

significantly, because in 1903 he paid 24,000 francs alone to *L'Echo de Paris*, *Gaulois*, and *Figaro*. He did not, however, pay such large amounts or with such regularity as was done from 1904 to 1906.

The most open manifestation of French hostility toward Russia in 1904 was found in the French press. In trying to influence the press the Russian government experienced some frustrations and failures. This caused further friction with the French government, since the French government itself had insisted that Russia deal with the French press. In February 1904 Finance Minister Maurice Rouvier and Maurice de Verneuil, head of the Paris stock-brokers, persistently urged Russian Finance Minister Kokovtsov to bribe the French press in order to pacify the French public and to stop some of the speculation on Russian securities on the Paris Bourse.¹³

The tsarist government recognized the power and importance of the French press in regard to Russia's credit standing. Since the French public was the chief subscriber to Russian loans, the French press played a crucial role in the success or failure of such an operation, and it clearly influenced the current prices of Russian securities listed on the Paris Bourse. Writing in 1904 about the importance of the press in loan operations, the prominent French economist Alfred Neymarck declared that even a questionable financial operation would have great success if those who were putting it on the market did not hesitate to make the necessary expenses to spread their publicity and advertising.¹⁴

Every loan floated in France had to have a certain amount of *publicité*. "Publicity" as interpreted by the French bankers who floated the loan and by the officials of the country receiving the loan usually meant withholding news items, publishing false items, or placing slanted articles about the borrowing country in order to make the loan as attractive as possible. In essence this amounted to deceiving the French public. A contemporary critic wrote in 1910 that at the moment of issuance of a loan critical articles gave way to laudatory ones, and even the dispatches of the news agencies were carefully filtered.¹⁵

In 1904, in compliance with Rouvier's and Verneuil's requests to pay the French press and in order to prevent a precipitous price decline of Russian securities, the tsarist government decided to implement a more effective way of dealing with the French press. Rafalovich handled the financial news, and on February 13, 1904, Ambassador Alexander Nelidov requested and received the exclusive right to supply official political and diplomatic information to French journalists concerning Russia.¹⁶ The Ministry of the Interior ordered

13. Preobrazhensky, *Russkie finansy*, p. 102.

14. Alfred Neymarck, *Finances contemporaines*, 7 vols. (Paris, 1902-11), 6:65.

15. Francis Delaisi, *La démocratie et les financiers* (Paris, 1910), p. 150.

16. Okhrana Archives, IXb, 2A.

Manasevich-Manuilov to work closely with Nelidov and obtain his approval before issuing any political information to French newspapers and periodicals. He still could plant information concerning Russia's domestic affairs, but only after informing Nelidov. In Russia the administrative change was made in March 1904: the Press Section of the Department of Police (Otdel Pressy Departamenta Politsii), under the direct control of the Department of Police, lost its jurisdiction over the foreign press to the Chief Administration of the Press (Glavnoe Upravlenie po Delam Pechati), which established a new section dealing only with the foreign press, the Department of the Foreign Press (Otdel Inostrannoi Pechati).

Nelidov and Rafalovich worked out the details for paying the press under the skillful guidance of Rouvier. In order to avoid directly involving any representatives of the Russian government, Rouvier recommended that a Monsieur Lenoir, an agent of the French Treasury, be used as the intermediary between the Russian government and the French press. Nelidov agreed. The process of distributing the subsidies was handled in the following way: the director of credit operations in Russia, Vladimir A. Davydov, ordered the Banque de Paris et des Pays-Bas to open an account under the name of Arthur Rafalovich, who then transferred the necessary credits to the account of Lenoir in the Compagnie Algérienne. On the presentation of checks signed by Lenoir the Compagnie Algérienne paid the designated amounts and sent the canceled checks to Rafalovich, who in turn forwarded them to St. Petersburg with an explanatory note.¹⁷

From February 1904 until the events of Bloody Sunday on January 22, 1905, Russian officials were reasonably satisfied with the results of their press venture, even though they considered it a form of blackmail. They had doled out approximately 625,000 francs to the French press. In May 1904 Kokovtsov informed Rafalovich that he thought the French press had conducted itself correctly in its coverage of Russia.¹⁸ Ambassador Nelidov believed that the "subsidies" had kept the price of Russian securities from falling. But beginning in 1905 with the intensification of the revolutionary disorders in Russia, tsarist officials found that payments to the French press had to be much larger and were less effective than they had been in 1904.

The dissipation of Russian military power in the Far East and the outbreak of revolution in Russia particularly troubled the newly formed French government of Premier Maurice Rouvier, because the alliance seemed to have lost much of its previous military importance for France.¹⁹ On January 23,

17. Raffalovitch, *L'abominable vénalité de la presse*, pp. 120–24.

18. Preobrazhensky, *Russkie finansy*, p. 96.

19. Theodore H. Von Laue, in *Why Lenin? Why Stalin?* (New York, 1971), expresses well the profound damage to Russian prestige after the annihilation of the Russian

1905, Rouvier had succeeded Émile Combes as premier, and in the spring he faced a serious German testing of Delcassé's Entente Cordiale and Moroccan policy. Believing a German surprise attack on France imminent, Rouvier became very depressed when he was informed of the extent of French military unpreparedness. He did not share Delcassé's optimistic opinion that an English alliance would keep Germany from attacking France. On June 6 he finally forced Delcassé's resignation.²⁰ To save France, the alliance, and the billions invested in Russia, Rouvier wanted Russia to conclude peace, and he refused to lend her more money to prolong the war.²¹

The events of Bloody Sunday caused a public outcry in Paris and created near panic on the Paris Bourse. The French Socialists harshly attacked Foreign Minister Delcassé and the alliance in the Chamber of Deputies. On January 27 Maurice Allard accused the French government of having an alliance with "a government of assassins."²² After January 22 there were many public meetings in Paris sponsored by various groups in support of the Russian people against the tsarist government. Meetings were held to raise money for families of the victims of the bloodshed, to protest the arrest of the Russian writer Maxim Gorky, and to call for the end of the alliance. The French Socialist Party, for example, announced a series of meetings to be held in various French cities on February 18 and 19 to voice solidarity with the Russian people.²³ At a public meeting on February 1 Anatole France attacked

fleet in the Straits of Tsushima in May 1905: "The dreaded discrepancy between Russia's power ambition and its resources was now made manifest to all" (p. 50).

20. Although relations were never amicable between Rouvier and Delcassé, it is fairly well established that Rouvier's dislike of Delcassé arose in part over the Russo-Japanese War. Rouvier was a banker with extensive financial interests that suffered at the outbreak of war. He never forgave Delcassé for "having him believe in the maintenance of peace between Russia and Japan." Paul Cambon, *Correspondance, 1870-1924*, 3 vols. (Paris, 1940-46), 2:188. See also Georges Clemenceau's comment in *L'Aurore*, Apr. 17, 1905, p. 1.

21. At first Rouvier thought direct intervention by the French government at St. Petersburg could bring the tsarist government to the peace table. Delcassé warned that sooner or later Russia would have to sign an onerous peace and would accuse France of a "stab in the back" if France overtly pressured the tsarist government to sue for peace. Rouvier did not take a rigid antiloan stand toward Russia until April, when Morocco became a burning issue. Not all French officials accepted Rouvier's policy of financial strangulation. Paul Bihourd, the French ambassador in Berlin, reproached the French government for "now wanting to force her [Russia] to conclude a humiliating peace by refusing to give her the pecuniary means which would permit her to continue the struggle." See Archives du Ministère des Affaires Étrangères, *Allemagne: Politique étrangère, "Relations avec la Russie, 1905-1914,"* vol. 51, p. 12. See also Paléologue, *Turning Point*, p. 300.

22. France, *Annales de la chambre des députés, Débats parlementaires*, session ordinaire de 1905, vol. 1, part 1, p. 91.

23. *Humanité*, Feb. 18, 1905, p. 1.

the alliance, saying that its only purpose was to drain the savings of the French petty bourgeoisie into the Russian Treasury.²⁴

Frenchmen received another rude shock with the news of the Russian defeat at Mukden on March 10. In one of the biggest battles of the war a large Russian army led by General Kuropatkin, a man highly respected by French military officers, was smashed and forced to retreat. To Frenchmen it was clear that this was also a serious reverse for France, because its security was weakened.²⁵ On March 19 Édouard Netzlin, a director of the Banque de Paris et des Pays-Bas, informed Delcassé that French bankers were apprehensive about the mood of French bondholders, "who are astonished and depressed by the uninterrupted reverses of a campaign which they do not think is necessary to prolong to the detriment of the vital interest of our ally, and who are troubled by the rumors, true or false, calling for the continuation of military operations."²⁶ André Tardieu, at that time associated with *Le Temps* and later a French statesman, wrote that in the spring of 1905 "the French public, who for twelve years had been accustomed to count on Russia, were deeply disappointed by her repulses and were not able to hide their sentiments."²⁷

Sensing public concern, a large part of the Paris press became increasingly critical of the Russian alliance. In *L'Aurore* on January 31 Georges Clemenceau caustically remarked that the alliance was certainly based on necessity: the tsar's constant need for capital. On March 15 the leftist paper *L'Action* printed an article by Deputy Charles Dumont which declared that it was the duty of the French government to refuse to grant any more loans to Russia until peace was concluded and domestic order restored. On March 9 even the pro-Russian and influential *Le Temps* acknowledged that the Russian crisis had led to violent attacks on the Franco-Russian alliance and that the French government was hard pressed to defend it.

The French government and financial circles brusquely demanded that

24. *Humanité*, Feb. 2, 1905, p. 3.

25. On March 18 Anatole France mocked the French government and society for their stupid policy of loans to build Russian destroyers, which were now at the bottom of the Sea of Japan, and cannons, which were now in the hands of the Japanese. See *Akademiia nauk SSSR, Iz istorii obshchestvennykh dvizhenii i mezhdunarodnykh otnoshenii* (Moscow, 1957), p. 619. At another meeting on March 25 he predicted the collapse of the tsarist government and the repudiation of tsarist debts by the new government. See *L'Européen*, Mar. 25, 1905, p. 6.

26. Archives du Ministère des Affaires Étrangères, *Papiers Delcassé*, "Russie, 1898-1914," vol. 11, p. 230.

27. Tardieu added that "the doubt was expressed as to whether the services rendered by Russia were worth the price paid for them, as to whether the Alliance, so useful to Russia . . . had given France an equivalent in return, especially after the Asiatic adventure . . . engulfed the men, ironclads, and millions intended, as we hoped, for the safeguarding of European peace." André Tardieu, *France and the Alliances* (New York, 1908), p. 22.

Russia take more decisive measures against the French press. On February 28 Maurice de Verneuil, head of the Paris stockbrokers and a confidant of Rouvier's, wrote directly to Sergei Witte as chairman of the Committee of Ministers expressing the gravest concern over Russia's credit standing in Paris and the constant inquiries of French holders of Russian stocks and bonds. Malevolent and disquieting articles appeared daily in the French press, and the Russian government was not doing enough to improve the situation: "Do not tell me your opinion of the press and the role it plays on this occasion. . . . All that we can say will not change the situation. The press exists and it is not in your power to suppress it. . . . It is a force you no longer have a right to neglect."²⁸

The Russian government courteously received Verneuil's abrasive letter and immediately discussed ways to improve the situation. Verneuil, however, was impatient. On March 10 he informed Rafalovich that the *Chambre Syndicale des Agents de Change*, the official Paris stock exchange, had adopted a resolution which had been forwarded to the French bankers in St. Petersburg negotiating a loan. The resolution stated that the *Compagnie des Agents de Change*, the government-appointed and regulated syndicate of French stockbrokers, would not handle any titles of the loan unless the Russian government placed at the disposition of the Russian ambassador in Paris for the duration of the war a monthly sum of 250,000 francs to be eventually distributed to the French press on the order of the syndicate.²⁹ Verneuil explained to Rafalovich that this step had been taken to impress upon the Russian government the extreme gravity of the situation and the need to act immediately.

The resolution of the syndicate threatened to block a loan unless Russia spent more money subsidizing the French press. What most irritated Russian Treasury officials was that Russia was already paying 100,000 francs a month. The additional sum demanded would bring the total to 350,000 francs per month. There was also no guarantee that the *Chambre Syndicale* or even the French bankers would not demand still more if the situation failed to improve in Russia. Rafalovich vainly tried to contact Rouvier, who was absent from the capital. Consequently, Rafalovich worked out a compromise with Verneuil, insisting that the Russian government would only triple the amount already being paid and no more. Verneuil agreed, and so it was settled on March 14 that 100,000 francs would be handled as before by Lenoir, and the remaining 200,000 francs would be disposed of by Verneuil to obtain better coverage of the political situation in Russia.

The following day, March 15, Rafalovich got in touch with Rouvier and

28. Raffalovitch, *L'abominable vénalité de la presse*, p. 96.

29. *Documents diplomatiques français*, 6:186.

criticized Verneuil's blackmail tactic. Rouvier expressed surprise and anger, claiming that Verneuil had not informed the French government of his *démarche*. Ambassador Nelidov reported to St. Petersburg that it was not the initiative of the Paris stockbrokers that irritated Rouvier but rather that he wanted to have the final say in disposing of the funds appropriated by the Russian government.³⁰ After apologizing profusely Rouvier prohibited Verneuil's interference in the allocation of funds and advised Rafalovich to continue to use Lenoir as the intermediary. He left the exact sum to the discretion of the Russian government. According to Nelidov, "As arranged by Rafalovich the distribution of the money was again delegated to Lenoir, acting under the close guidance of Minister of Finance Rouvier."³¹

Verneuil may have been rebuked, but he accomplished his assigned mission of forcing Russia to increase its subventions. From May to October 1905 the Russian government grudgingly paid 200,000 francs a month to approximately fifty newspapers, periodicals, and news agencies, including *Figaro*, *Le Temps*, *Le Petit Parisien*, *Le Journal*, *Journal des Débats*, and Havas news agency. Lenoir also allocated Russian subsidies to some thirty-eight editors, journalists, and correspondents, including the editor of *Le Temps*, Émile Hébrard, and the financial editor of *Matin*, Georges Brégrand.³² During the spring of 1905 the Russian government had become so alarmed about the hostility of the French press that the Ministry of the Interior had negotiated with *Figaro* to make it the mouthpiece of the Russian government in France. For some unknown reason the tsarist government abandoned the idea, even though *Figaro* indicated considerable interest in it.³³

Finance Minister Kokovtsov ordered the amount spent on the French press cut to 100,000 francs after the Treaty of Portsmouth ending the Russo-Japanese War was concluded on September 5, 1905. However, in November when Russian revolutionary activity intensified, the Russian financial representative in Paris requested an increase in the monthly allotments to the earlier level of 200,000 francs beginning in January 1906 and continuing until the loan Russia sought was concluded. In November Monsieur Lenoir, the *factotum gris*, warned Rafalovich that many Paris newspapers intended to take a more hostile stand on the question of Russian loans to get *revanche* for the Russian

30. Nelidov to Kokovtsov, Mar. 16, 1905, in Preobrazhensky, *Russkie finansy*, p. 174.

31. Ibid. On March 11 Delcassé informed Bompard that Rouvier had come to the conclusion that "the strongest efforts should be made to prevent the propagation of news which could start a panic [which would be] equally fatal to Russia and to French savings." See *Documents diplomatiques français*, 6:187. It is likely, therefore, that Rouvier was not totally ignorant of the syndicate's action and he may have instigated the affair to relieve himself and the government of the unpleasant task.

32. Raffalovitch, *L'abominable vénalité de la presse*, pp. 97-99.

33. Okhrana Archives, IIIf, folder no. 25.

government's decision to reduce the subsidies in September.³⁴ St. Petersburg officials heeded Rafalovich's request and resumed paying 200,000 francs a month until the loan was finally concluded in April 1906.³⁵ Having successfully negotiated an unprecedentedly large loan of 2,250,000,000 francs, Russia could at last stop its monthly subsidies to the French press.

Russian officials were divided on whether subsidization of the press actually paid off. Rafalovich thought the money had been well spent, because the French people had not panicked and sold their Russian holdings. Similarly, he believed that the money had won over *Le Temps* and *Journal des Débats* to their side, for these two had usually acceded in defending Russian credit in their articles. Even the *Journal des Débats*, however, had hinted strongly that Russia must remain a loyal member of the alliance if she hoped to secure further loans from France.³⁶ Some journals were so vehemently anti-Russian that they had not even been approached. As Rafalovich pointed out, it was impossible to force the French press to change defeats into victories or to compel them to remain mute on all of Russia's domestic disorders.

Ambassador Nelidov, who was responsible along with Rafalovich for supervising the behavior of the French press, did not share Rafalovich's views. He believed the payments had failed, because the great financial resources of the English, German, and Jewish newspapers had enabled them to flood French newspapers with their anti-Russian propaganda.³⁷ There were simply too many newspapers unflinchingly hostile to Russia for the Russian government to cope with. One means of remedying this situation, proposed by Nelidov and supported by Rafalovich, was to create a central press agency in St. Petersburg similar to the Vienna Press Bureau. Here it would be possible for every foreign newsman to receive accurate but strictly regulated news which he could forward to his newspaper in any form he wanted. If the correspondent distorted the news, the press agency could cut off news to him and thus have some influence on foreign press representatives and some control over their actions. This idea had merit, because French newspapers did not maintain permanent correspondents in Russia to follow events closely, and foreign correspondents rarely ventured outside Moscow and St. Petersburg. Nelidov's idea was still-

34. Raffalovitch, *L'abominable vénalité de la presse*, p. 146.

35. In the winter of 1905 the Zagranichnaia Agentura had its own representative working on the French press. Iuzefovich, a man of loose morals and an adept intriguer, was ordered to deal with the Paris press and to look out for collusion between Russian revolutionaries and foreign extremist parties. See Okhrana Archives, IXb, 1A. Iuzefovich, as in most of his endeavors, was not very successful. He simply placed a few articles in the Paris press. For details about Iuzefovich's private life see S. Iu. Vitte, *Vospominaniia*, 3 vols. (Moscow, 1960), 2:357-58.

36. *Journal des Débats*, July 24, 1905, p. 3.

37. Preobrazhensky, *Russkie finansy*, p. 176.

born, since Kokovtsov and Lamsdorf, the Russian foreign minister, did nothing to promote it in St. Petersburg.

Kokovtsov's position as minister of finance obliged him to undertake all measures to insure the stability of Russian credit abroad. Although he agreed to the payments, he doubted their effectiveness.³⁸ A staunch nationalist and monarchist, Kokovtsov deeply resented Russia's illicit relations with the French press—already prostituted by the anarchists, socialists, and Jews. He recommended that subsidies be paid at the end of a specific period as a reward for services rendered; in this way payments would be in direct proportion to the support each newspaper had given to Russia. Nelidov replied that this was impossible, because the untrustworthy editors of the newspapers always demanded payment before they printed news items. The only alternative was to stop payment if the editor refused to uphold his end of the bargain.

The regular monthly payments to the French press succeeded regardless of tsarist officials' reservations. From 1904 to 1906 Russia received two billion francs from French loans in exchange for lavishing two and a half million francs on the French press—not a bad rate of return. Because a large part of the press remained exceptionally silent about Russia's domestic turmoil and defeats in the Far East, Frenchmen were badly informed about what was really happening in Russia. This made it easier for the French government to persuade them to subscribe to Russian loans. By means of the loans, Russia maintained the gold standard and met its financial obligations connected with the Russo-Japanese War and the 1905 revolution.

38. While in Paris in January 1906 Kokovtsov was disgusted to find some articles in *Le Temps* which criticized Russian finances. In an interview with Georges Villers (pseudonym for André Tardieu) of *Le Temps* Kokovtsov declared, "There is nothing disquieting about the condition of our finances." *Le Temps*, Jan. 8, 1906, p. 1.