

# Fire, Arson and Fire Insurance in Late Imperial Russia

JAEDONG CHOI

ALTHOUGH the taxes that Russian peasants were required to pay changed several times between the emancipation in 1861 and the Revolution of 1917, the charging of *zemstvo* taxes, township/village taxes and insurance premiums (*strakhovye platezhi*) remained constant until the collapse of imperial Russia.<sup>1</sup> *Zemstvo* and township/village taxes were used for the management of local governments and various public works. Because of the emancipation, Russian serfs were freed from the guardianship of the landlords; therefore, the Russian government, instead of landlords, had to take measures against crop failure, famine, diseases, epidemics, fires and other natural disasters. Peasants could fight famine with the help of governmental and *zemstvos'* aid,<sup>2</sup> while *zemstvo* medical staff helped fight diseases and epidemics in the countryside.<sup>3</sup> However, the repair of fire damage was handled by *zemstvo* mutual fire insurance, which was funded by the mandatory insurance premiums that peasants paid as a kind of tax.

Among calamities fires were especially problematic in late imperial rural Russia, as they occurred frequently. The number of fires in Russian peasant communities increased gradually and dramatically, which meant that fire and the damage it caused became a part of Russian peasants' daily lives. How peasants responded to fires and how *zemstvo* mutual fire insurance functioned in Russian peasant society are the main topics of this article.

Jaedong Choi is Associate Professor of Economics at Keio University, Japan.

<sup>1</sup> S. F. Rudnev, *Obzor dvatsatipiatiletnei deiatel'nosti Moskovskogo zemstva, 1865–1890, Vzaimnoe zemskoe strakhovanie stroenii ot ognia*, Moscow, 1892, p. 26; *Otchet Moskovskoi gubernskoi zemskoi upravy* (hereafter, MGZU) *po vzaimnomu strakhovaniiu ot ognia stroenii i dvizhimosti za 1884–1915 gody*, Moscow, 1884–1917.

<sup>2</sup> A. S. Ermolov, *Nashi neurozhai i prodovol'stvennyi vopros*, parts 1 & 2, St Petersburg, 1909.

<sup>3</sup> V. Iu. Kuz'min, *Vlast', obshchestvo i zemskaiia meditsina, 1864–1917 gg.*, Samara, 2003.

Mutual fire insurance was actually implemented for state and crown serfs before emancipation. Until 1843 the government provided loans or free aid for restoration whenever fires took place in the villages of state serfs. Spontaneous mutual fire insurance appeared as early as 1843, and members (*reveskaia dushcha*) were charged four kopeks as an insurance premium.<sup>4</sup> Optional mutual insurance was introduced nationwide<sup>5</sup> by a State Council (*gosudarstvennyi sovet*) decision on 7 June 1852,<sup>6</sup> and most state serfs spontaneously obtained mutual insurance in 1858 in response to the call by the government.<sup>7</sup> On 9 December 1858, the government introduced compulsory mutual fire insurance for all state serfs,<sup>8</sup> and officially implemented it in 1860.<sup>9</sup> The optional fire insurance for crown serfs was introduced in 1839, and in 1854 whole communities — not just individuals — were allowed to obtain the insurance. Thus, by 1858, more than 90 per cent of communities had joined.<sup>10</sup> Compulsory fire insurance for crown peasant communities was eventually introduced on 15 December 1858.<sup>11</sup>

Before the emancipation in 1861, those who lived under the guardianship of landlords had the right to ask them to provide the necessary materials for fire repair or reconstruction, and the landlords had an obligation to respond to their requests.<sup>12</sup> However, with emancipation, landlords became free of their guardianship obligations, and serfs no longer received aid from them. Soon after emancipation, peasants asked the government not only to provide them with free aid, but also to allow them to obtain the compulsory fire insurance of the state and crown peasants.<sup>13</sup> Landlords also sent the same requests to the government, desiring to be free of their obligations.<sup>14</sup> Many provincial zemstvo councils (*gubernskoe prisutstvie*) — for example from Moscow, Orel, Perm', Tambov, Kostroma, Kazan'

<sup>4</sup> Rossiiskii gosudarstvennyi istoricheskii arkhiv (hereafter, RGIA), f. 1291, op. 55, 1859 g. d. 1-a, ll. 96ob.–97.

<sup>5</sup> *Materialy po istorii vzaimnogo strakhovaniia v Rossii, vyp. 1*, Tver', 1912 (hereafter, *Materialy po istorii*), pp. 14–23.

<sup>6</sup> RGIA, f. 1341, op. 103, d. 594, l. 3.

<sup>7</sup> *Materialy po istorii*, p. 50.

<sup>8</sup> 'Polozhenie o vzaimnom zastrakhovanii stroenii v kazennykh seleniakh ot pozharov' is in RGIA, f. 1341, on. 103, d. 594, ll. 4–9.

<sup>9</sup> *Strakhovoe delo*, 1911, 11, pp. 331–36.

<sup>10</sup> RGIA, f. 1291, op. 55, 1859 g. d. 1-a, ll. 268–73.

<sup>11</sup> *Materialy po istorii*, pp. 24–25. 'Polozhenie o zastrakhovanii stroenii v udel'nom vedomstve' is in RGIA, f. 1291, op. 55, 1859 g. d. 1-a, ll. 255–55ob.

<sup>12</sup> *Strakhovoe delo*, 1911, 1, pp. 19–20; *ibid.*, 1914, 2, p. 58.

<sup>13</sup> RGIA, f. 1291, op. 55, 1859 g. d. 1-a, ll. 195–96; RGIA, f. 1287, op. 3, d. 921, ll. 1–10b.

<sup>14</sup> RGIA, f. 383, op. 15, d. 17983, chast' 3, ll. 2–20b.; RGIA, f. 1291, op. 55, 1859 g. d. 1-a, ll. 129, 138.

and Viatka provinces — made such requests as well.<sup>15</sup> In response to these requests, a special committee was organized under the Ministry of the Interior in 1862,<sup>16</sup> and in 1864 the compulsory mutual fire insurance was placed under the jurisdiction of provincial zemstvos.<sup>17</sup> This insurance covered all peasants in each province.<sup>18</sup> Zemstvo mutual fire insurance was introduced from 1866 in different years until 1875 in each province, and in Moscow province in 1867.<sup>19</sup>

While there is a sizable historiography on Russian rural society,<sup>20</sup> the research on fire and arson is almost non-existent, except for a study by Cathy A. Frierson.<sup>21</sup> Frierson conducted the first detailed empirical study on fires in Russian peasant communities during the post-Emancipation era of the late nineteenth century. Her work revealed that fires and arsons routinely occurred as part of everyday life until the Revolution of 1905, as opposed to being part of a peasant movement. Frierson also found that, interestingly, the target of many arson attacks was a peasant's own home or buildings and not those of landlords and nobles. She also reveals that Russian women played a key role in arson cases. However, her study focused on the years between the emancipation of 1861 and the end of the nineteenth century.<sup>22</sup>

Russian historiography has mentioned the frequent fires and arsons, but it has only viewed these as violent tools used against landlords or nobles during the Revolution of 1905, the Stolypin agrarian reform and the Revolution of 1917.<sup>23</sup> Frierson also discussed fires and arsons from the

<sup>15</sup> *Strakhovoe delo*, 1911, 10, pp. 300–01.

<sup>16</sup> *Ibid.*, 1917, 3–4, pp. 72–73; *ibid.*, 1911, 10, pp. 297–303.

<sup>17</sup> *Materialy po istorii*, pp. 40–48; *Strakhovoe delo*, 1911, 14, p. 432.

<sup>18</sup> *Materialy po istorii*, pp. 50–51.

<sup>19</sup> *Vzaimnoe zemskoe strakhovanie, 1866–1876 gg.*, St Petersburg, 1879–84, pp. 270–71; *Sbornik statisticheskikh svedenii po gubernskomu i zemskomu vzaimnomu strakhovaniiu, 1866–1895 g. chast' 1*, St Petersburg, 1900, p. 2. As for the fires which took place between emancipation in 1861 and the introduction of zemstvo fire insurance, the government paid stricken peasants relief money on condition they were refunded from the reserve fund of zemstvo fire insurance (*Strakhovoe delo*, 1911, 14, p. 428).

<sup>20</sup> E. Kingston-Mann and T. Mixter (eds), *Peasant Economy, Culture and Politics of European Russia, 1800–1921*, Princeton, NJ, 1991; Christine D. Worobec, *Peasant Russia*, Dekalb, IL, 1995; Stephen P. Frank, *Crime, Cultural Conflict and Justice in Rural Russia, 1856–1914*, Berkeley and Los Angeles, CA, 1999; Jane Burbank, *Russian Peasants Go to Court: Legal Culture in the Countryside, 1905–1917*, Bloomington and Indianapolis, IN, 2004; Corrine Gaudin, *Ruling Peasants*, DeKalb, IL, 2007.

<sup>21</sup> Cathy A. Frierson, *All Russia is Burning: A Cultural History of Fire and Arson in Late Imperial Russia*, Seattle, WA and London, 2002. Stephen P. Frank has briefly discussed arson as a form of crime in rural Russia in *Crime, Cultural Conflict*, pp. 132–37.

<sup>22</sup> Frierson, *All Russia*, p. 11.

<sup>23</sup> On the Revolution of 1905, see S. M. Dubrovskii, *Krest'ianskoe dvizhenie v revoliutsii*

perspective of the 'peasant movement' and the 'peasant revolution' of the early twentieth century.<sup>24</sup> However, no scholar has yet addressed the causes of fire or arson, the fire insurance system, its socio-economic background, or its purpose. Additionally, citing the 'peasant movement' or 'peasant revolution' as the cause of arson does not sufficiently explain the reasons for the extraordinary increase in the number of fires during the period that encompassed the Stolypin agrarian reform, when the Revolution of 1905 had already ended.

There have been many studies on zemstvos in Russian historiography,<sup>25</sup> but few have paid attention to zemstvo fire insurance. Zemstvo insurance had a dual character that differed from the zemstvos' other non-commercial public works like education, medical care and agricultural assistance. The public goal of zemstvo fire insurance was to function as a safety network, but at the same time it had a commercial goal in so far as the fund should not be in deficit. Moreover, even though the finances of zemstvo fire insurance had to be strictly distinguished from zemstvo general finances, the reserve fund of zemstvo fire insurance often played an important role in zemstvo finances.

This article explores why fires increased rapidly during the early twentieth century — especially during the Stolypin agrarian reform — and why the number of fires doubled when compared to those that occurred

1905–1907 gg., Moscow, 1956; Teodor Shanin, *Russia, 1905–1907: Revolution as a Moment of Truth. Vol. 2, The Roots of Otherness: Russia's Turn of Century*, New Haven, CT, 1986; L. T. Senchakovskii, *Krest'ianskoe dvizhenie v revoliutsii 1905–1907 gg.*, Moscow, 1989; A. P. Korelin and S. V. Tiutiukin, *Pervaia revoliutsiia v Rossii. Vzgliaid cherez stoletie*, Moscow, 2005. On Stolypin's agrarian reform, see A. V. Shapkarin, *Krest'ianskoe dvizhenie v Rossii. Iiun' 1907 g.–iiul' 1914 g.*, Moscow, 1966; G. A. Gerasimenko, *Bor'ba krest'ian protiv Stolypinskoi agrarnoi politiki*, Saratov, 1985; Judith Pallot, *Land Reform in Russia, 1906–1917: Peasant Responses to Stolypin's Project of Rural Transformation*, Oxford, 1999. On peasant movement during the First World War, see A. M. Anfimov, *Krest'ianskoe dvizhenie v Rossii v gody pervoi mirovoi voiny. Iiul' 1914 g.–fevral' 1917 g.*, Moscow, 1965. On the Revolution of 1917, see N. A. Kravchuk, *Massovoe krest'ianskoe dvizhenie v Rossii nakanune Oktiabria. Mart–oktiabr' 1917 g.*, Moscow, 1971; A. D. Makiavskii, *Krest'ianskoe dvizhenie v Rossii v 1917 g. Mart–oktiabr'*, Moscow, 1981; Orlando Figes, 'Peasant Farmers and the Minority Groups of Rural Society: Peasant Egalitarianism and Village Social Relations during the Russian Revolution (1917–1921)', in Esther Kingston-Mann and Timothy Mixer (eds), *Peasant Economy, Culture, and Politics of European Russia, 1880–1921*, Princeton, NJ, 1991.

<sup>24</sup> Frierson, *All Russia*, pp. 79, 104–06, 108–28, 271–72.

<sup>25</sup> Terence Emmons and Wayne S. Vucinich (eds), *The Zemstvo in Russia*, Cambridge and New York, 1982; Thomas E. Porter, *The Zemstvo and the Emergence of Civil Society in Late Imperial Russia, 1864–1917*, San Francisco, CA, 1991; *Zemskoe samoupravlenie v Rossii, 1864–1918*, vols 1 and 2, Moscow, 2005; Ilya V. Gerasimov, *Modernism and Public Reform in Late Imperial Russia, 1905–30*, Basingstoke, 2009; Catherine Evtuhov, *Portrait of a Russian Province*, Pittsburgh, PA, 2011.

during the late nineteenth century. The main area discussed here is the rural society in Moscow province (*guberniia*) and the main time period is between the early 1900s and the Revolution of 1917. Next, this work addresses the frequent occurrence of arson, which was one of the major causes of fire, and the relationship between the frequency of fires and the fire insurance system. The most critical issue is how Russian peasants understood fires and reacted to the fire insurance system, and how *zemstvos* delegated the organization of the insurance system and reacted to fire and arson. Moreover, as the various means of fire prevention were not effective enough to stop fires, the major cause of the decrease in fires simply had to do with the economic changes following the First World War and the Revolution of 1917.

### *Fire cases in rural Russia*

Prior to Emancipation, there were 29,000 fires between 1840 and 1845; 37,328 fires between 1845 and 1849; 36,366 fires between 1850 and 1854; 51,438 fires between 1855 and 1859; and 60,451 fires between 1860 and 1864. This means that the annual average of fires increased from only 5,800 fires between 1840 and 1845, to more than 12,000 fires by the mid 1860s.

*Table 1: Average number of fire cases per year in rural Russia in 1840–1904*

<b>Years</b>	<b>1840–45</b>	<b>1845–49</b>	<b>1850–54</b>	<b>1855–59</b>	<b>1860–64<sup>1</sup></b>
Fires	5,800	7,466	7,273	10,288	12,090
<b>Years</b>	<b>1860–69</b>	<b>1870–79</b>	<b>1880–89</b>	<b>1890–99</b>	<b>1900–04<sup>2</sup></b>
Fires	14,279	29,784	44,422	51,307	63,045

Sources: 1. N. Vil'son, *Statisticheskie svedeniia o pozharakh v Rossii*, St Petersburg, 1865, pp. 34–37; 2. *Statistika pozharov v Rossiiskoi imperii za 1895–1910 gody*, part 1, St Petersburg, 1912, p. xxx.

Table 1 shows that in European Russia, from 1860 to 1904, occurrences of fire quickly and steadily increased. Those forty-five years saw five times as many fires as previous periods. The number of fires in cities did not increase as much as in rural areas, where most of the fires happened. The annual average of fires was 14,279 between 1860 and 1869; 29,784 between 1870 and 1879; 44,422 between 1880 and 1889, 51,307 between 1890 and 1899; and 63,045 between 1900 and 1904, which shows a persistent epidemic-like increase. Between 1905 and 1909 — including the Revolution of 1905 — the number of fire cases skyrocketed. The number of fires that occurred in this five-year period was nearly equal to the number that occurred during the

previous twenty-five years. Again, most of the fires during this time took place in rural areas.

The Central Statistics Committee only has the data for fire cases in European Russia up to 1909. Statistics on the fire cases between 1910 and 1914 exist in the annual report of the Poltava provincial zemstvo. Table 2, which contains information on the fire cases between 1895 and 1914, shows that the rapid increase in fires was already taking place in the early 1900s, before the Revolution of 1905. In addition, two to three times as many fires occurred between the Stolypin agrarian reform and the First World War than had occurred during the late nineteenth century.

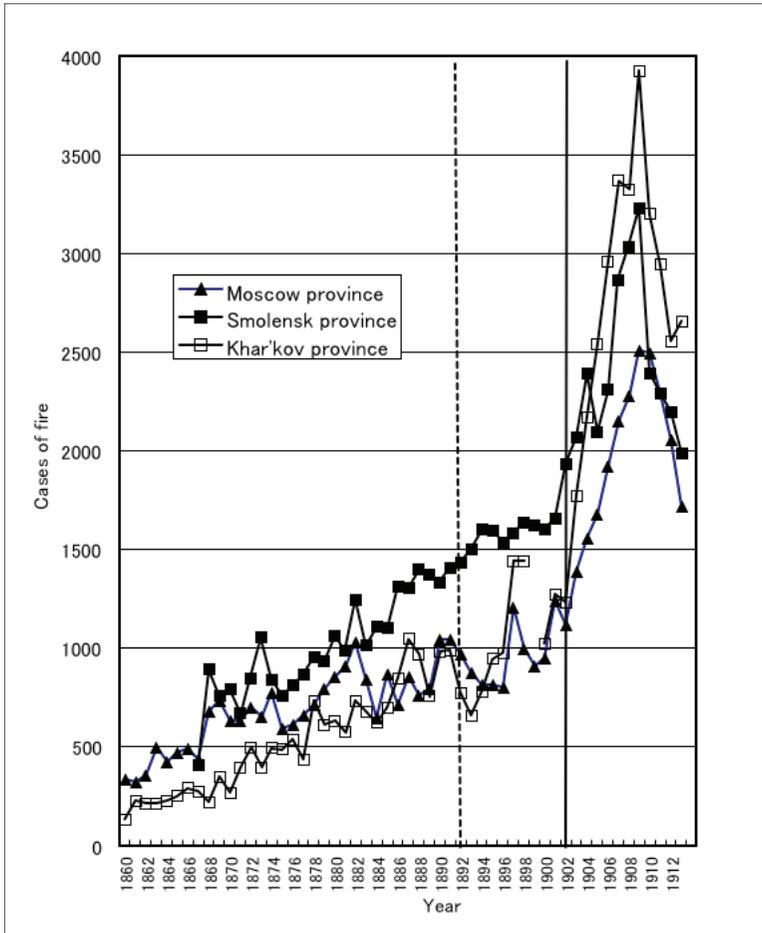
Moreover, Figure 1 shows the changes in fire cases in the provinces of Moscow, Smolensk and Khar'kov from the emancipation through the First World War. As one can see in this figure, there was a dramatic increase in fire cases in the early twentieth century. Other data in European Russian provinces in Table 2 show a similar trend. There was almost no difference among European Russian provinces.

#### *Zemstvo fire insurance policies*

The changes in the number of fires interrelates to the insurance policies, the criteria of the insurance amount (*strakhovaia summa*), and premium. Generally, the insurance premium is proportional to the amount of insurance cover one has. This means that the higher the premium, the higher the coverage amount should be, and vice versa. For provincial zemstvos, which ran zemstvo fire insurance, the peasants' premiums served as the zemstvo's income and the insurance payouts served as their expenditures. This was the opposite of how it worked for the peasants, whose premiums were their expenditures and whose insurance payouts or compensation from the zemstvo represented a kind of income. The insurance amount of zemstvo compulsory basic insurance depended on each province and was based on zemstvo regulations. In general, the base cover was set at 20 to 30 per cent of the insurance value (*strakhovaia otsenka*). Peasants could also purchase additional insurance or optional insurance to insure their buildings up to 70 to 80 per cent of the insurance value.

If the insurance amount was set according to the real value of the buildings, the insurance premiums would be smaller and any corresponding insurance payout would also be smaller. If peasants only had compulsory insurance and a fire occurred, the peasant economy could be seriously damaged. In order to avoid this risk, peasants tried to purchase either additional or optional insurance, which required them to pay greater premiums. In addition, if the insurance amount was set higher than the

Figure 1: Fire cases in Moscow, Smolensk and Khar'kov provinces (1860–1913)



Sources: The number of fires in Moscow province between 1860–87 is taken from *Pozhary v Rossiiskoi imperii v 1883–1887 godakh i svod dannykh za 28 let*, St Petersburg, 1889, pp. 134–35; 1888–1894, from *Pozhary v Rossiiskoi imperii v 1888–1894 godakh*, St Petersburg, 1897, p. 69; 1895–1910, from *Statistika pozharov v Rossiiskoi imperii za 1895–1910 g., ch. 1, 63 gubernii Evropeiskoi Rossii*, St Petersburg, 1912, p. 139; 1911–14, from *Statisticheskii otchet o vzaimnom zemskom strakhovanii v Moskovskoi gubernii za 1914 god*, Moscow, 1916, pp. 64–65; Smolensk province, from *Zemskii strakhovyi vestnik*, 1917, 24, pp. 51–55; Khar'kov province in 1860–1902, from the same as Moscow province; 1903–14, from *Zemskii strakhovyi vestnik*, 1916, 5–6, pp. 1–3.

Table 2: Fire cases in European Russian provinces (1895–1915)

Province/Year	1895 <sup>1</sup>	1898	1899	1900	1901	1902	1903	1904	1905	
Vladimir	632	687	654	745	903	907	1173	1242	1341	
Voronezh	1168	1303	1232	1434	1742	1620	1745	2142	2543	
Ekaterinoslav	804	1050	1061	1163	1550	1685	1700	1946	1814	
Kursk	1299	1113	1316	1337	1527	1605	1788	2074	2252	
Moscow	814	908	912	950	1241	1122	1390	1561	1679	
Novgorod	1186	1214	1198	1465	1403	1416	1459	1877	1838	
Orel	882	998	980	1151	1218	1081	1219	1502	1569	
Poltava	1291	1337	1285	1257	1321	1299	1792	135	1761	
Riazan'	1378	1287	1128	1291	1706	1413	1889	1858	2238*	
Tambov	2190	2229	2277	2655	3002	2427	3251	3965	5183	
Chernigov	975	864	975	1012	1010	1106	1371	1736	1842	
Smolensk	N/A	N/A	1627 <sup>3</sup>	1607	1661	1936	2071	294	2100	
Khar'kov	949	1447	N/A	1029	1279	1238	1775 <sup>4</sup>	2176	2542	
Province/Year	1906	1907	1908	1909	1910	1911 <sup>2</sup>	1912	1913	1914	1915
Vladimir	1545	1726	1681	1983	1613	1763	1654	1732	1229	
Voronezh	2286*	3037*	2646	1413	1987	1817	1652	2201	1609	
Ekaterinoslav	1334	2064	1545	1840	1298	1555	1588	1793	1465	
Kursk	2637	2746	2848	2894	2154	2176	1717	2110	1556	
Moscow	1924	2150	2281	2510	2497	2295 <sup>5</sup>	2060	1721	1192	
Novgorod	2124	2164	2162	2321	2266	2147	1838	1813	1626	N/A
Orel	2033	2322	2190	2235	1940	2010	1955	2000	1744	
Poltava	2551	2562	2151	2569	2490	1923	1652	2098	1600	
Riazan'	2314*	2196*	2874*	2716	2632	2553	2232	2463	1759	
Tambov	5311	6332	5627	5566	4065	4645	43333	5157	3743	
Chernigov	2106	2334	1659	2027	1554	1549	1394	1522	1231	
Smolensk	2312	2867	3038	3234	2396	2294	2201	1991	1585	1491
Khar'kov	2962	3371	2225	3928	3202	2946	2556	2659	2094	1522

Sources: 1. *Statistika pozharov v Rossiiskoi imperii za 1895–1910 gody*, part 1, p. 63; *Gubernii Evropeiskoi Rossii*, St Petersburg, 1912, pp. 128–152; 2. *Zemskii strakhovyi vestnik*, 1916, pp. 1–2; *Prilozhenie III. Svedeniia o zemskom obiazatel'nom strakhovanii za 1910–1914 g.g., sobrannye Poltavskoi gubernskoi zemskoi upravoi*, pp. 1–43; 3. *Zemskii strakhovyi vestnik*, 1917, 24, pp. 51–55; 4. *Zemskii strakhovyi vestnik*, 1916, 5–6, pp. 1–3; 5. *Statisticheskii otchet o vzaimnom zemskom strakhovanii v Moskovskoi gubernii za 1914 god*, Moscow, 1916, pp. 64–65.

Notes: The authors of the data for 1899–1910 (Source 1) and 1911–14 (Source 2) are different, so it is likely that there are no consistent data, but the trend can be surely grasped. Data for 1911–14, in the provinces of Vladimir, Voronezh, Ekaterinoslav, Kursk, Novgorod, Orel, Poltava, Riazan' and Tambov are based on the fire cases related to compulsory basic insurance. Thus, the number is rather smaller than the real total number of fire cases. The data for 1911–14 in Moscow province, Chernigov province, Smolensk province, Khar'kov province show the total number of fire cases;\* The Central Statistic Committee seems to underestimate the real number of fires here. According to A. S.

Ermolov, *Sovremennye pozharnye epidemii v Rossii*, St Petersburg, 1910, pp. 8–9, the number of fires in Voronezh province was 3,678 in 1906, 3,341 in 1907, and the number of fires in Riazan' province was 2,538 in 1905, 3,193 in 1906, 3,636 in 1907, and 3,435 in 1908.

real value of the buildings, the final amount peasants received could be higher than the real value (*deistvitel'naia stoimost'*). In this instance, the risk from the difference between the real value and the insurance amount was reduced. Therefore, regulations on the relationship between insurance amounts and insurance premiums were the core of the fire insurance system, and the applicant peasants proactively responded to this system.

The consequence of this fire insurance system — in which insurance coverage amounts were set higher than building values — was that the number of fires actually increased. The main topic at the first All Russia Fire Prevention Activists Council in 1892 and the second Council in 1902 had to do with determining the source of the fires. In the first council, A. A. Shaft pointed out that arsons had increased because peasants saw them as an investment. As a result of these arsons and fires, peasants could obtain fire compensation in amounts greater than the value of their properties; this was true even if the peasants whose buildings caught fire had sustained no fire damage.<sup>26</sup> The second council also focused on the fact that overestimation of insurance values was one of the major causes of the increase in fires, and most of the attendees at the Council pointed out that private fire insurance companies invited this overestimation.<sup>27</sup>

Immediately after the first council, the Moscow provincial zemstvo, at an annual meeting in 1893, decided that conservative revision (low risk, low return) of the insurance valuation system was necessary to suppress the frequent occurrence of fires, as indicated in Table 3. For the revision, the zemstvo focused on two factors: the rapid increase in fires during the famine of 1891, and the financial deterioration of zemstvo fire insurance because of the increase in fires. In fact, as can be seen in Figure 1, from the implementation of zemstvo fire insurance in Moscow in 1867 until the conservative revision in 1893, the number of fires continued to increase. This continuous increase was interrelated to revisions in 1869 and 1879, and it made the financial situation of zemstvo fire insurance in Moscow province unstable. Upon pointing out that the high insurance values of buildings invited arson, the zemstvo revision introduced an enormous

<sup>26</sup> *Trudy pervogo vysochaishe utverzhdennogo s'ezda russkikh deiatelei po pozharnomu delu*, vol. 1, St Petersburg, 1892, pp. 587–88.

<sup>27</sup> *Trudy vserossiiskogo pozharnogo s'ezda 1902 g. v Moskve*, vol. 2, section 5, St Petersburg, 1903, pp. 60–61, 81, 143, 207.

decrease in insurance values and payouts. Even though the communities and zemstvo tried to decrease the rates of fires and fire-related disasters, arson continued because it functioned liked an investment for the peasants.<sup>28</sup>

*Table 3: Revisions of insurance valuation system in Moscow provincial zemstvo (rubles)*

Year of revision	1867	1869	1879	1893 <sup>1</sup>	1902 <sup>2</sup>	
					Minimum	Maximum
House with yard ( <i>izba s dvorom</i> )	30	50	75	50	50	250
House without yard ( <i>izba bez dvora</i> )	15	25	37	24	—	—
Small room ( <i>gorenki</i> ), Attic ( <i>svetelki</i> ), Tower ( <i>vyshki</i> ), Pantry ( <i>kleti</i> )	7	10	15	10	—	—
Storehouse ( <i>ambara</i> ), Granary ( <i>zhitnitsy</i> )	—	20	30	20	20	40
Barn ( <i>saraia</i> ), Wintering hut ( <i>omshanika</i> )	5	7	10	6	6	20
Stable ( <i>koniushni</i> )	10	15	22	14	—	—
Threshing floor ( <i>kruporushki</i> ), Shop ( <i>lavki</i> )	—	—	—	20	20	40

Sources: 1. S. F. Rudnev, *Obzor dvadtsatipiatiletnei deiatel'nosti Moskovskogo zemstva, 1865–1890. Vzaimnoe zemskoe strakhovanie stroenii ot ognia*, Moscow, 1892, pp. 6–7; 2. MGZU, 'Doklad no. 17 1902 goda ob izmeneniiakh strakhovykh norm v obiazatel'nom strakhovanii', p. 23; MGZU, 'Doklad no. 18 1910 goda o postanovke strakhovogo dela, o nekotorykh merakh, priniatykh upravoi v tseliakh umen'sheniia pozharosti, ob izmeneniiakh v pravilakh strakhovaniia zemskoi dvizhnosti, po voprosam obiazatel'nogo strakhovaniia, o rezul'tatakh perestrakhovochnykh operatsii i po khodataistvam uezdnykh zemstv po strakhovoi chasti', pp. 37–44.

As it related to additional insurance, the Moscow zemstvo stopped employing the old valuation system that applied the same criteria in every region, regardless of regional differences, and instead adopted the newly revised valuation system, which took regional differences into account.

<sup>28</sup> MGZU, 'Doklad no. 18 1910 goda o postanovke strakhovogo dela, o nekotorykh merakh, priniatykh upravoi v tseliakh umen'sheniia pozharosti, ob izmeneniiakh v pravilakh strakhovaniia zemskoi dvizhnosti, po voprosam obiazatel'nogo strakhovaniia, o rezul'tatakh perestrakhovochnykh operatsii i po khodataistvam uezdnykh zemstv po strakhovoi chasti', pp. 37–39.

The greater the damage, the higher the premium could be in each region; conversely, if the damage was smaller, a lower premium would apply to each region. These premiums were to serve two purposes: higher premiums (resulting from greater damage) were designed to prevent fires, and lower premiums (resulting from less damage) were to facilitate the number of applicants.<sup>29</sup> As for the optional building insurance, for which the rate of peasant applicants was low, the final insurance amount was increased, and the insurance premium was discounted according to the insurance contract period. This was a marketing strategy to allow the zemstvo to compete with other private insurance companies.<sup>30</sup>

As can be seen in Figure 1, the number of fires decreased as a result of the conservative revision of the insurance valuation system, which sought to increase zemstvo income and fire insurance reserve funds. The insurance premium income of the zemstvos was more than the insurance coverage amounts, thus the reserve fund increased quickly: the reserve fund grew to 373,000 rubles in 1894 and 466,000 rubles in 1895, which was twice as much as in 1893. By 1903, the reserve had reached 1,057,932 rubles.<sup>31</sup> The additional insurance was in deficit once in 1897, but by 1903, a surplus of 198,226 rubles was achieved.<sup>32</sup> In addition, optional building insurance had a sustainable reserve that was valued at 1,238,907 rubles in 1903.<sup>33</sup> Under the conservative policy of 1894 to 1903, the reserve fund increased from 1.9 million rubles to 3.9 million rubles (Table 9).

In addition to a massive accumulation of reserve funds, zemstvo fire insurance in Moscow province underwent drastic change in terms of finance in the early 1900s. The direct cause of this change was the law of 25 December 1901. This law obliged peasants to pay for the compulsory basic insurance premium rather than the national land tax, zemstvo tax, or township/village tax that they had paid in the early twentieth century.

<sup>29</sup> MGZU, 'Doklad no. 19 1910 goda ob izmenenii nyne deistvuiushchikh tarifov premii po dopolnitel'nomu strakhovaniuu postroek ot ognia', pp. 2–10.

<sup>30</sup> MGZU, 'Doklad no. 18 1907 goda o merakh, priniatykh upravoi v tseliakh umen'sheniia pozharnosti i sokrashcheniia pozharnykh ubytkov, a takzhe ob izmeneniiakh v pravilakh dobrovol'nogo strakhovaniia stroenii i dvizhimosti', pp. 1–2.

<sup>31</sup> *Sbornik statisticheskikh svedenii po gubernskomu i zemskomu strakhovaniuu, 1866–1895*, part 1, 1900, pp. 20–22; *Otchet MGZU po vzaimnomu strakhovaniuu ot ognia stroenii i dvizhimosti za 1906 g.*, Moscow, 1907, pp. ii–iii.

<sup>32</sup> MGZU, 'Doklad no. 19 1910 goda ob izmenenii nyne deistvuiushchikh tarifov premii po dopolnitel'nomu strakhovaniuu postroek ot ognia', p. 11.

<sup>33</sup> *Zemskii strakhovyi vestnik*, 1917, 17–18, pp. 15–17; MGZU, 'Doklad no. 18 1907 goda o merakh, priniatykh upravoi v tseliakh umen'sheniia pozharnosti i sokrashcheniia pozharnykh ubytkov, a takzhe ob izmeneniiakh v pravilakh dobrovol'nogo strakhovaniia stroenii i dvizhimosti', p. 3.

This basic compulsory insurance was required of any peasants who owned houses, but zemstvos had been suffering because of the amount of arrears of this premium payment. This new law promised more stable income and financial improvement to zemstvos.

In 1902, owing to the accumulation of reserve funds under the conservative valuation policy in 1893 and the 25 December 1901 law, the Moscow provincial zemstvo set about revising the insurance valuation system, with the intention of increasing insurance values and amounts. This undermined the previous conservative valuation system of 1893, as seen in Table 3. The revision was designed so that the insurance values of houses with yards could be raised from twice to five times their real value. This was a significant change: peasants would pay greater premiums but could expect higher insurance amounts. Although the zemstvo had to pay bigger insurance payouts, it could expect a greater insurance income and more new insurance contracts, which made for very aggressive insurance policies (high risk, high return).<sup>34</sup>

Moreover, the regional valuation system for additional insurance was abolished, and the former system of standardized criteria was applied, even though experience had proven that this would cause an increase in fires.<sup>35</sup> In addition, there was a 30 per cent decrease in the insurance premiums for optional building insurance, which was an attempt to expand this market. Since there was a large reserve fund from the optional building insurance, zemstvos could take more risks and employ new aggressive policies, which is how this new revision came into being. Additionally, in 1904, zemstvos implemented a mutual reinsurance system to disperse risk.<sup>36</sup> In 1901, the zemstvos' organizational system was also transformed, so the number of insurance agents increased from one agent per county (*uezd*) to several agents. As seen in Table 4, a second-class agent (*mladshii strakhovoi agent*) system — the main goal of which was to increase the number of insurance contracts — was also adopted. This allowed teachers and engineers to set insurance amounts and promote insurance agreements. The Moscow provincial zemstvo proactively used these aggressive transformations as leverage to disseminate their insurance.

<sup>34</sup> MGZU, 'Doklad no. 17 1902 goda ob izmeniiakh strakhovykh norm v obiazatel'nom strakhovanii', pp. 1–38.

<sup>35</sup> MGZU, 'Doklad no. 19 1910 goda ob izmenenii nynye deistvuiushchikh tarifov premii po dopolnitel'nomu strakhovaniiu postroek ot ognia', pp. 13–15.

<sup>36</sup> MGZU, 'Doklad no. 18 1907 goda o merakh, priniatykh upravoi v tseliakh umen'sheniia pozharnosti i sokrashcheniia pozharnykh ubytkov, a takzhe ob izmeneniiakh v pravilakh dobrovol'nogo strakhovaniia stroenii i dvizhimosti', pp. 1–5.

Table 4: The number of insurance agents in Moscow provincial zemstvo

Year/Insurance Agent	First-Class	Second-Class	District
1901.11 <sup>1</sup>	13	120	—
1902.3	13	133	—
1903.10 <sup>2</sup>	13	149	—
1907.1	13	N/A	—
1907.8 <sup>3</sup>	14	125	—
1908.8	12	109	6
1909.9	12	109	7
1910.12	12	79	13
1911.12	6	32	37
1912.11 <sup>4</sup>	0	0	51
1914.6 <sup>5</sup>	0	0	59
1915.12 <sup>6</sup>	0	0	59+1

Sources: 1. MGZU, 'Doklad no. 19 1901 goda po porucheniiam gubernskogo zemskogo sobraniia, po khodataistvam uездnykh zemstv po strakhovoi chasti i po tekushchim delam', pp. 1–5; 2. MGZU, 'Doklad no. 19 1904 goda po porucheniiam gubernskogo zemskogo sobraniia, po khodataistvam uездnykh zemstv po pozharo-strakhovoi chasti i po tekushchim delam', pp. 1–14; 3. MGZU, 'Doklad no. 17 1907 goda po voprosu o reforme v postanovke strakhovoi agentury', pp. 1–20; 4. MGZU, 'Doklad no. 17 1913 goda po voprosu o peresmotre seti uchaskovoi strakhovoi agentury i po tekushchim delam', pp. 1–23; 5. MGZU, 'Doklad no. 17 1914 goda o strakhovoi agenture', pp. 1–3; 6. 'Doklad no. 17 MGZU 1915 goda o strakhovoi agenture', pp. 1–3.

The series of proactive and aggressive revisions of the insurance system in Moscow province resulted in a rapid and sustainable increase in markets among peasants, as seen in Table 6. At the same time, as indicated in Table 2 and Figure 1, instances of fire also rapidly increased between 1902 and 1904, before the Revolution of 1905, and continuously increased until 1914, when the First World War broke out.

#### *Overestimation of the insurance value*

When the insurance value was excessively higher than the real value, zemstvos often had to give the insured payouts that were greater than the real value of the property or the amount of damage. For example, if the insurance value was three times greater than the real value, the payable amount of compulsory basic insurance could have been 60 or 90 per cent of the real value. If the registrants had additional insurance, the final payable amount could be twice as much as the real value. Because of this system, registered peasants were able to benefit greatly from burning down their own houses.

Before the 1902 revisions, peasants already thought that insurance values were overestimated, but after the revision, insurance values became even more so. According to zemstvos' reports, there were many cases of insurance amounts being three to ten times higher than the real values.<sup>37</sup>

Moreover, private fire insurance companies also allowed higher insurance values to expand their insurance network among peasants. To illustrate this, Table 5 shows the data of Poletkikoe village, Vladimir county, Vladimir province.

As seen in Table 5, there was a significant difference in the insurance amounts between zemstvos and other private companies. On average, the private insurance companies set the insurance amount at two or three times as much as that of zemstvo, and in some cases, it could be as much as six to seven times as much as that of zemstvo. Thus, if peasants enrolled in the private insurance companies, they had the chance to obtain far higher insurance values than they could through zemstvo, and the incentive to commit arson became even stronger.

In other provinces in European Russia, the insurance amount was higher than the real value of damaged buildings.<sup>38</sup> This became clear when zemstvos adopted the district insurance agent (*uchastkovoï strakhovoi agent*) system in 1907 (Table 4) in order to re-examine insurance values. For example, after re-examining fire cases in Minsk province, an agent discovered that the insurance amount estimated by the township administration (*volostnoe pravlenie*) was three to five times higher than the real value of the damaged buildings. An agent in Kiev province reported that it was not surprising that arsons happened and served as investments. What was surprising, however, was that residents did not have ethical qualms about the insurance amounts being ten times higher than the real value of the damaged buildings. In Sterlitamak county, Ufa province, where a re-examination was done by a special committee in 1912, it was reported that there were many cases of insurance amounts being five to ten times higher than the real values. A zemstvo agent in Viatka province also reported cases of overestimated insurance amounts.<sup>39</sup>

<sup>37</sup> Lumber prices remained the same from the late nineteenth century to 1910, and in some regions even dropped. See V. I. Denisov, *Lesnaia Rossii, ikh ekspluatatsia i lesnaia trgovlia*, St Petersburg, 1911, pp. 144–59; *Statisticheskii ezhegodnik Kostromskoi gubernii. Lesnaia tekushaia statistika, vyp. 4. Tsena na drova za shestiletie 1905–1910 gg. Po soobshcheniiam korrespondentov*, Kostroma, 1913; *Materialy dlia otsenki zemel' Kostromskoi gubernii*, 13, Kostroma, 1915, p. 177.

<sup>38</sup> *Zemskoe delo*, 1912, 23, p. 1534.

<sup>39</sup> *Ibid.*, 24, pp. 1634–44.

Table 5: *The insurance value by zemstvo insurance and private companies (Poletkikoe village) (rubles)*

Insurance registration no.	Value by zemstvo	Value by private company
141	800	1000
142	600	1400
195	150	600
201	200	700
203	600	1200
207	400	975
209	200	1100
221	150	1000
113	600	1000
116	1000	1200
119	600	1000
121	1000	1100
124	100	700
224	500	800
227	100	450
228	120	300
230	100	600
238	100	400
239	100	200
241	200	600
255	5600	11000
<b>TOTAL</b>	<b>13220</b>	<b>27325</b>

Source: *Strakhovoe delo*, 1909, 4, pp. 110–12.

There were also similar cases in Moscow province. The 25 December 1901 law facilitated the large increase in insurance amounts because the final decision remained in the hands of township administrations which were composed of peasants, and the second-class insurance agents who received 10 per cent of the insurance premiums as commission. Unfortunately, since the second-class agents did not have enough professional knowledge to evaluate the buildings, peasants took the initiative in the agreements, which resulted in insurance values being set as high as possible. The system agents benefited from this since they received 10 per cent of the premium amounts. Therefore, the valuation turned out to be far higher than the real value of buildings. For example, all registered buildings with additional insurance held a total real value of 6,000,000 rubles in 1900; these buildings were evaluated as being four times more valuable,

at 27,000,000 rubles, in 1905. During this time, new applicants doubled from 36,482 to 73,284. The average insurance premium doubled from 188 rubles in 1900 to 372 rubles in 1905. In 1900, applicants for optional insurance totalled 25,488, and the insurance amount totalled 28,000,000 rubles; by 1905, the number of applicants totalled 25,604 and the insurance value totalled 49,000,000 rubles, which means that it was only the amount of insurance that increased.<sup>40</sup> This increase in insurance values, which occurred between 1902 and 1904, invited an increase in fires and arsons.

Between 1905 and 1907, peasant rebellions occurred, but the increase in fires during the Revolution of 1905 was not necessarily related to them, especially in Moscow province. According to Dubrovskii, the peasant movement was primarily in the central black soil, Ukrainian and Volga provinces. However, the peasant rebellion cases in the central industrial provinces, including Moscow province, were few — only 482 cases out of a total of 7,165 cases in Russia. The total number of attacks on landlords in Russia was 5,404, with 979 (18.1%) of them being related to arson, while the central industrial provinces only experienced sixty instances of arson. Thus, between 1905 and 1907, the influence of the peasant movement on the central industrial provinces was rather small.<sup>41</sup> As a result, the Moscow provincial zemstvo determined that the fires were caused by the revision of the insurance valuation system and were not violent acts of arson targeting landlords and nobles. The zemstvo also recognized that the economy of many peasants had worsened, and thus it was to their advantage to utilize the insurance system in order to make use of the high insurance amounts.<sup>42</sup>

On the other hand, the zemstvo fire insurance in Moscow province recorded an enormous deficit from 1904 or 1905 to 1911 because of the rapid increase of fires. Basic compulsory insurance also showed a continual loss from 1906 to 1911, reaching 162,172 rubles total. Further, additional insurance became unprofitable from 1905 and amassed a deficit of 648,830 rubles by 1911. Optional building insurance also fell into a deficit totalling 733,032 rubles, beginning in 1904.<sup>43</sup>

<sup>40</sup> MGZU, 'Doklad no. 17 1911 goda o postanovke strakhovoi agentury', p. 3.

<sup>41</sup> S. M. Dubrovskii, *Krest'ianskoe dvizhenie v revoliutsii 1905–1907 gg.*, Moscow, 1956, pp. 59–83.

<sup>42</sup> MGZU, 'Doklad no. 17 1911 goda o postanovke strakhovoi agentury', p. 4. This kind of understanding in Moscow provincial zemstvo was common from 1906. MGZU, 'Doklad no. 18 1906 goda ob izmeniiakh v pravilakh strakhovaniia stroenii i dvizhimosti', pp. 78; MGZU, 'Doklad no. 19 1912 goda po otdeleniiu strakhovoi statistiki', pp. 10–14.

<sup>43</sup> *Otchet MGZU po vzaimnomu strakhovaniuu ot ognia stroenii i dvizhimosti za 1908 g.*, Moscow, 1909, pp. ii–viii; *Otchet MGZU po vzaimnomu strakhovaniuu ot ognia stroenii i*

As a result, zemstvos re-examined the insurance value of the insurances; increased the insurance premium on optional building insurance by 20 per cent (1907); and enforced cancellations of insurance contracts associated with frequent fires and high insurance values. This was all in an attempt to stop fires since they were the main cause of the deficit. Zemstvos also abolished the same standardized criteria for additional insurance and reapplied the regional and unequal valuation system, and shut down the township administration valuation business (1912).

Despite the financial difficulty, however, the Moscow provincial zemstvo did not return to a conservative revision of the insurance valuation system; instead, it maintained the aggressive insurance policy, inviting a continued deficit and an increase in insurance amounts. Because of this, the number of people who applied for additional and optional building insurance steadily increased, as indicated in Table 6, in spite of the implementation of an insurance premium increase and another series of resolutions regarding the deficit.

The profit from fire was not the only financial benefit for peasants. A building property usually had mill facilities, including a workspace and a store, which were not used for housing but for business. As long as peasants received income from the facilities, zemstvo tax was charged. Therefore, if a fire occurred on these properties, all of the delinquent taxes would disappear from the record regardless of the length of the arrears or the amount of taxes owed. The Supreme Court (*Senat*), the Ministry of the Interior and the Ministry of Finance consistently supported this regulation, despite the criticisms voiced by many provincial zemstvos. The governments reasoned that the principle taxation system on real estate was material-based rather than people-based.<sup>44</sup> This principle was very influential because many peasants could not live on farming alone, and needed to have second jobs.

#### *The increase of applicants*

Because of the overestimations by township administrations and second-class insurance agents, especially under the aggressive insurance policies of 1902, peasants could receive insurance amounts that grossly exceeded the real value of their properties. Thus, many peasants actively bought additional insurance and optional building insurance policies. As seen in Table 6, the number of applicants in Moscow province who applied for additional and optional building insurance — insurance that gave the

*dvizhimosti za 1915 g.*, Moscow, 1917, pp. 5–13.

<sup>44</sup> RGIA, f. 1288, op. 3, 1911 g., d. 82, ll. 1–23.

insured a chance to receive 70 to 80 per cent of the insurance value — rapidly increased. These applicants totalled 14.4 per cent of the whole of Russia in 1894; 28 per cent in 1900; and the early 1900s also experienced a big increase.<sup>45</sup> By 1904, the applicants for additional insurance and optional building insurance totalled 40 per cent of insured people with compulsory basic insurance, and this figure continued to increase: in 1909, it totalled 50 per cent, and reached 60 per cent by 1915. The numbers varied by county, but it can be seen that the applicant ratio is highest in the counties where fire ratios and damages were also high. In 1915, 80 per cent of the applicants were in Volokolamsk county; about 70 per cent were in Buronny county, Kolomna county and Moscow county; and 50 to 60 per cent were in other counties. Of course, the primary reason for this was the aggressive revisions of the insurance valuation system (1902) and the adoption of second-class insurance agents.<sup>46</sup> Moreover, private insurance consistently expanded in rural peasant society between 1894 and 1915. For example, in the whole of Russia (not including Poland, the Baltic provinces and Finland), the value of fire insurance in rural areas in 1894 totalled 125,790,000 rubles, and in 1900 doubled to 260,290,000 rubles; in 1904, it amounted to 279,210,000 rubles; in 1908, it was 258,740,000 rubles; and in 1911, it totalled 481,830,000 rubles. Including in-house properties, marketing properties, and commodities, the sum of the insurance amount was 218,320,000 rubles in 1894; 357,250,000 rubles in 1900; 395,810,000 rubles in 1904; 492,170,000 rubles in 1908; and 764,890,000 rubles in 1911, with the total doubling during the eight years between 1904 and 1911.<sup>47</sup>

According to this data, it is clear that Russian peasants in those days proactively utilized private insurance companies, not just the additional and optional insurance of zemstvo fire insurance. So with the addition of private insurance, the numbers of peasant applicants increased to over 60 per cent.

<sup>45</sup> *Otchet MGZU po vzaimnomu strakhovaniuu ot ognia stroenii i dvizhimosti za 1908 g.*, Moscow, 1909, pp. ii–viii; *Otchet MGZU po vzaimnomu strakhovaniuu ot ognia stroenii i dvizhimosti za 1915 g.*, Moscow, 1917, pp. 5–13.

<sup>46</sup> *Otchet MGZU po vzaimnomu strakhovaniuu ot ognia stroenii i dvizhimosti za 1915 g.*, Moscow, 1917. Prilozhenie no. IIIa i no. IV.

<sup>47</sup> *Obshchaia statistika aktsionermykh strakhovykh ot ognia obshchestv. Pogodnye svedeniia s 1884 goda*, St Petersburg, 1911, pp. 8–11.

Table 6: The number of applicants in Moscow provincial zemstvo fire insurance

Year	Compulsory basic insurance	Additional insurance		Optional building insurance		Optional property insurance (peasants)	
	Applicants	Applicants	Ratio%	Applicants Total	Ratio% Peasants	Applicants	Ratio%
1894 <sup>1</sup>	206,600	19,100	9.24	13,591	10743 <sup>15</sup>	5.20	
1895	206,900	23,500	11.36	14,875	11,570 <sup>16</sup>	5.59	
1896	207,100	25,200	12.17	16,420	12,850	6.20	
1897	205,400	29,600	14.41	19,090	15,060	7.33	187 <sup>16</sup>
1898	206,200	33,200	16.10	20,885	16,513	7.86	296
1899	207,000	35,500	17.15	22,983	18,368	8.87	389
1900	205,148	36,400	17.74	25,488	20,852	10.03	441
1901 <sup>2</sup>	207,100	41,381	19.98	29,697	24,158	11.66	547
1902	211,700	46,764	22.09	34,760	28,112	13.28	840
1903	213,928	46,282	21.63	41,951	33,853	15.82	1,429
1904 <sup>3</sup>	216,156	58,781	27.19	31,188	15,259	10.10	1,570
1905 <sup>4</sup>	218,233	3,380	33.62	25,604	15,259	6.99	2,371
1906 <sup>5</sup>	221,122	81,215	36.73	28,266	16,689	7.55	4,130
1907 <sup>6</sup>	223,822	88,247	39.43	28,067	17,428	7.79	5,195
1908 <sup>7</sup>	227,272	91,341	40.19	28,419	17,169	7.55	3,907
1909 <sup>8</sup>	229,742	92,957	40.46	29,193	18,030	7.85	4,020
1910 <sup>9</sup>	231,758	101,866	43.95	30,664	18,804	8.11	4,329
1911 <sup>10</sup>	231,916	104,646	45.12	30,671	18,534	7.99	4,905
1912 <sup>11</sup>	232,732	106,719	45.85	30,193	18,350	7.88	5,657
1913 <sup>12</sup>	234,957	113,838	48.45	31,007	18,248	7.77	5,546
1914 <sup>13</sup>	234,220	117,968	50.37	31,853	17,687	7.55	4,767
1915 <sup>14</sup>	236,841	121,088	51.13	32,318	17,674	7.46	4,954

Sources: 1. *Otchet po revizii zemskikh uchrezhdenii Moskovskoi gubernii*, vol. 2, St Petersburg, 1904, pp. 96–97; 2. MGZU, 'Doklad no. 19 1909 goda po tarifnym voprosam', pp. 6–7; 3. *Otchet MGZU po vzaimnomu strakhovaniiu ot ognia stroenii i dvizhimosti* (hereafter, *Otchet MGZU*) *za 1904 god.*, Moscow, 1905, Prilozhenie no. 2–4; 4. *Otchet MGZU za 1905 god.*, Moscow, 1906, Prilozhenie no. 2–4; 5. *Otchet MGZU za 1906 god.*, Moscow, 1907, Prilozhenie no. 2–4; 6. *Otchet MGZU za 1907 god.*, Moscow, 1908, Prilozhenie no. 2–4; 7. *Otchet MGZU za 1908 god.*, Moscow, 1909, Prilozhenie no. 2–4; 8. *Otchet MGZU za 1909 god.*, Moscow, 1910, Prilozhenie no. 2–4; 9. *Otchet MGZU za 1910 god.*, Moscow, 1911, Prilozhenie no. 2–4; 10. *Otchet MGZU za 1911 god.*, Moscow, 1912, Prilozhenie no. 2–4; 11. *Otchet MGZU za 1912 god.*, Moscow, 1913, Prilozhenie no. 2–4; 12. *Otchet MGZU za 1913 god.*, Moscow, 1914, Prilozhenie no. 2–4; 13. *Otchet MGZU za 1914 god.*, Moscow, 1915, Prilozhenie no. 2–4; 14. *Otchet MGZU za 1915 god.*, Moscow, 1916, Prilozhenie no. 2–4; 15. *Otchet MGZU za 1894 god.*, Moscow, 1895, Prilozhenie no. 2–4; 16. *Materialy po statistike i organizatsii vzaimnogo zemskogo perestrakhovaniia imushchestv ot ognia*, Riazan', 1907, Prilozhenie no. 5. 'Svedeniia o khode priamogo strakhovaniia stroenii v soiuznykh zemstvakh', pp. 60–61.

Note: From 1903 to 1905, the reason peasant applicants decreased in optional building insurance is because the buildings under 1,500 rubles of insurance value were forced to shift to additional insurance in 1904 (MGZU, 'Doklad no. 18 1907 goda o merakh, priuniatykh upravoi v tseliakh umen'sheniia požarnosti i sokrashcheniia požarnykh ubytkov, a takzhe ob izmeneniakh v pravilakh dobrovol'nogo strakhovaniia stroenii i dvizhimosti', p. 2).

*Causes of fire and arson*

According to official data gathered by the Russian government through police and township administrations, the listed causes of fire included lightning, mishaps with fireplaces and chimneys, blunders, suspicious arson and unknown causes. The investigation of fire causes and prosecution of criminal acts was done by local police and township administrators, many of whom were peasants. They did not have enough knowledge to figure out the exact causes of fires, and because of close relationships in the peasant communities, they were very reluctant to judge a fire as arson. Once a fire was judged as arson, a long trial was inevitable, and if the accused was found guilty, criminal punishment was very heavy.<sup>48</sup> Therefore, police and administrators preferred making judgements of 'unknown' or 'blunder' instead of arson. Table 7 shows the data on fire causes for every five-year period between 1870 and 1904.

*Table 7: Causes of fire in late nineteenth-century Russia (%)*

Year	Lightning	Mishaps with fireplaces and chimneys	Blunders	Arsons	Unknown
1870–74	3.3	10.0	33.1	10.6	43.0
1875–79	3.1	8.6	28.8	12.4	47.1
1880–84	3.5	10.9	30.6	13.6	41.4
1885–89	3.2	10.6	35.9	13.2	37.1
1890–94	3.7	12.5	35.0	12.4	36.4
1895–99	3.3	14.3	37.6	9.9	34.9
1900–04	2.7	15.5	36.6	10.3	34.9

Source: *Statistika pozharov v Rossiiskoi imperii za 1895–1910 gody, ch. 1: 63 gubernii Evropeiskoi Rossii*, St Petersburg, 1912, p. xxi.

Suspicious arson accounted for 10 to 14 per cent of all fires. However, as A. A. Shaft pointed out at the first Russian Disaster Prevention Convention in 1892, this was the average percentage in all the regions, and that of many provinces reached 20 or 30 per cent, or even as much as 38 per cent.<sup>49</sup> Interestingly, unknown causes, which accounted for the greatest number of fires, declined gradually, but still accounted for about 35 per cent in 1900, while blunders accounted for 40 per cent. Both unknown causes and blunders could easily be exempted from criminal charges. In terms

<sup>48</sup> *Trudy pervogo vysochaishe utverzhdennogo s'ezda russkikh deiatelei po pozharnomu delu*, vol. 1, St Petersburg, 1892, pp. 589–94.

<sup>49</sup> *Ibid.*, p. 586.

of criminal charges, almost 80 per cent of the fires fell into a grey area. Among these, there were certainly fires caused by arson, but this grey area could only be reduced if methods of investigation were improved.

*Table 8: Fire causes in Moscow province during the Stolypin agrarian reform*

Fire cause/Year	1911		1912		1913		1914		1873–82
	Case	Ratio%	Case	Ratio%	Case	Ratio%	Case	Ratio%	Ratio%
Lightning	40	1.97	33	2.05	25	1.71	23	2.36	3.62
Mishaps with fireplaces and chimneys	266	14.19	175	11.21	162	11.55	118	12.11	6.54
Blunders	593	13.07	673	17.30	476	15.61	379	20.43	16.46
Children	69	3.63	35	2.18	86	5.84	97	9.34	2.35
Arsons	471	24.28	386	23.89	341	23.66	244	24.03	13.04
Unknown	856	42.86	757	43.37	640	41.63	331	31.73	57.99
<b>TOTAL</b>	<b>2295</b>		<b>2060</b>		<b>1721</b>		<b>1192</b>		<b>100</b>

Source: *Statisticheskii otchet o vzaimnom zemskom strakhovanii v Moskovskoi gubernii za 1914 god*, Moscow, 1916, pp. 64–65.

As indicated in Table 8, between 1873 and 1882 suspicious arson constituted 13 per cent of the fire causes in Moscow province, while blunders and unknown causes accounted for 16.5 per cent and 58.0 per cent, respectively. However, between 1911 and 1914, the period of the Stolypin agrarian reform, there was a relative decline in the percentage of unknown causes, and suspicious arson drastically increased to 24 per cent. This was a result of stricter investigations into the causes of fire.

In other provinces, blunders and unknown causes also declined, while suspicious arson cases rose. According to the statistics of the Voronezh provincial zemstvo, which were submitted to the All Russia Convention held in Kiev in 1913, the percentage of suspicious arson increased from 12 to 36 per cent between 1903 and 1912 in relation to compulsory basic insurance. Additionally, the percentage of cases of blunder dropped from 40 per cent to 15 per cent, and unknown causes decreased from 32 to 25 per cent.<sup>50</sup> Also, according to the data from Chernigov province, the percentage of suspicious arson was 18 per cent between 1905 and 1907, but rose to 31 per cent between 1908 and 1910, and grew to as much as 41 per cent in some southern counties in this province. According to the zemstvo data from Kiev province, the percentage of suspicious arson was 42 per cent

<sup>50</sup> *Pozharnoe delo*, 1915, 9, p. 317.

between 1909 and 1911, and reached 48.7 per cent in 1909.<sup>51</sup> In fact, cases of blunders and unknown causes included a number of cases of arson.<sup>52</sup> As can be seen above, in spite of improvements in investigative methods, the total of grey area cases, at about 80 per cent, did not change.

The motives for arson could include such things as revenge, burglary, jealousy, the concealment of crimes, harassment of outsiders and ostracism. However, the cases that fell into the grey zone were relatively small in number<sup>53</sup> and did not really compare to the greater number of true arson cases. These were the result of an insurance system that was designed to greatly benefit peasants.

Peasants used arson as a means of resolving financial difficulties. For instance, at midnight on 12 June 1912, a fire started in a riverside mill in a village. The insurance value was 2,180 rubles, and the insurance amount in zemstvo fire insurance was 1,480 rubles. The township administration conducted an investigation, but could not determine a cause. Since the owner did not appear suspicious, the township administration stated that the cause of the fire was unknown, and 1,459.63 rubles was paid to the owner. However, two weeks later, it was discovered that the mill had been extremely worn out, and its value was never beyond 100 rubles. The owner was accused of intentionally burning down the mill. Though this case was filed with the court on 12 April 1913, the insurance amount of 1,459.63 rubles was still paid to the insured.<sup>54</sup> In this way, peasants used fires and fire insurance to recover from failed businesses and to resolve financial difficulty in the peasant economy.<sup>55</sup>

Fire and arson rapidly increased, especially during the Stolypin agrarian reform. Peasants used arson to resolve family conflicts concerning private ownership and family-head rights, family divisions and inheritance. Fire frequently happened during conflicts over private ownership and property division between fathers and sons, co-heirs, or brothers.<sup>56</sup> The amounts

<sup>51</sup> *Zemskoe delo*, 1914, 4, pp. 238–39.

<sup>52</sup> 50–60 per cent of fire cases were concentrated in the hours between 9 pm and 5 am, when fires and lamps were not to be used (*Trudy vserossiiskogo pozhnar'nogo s'ezda 1902 g. v Moskve*, vol. 2, St Petersburg, 1903, pp. 221–25; *Pozhnar'noe delo*, 1908, 10, p. 167; *Pozhnar'noe delo*, 1912, 2, pp. 48–49; *Statisticheskii otchet o vzaimnom zemskom strakhovanii v Moskovskoi gubernii za 1914 god*, Moscow, 1916, p. 78), and 70 per cent of total fire cases occurred between April and September (*Statisticheskii otchet o vzaimnom zemskom strakhovanii v Moskovskoi gubernii za 1914 god*, Moscow, 1916, pp. 38, 68–69; *Strakhovoe delo*, 1916, 13, p. 375; *Zemskii strakhovyi vestnik*, 1916, 10–11, pp. 124–25; *Pozhnar'noe delo*, 1914, 6, p. 197).

<sup>53</sup> *Ibid.*, 1912, 1, p. 13.

<sup>54</sup> *Ibid.*, 1914, 4, pp. 118–20.

<sup>55</sup> *Strakhovoe delo*, 1916, 14–15, pp. 395–96.

<sup>56</sup> *Pozhnar'noe delo*, 1905, 31, pp. 484–85.

dispersed by way of insurance served as a convenient means of dividing property among all who were entitled to some part of it; this was much simpler than trying to divide houses or other properties in court.<sup>57</sup>

Moreover, during the Stolypin agrarian reform, a large-scale immigration to marginal areas such as Siberia was encouraged in order to resolve the land shortage along with the population increase from the late nineteenth century. This was intended to benefit peasants across European Russia, especially those in the central black soil and western provinces. Thus, peasants used fire as a useful means of property division, except where land was concerned.<sup>58</sup> In addition, when peasants needed to relocate to a city or a factory away from their village, arson was tempting because of the high insurance payouts; buildings lose their values when vacated, so arson served as a way for the peasants to keep the value of otherwise abandoned structures.<sup>59</sup> Further, this loss of value often motivated peasants to burn down their old houses in order to move to new plots of enclosed land, which they had purchased through the Peasants Land Bank.<sup>60</sup> In fact, fire rates increased when peasants departed from peasant communities and moved to new enclosed plots.<sup>61</sup>

Fire was not only a useful means of solving individual or family conflicts: it also served to resolve troubles that affected entire villages. For instance, *zemstvos* focused on village planning projects that were based on construction standards such as keeping certain distances between buildings. However, while completing these projects, there were often problems among residents because moving buildings was often impossible. Therefore, to avoid conflict, peasants turned to fire and arson for resolution.<sup>62</sup> Another typical example was the fire in Kolshikovo village, Tver' province. Since Kolshikovo village was built without any planning, the village streets were so complex that many peasants had to walk across others' lands in order to reach their own fields, and so there were many conflicts among peasants. Thus, the village decided to construct a new main street and the housing area was to be rebuilt around the street. It was decided that the reconstruction would be most convenient 'after the fire'. Several days after the village meeting, the insurance agents reevaluated the buildings in the village, and the insurance coverage amounts were raised.

<sup>57</sup> *Ibid.*, 9, pp. 134–35.

<sup>58</sup> *Ibid.*, 1908, 3, p. 43.

<sup>59</sup> M. A. Iordanskii, *Chto takoe zemskaiia strakhovka*, Vladimir' na Kliaz'me, 1913, pp. 17–18.

<sup>60</sup> *Pozharnoe delo*, 1908, 3, p. 43.

<sup>61</sup> *Zemskii strakhovyi vestnik*, 1917, 1–2, p. 104.

<sup>62</sup> *Pozharnoe delo*, 1905, 31, p. 484.

Two days later, the fire took place, burning down sixty-six houses and partially damaging twenty-two others; ultimately, 22,458 rubles were paid out via insurance. Even after these big fires, small fires happened almost every day, until eventually all of the old buildings were completely burned down. When new buildings were built as was planned, all the fires ceased. In 1904, Buiki village in the same township chose a similar plan to rebuild the whole community from scratch.<sup>63</sup>

In sum, as illustrated by these cases, fire and arson often occurred in order to allow individuals and entire villages to reap financial benefit through fire insurance as well as to resolve conflicts among families and communities.

However, among the fires investigated by the police as suspicious arson, only a few made it to trial and resulted in convictions. According to the Criminal Incident Statistics of 1899, all of Russia, including Warsaw District and Siberia, had a total of 12,662 suspicious arson cases, but only 647 (5.1 per cent) of these resulted in convictions.<sup>64</sup> Other statistics also note that very few cases of fire went to court as arson. For example, Voronezh province only had 117 fire cases that went to court (5.4 per cent) from 2,150 total cases of suspicious arsons between 1905 and 1908. In the same period, Riazan' province had 104 court cases (5.07 per cent) out of 2,048 cases of suspicious arson. In Orel province, only 92 cases were filed with the court (4.3 per cent) among the 2,023 suspicious arson cases. And, in Tambov province, only 128 cases (4.3 per cent) were filed out of 2,946 cases.<sup>65</sup> A similarly low ratio existed prior to 1890, as well; all of Russia had only 200 to 300 cases of suspicious arson for the district court, so it seems as though only five cases out of 100 suspicious arson cases were actually filed with the courts.<sup>66</sup>

Furthermore, approximately only half of the accused and tried received a guilty verdict. One statistic in a province in European Russia showed that out of 1,189 cases, 633 accused received not-guilty verdicts. The statistics of the Ministry of Law also show similar cases from the 1880s. According to the data, among all those accused of suspicious arson, 50.3 per cent received a not-guilty verdict in 1882; 52.7 per cent in 1883; 46.1 per cent in 1884; and 56.6 per cent in 1885.<sup>67</sup> Thus, the village residents were not interested in bringing cases to court, and they were not cooperative about

<sup>63</sup> *Ibid.*, 18, pp. 274–75.

<sup>64</sup> *Ibid.*, 1912, 2, p. 47.

<sup>65</sup> *Zemskoe delo*, 1912, 20, pp. 1250–51.

<sup>66</sup> *Trudy pervogo vysochaishe utverzhdennogo s'ezda russkikh deiatelei po pozharному delu*, vol. 1, St Petersburg, 1892, pp. 588–89.

<sup>67</sup> *Pozharnoe delo*, 1912, 2, p. 47.

filing. In addition, the punishment for arson was very heavy, and judges were usually reluctant to give punishment for guilty verdicts.<sup>68</sup> There was sympathy among the juries, particularly for arsonists.

Studying Tambov province case files revealed that the Tambov district court discussed the case of a peasant, Platon Zhitenev from Mikhailovskoe village, Morshansk county, who lit a fire in his own house. Before the fire, Platon occasionally mentioned that his own house (*izba*) had become very old and he had no money to rebuild it, so he wanted to set fire to it in order to receive an insurance payout. Villagers reacted by saying that it was up to Platon, but they told him that he would have to invite them to watch it. Platon did so in front of everyone in the village on 7 July. The village head gathered the villagers and requested that Platon be the host, and Platon offered four bottles of vodka. After the fire, he received his insurance payout, but he was accused of arson and tried in court. However, the jury found him not guilty because they knew he had intended to receive the insurance from the beginning. This kind of verdict was neither surprising nor rare, and it contributed to the rapid increase in fire and arson in rural Russia.<sup>69</sup>

In this context, peasants did not consider fire particularly unfortunate; rather, they only thought of it as being temporarily inconvenient. An insurance agent in Kostroma province reported that peasants watched their neighbours build new, beautiful houses with iron roofs after their old ones burned down. They knew that the fire victims had purchased the iron roofs at reasonable prices and had even received a subsidy and a loan, so this process made them think that fire was not necessarily a misfortune.<sup>70</sup>

Peasants also did not consider committing arson in order to collect insurance either shameful or dishonest. Their understanding was that fires could bring them fair money, with which they had a right to rebuild their living spaces. Not all fire insurance applicants committed arson, of course, but many peasants did not pay sufficient care to prevent fires. In fact, people were often reluctant to fight fires when they broke out. Fire fighters were insulted and, worse, even beaten and thrown out. The most important thing was not to do any damage to others when committing arson. Fires were generally considered to be fine long as they were not bad for others (*mne khorosho, i vsem ne plokho*).<sup>71</sup>

<sup>68</sup> *Ibid.*, 3, pp. 96–97.

<sup>69</sup> *Strakhovoe delo*, 1909, 13, pp. 410–11; *Zemskii strakhovyi vestnik*, 1917, 15–16, pp. 40–42.

<sup>70</sup> *Zemskoe delo*, 1912, 23, p. 1535.

<sup>71</sup> *Pozharnoe delo*, 1905, 17, p. 269.

In sum, various conflicts among families and communities — which were very tough to resolve through trials and official procedures — triggered an increase in fires and arson. Resorting to fire and arson led to quick resolutions, so peasants considered arson to be the easiest and safest means of resolving troubles among peasant communities. The peasants considered fire to be a wonderful event,<sup>72</sup> and this is why fire was very much a desirable and a beneficial event, not a source of misfortune and disaster.

*Reactions by zemstvos*

Beginning in the early 1900s, zemstvo fire insurance experienced a deficit, in addition to a rapid increase in fires because of aggressive insurance policies. As a result, zemstvos attempted to resolve these issues in two ways. First, they undertook the revaluation of insured buildings. This change to the insurance system required that zemstvos constantly and strictly revise not only their insurance cover, but also the criteria they used — both changes were to be based on the revaluation of buildings. It also required that the evaluators' authority shift from township administration to zemstvo insurance agents.

As a result, regions that had a high occurrence of fires saw their insurance cover decreased by zemstvo agents who conducted urgent revaluations in addition to their regular revaluations of insured buildings. In Kostroma province in 1909 — with zemstvo insurance agents and ten invited university students — zemstvos revaluated cover and decreased them by 8 to 10 per cent, on average; some of the cover was reduced by as much as 36 per cent. The Simbirsk provincial zemstvo also revaluated the villages that had fires between 1905 and 1907, and decreased cover by 25 per cent to 38 per cent; between 1908 and 1910, after additional revaluation, the zemstvos decreased average cover by another 30 per cent to 50 per cent. The Penza provincial zemstvo reported in their annual report of 1910 that, in various villages, cover decreased by 17 or 18 per cent to 41 per cent of the former insurance amounts.<sup>73</sup> The Minsk provincial zemstvo also stated in their annual report of 1911 that, through the revaluations conducted by insurance agents, the sum of re-evaluated buildings decreased from 7,454,755 rubles to 4,777,599 rubles. Other provinces, such as Viatka province, Saratov province and Kazan' province, also decreased cover through revaluation. It was reported that Saratov county, Saratov province, decreased cover to mere

<sup>72</sup> *Zemskoe delo*, 1912, 23, p. 1536; *ibid.*, 24, pp. 1635–36.

<sup>73</sup> *Ibid.*, 23, pp. 1534–39.

fractions of their former values; some of these were reduced to as much as one-tenth of their former values.<sup>74</sup>

In these regions, it was reported that the revaluation system was effective in restraining fires. For example, in Kuliushcheno township (*volost'*), in Simbirsk province, before the adoption of the revaluation, there was an average of twenty-nine fires a year between 1905 and 1908, but 1909 saw only twenty-one fires and 1910 only ten. Similarly, Malobolinino township saw a 50 per cent decline in fires after the revaluation. In the same province, among the townships that practised revaluation, the sum of annual fire cases decreased from 332 cases to 183.<sup>75</sup> Additionally, in the second district, Vasil'evo county, Kiev province, there were 306 fires during 1908, but after the revaluation, that number dropped to 173.<sup>76</sup> Moreover, Chernigov province, Vladimir province, Tver' province, Kursk province, Tambov province, Penza province and Saratov province all experienced a similar decline.<sup>77</sup>

However, as shown in Table 2, fires were still frequent in many provinces in European Russia, despite the revaluation. Moscow province provides an excellent example. In 1909, twenty-four townships underwent revaluation, but only ten experienced a decrease in fires, while the other fourteen experienced increases.<sup>78</sup> Similarly, twenty-nine townships underwent revaluation in 1910, but nineteen experienced an increase in fires. Twelve townships, in particular, experienced an increase of 1.5 times the amount of fires from the previous six-year period (1904–09).<sup>79</sup> Additionally, in some townships in Kiev province, fires increased after the revaluation, and it was supposed that this rise was the result of an increase in arson.<sup>80</sup>

The most fundamental reason for the increase in fires, despite revaluation taking place, was that the aggressive valuation policy (high risk, high return) had not been revised since 1902. However, there were several more secondary reasons. First, district insurance agents were not necessarily capable of expediting the revaluation of buildings because they maintained busy schedules and had other obligations regarding insurance contracts. Second, in order to compete seriously with private

<sup>74</sup> *Ibid.*, 24, pp. 1634–44.

<sup>75</sup> *Ibid.*, 23, p. 1538.

<sup>76</sup> *Ibid.*, 24, p. 1635.

<sup>77</sup> *Ibid.*, 1914, 4, pp. 239–40; *Zemskii strakhovyi vestnik*, 1918, 4, pp. 26–27.

<sup>78</sup> *Statisticheskii otchet o vzaimnom zemskom strakhovanii v Moskovskoi gubernii za 1910 god.*, Moscow, 1911, pp. 7–9.

<sup>79</sup> *Ibid.*, pp. 9–10.

<sup>80</sup> *Zemskii strakhovyi vestnik*, 1917, 15–16, p. 33.

fire insurance companies, zemstvos could not drop the insurance value on some buildings because this shift would cause fewer people to pay for fire insurance via the zemstvos.<sup>81</sup> There was a growing trend of people moving away from zemstvo fire insurance to private fire insurance companies in order to receive more abundant insurance payouts.<sup>82</sup> Thus, Moscow provincial zemstvo considered that a sudden lowering of their insurance values and insurance cover would be difficult.<sup>83</sup> Third, since township administrations had the authority to check the insurance values decided by insurance agents, it was easy for township administrations to alter the insurance agents' valuation. Finally, since the regular revaluation on compulsory basic insurance and additional insurance was still delegated to township administration, average insurance cover and average insurance premiums gradually increased. For instance, average insurance premiums were 120 rubles in 1907; 125 rubles in 1908; 136 rubles in 1910; 144 rubles in 1912; and 145 rubles in 1914.<sup>84</sup>

Therefore, the urgent revaluation was effective in restraining the fires only among the regions where fires caused great damage. However, as demonstrated in Moscow province, it was partially effective at decreasing fire cases, but it was not effective at entirely restraining fire cases due, in large measure, to the reasons listed above. In sum, fire occurrences continued to increase in rural Russia.

Because of the continued increase in rural fires, the Moscow provincial zemstvo decided to strip the township administrations of their authority as it related to the valuation of compulsory basic insurance and additional insurance, including regular, temporal and all other valuations.<sup>85</sup> At the same time, zemstvos changed their valuation policy on additional insurance from the standardized criteria to a new one based on regional circumstances.<sup>86</sup> These new policies prompted a slight decline in the

<sup>81</sup> *Pozharnoe delo*, 1912, 18, p. 609.

<sup>82</sup> *Zemskii strakhovyi vestnik*, 1918, 9–10, pp. 8–9.

<sup>83</sup> *Statisticheskii otchet o vzaimnom zemskom strakhovanii v Moskovskoi gubernii za 1914 god.*, Moscow, 1916, pp. 18–20.

<sup>84</sup> *Otchet MGZU po vzaimnomu strakhovaniiu ot ognia stroenii i dvizhimosti za 1907–1914 gg.*, Moscow, 1908–1916, 'Vedomost' o khode obiazatel'nogo (okladnogo i dopolnitel'nogo) strakhovaniia stroenii v Moskovskoi gubernii za 1907–1914 gg.'

<sup>85</sup> MGZU, 'Doklad no. 17 1911 goda o postanovke strakhovoi agentury'. From Tver' province, Bessarabia province and Riazan' province, where the revaluation excluded their township administrations, a rapid decrease in fire case numbers was reported. MGZU, 'Doklad no. 17 1910 goda o reforme v postanovke strakhovoi agentury', pp. 1–23. This was also the major background of this decision.

<sup>86</sup> MGZU, 'Doklad no. 19v 1912 goda po khodataistvam volostnykh i sel'skikh obshchestv i uezdnykh zemstv o ponizhenii oblozheniia v obiazatel'nom strakhovanii', pp. 1–8.

number of fires during 1913 among the villages that once experienced high rates of fire.<sup>87</sup>

The second reaction was the attempt to monopolize the countryside insurance market. In 1884, many had already recognized that the marketing of private fire insurance companies in peasant communities was a trigger for frequent fires and arsons. It also became one of the most problematic topics in the first All Russian Disaster Prevention Convention in 1892. At the convention, after the report by A. A. Shaft and the debate, the attendees who were in charge of zemstvos insurance decided to appeal to the government to take control of the private fire insurance companies.<sup>88</sup>

During the second Russia Disaster Prevention Convention in 1902, many reports from zemstvos insisted that the government intensify its control over private fire insurance companies, and this suggestion invited lively debates among private fire insurance companies and zemstvos. Ultimately, the convention proposed the creation of a new regional governmental organization to control the valuation process among private fire insurance companies; the substitution of the conventional valuation system; and a call for meetings to create regulations for the new organization.<sup>89</sup>

Zemstvos in many provinces proposed more concrete and practical ways of valuation. First, zemstvo annual meetings in nine provinces — Vladimir, Viatka, Kazan', Novgorod, Perm', Tambov, Tver', Tula and Kiev — insisted that the zemstvo insurance cover should be compulsorily adopted by private fire insurance companies. Second, the Kursk provincial zemstvo and the Novgorod provincial zemstvo proposed a ban on registered buildings having insurance from private companies if they already had the zemstvo compulsory basic insurance.<sup>90</sup> However, the Ministry of the Interior rejected this proposal, noting that all insurance usually became invalid when registrants did not report their additional insurance even if they applied for a higher insurance amount than regulated. The Supreme Court endorsed the decision of the Ministry of the Interior.<sup>91</sup>

During the Zemstvo Convention, many representatives from the provinces appealed to the Ministry of the Interior to require private

<sup>87</sup> *Statisticheskii otchet o vzaimnom zemskom strakhovanii v Moskovskoi gubernii za 1914 god*, Moscow, 1916, p. 95.

<sup>88</sup> *Trudy pervogo vysochaishe utverzhennogo s'ezda russkikh deiatelei po pozharnomu delu*, vol. 1, St Petersburg, 1892, pp. 583–602.

<sup>89</sup> *Trudy vs Rossiiskogo pozharnogo s'ezda 1902 g. v Moskve*, vol. 2, section 5, St Petersburg, 1903, pp. 23–115.

<sup>90</sup> *Zemskoe delo*, 1914, 5, p. 338.

<sup>91</sup> *Pozharnoe delo*, 1904, 13, p. 199.

fire insurance companies to report to the provincial office if peasants' properties had insurance values. However, the Ministry of the Interior declined to pursue this. Rather, understanding the depth of the present troubles, the Ministry of the Interior requested that zemstvos discuss the regulations on fire insurance. The primary focus was on Article 15 and the regulation of zemstvo insurance values. Those at the annual meeting of Vladimir province proposed the amendment of Article 15, insisting that the regulation of the zemstvo insurance value should be mandatory with regard to all buildings covered by compulsory insurance and that its value should not be higher than the zemstvo insurance coverage amount. Some private companies were against this regulation, as they considered it malpractice. In addition, when the residents obtained both zemstvo optional insurance and private fire insurance, they were obligated to report their insurance conditions to the zemstvo. Unless they reported it, the zemstvo would not accept their applications. Zemstvos in most of the provinces supported these provisions.<sup>92</sup>

The Ministry of the Interior also called for the Zemstvo Insurance Representative Convention in 1910. At the convention, zemstvo insurance representatives justified the necessity of compulsory regulations for private fire insurance companies, arguing that:

Marketing by the insurance agent in private fire insurance companies often causes frequent fires in villages due to their overestimation, and encourages immorality among the residents. Today, on this issue, zemstvos are incompetent. Thus, creating a law to control insurance cover by private fire insurance companies is necessary.<sup>93</sup>

According to this, zemstvo representatives emphasized the necessity of legislating the insurance cover of private fire insurance companies so that they would not exceed the insurance cover provided by zemstvos. This became the main framework of the Ministry of the Interior's proposal for the new zemstvo fire insurance regulations presented by the Ministry of Interior in February 1912.<sup>94</sup> In this way, the Russian government changed their policy from spectating to active intervention.

<sup>92</sup> *Materialy po peresmotru polozheniia o vzaimnom zemskom strakhovanii*, St Petersburg, 1910.

<sup>93</sup> *Zemskoe delo*, 1914, 4, p. 233

<sup>94</sup> *Ob''iasnitel'naia zapiska MVD k proektu 'Polozheniia o vzaimnom zemskom strakhovanii'*, Moscow, 1915; *Prilozhenie Zemskogo strakhovogo vestnika*, 1915, 6-7; *Zemskoe delo*, 1914, 4, p. 233.

Although private fire insurance companies recognized problems in the agents' valuations, they furiously opposed the legislation of compulsory control. From 20–24 May 1912, at the sixth International Disaster Prevention Convention, which was held in St Petersburg, many representatives from private fire insurance companies gathered and aggressively expressed their opinions. N. G. Sergovskii, B. D. Brutsks and A. A. Press spoke against compulsory regulations.<sup>95</sup> Their speeches suggested that the insurance cover provided by private fire insurance companies did not fundamentally affect the frequent occurrence and rapid increase of arson. These opinions went against the zemstvos' agenda, caused serious disputes,<sup>96</sup> and the zemstvo fire insurance representatives ultimately walked out of the convention hall. As a result, this International Disaster Prevention Convention adopted Brutsks's conclusion that if zemstvos imposed limits on private fire insurance companies, the appropriate development of the insurance business would be hindered.<sup>97</sup>

However, the next convention, held in Kiev the following year, moved beyond the new regulations of zemstvo fire insurance. It was argued that

the for-profit insurance business of the private sector is distorting the understanding of the residents about insurance, which is considered to be against the profit of society. Thus, we need to switch for-profit insurance to non-profit social insurance and it should be operated by a regional autonomous organization.<sup>98</sup>

This argument led to tension between private fire insurance companies and zemstvos by the advent of the First World War. However, the balance of power between private Russian companies and zemstvos began to shift when the First World War broke out since the reinsurance companies for most Russian private insurance companies were German. Because of the break with German reinsurance companies, the influence of private insurance companies began to weaken. As a result, the zemstvos were able to use the debate during the Kiev convention in late 1915 to try to create a monopoly that would exclude the influence of private insurance companies in rural Russia.<sup>99</sup>

<sup>95</sup> *Trudy shestogo mezhdunarodnogo pozhnogo kongressa v Petrograde, 22–14 maia 1912 goda*, vol. 2, issue 3, Petrograd, 1915, pp. 95–115, 126–34, 146–64.

<sup>96</sup> *Ibid.*, pp. 116–23, 171–90.

<sup>97</sup> *Strakhovoe delo*, 1912, 7, pp. 202–09.

<sup>98</sup> *Ibid.*, 1916, 7–8, p. 188.

<sup>99</sup> *Ibid.*

After the Kiev convention, the Ministry of the Interior decided to organize a committee to discuss this problem; the committee was comprised of representatives from related government departments and chaired by Pusheradskii. The Russian government tried to unify fire insurance under his initiative. Meanwhile, private fire insurance companies opposed the unification,<sup>100</sup> as the real intention of the zemstvos was to establish a monopoly for zemstvo fire insurance.

*Zemstvo fire insurance for zemstvos*

The reason zemstvos did not go back to conservative insurance policies is closely related to the meaning of zemstvo fire insurance for zemstvo and the significance of reserve fund for zemstvo finance. The zemstvo fire insurance agency was obligated to hold a reserve fund for emergency accidents and fire prevention. The scale of the reserve fund is illustrated in Table 9. There are a few things worthy of note regarding the compulsory basic insurance reserve fund. First, the reserve fund increased steadily from 1867 to 1915. Second, the reserve fund increased quickly due to the conservative revision of the insurance valuations in 1893. Finally, from 1906 to 1911, even if the insurance balance indicated that it was in deficit, the bank interest of the reserve fund could cover most of the deficit. From 1867 to 1915, the reserve fund in compulsory basic insurance had grown to 2,446,068 rubles, of which a quarter was from insurance premium delinquencies.

The greatest portion of the reserve fund came from optional building insurance. From the beginning, optional building insurance had a record of maintaining a surplus almost every year, and its reserve fund showed a rapid increase by the early 1900s. The total value of the reserve fund was 1,991,718 rubles at the start of 1904. Due to the enormous deficit from the rapid increase of fire cases between 1903 and 1912, the reserve fund temporarily decreased, but the fund's interest was sufficient to cover most of the deficit in zemstvo fire insurance. Furthermore, the reserve fund increased again to 2,092,648 rubles in 1915.

Unlike the compulsory basic insurance and optional building insurance, additional insurance was constantly in deficit, and the reserve fund finally dropped into the black in 1906. It was covered by the reserve fund of basic insurance and a loan from National Bank and the provincial zemstvo reserve fund by 1915. In 1916, it finally rose to a surplus of 232,407 rubles. Both optional property insurance and additional insurance showed a constant deficit increase each year, and thus there was no reserve fund.

<sup>100</sup> Ibid., 1, p. 3.

Table 9: Reserve fund in Moscow zemstvo fire insurance (1867–1915) (rubles)

Year	Reserve fund (at the end of the year)				Optional property insurance	Total zemstvo <sup>3</sup>	Zemstvo tax	Anti-fire activities <sup>6</sup>
	Compulsory basic insurance <sup>1</sup>	Additional insurance <sup>1</sup>	Optional building insurance <sup>2</sup>	Optional property insurance				
1867–68	39000	11000	50000	Compulsory N/A	N/A	N/A	N/A	N/A
1869–76	155000	52000	207000	N/A	N/A	N/A	N/A	1785
1877–83	313000	285000	598000	Abolition 195207	793207	N/A	N/A	11217
1884–94	373000	691000	1064000	Sunned 862082	1926082	N/A	N/A	13066
1895	466000	699000	1165000	with 969627	2134627	0	936685	17039
1896	558921	704555	1263476	compulsory 1118846	With 2382322	0	956192	276423
1897	564359	699783	1244798	basic 1184819	optional 2429617	0	993305	292799
1898	666366	702485	1344825	insurance 1331968	building 2676793	0	1086135	35988
1899	770852	698660	1469512	1296621	insurance 2766133	0	1074985	305549
1900	874066	683910	1557976	70304	3286554	155000	N/A	304000
1901	954457	678573	1633030	93814	3526711	344923	1409400	328000
1902	1057763	685295	1743058	131153	3745976	520000	1476800	330100
1903	1137144	676283	1813427	112620	3916860	689000	1612500	350900
1904	1249353	551772	1801125	160362	3907992	1300000	1680300	361000
1905	1339451	566471	1905922	113603	3807918	1449987	1749000	379200
1906	1329548	591452	1921000	-13977	3731497	1379174	1901400	401300
1907	1357787	610113	1967900	-52596	3469843	1775256	2252500	587000
1908	1385522	631473	2016995	-138163	3360420	1667995	2455800	580900
1909	1376810	639316	2016126	-311515	3255164	1580199	2553300	593100
1910	1318851	625499	1944350	-474635	3103314	1601496	2762700	61339
1911	1318284	616594	1934878	-527298	3042088	1463559	2946100	62078
1912	1396830	608474	2005304	-478346	3329301	1517299	3118400	68145
1913	1478179	597923	2076102	-387052	3607083	1265924	N/A	706844 <sup>6</sup>
1914	1630709	580102	2210810	-139771	4015218	181720	N/A	800314 <sup>6</sup>
1915	1888897	557171	2446068	232407	4925324	1531602	N/A	75665

Sources: 1. The reserve fund in compulsory basic insurance between 1867 to 1895 is based on the data in *Sbornik statisticheskikh svedenii po gubernskom i zemskomu vzaimnomu strakhovanii 1866–1895 g., chast' 1, tablitsy*, St Petersburg, 1900. The data between 1896 to 1915 is based on *Otchet MGZU po vzaimnomu strakhovaniiu ot ognia stroenii i dvizhimosti za 1896–1915 gody*, Moscow, 1897–1917; 2. The reserve fund in optional building insurance between 1869 and 1878 is based on the data in MGZU, 'Doklad po vzaimnom zemskom strakhovanii stroenii ot ognia 1871–1878'. Between 1879 and 1915 is based on *Otchet MGZU po vzaimnomu strakhovaniiu ot ognia stroenii i dvizhimosti za 1879–1915 gody*, Moscow, 1880–1917; 3. The annual loan to zemstvo between 1891 and 1915 is based on the data in *Otchet MGZU po vzaimnomu strakhovaniiu ot ognia stroenii i dvizhimosti za 1891–1915 gody*, Moscow, 1892–1917; 4. The zemstvo tax income in Moscow province and zemstvo tax from peasants between 1891 and 1912 is based on the data in *Svod svedenii o postuplenii i vzimanii kazennykh, zemskikh i obshchestvennykh okladnykh sborov za 1891–1913 gody*, 1898–1917; 5. Zemstvo tax from peasants between 1913 and 1914 is based on the data in *Statisticheskii ezhegodnik Moskovskoi gubernii za 1914 i 1915 gody*, part 2, Moscow, 1915–16; 6. The fund for anti-fire activities between 1867 and 1911 is based on the data in MGZU, 'Doklad no. 16b 1912 goda o protivopozharnykh merakh'. The data in 1912 is based on MGZU, 'Doklad no. 16 1914 goda, otchetnost', tekushie dela i khodataistva po protivopozharnym meropriiatiiam'. The data between 1913 and 1914 is from MGZU, 'Doklad no. 16 1915 goda o protivopozharnym meropriiatiiam. Denezhnaia otchetnost' za 1914 god.', pp. 1–2. The data in 1915 is based on MGZU, 'Doklad no. 16 1916 goda po protivopozharnym meropriiatiiam. Denezhnaia otchetnost' za 1915 god.', pp. 1–2.

Under the conservative insurance valuation system in 1893, the grand total of all reserve funds in Moscow provincial fire insurance increased from 1.9 million rubles up to 3.9 million rubles in 1904. However, from 1905 this amount gradually decreased due to the rapid increase in fires, and it dropped to 3,042,088 rubles in 1911. It increased again in 1912 and 1913 up to 3,607,083 rubles. After a decrease in fires, the reserve fund increased, reaching 4,925,324 rubles in 1916.<sup>101</sup> An abundant reserve fund was common in all the provincial zemstvos in Russia.

The nominal breakdown of the reserve fund of compulsory basic insurance in the Moscow provincial zemstvo consisted mainly of securities and arrears. In contrast, the reserve fund of optional building insurance consisted of securities and loans. Notably, most of the loans were for zemstvos and, as seen in Table 9, the loan amounts increased from 155,000 rubles in 1900 to 1,450,000 rubles, ten times the previous amount, in 1915.

Regardless of the consistent deficit in zemstvo fire insurance in the early twentieth century, between 1905 and 1915 the reserve fund remained at 1,500,000 rubles, which was 60 to 70 per cent of the grand total, excluding the arrears of compulsory basic insurance. A similar situation prevailed in other provincial zemstvos.<sup>102</sup> In 1910, the grand total of loans

<sup>101</sup> *Zemskii strakhovyi vestnik*, 1917, 24, pp. 4–5; *ibid.*, 1918, 9–10, pp. 142–45.

<sup>102</sup> *Ibid.*, 1917, 11–12, pp. 58–59.

to zemstvos reached three times the total amount of zemstvo tax from peasants in Moscow province, or almost 60 per cent of the total zemstvo tax. This indicates that the loans from the zemstvo fire insurance reserve fund were a significant resource for the activities of the Moscow provincial zemstvo in the early twentieth century.<sup>103</sup>

Contrarily, the part of the reserve fund that was spent on fire prevention constituted a very small portion of the total reserve (see Table 9). In fact, one of the major reasons that zemstvos were reluctant to pay for fire prevention was that fire prevention might disturb the expansion of the insurance reserve fund. Moreover, all the zemstvo officers considered the reserve fund to be the resource of other zemstvo activities. For example, Fordin, a committee member of the Petersburg provincial zemstvo, pointed out that all of the committee members should pay more attention to fire insurance and its expansion. He also mentioned that unless the insurance reserve fund increased, zemstvos would lose their source for building hospitals, fighting cholera and other activities. Moreover, Aradov, a council member in the Petersburg provincial zemstvo, pointed out that the reserve fund had consistently doubled for twenty years; further, he stated that the purpose of zemstvo fire insurance was only to add to the reserve fund and not to actually provide a service to the insured.<sup>104</sup>

Additionally, most of the council members and the representatives (*zemskie glasnye*) from provincial zemstvos — who supervised all the fire insurance businesses — were not peasants but landlords. They joined private fire insurance companies so that they had cover for both their own and zemstvo buildings. Thus, in most cases, their greatest concern was the reserve fund as the major financial resource for other zemstvo activities.<sup>105</sup>

#### *The First World War and 1917 Revolution*

During the period between the First World War and the Revolution of 1917, the number of fires declined sharply. In 1914, when the First World War broke out, fire cases declined in many provinces, compared to the number of fires that occurred during the Stolypin agrarian reform. There was an even greater decline in 1915. As shown in Table 2, fire cases in Smolensk province demonstrated a similar tendency to that in the provinces of Ekaterinoslav and Khar'kov. Fire cases totalled 1,532 in 1911; 1,691 in 1912; 1,767 in 1913; 1,491 in 1914; and 877 in 1915.<sup>106</sup> The number of fire cases in

<sup>103</sup> *Strakhovoe delo*, 1914, 4, pp. 122–26; *Zemskii strakhovyi vestnik*, 1918, 9–10, p. 144.

<sup>104</sup> *Ibid.*, 1917, 11–12, pp. 58–59.

<sup>105</sup> *Ibid.*

<sup>106</sup> *Strakhovoe delo*, 1916, 11, p. 307.

Riazan' province was 1,812 in 1914, and there were 1,346 cases in 1915.<sup>107</sup> In Simbirsk province, the average number of fire cases between 1909 and 1913 was 1,060, but this number dropped to 747 in 1914, and 658 in 1915.<sup>108</sup>

The number of fires declined even more in 1916. For example, Podol'sk province experienced 1,208 fires in 1912; 1,676 in 1913; 1,223 in 1914; and 895 in 1916.<sup>109</sup> The quarterly fire cases in Moscow province from 1911 through 1916 were as follows: From January to March, there were 244 in 1911; 164 in 1913; 131 in 1914; 68 in 1915; and 85 in 1916.<sup>110</sup> From April to June, there were 533 in 1911; 489 in 1913; 420 in 1914; 169 in 1915; and 186 in 1916.<sup>111</sup> From July to September, there were 559 in 1911; 427 in 1913; 229 in 1914; 171 in 1915; and 117 in 1916.<sup>112</sup> Between October and December, there were 394 in 1911; 224 in 1913; 114 in 1914; 141 in 1915; and 107 in 1916.<sup>113</sup>

This decline occurred with all types of fire insurance. For instance, as can be seen in Table 10, in Tver' province the decline in fire cases related to basic compulsory insurance and additional insurance began in 1914, and this tendency continued until 1916. A similar tendency occurred with optional building insurance and optional property insurance.

Compared to 1916, the number of fires that occurred in 1917 did not change. There were, in fact, still far fewer fires during this time than there had been prior to 1914. In Moscow province, fire cases related to optional building insurance were numbered at 348 in 1912; 398 in 1913;<sup>114</sup> 286 in 1914; 191 in 1915; 150 in 1916; and 133 in 1917.<sup>115</sup> With regard to optional property insurance, cases declined to 133 in 1910; 139 in 1911; 115 in 1913;<sup>116</sup> eighty-eight in 1914; fifty-three in 1915; forty-six in 1916; and fifty-one in 1917.<sup>117</sup>

<sup>107</sup> *Pozharnoe delo*, 1916, 2, p. 62.

<sup>108</sup> *Zemskii strakhovyi vestnik*, 1916, 10–11, pp. 124–27.

<sup>109</sup> *Strakhovoe delo*, 1917, 2, p. 36.

<sup>110</sup> *Strakhovoi biulleten' Moskovskogo gubernskogo zemstva*, no. 15, *Obzor pozharov i tablitsy za ianvar'–mart mesiaty 1916 g.*, Moscow, 1916, p. 7.

<sup>111</sup> *Strakhovoi biulleten' Moskovskogo gubernskogo zemstva*, no. 16, *Obzor pozharov i tablitsy za aprel'–iiun' mesiaty 1916 g.*, Moscow, 1916, p. 7.

<sup>112</sup> *Strakhovoi biulleten' Moskovskogo gubernskogo zemstva*, no. 17, *Obzor pozharov i tablitsy za iul'–sentiabr' mesiaty 1916 g. po uezdnam i za ianbar'–sentiabr' mesiaty po g. Moskve*, Moscow, 1916, p. 7.

<sup>113</sup> *Strakhovoi biulleten' Moskovskogo gubernskogo zemstva*, no. 18, *Obzor pozharov v gubernii i v g. Moskve za oktiabr'–dekabr' 1916 g. i itogi za god*, Moscow, 1917, p. 7. Before the First World War, 70 per cent of all fire cases occurred between April and September (see note 52 above), but during the First World War, fire cases occurred evenly every month.

<sup>114</sup> *Statisticheskii otchet o vzaimnom zemskom strakhovanii v Moskovskoi gubernii za 1914 god.*, Moscow, 1916, pp. 66–67.

<sup>115</sup> *Tsentral'nyi istoricheskii arkhiv g. Moskvy*, f. 184, op. 8, d. 1025, ll. 18–29, 68–79.

<sup>116</sup> *Zemskii strakhovyi vestnik*, 1916, 1–2, *Prilozhenie*, pp. iii, 14–15.

<sup>117</sup> *Tsentral'nyi istoricheskii arkhiv g. Moskvy*, f. 184, op. 8, d. 1025, ll. 55–66, 80–91.

Table 10: Fire cases in Tver' province (1907–17)

Insurance/Year <sup>1</sup>	1907	1908	1909	1910	1911	1912	1913	1914	1915	1916	1917
Compulsory insurance	4162	4345	3900	2992	3129	3016	2497	2176	1907	1389	
Optional building insurance	489	431	444	378	323	335	301	282	182	152	
Optional property insurance	360	330	319	270	295	293	290	281	156	108	
<b>Insurance/Year (January to August)<sup>2</sup></b>											
Compulsory insurance	1542	1992	1740	1508	1204	997	1029	1005	471	509	582
Optional building insurance	260	275	259	241	177	183	181	180	108	97	89
Optional property insurance	171	172	143	136	115	124	150	158	59	53	60

Source: 1. *Zemskii strakhovyi vestnik*, 1917, 7–8, pp. 144–45; 2. *Zemskii strakhovyi vestnik*, 1918, 4, pp. 66–68.

As mentioned before, fire cases in all of Russia decreased between 1914 and 1916 due to the First World War, and fire cases remained low during the Revolution of 1917, making this period different from the period encompassing the Revolution of 1905. This low occurrence of fires was the result of a wage increase for contractual labourers due to the absence of adult males caused by the large-scale military conscription and a sharp increase in the cost of construction materials. Indeed, during the First World War, 40 per cent of all Russian adult males were drafted. With these men gone off to war, fires went from being beneficial to causing critical losses.<sup>118</sup> The women and the elderly who remained behind had to work especially hard to rebuild after a fire.<sup>119</sup>

Additionally, since construction materials were necessary for rebuilding, the costs associated with the materials played a key role in rebuilding efforts. The prices of construction materials in the capital city and the market in each province are listed in Table 11. Between May and June in 1916, prices doubled compared to what they had been in 1914. There was

<sup>118</sup> *Pozharnoe delo*, 1914, 24, p. 870.

<sup>119</sup> *Strakhovoe delo*, 1916, 11, pp. 307–08.

an additional price increase in late 1916, which caused prices to soar above what they had been before the First World War.

*Table 11: Increase of construction material prices during the First World War*

The market in cities and provinces (May–June)	Pine log (length 639 cm, width 13.3 cm)			Pine log (length 639 cm, width 17.8 cm)			Red brick 1,000 pieces			Iron steel for roofs 16.38 kg		
	1914	1915	1916	1914	1915	1916	1914	1915	1916	1914	1915	1916
Price (rubles)	1.57	2.06	3.87	2.22	2.59	4.77	22.42	30.44	53.68	2.86	3.06	7.18
1914 = 100	100	124	224	100	117	215	100	136	239	100	118	258

Source: *Zemskii strakhovyi vestnik*, 1916, 3–4, pp. 14–17.

In addition to increased costs of material goods, costs associated with contractors also rose. By 1914, contractor wages had risen to 1.5 times what they were just four years prior,<sup>120</sup> and there was an additional wage increase between 1914 and 1916. Examining wages between 1914 and 1916 from May to June, the wages of carpenters rose to 2.1 times what they had been, and brick workers' wages rose to 2.2 times what they were previously.<sup>121</sup> Taking these factors into account, it is easy to see that constructing new buildings in 1915 and 1916 cost about twice as much as it did in 1913 and 1914.<sup>122</sup> Between October and December in 1916, the wages of contractors increased to three to four times as much as they had been in May and June of 1914.<sup>123</sup> Thus, by the end of 1916 and early 1917, rebuilding costs had skyrocketed.

Because of the steep increase in the costs of construction materials and contractor wages, many peasants proposed raising the insurance values by revaluating buildings,<sup>124</sup> but since zemstvos were against the overestimation of insurance values on buildings before the First World War, they were reluctant to agree to the proposal. In 1914, the peasants in seven provinces proposed an increase in insurance amounts, but only two of the provinces, Tavrida and Novgorod, received increases. In 1915 and 1916, only the Penza provincial zemstvo decided to raise insurance values by 30 per cent.<sup>125</sup>

<sup>120</sup> *Tekushaia statistika tsen' na stroitel'nye materialy i rabochie ruki za period s 1911 po 1914 god*, issue 1, Kostroma, 1917, pp. 6–7.

<sup>121</sup> *Zemskii strakhovyi vestnik*, 1916, 3–4, pp. 18–19.

<sup>122</sup> *Ibid.*, 20–21, p. 111.

<sup>123</sup> *Ibid.*, 3–4, pp. 20–21.

<sup>124</sup> *Strakhovoe delo*, 1916, 12, pp. 336–37.

<sup>125</sup> *Pozharnoe delo*, 1916, 21, pp. 777–78.

Insurance values therefore remained unchanged despite the noteworthy increase in material costs, so it became impossible to cover the cost of building projects. Since hyperinflation took place after the First World War, fires could never again be beneficial. As such, there was a sudden decrease in fires between the First World War and the Revolution of 1917.

Along with the decrease in fires came a decrease in the amount of fire compensation. However, since the average insurance premium had not changed, the balance of fire insurance in the Moscow provincial zemstvo successfully moved into the black, reaching 346,629 rubles in 1914; 659,249 rubles in 1915; and 449,510 rubles in 1917. This tremendous surplus led to an increase in the reserve fund of zemstvo fire insurance. The amount was 3,042,088 rubles in 1911 and 4,925,324 rubles in 1915, roughly about 1.6 times as much as in 1911. All of the European Russian provinces experienced a similar increase in their reserve funds.<sup>126</sup>

According to the survey conducted by Zemstvo Insurance Alliance at the end of 1917, zemstvo insurance agents admitted to raising the insurance value of the peasants' buildings; the agents would yield to the occasional requests or demands of peasants who saw this as an opportunity to benefit from fire and the subsequent insurance payout they would receive. Regardless of the hyperinflation of the costs of construction materials and the wages of contractors, the insurance value remained the same until February 1917. However, after the collapse of the tsarist government, insurance values and insurance compensation amounts increased in every province.<sup>127</sup> Most of the provincial zemstvos reported that peasants were reluctant to pay zemstvo tax, but they paid the fire insurance premiums willingly, and the attitude of peasants towards insurance remained unchanged.<sup>128</sup>

Insurance premiums in 1917 were higher than they had been before the war, and this was true for every type of insurance. For example, in Tver' province, between January and August, the income from compulsory insurance premiums was 1,847,168 rubles in 1915; 2,034,240 rubles in 1916; and 2,598,309 rubles in 1917. Additionally, the income from optional building insurance premiums was 188,232 rubles in 1915; 196,956 rubles in 1916; and 236,211 rubles in 1917. Optional property insurance was 106,628 rubles in

<sup>126</sup> Penza province (*Zemskii strakhovyi vestnik*, 1918, 5–6, pp. 100–02), Saratov province (ibid., 4, pp. 23–31), Ufa province (ibid., 1917, 7–8, pp. 113–17), Ekaterinosrav province (ibid., 19–21, pp. 88–95), Tver' province (ibid., 1917, 7–8, pp. 144–45), Kazan' province (ibid., 1918, 5–6, pp. 103–04), Smolensk province (ibid., 1917, 24, pp. 53–54), Chernigov province and Saratov province (ibid., 7–8, pp. 147–51; ibid., 19–21, pp. 96–97).

<sup>127</sup> Ibid., 1–2, pp. 64–66.

<sup>128</sup> Ibid., pp. 62–63.

1915, but it increased to 156,638 rubles in 1916, and increased again to 251,086 rubles in 1917.<sup>129</sup> Because of this, zemstvo fire insurance in Tver' province, as well as Kazan' province, had a large surplus in 1917.<sup>130</sup> The Kostroma provincial zemstvo reported that the payment of insurance premiums for compulsory basic insurance was smooth, additional insurance applications increased, and malicious fire became extinct.<sup>131</sup>

According to the survey presented to the former chairmen of zemstvo fire insurance on 18 May 1918, there was no notable change in zemstvo insurance organizations during the transition that began with the abolition of zemstvos and ended with the establishment of Soviet organizations (October 1917 through February 1918). All of the regulations regarding both the reception of insurance applications and the extinguishing of fires remained unchanged.<sup>132</sup>

Though the insurance business expanded, the financial management of zemstvo fire insurance was tight. Even though zemstvo insurance had a huge reserve fund, most of the fund went to the individual zemstvos as loans, which meant that there was insufficient reserve cash in zemstvo insurance. The zemstvos themselves were facing a financial crisis because of the increase of arrears in the general zemstvo tax, and this led them to depend more on loans from the fire insurance reserve fund. However, due to the move of reserve funds from fire insurance to general zemstvo finance management, thirteen provinces did not experience a shrinkage of zemstvo activities or the abolition of organizations. Notably, the repertoire of activities in the four provinces of Vladimir, Kostroma, Simbirsk and Smolensk expanded, specifically in education and medicine. Only six provinces experienced the abolition or reduction of zemstvo organizations.<sup>133</sup>

### *Conclusion*

In Russian peasant communities, between the late nineteenth century and the early twentieth century, an incredible number of fires broke out, and this remained the trend for some time. In fact, between 1860 and 1914, the number of fires that occurred increased by ten times. Because the population was still relatively slight, the rapid increase in fires was a palpable threat. In particular, from the early 1900s to the period that

<sup>129</sup> Ibid., 1918, 4, pp. 66–68.

<sup>130</sup> Ibid., 1918, 5–6, pp. 104–06.

<sup>131</sup> *Strakhovoe delo*, 1917, 9–10, pp. 169–70.

<sup>132</sup> *Zemskii strakhovyi vestnik*, 1918, 9–10, pp. 138–41.

<sup>133</sup> Ibid., pp. 122–25.

included the Revolution of 1905, the Stolypin agrarian reform and the First World War, the number of fires increased by two to three times what they had been in the late nineteenth century. These fires were closely linked to the fire insurance system. Because the value of the insurance, which reflected the assumed value of the property, was greater than the real market value of the property, people benefited from fire by receiving compensation in amounts far greater than the value of their homes and buildings. Additionally, arson, as the major cause of fire, including blunders and unknown cases, was remarkably high, accounting for as many as 70–80 per cent of all fires. Most of the suspicious arsons were not tried in court. Of those that did make it to court, only half received guilty verdicts, so it was almost impossible to punish arsonists.

For Russian peasants, fires did not necessarily invite critical damage to their peasant economy. Rather, it allowed for new beginnings for their operations since high insurance payouts gave them opportunities to start new lives with new houses. This enabled peasant communities to ultimately reset their economies. During this period, Russian peasants did not view arson as a shameful act as long as it did not bring harm to others. Often, arson was even justified, as it was considered a vital solution to many types of conflict within their peasant community. Arson was often a faster and safer solution than anything that might result from a court case or official procedure. Thus, it was not by accident that arsons skyrocketed specifically during the Stolypin agrarian reform, when conflicts about land use and land ownership within peasant families and peasant communities were the most intense.

The Moscow provincial zemstvo had an enormous reserve fund in fire insurance. This accumulation caused disputes among zemstvos and the Russian government over the unification of fire insurance in rural Russia. Before the First World War, zemstvos tried to regulate private fire insurance companies and unify all rural fire insurance into their zemstvo, and the bill for regulation — which aimed to suppress fires and increase the reserve fund — was already submitted to the parliament (*Duma*). During the First World War, a government-led discussion took place, stating that all fire insurance, including that which was the product of both private companies and zemstvos, should be unified for the public service. This regulation was intended to affect the country as well as the city. Due to conflict among those involved in the discussion, a conclusion was never reached. As such, neither the unification of insurance in each zemstvo,<sup>134</sup>

<sup>134</sup> *Strakhovoe delo*, 1916, 1, pp. 4–5; *ibid.*, 7–8, pp. 182–89.

nor the maintenance of private insurance companies was achieved.<sup>135</sup> The hidden intention of the unification was to monopolize the reserve fund from the fire insurance and to turn it into a reliable financial source for either the Russian government or the zemstvos.

In Moscow province, the effect of applying the district insurance agent system and the revaluation of insurance amounts on buildings was partially successful. However, fire cases did not decline during this time as much as they did during the First World War; this is because the most critical revision of the insurance valuation policy did not take place during the Stolypin agrarian reform. The insurance values per person increased, but this was not particularly successful in reducing fires. Fires and arsons only decreased in number and frequency when they ceased to be beneficial because of the increasing costs of construction materials and contractor wages during the First World War; with the increasing costs came reduced insurance values or payouts, so there was no longer any financial benefit to arson. During the Revolution of 1917, when the peasants needed to reset their economies, they were extremely cautious about fire and arson. Moreover, the peasants were reluctant to pay zemstvo tax, but they paid the fire insurance premiums willingly, even during the Revolution of 1917, when insurance premiums were higher than they had ever been. It was only the reserve fund in zemstvo fire insurance that allowed the zemstvos to continue their activities during the Revolution of 1917.

This situation was a win-win for peasants and zemstvos. The losers were those honest enough never to use arson as a means of profit. At the same time, though, this shows how many people in rural Russia learned to manipulate the situation to increase their own profits. Through arson and fire insurance, Russian peasants could assert considerable control over their circumstances until the Revolution of 1917.

<sup>135</sup> *Strakhovoe obozrenie*, 1915, 10; *ibid.*, 1916, 7–8, pp. 181–82.