

## **EVOLUTION OF A HARBOUR INFRASTRUCTURE: FROM MERCANTILE TO NAVAL CONTROL**

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### *Introduction*

During the first years of British rule, Malta's Grand Harbour increasingly emerged as the core of the island's economic activities. At the time Malta developed a dual strategic-commercial capacity, which was reflected in the divisions of the Harbour waters between the naval and the mercantile sectors.

However in the post Crimean-War period, the imperial powers' antagonism in the Mediterranean scenario intensified. The British authorities consolidated a British imperial global system, which was finally forged in 1869, with the opening of the Suez Canal. In this disturbed regional situation, Malta's Grand Harbour became a sensitive imperial hub, through which the island was linked, with the rest of the British imperial network. Naval control of the Harbour became pivotal for the strengthening of British imperial communications in the Mediterranean. As a result, the naval authorities commenced the laying out of a new internal infrastructure which extended the harbour's naval capabilities. Malta was to become the chief naval station in the Mediterranean with modernized docking, refitting and bunkering functions.

Rapid expansion of such a naval port infrastructure led to incursions on the traditional mercantile sites in the harbour. It is the intention of this paper to examine the process by which Malta's harbour, hitherto merchant-dominated lay-out, came under naval control. Emphasis will be put on the nature of the emerging contest between the admiralty and the native merchant elite for the jurisdiction over the harbour waters and the surrounding site. This experience will be analyzed, as part of the evolution taking place in the wider Maltese economy context, which was further sliding into total dependence on imperial budgets.

### *An established mercantile infrastructure*

The traditional mercantile capacity of Malta's Grand Harbour was strengthened with the early years of British rule. With the end of the Napoleonic Wars, Malta's geographical position was exploited to its full potential. It was turned into a

commercial emporium and distribution centre for British products in the region<sup>1</sup>.

Identical interests in this same commercial position Malta was experiencing created a *modus vivendi* between the Maltese merchant elite and the British imperial authorities. They both had deep-rooted interests in promoting Malta's commercial image in the region<sup>2</sup> and to develop its mercantile harbour facilities. A continuous inflow of capital was allotted for the maintenance and the modernization of the port, from both mercantile and imperial quarters. One of the most extensive projects which the port authorities undertook, in the early 1840s, was the dredging of the harbour water bottom. Thousands of tons of mud were extracted and deposited at Corradino. Throughout the 1844-45 period, 47,706 tons of mud were drawn from the inner mouth of Senglea Creek, which was deepened to make accommodation for over thirty vessels<sup>3</sup>.

Maltese merchants maximized their profits, through the short but intense upward trend generated by the Crimean War. The thousands of troops passing through Malta, created an artificial market, which was rapidly exploited to its full. On the other hand, the Crimean War pressured the imperial authorities to increase their military-naval budgets on Malta's security. This led to greater concentration of economic activities, which in turn expanded the urban domestic market. In the absence of indigenous industries, this process inflated the merchant-dominated import-trade. This resulted in an intense accumulation of capital in the top mercantile pockets. It also led to the reinvestment of merchant capital, in the consolidation of the mercantile hold on the domestic economy. The native merchant elite firstly set up new insurance branches, shipping agencies and banking facilities<sup>4</sup>. Secondly merchant capital was allocated in the further consolidation and modernization of the harbour mercantile infrastructure.

Following the Crimean War, the Suez Canal project gained momentum. During its construction period, Maltese merchants discussed the opportunities which such a project would open for their commercial activities. The Malta Chamber of Commerce studied the impact which the opening of the Suez Canal was to make on Malta's commercial position. Lured by this project, the top merchants increased their securities in the modernization of the bunkering depots, storage and berthing facilities in the port. According to the Maltese economic thinker, Nicola Zammit: *Hence huge magazines, coal stores and basins were constructed along the borders of the new*

1. F. Crouzet, *L'Economie Britanique et Les Blocus Continental (1806-1813)*, vol. 1., Presses Universitaires de France, Paris 1958, 696.
2. Cf. M. D'Angelo, *Mercanti Inglesi a Malta 1800-1825*, F. Angeli Editore, Milano, 1990, 97-113.
3. The total Senglea Creek project cost 2761. From 1844 to 1851, 208,244 Tons of mud were drawn from the Grand Harbour. The cost reached 1113. The Malta Times, 3 May 1853.
4. J. Chircop, "Underdevelopment The Maltese Experience 1880-1914" M.A.unpublished thesis, University of Malta, 1992, 109.

*Harbour: oil vats and granaries were doubled in number, and great indeed were the hopes for a prosperous future*<sup>5</sup>.

#### *The Suez Canal Impact*

With the opening of the Suez Canal in 1869, Malta became a halfway transshipment and entrepot center on the main maritime route to British India. In the following years, the island's competitiveness as port of call and as a coal bunkering station was unabated<sup>6</sup>. The new regional circumstances, conjured with the opening up of Suez, left a direct impact on Malta's internal socioeconomic structure. Malta's port became a nodal point for the main economic activities on the islands. The accompanying internal demographic and social transformations, manifested a process of acute concentration of economic activity enclosing the Harbour<sup>7</sup>. Occupations connected with the Port increased enormously<sup>8</sup>. Coalheavers, carriers, porters and stevedores made up the largest proportion of this port-dependent labouring class. These labour categories formed 140 per cent of the total working population in the 1871-1881 decade<sup>9</sup>.

As steamship contacts increased, Malta became more directly linked with the regional ports and with the metropolitan harbours in Britain. By the late 1870s the hitherto long distances, which sailing vessels took weeks to accomplish, were now made in a few days<sup>10</sup>. For about two decades, this intensified the volume of traffic in the Malta harbour<sup>11</sup>. The island became a chief coal bunkering port for Suez-bound steamers. This geographical position also led to such great steamship companies, such as the *P&O.* and the *Compania di Navigazione Florio*, to make Valletta harbour their main base in the area<sup>12</sup>.

The steamship came to represent the physical symbol of industrial and imperial domination of the region<sup>13</sup>. Steam vessels came to rule the seas, at the expense of the multitude of sailing vessels, which had been the only means of regional transport from

5. N. Zammit, *Malta and its industries*, Malta, 1886, 26.
6. Lettera e documenti diretti dalla Camera di Commercio al Principal Segretario di Governo il 5 Marzo 1877, 15.
7. J. Chircop, "Underdevelopment The Maltese Experience 1880-1914" M.A.unpublished thesis, University of Malta, 1992, 100-101.
8. H. Bowen-Jones, Dewdney J. C. and Fisher W.B., *Malta Background for Development, Depart. of Geography*, Univ. of Durham, 1962, 119.
9. Cf. Census 1881, 13.
10. "Evolution of Steam Power". The P. & O Pocket Book, 20-1.
11. Cf. Table 1.
12. "Compagnie di Navigazione a Vapore", Almanacco di Malta, 1890, 1895, 1900. Also Guida Generale di Malta, 1890, 1900.
13. Cf. H. Magdoff, *Imperialism: From the Colonial Age to the Present*, Monthly Review Publication, N. York, 1978, 109.

time immemorial. The wave of new steamships gave the final clamp down to the sailing ship industries in the Mediterranean.

From 1866 to 1889, the volume of steamships entering and clearing in the Malta harbour escalated<sup>14</sup>. This increase was correlated with an annual downfall in the calling of sailing ships in Maltese waters. In fact, while in the 1850s some three to four thousand sailingships entered annually the Grand Harbour, in 1898 less than 2000 called in. In 1910 only seven hundred sailing vessels called in Malta's port<sup>15</sup>. Such a sharp decline in sailing ship activities was caused by the increased speed and tonnage capacity of the steamship in relation to the sailing vessels<sup>16</sup>. However, the faster and the larger capacity of the steam vessels meant reduced bunkering requirements at intermediate points<sup>17</sup>. By 1882, steamships tonnage capacity increased so much as to be able to bypass Malta on their way to Suez and the Levant<sup>18</sup>.

#### *Emergence of the Internal Colonial Infrastructure.*

With the Crimean War, Malta's geostrategic (naval-military) capacity had come to the fore<sup>19</sup>. Malta became a main naval station, a logistic base for military operations as well as hospitalization centre. In addition, - as already observed - the Maltese merchant community intensified their profits and consolidated the harbour mercantile infrastructure.

The intensification of the geostrategic capacity, led to the identification of interest between the merchant elite and the imperial authorities to fall apart. The War Office, pressured by the new imperial antagonisms in the region, commenced the laying out of a new colonial infrastructure, which would secure Malta's geostrategic function in the British imperial network. The harbour area, was emphasized as the hub of this internal infrastructure, which linked Malta with the rest of the British global imperial system.

The naval area in the Grand Harbour was the core of this new internal colonial infrastructure. The construction of the naval docks, coal deposits, maintenance and refitting facilities led to an expansion of the land under the Admiralty's ownership. In fact, two years after the end of the Crimean War, in 1858, the Admiralty started negotiations with the Chamber of Commerce, in order to occupy the French Creek in

14. Cf. Table 1.

15. *Ibid.*

16. W. Bathe, *Seven Centuries of Sea Travel, from the Cruisades to the Cruises*. L. Antier Public, N. York 1973, 185.

17. Malta Chamber of Commerce Archives - Valletta, [CC.Arch] "Seduta No. 8 20 Nov 1911. Minutes of the Council 1901-1919".

18. Corriere Mercantile Maltese, 16 Oct. 1882.

19. Cf. R. Grima, "Malta and the Crimean War, 1854-1856" B.A. (Hons) unpublished thesis, University of Malta, 1979.

the Harbour. The Admiralty's immediate objective was to construct a first-class dock in this site which was the main mercantile zone<sup>20</sup>.

As compensation for the loss of this mercantile area, the naval authorities suggested to extend the Marsa at the mouth of the Grand Harbour<sup>21</sup>. At Marsa, a basin had to be excavated, while wharfs and bonded stores were to be constructed<sup>22</sup>. After prolonged talks a temporary compromise was found on the question<sup>23</sup>. The expenses related to the excavations and construction of the Marsa were to be paid by the two parties: three sevenths of the whole sum by the Malta government and the rest by the imperial authorities<sup>24</sup>. Ultimately, both the Kalcara and the French Creek were to be handed to the Admiralty, when the Marsa extension was completed<sup>25</sup>. Accompanying this settlement, the Grand Harbour waters were divided. The water limits for both naval and merchant shipping were delineated. The work on the Marsa began immediately. Two years after the opening of the Suez Canal, in 1871, the new Somerset Dock was opened<sup>26</sup>.

#### *Contesting the Harbour Waters*

Nevertheless, in a couple of years, the 1858 agreement on the division of the Harbour waters became a source of continuous polemics, between the Admiralty and the Chamber of Commerce. From the outset, many merchants began to be outspokenly critical of the Admiralty. They showed great anxiety on the future prospects of the mercantile waters and their investments in the port infrastructure. The issue began to be seen as "*una dolorosa piaga*"<sup>27</sup> which was breaking up the traditional salutary relations between the Admiralty and the merchant community<sup>28</sup>.

One of the causes, which motivated such a contest for the jurisdiction on the Harbour waters, was the rapid technological development of the steamship. The 1858 settlement had not foreseen future changes connected with steam vessels, which in the

20. Copy of a Resolution passed by the Council of Government of Malta at Sitting No. 72 on the 25/5/1859, Malta, 1859.

21. Council of Government Debates, Sitting No. 72, 25 May, 1959.

22. *Ibid.*

23. National Public Records - Rabat, [NPR.] 7, "Despatches Gover. To SSC. 1859-1861", J. Gaspard Le Marchant (Gover.) to the Duke of Newcastle (SSC.). Enclosure 11, 30 Mar. 1860.

24. NPR. 'Dsp. Gover. To SSC. 1859-61', J. Gaspard Le Marchant to the Duke of Newcastle, 22 June 1860.

25. CC. Arch. "Correspondence 1898", G. Strickland (Chief Secretary to Govt.) to the Secretary CC., 10 June 1898.

26. K. Ellul Galea, *L-Istorja tat-Tarzana*, Malta 1973, 55.

27. Il Bulettno Commerciale, 22 Sep. 1869.

28. Il Commercio, 30 April 1867.

1870s had grown both in tonnage capacity and size. As time passed on, larger steamships began to create greater physical problems, with regard to berthing and mooring space<sup>29</sup>. Owners of merchant steamers and shipping agents contested the state of stagnation created in these waters. They emphasised the state of unsafety reigning in the berthing space<sup>30</sup>. While further protests were voiced from the merchant community, the Admiralty continued to expand its hold over the French Creek surroundings.

By the end of the century, the British fleet in the Mediterranean had grown to 92 vessels, relative to the 38 man-of-war it had consisted of in 1860<sup>31</sup>. The naval vessels forming the British fleet were much larger in length than the previous ones and therefore occupied greater space. Their increasing number in the harbour waters, especially in the winter season, created immediate problems of berthing and of passage for merchant ships. In 1897, Admiral J.O.Hopkins declared that *naval waters as defined by the order in Council of 1859 (38 years ago) is now utterly inadequate for the requirements of the fleet, and the question of accommodation at Malta for the fleet has now become a serious consideration especially for torpedo vessels*<sup>32</sup>.

Moreover intense naval manouvres, created by a highlighting of Anglo-French hostilities<sup>33</sup>, made the navy's encroachments in mercantile waters a common occurrence. This situation induced greater pressure on the Malta government and the Chamber of Commerce from Imperial quarters. In December 1897 the government passed on an important resolution, which amended the 1859 agreement, so that the Admiralty could "expand the limits of control on the Grand Harbour waters indicated by buoy "6a" - by 30 feet in the space reserved for Mercantile shipping"<sup>34</sup>. The Chamber of Commerce gave its consensus, on the condition that the vessels constituting the British Navy, would not obstruct the passage of steamers entering or leaving the quays at Marsa<sup>35</sup>.

None the less, naval encroachments in the inner mercantile waters increased, thus

29. "Ormeggi nel Gran Port", Borsa di Malta, Riunione Generale, 1897.
30. CC. Arch. "Corrispondenza Ricevuta 1901", J.T. Bellon (master "s/s Joshua Nicolson", Westcott's Line Steamer) to Secretary CC., 29 Dec. 1901.
31. CC. Arch. "Corrispondenza Ricevuta 1901", G. Strickland (Chief Secretary to Govt.) to the Secretary CC. Attached to letter Civilian Secretary to the Admiralty Superintendent H.M. Dockyard, 21 Nov. 1901.
32. CC. Arch., "Corrispondenza Ricevuta 1897", J.O. Hopkins (Admiral and C-in-C Mediterranean Office) to L. Freemantle (Gover) 24 Nov. 1897.
33. CC. Arch [Mss.] "Estensione del Gran Porto. Borsa di Malta: Riunione Generale, 1870".
34. Council of Government Debates. Sitting no. 54, 15 Dec. 1897. Paper Laid on the Table of the Council 9/12/1897.
35. CC. Arch 'Corrispondenza Ricevuta 1897', Secretary CC. To G. Strickland (Chief Secretary to Govt.), 12 Dec. 1897.

creating immediate traffic congestion. At first diplomacy continued to rule, what came to be known as the "Grand Harbour Question", while the limited space available as redivided time and again with the marking buoys moving forth<sup>36</sup> in mercantile waters<sup>37</sup>. Meanwhile renegotiations began and prolonged bargaining followed, between the naval authorities, the Council of government, and the Chamber of Commerce ensued. The naval authorities made it clear that they required greater control on the water space for specific naval purposes<sup>38</sup>.

The Malta government took a defensive attitude towards the whole question from the beginning of the negotiations. It feared that the repeated warnings of the Admiralty, that it would abandon the Harbour for another station, was no bluff. The Maltese side feared the worse for local economic activities, if a "portion of the squadron was compelled by want of room to abandon these waters, and to seek anchorage at Gibraltar or elsewhere"<sup>39</sup>. Consequently the local council of government, realizing the importance the fleet was coming to have for the local economy, adhered to the Admiralty's requests as "it would be most injurious to the interest of Malta and the local trade to raise any obstacles"<sup>40</sup>. In 1901 the council of government saw no other way out but of completely succumbing to the Admiralty requests.

By 1900, the new internal colonial infrastructure was consolidated. Further property encircling the French Creek was purchased by the Admiralty<sup>41</sup>. In addition, further property adjacent to the whole area of the port was bought directly from private owners. The extension of land coming into naval control, further increased the suspicions and anxieties of the merchant class<sup>42</sup>. The whole harbour question came to revolve on the stark question of ownership and control of the most important nerve of Malta's economy.

In the meantime, shipping congestion became routine and protests from foreign shipping agents piled up. Owners of merchant steamers voiced their complaints, describing the local harbour waters as chaotic and leading to unnecessary loss of

36. CC. Arch. 'Corrispondenza Ricevuta 1897" R.M. Lloyd (Admiral H.M. Dockyard) to Lyon Freemantle (Gover.), 4 Oct. 1897.
37. CC. Arch. T. Robbins (Civilian Secretary to the Admiral, H.M. Dockyard) to the Secretary CC., 21 Nov. 1901.
38. CC. Arch., "Corrispondenza Ricevuta 1898", G. Strickland (Chief Secretary to Govt) to Secretary, 10 Jan. 1898.
39. Borsa di Malta. Riunione Generale, 1898.
40. CC. Arch., "Corrispondenza Ricevuta 1898", G. Strickland (Chief Secret. To Govt.) to Secretary CC., 20 Dec. 1898.
41. CC. Arch., [Mss.] "Memorandum del Presidente della CC. Relativamente alla Lettera No. 1431 del Governo, Valletta, 26 Aug. 1901".
42. CC. Arch. "Corrispondenza Ricevuta 1870" [Mss] "L'Estensione de Gran Porto."

precious time<sup>43</sup>. In July 1901, the two war vessels “Friefly” and “Bullfrog” anchored in inner-mercantile waters and blocked the passage of the merchant ships<sup>44</sup>. Instantly an open polemic ensued between the Chamber of Commerce and the Admiralty. The latter attributed these naval encroachments to urgent and temporary necessities, until new facilities were constructed.<sup>45</sup> However, some days later, a collision occurred between the Italian steamer “Deprano” and the British brig “Peppino”<sup>46</sup>. The Chamber of Commerce issued a formal protest which was immediately answered by an open letter signed by Admiral J.A.Fisher. This letter warned the local Council of government that *it would be an unfortunate necessity which would compel the sending of vessels of war from Malta to foreign ports for want of berthing space, and would be very inimical to local interests, but I may in passing mention that one battle-ship alone represents a weekly expenditure of nearly one thousand pounds sterling, all of which finds its way into local pockets*<sup>47</sup>.

The Malta government and the Chamber of Commerce fell into quiescence. According to the chief secretary to government, Gerald Strickland, this “whole transition was unavoidable and beyond control”<sup>48</sup>.

At the end of this process, the most important zones of the Grand Harbour came under the direct control of the naval-imperial authorities. The Harbour infrastructure was pivotal for the new strategic function, this island began to play in the British imperial network. Malta’s great mercantile era was over, as its total integration in the global imperial division of labour was forged.

43. *Ibid.*

44. “Le Acque mercatili del Gran Porto”, Borsa di Malta. Riunione Generale, 1901.

45. C.C. Arch., “Corrispondenza Ricevuta 1901”, G. Strickland (Chief Secretary to Govt.) to Secretary CC. 11 Nov. 1901.

46. J. Vella Bonnici, *Economic and other related implications of Harbour conditions (1901-1908)*, B.A.(Gen), Unpublished Thesis, University of Malta 1974, 16.

47. CC. Arch., “Corrispondenza Ricevuta 1901”, J.A. Fisher (Admiral C-in-C) to F. Grenfel (Gover.), 18 Dec. 1901.

48. CC. Arch., “Corrispondenza Ricevuta 1901”, G. Strickland (Chief Secretary to Govt.) to Secretary CC., Nov 1901.

TABLE 1

YEAR	No. of Steamships (VAPORI)	Tonnage	No. of Sailing Vessels (VELIERI)	Tonnage
1866	881	841 529	2,768	350,391
1867	1,091	925 517	2,751	399,183
1868	1,314	1,045,403	3,087	477,176
1869	1,298	1,014,717	2,361	349,431
1870	1,399	1,139,120	2,519	356,005
1871	1,733	1,455,347	2,947	519,084
1872	2,136	1,843,423	2,076	270,153
1873	2,144	1,957,796	2,066	211,079
1874	2,378	2,163,426	2,013	217,327
1875	2,270	2,172,134	2,111	242,546
1876	2,540	2,378,386	2,103	221,511
1881	3,885	3,681,725	1,731	
1882	4,652	4,821,485	1,785	
1883	4,228	4,675,231	1,582	
1884	3,647	4,145,116	1,530	
1885	4,344	5,048,374	1,834	122,136
1886	3,433	4,133,446	1,217	101,455
1887	2,722	3,231,401	1,016	91,125
1888	4,147	4,903,759	1,497	123,447
1889	4,304	5,195,501	1,315	101,367
1890	3,570	4,501,622	1,245	84,034
1891	3,286	3,988,397	1,415	106,348
1892	2,430	3,023,244	1,134	90,100
1893	2,670	3,381,380	1,181	90,905
1894	2,826	3,512,012	1,300	87,950
1895	2,676	3,430,202	1,283	82,225
1896	2,540	3,203,801	1,246	89,399
1897	2,697	3,583,146	1,414	74,280
1898	2,704	3,502,177	1,166	61,551
1899	2,391	3,235,365	1,168	62,345
1900	2,549	3,473,576	1,265	64,512

Source - Malta Blue Books: 1856-1900.

Illustration showing the French Creek under Naval control

