BOSNIA

AND

HERZEGOVINA

LONDON:
PUBLISHED BY H.M. STATIONERY OFFICE.

1920
HANDBOOKS PREPARED UNDER THE DIRECTION OF THE HISTORICAL SECTION OF THE FOREIGN OFFICE.—No. 12

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Editorial Note.

In the spring of 1917 the Foreign Office, in connection with the preparation which they were making for the work of the Peace Conference, established a special section whose duty it should be to provide the British Delegates to the Peace Conference with information in the most convenient form—geographical, economic, historical, social, religious and political—respecting the different countries, districts, islands, &c., with which they might have to deal. In addition, volumes were prepared on certain general subjects, mostly of an historical nature, concerning which it appeared that a special study would be useful.

The historical information was compiled by trained writers on historical subjects, who (in most cases) gave their services without any remuneration. For the geographical sections valuable assistance was given by the Intelligence Division (Naval Staff) of the Admiralty; and for the economic sections, by the War Trade Intelligence Department, which had been established by the Foreign Office. Of the maps accompanying the series, some were prepared by the above-mentioned department of the Admiralty, but the bulk of them were the work of the Geographical Section of the General Staff (Military Intelligence Division) of the War Office.

Now that the Conference has nearly completed its task, the Foreign Office, in response to numerous enquiries and requests, has decided to issue the books for public use, believing that they will be useful to students of history, politics, economics and foreign affairs, to publicists generally and to business men and travellers. It is hardly necessary to say that some of the subjects dealt with in the series have not in fact come under discussion at the Peace Conference; but, as the books treating of them contain valuable information, it has been thought advisable to include them.
It must be understood that, although the series of volumes was prepared under the authority, and is now issued with the sanction of the Foreign Office, that Office is not to be regarded as guaranteeing the accuracy of every statement which they contain or as identifying itself with all the opinions expressed in the several volumes; the books were not prepared in the Foreign Office itself, but are in the nature of information provided for the Foreign Office and the British Delegation.

The books are now published, with a few exceptions, substantially as they were issued for the use of the Delegates. No attempt has been made to bring them up to date, for, in the first place, such a process would have entailed a great loss of time and a prohibitive expense; and, in the second, the political and other conditions of a great part of Europe and of the Nearer and Middle East are still unsettled and in such a state of flux that any attempt to describe them would have been incorrect or misleading. The books are therefore to be taken as describing, in general, ante-bellum conditions, though in a few cases, where it seemed specially desirable, the account has been brought down to a later date.

G. W. PROTHERO,

General Editor and formerly

January 1920.

Director of the Historical Section.
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I. GEOGRAPHY PHYSICAL AND POLITICAL

(1) POSITION AND FRONTIERS

BOSNIA and Herzegovina, with an area of 19,768 square miles (Bosnia, 16,240; Herzegovina, 3,528), lie on the north-east of the Adriatic, between 42° 25' and 45° 20' north latitude, and between 15° 40' and 19° 40' east longitude. They march on the north with Croatia-Slavonia, on the east with Serbia and Montenegro, and on the west with Dalmatia. Bosnia is altogether an inland territory, but Herzegovina touches the coast in two places: at the Bocche di Cattaro (in a narrow valley region called Sutorina), and on the Canale di Stagno, where it possesses a strip of land five miles long, ending in the shore of the Gulf of Klek, with the small port of Neum. These coastal frontiers have however, no commercial or economic importance.

The administrative boundary between the two provinces is regarded by the Austrian Government as running along the northern rim of the Narenta Valley, but there are no fixed frontiers, and the Herzegovinians tend to extend their territory by occupying the summer pastures of Lelija and Zelangora, together with those of Dumos and Stirnine.

(2) SURFACE AND RIVER SYSTEMS

Surface

Bosnia is to a large extent a limestone plateau, in some parts of which the limestone covering has remained intact, while in others the softer impermeable rocks have been brought to the surface by the movements which have formed the mountains. The greater part of Herzegovina is formed of cretaceous limestone.
The Dinaric Alps, which run from north-west to south-east in Bosnia, and continue through the north-east of Herzegovina, give rise to secondary and lower chains, which in general present a less regular appearance, and spread with outliers through the heart of Bosnia-Herzegovina. They have a mean altitude of 1,500 ft., while summits of more than 4,000 ft. occur frequently—for example, 6,000 to 7,000 ft. at Travnik and Sarajevo in Bosnia, and at Mostar in Herzegovina—while the greatest altitude, 7,800 ft., is attained at Volnjak near the Montenegrin frontier.

The mountains of Herzegovina are continuous with the Montenegrin highlands, but differ somewhat in character. They descend south-westwards to the sea in parallel ridges, the peaks of Orijen, Orobac, Samotica, and Veliki Kap reaching a height of 6,000 ft. The passes, such as those over the Ivan Planina, are neither high nor difficult.

To the north-east of the Dinaric Alps extends a region of mountain, moor, and forest, which finally expands into the rich lowlands of the Posavina that reach to the boundary formed by the Save. The Zagorje, a rocky tableland with a poor vegetation in the midst of the rugged hills which surround the large district lying between Sarajevo, Foča, Gačko, Nevesinje, Mostar, and Konjica, is geographically connected with Herzegovina and formerly belonged to it politically.

The Karst phenomena are exhibited in both Bosnia and Herzegovina. A large part of the country north-east of the Narenta presents a scene of utter desolation, though to the west of the river the hillsides are in places covered with forests of beech and pine. Bosnia is not affected to the same extent, as, owing to the presence of clay and marl, the Karst region east of the great watershed is not so entirely barren as to be beyond the possibility of cultivation, and even contains stretches of rich arable land. Where the Karst is very pronounced, vegetation can only grow in clefts, and any cultivable soil that exists is carefully surrounded by walls and terraces. The oases of red loam
sometimes found in the Karst are extremely fertile. The Prolog pass, leading direct from Dalmatia into the western Karst region, rises in terraces towards the east, to descend sharply in the region of the Vrbas, where the wooded land of the interior begins. The Bosna may be regarded as the western boundary of the fertile plain of the lower Save.

A panoramic view of the country would show a chaos of mountain chains, forming, not peaks, but elongated or flattened crests, with here and there a more massive relief presenting the outline of a dome. The native name for these chains is planina. Between these chains there are long valley-like depressions, known as poljes or plains, which, high for the most part, extend from north-west to south-east, and may be as much as 40 miles in length and of a very considerable area. These depressions generally form closed basins and are subject to total or partial inundation; but they are dry for the greater part of the year and their soil is the most fertile and the most capable of cultivation in the country. In Herzegovina the poljes and valleys, which are usually narrow, are the only parts of the country suitable for agriculture. The two principal are the Livansko polje (100,000 acres) running parallel to the Dalmatian border, at a height of 500 ft., and the Skopljc polje, which is a riverain plain of the Vrbas about ten miles long.

The Ivan Planina (3,320 ft.), a transverse ridge separating the Lepanica and the Narenta, forms the watershed for the streams that flow into the Black Sea on the one hand and the Adriatic on the other. It is not only the political boundary between Bosnia and Herzegovina but also the natural boundary between the characteristic vegetable and animal life of the two provinces. It is pierced by a tunnel 710 yds. in length.

River Systems

Bosnia belongs to the drainage area of the Save, and its rivers to the Danubian system, no stream of any
importance finding its way to the Adriatic. Herze-
govina, on the other hand, belongs entirely to the
Adriatic drainage system, of which the watershed
follows the third principal chain of the Dinaric Alps,
running north-west and south-east.

The principal rivers of Bosnia, the Bosna, the
Drina, the Vrbas and the Una, are all tributaries of
the Save, which, flowing eastwards along the northern
frontier for 237 miles, with a breadth of from 208 to
550 yds., receives all the waters of the northern and
eastern slopes and carries them to the Danube and
thence to the Black Sea.

The Una rises in Croatian territory out of the Karst
springs, close to Vaja, on the western border of Bosnia,
receives the waters of its great affluent, the Sana,
earn Novi, and, after a course of 135 miles, joins the
Save at Jasenovac, where it has a breadth of 208 yds.
For the last 37 miles of its course it serves as a
boundary between Bosnia and Croatia.

The Vrbas rises from the springs on the crest of the
principal watershed above Gornji Vakuf. Cutting a
channel through the Dinaric Alps, its course to the
Save is fairly direct. Near Banjaluka it is reinforced
by the Vrbanja from the right. Up to this point the
Vrbas is confined in great rocky defiles, but here it
expands into the plains, where it loses the impetus of
a mountain stream, and, winding below Klasnica, enters
the Save at Svinjar with a breadth of 75 yds., after a
course of 158 miles. Another tributary is the Pliva,
which above Jajce expands into the Plivsko Jezero, the
only large lake in Bosnia.

The Bosna differs from the Vrbas in that it is less
tumultuous in its early course. From the point where
it receives the springs breaking out at the foot of the
Igman mountains it has a fairly uniform fall, which
only gradually lessens over its length of 171 miles, till
it reaches the Save. After receiving some important
tributaries, its breadth increases to about 200 yds. at
Modrič.
The Drina, the most important tributary of the Save, rises on the Montenegrin frontier, and after a course of over 200 miles, issues near Rača with a breadth of 330 yds. Curving north-eastwards past Višegrad, it forms the frontier between Bosnia and Serbia for 102 miles.

The beds of the five large Bosnian rivers and their tributaries are all regular. The splendid condition of the woods is largely due to the well-regulated courses of the rivers, and only some parts of the Save depression are subject to harmful inundation.

Herzegovina has relatively fewer streams and a scantier water supply than Bosnia. The Narenta (Naretva), the only large river which flows above ground through its whole length, is not navigable by boats until it reaches Dalmatian territory immediately above Metković, though barges can be taken as far as the village of Tasočić. Near Mostar its bed is rocky and boulder-strewn, and north of the town it passes through the celebrated Narenta defile. After a course of 144 miles the river reaches the Adriatic below Metković, between which town and the sea it becomes brackish and flows through a marshy delta. Extensive works have, however, been carried out in order to confine these diffused waters into a single channel, about eleven miles in length.

(3) Climate

Bosnia has practically only two seasons: summer, lasting from May to October, and winter, which is not unlike that of England, being cold and rather damp but without fog. Short periods of frost occur, and after the beginning of January the weather becomes severe. During the summer the heat in the valleys may be enervating, but in the mountains the climate is nearly always bracing.

Bosnia is very little affected by the bora, but the scirocco, bringing rain from the south-west, is a prevalent wind. The snowfall is slight, and except on a few of the loftier peaks the snow soon melts,
Precipitation is abundant and fairly evenly distributed over the year. It increases from the Save towards the highlands. The mean annual precipitation is 32.3 in. (820 mm.), with 45.7 in. (1,160 mm.), for the station at Livno, which represents a zone climatically intermediate between Bosnia and Herzegovina.

The number of rainy days in Bosnia is greater than in Herzegovina, consequently the conditions of Bosnia are more favourable for agriculture. The mean annual temperature for Sarajevo (altitude 1,770 ft.), which may be taken as representative of the middle Bosnian highlands, is 48° F. (8.9° C.), and for Livno 48.2° F. (9° C.).

Unlike that of Bosnia, the climate of Herzegovina is one of great extremes. It is exposed to the formidable bora, which is at once cold and violent, coming from the north and sweeping down the lateral valleys of the Dinaric Alps. On the other hand, the heat of summer is oppressive, the temperature often rising above 110° F. (43° C.). The basin of Stolac is said to be the hottest region in the whole of Europe, and to have a mean annual temperature equal to that of Jeddah in Arabia. In the lowlands—that is to say, up to 1,000 ft., the mean annual temperature is 7.2° F. (4° C.) higher than that of Bosnia. The mean for Mostar is 58° F. (14.5° C.), and the maximum 109.4° F. (43° C.). A minimum of -4° F. (-20° C.) has been recorded at Gačko.

Owing to the abundance of its autumnal rains and its summer drought, Herzegovina produces a considerable sub-tropical vegetation up to an altitude of nearly 1,000 ft. Further, even the high depressions of Herzegovina are much favoured by the influences of the coast as compared with Bosnia. Thus it is possible to cultivate maize profitably near Gačko, at an altitude of 3,000 ft., while there are localities where wheat may be cultivated up to 3,300 ft.

The great disability under which Herzegovina suffers is connected with the rainfall. This is very heavy, increasing in quantity with height and distance
from the coast, but it is very unevenly distributed over the year. In addition, evaporation from the soil is very active. Under the influence of the bora, the moisture of the air in summer is small (at Mostar 56 per cent.). This is, from an economic standpoint, the worst side of the climate. The heat dries the ground and the vegetation suffers from lack of moisture. With judicious irrigation, rich crops would be raised.

(4) SANITARY CONDITIONS

On the whole the climate of Bosnia is extremely healthy. There is a certain amount of malaria and fever, but the people generally are vigorous and of good physique. In Herzegovina, malaria formerly raged in the district of Metković, but since the construction of the Narenta channel it has been greatly reduced. In the Trebinje district fever is prevalent; but, taking the country as a whole, the death rate is low.

(5) RACE AND LANGUAGE

The original population belonged to a prehistoric race of which there are many traces in Bosnia-Herzegovina and the neighbouring lands. The Illyrians were the first inhabitants of whom there is historic record; and the north part of Bosnia was for some time occupied by Celts. At the beginning of the Roman conquest of the Balkans, large Roman colonies were established, and when the Roman Empire was divided into two parts Bosnia lay on the boundary. In the sixth and seventh centuries the Serbo-Croatian tribes immigrated and occupied the country. The present inhabitants of Bosnia-Herzegovina must be regarded as in the main the descendants of these tribes, and as a branch of the southern Slav race.

The Serbo-Croat language is common to both provinces, the Stokavian dialect prevailing in Bosnia, and in Herzegovina the purest form of Serbian. At the beginning of the nineteenth century the Herzegovinian form was adopted as the Serbian literary
language. The precise and logical structure of the lan-
guage is admirable.

The racial type is the same in the two provinces,
and does not differ fundamentally from that of the
rest of the Serbian highlands, though in the northern
plains it becomes somewhat less vigorous. The people
resemble the Serbians both in appearance and character,
having the same love of poetry, music, and romance,
the same intense pride in their race and history, and
the same customs and superstitions.

The Mohammedan conquest produced an important
religious differentiation in the population to which no
racial difference corresponds. The "Turks" of
Bosnia, as they call themselves, are not Turks by race,
although sometimes distinguished by rigid adherence
to Turkish religious forms, social customs, manner of
dress, &c. One might have expected that, under
Christian rule, they would have reverted to Chris-
tianity, but this has not been the case. The great
obstacle is the unveiling and emancipation of the
women, which would be a violent reversal of secular
sentiment and custom.

The alien element in the population is small, con-
sisting chiefly of Austro-Hungarians, gypsies (Zigans),
Italians, and Jews. Spanish is the common language
of the last. Maglaj, on the Vrbas, has homesteads
of Tyrolean and German colonists, of whom about
10,000 are scattered over various parts of the country.
There are two distinct races known as Zigans, viz.: the
Kara-Vlachs, who are Christians and speak a lan-
guage in which there are many Rumanian elements;
and the Mussulman Zigans, who come from Old Serbia
and Greece and are divided into the white or seden-
tary Zigans, and the black or nomadic. Neither race,
however, forms a very important proportion of the
population.

The natives are officially described as Bosniaks, but
classify themselves according to their religion. Thus
the Catholics prefer the name of Croats, Hrvats, or
Latins; the Orthodox of Serbs; the Moslems of Turks.
The native language, officially known as Bosnian, is written by the Roman Catholics in Latin characters, as in Croatia, and by the others in Cyrillic, as in Serbia.

(6) Population

Distribution

Bosnia and Herzegovina are divided for administrative purposes into 6 districts (Kreise) named after important towns, viz., Sarajevo, Mostar, Banjaluka, Travnik, Tuzla, and Bihać. Except Mostar these all belong to Bosnia.

The area and population of the provinces in 1910 were as follows:

<table>
<thead>
<tr>
<th>District</th>
<th>Area in square miles</th>
<th>Population</th>
<th>Population per square mile</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sarajevo</td>
<td>3,245</td>
<td>288,061</td>
<td>88</td>
</tr>
<tr>
<td>Tuzla</td>
<td>3,443</td>
<td>425,496</td>
<td>123</td>
</tr>
<tr>
<td>Banjaluka</td>
<td>3,481</td>
<td>403,817</td>
<td>116</td>
</tr>
<tr>
<td>Bihać</td>
<td>2,163</td>
<td>229,071</td>
<td>106</td>
</tr>
<tr>
<td>Travnik</td>
<td>3,905</td>
<td>284,561</td>
<td>72</td>
</tr>
<tr>
<td>Mostar</td>
<td>3,581</td>
<td>267,038</td>
<td>75</td>
</tr>
<tr>
<td>Bosnia and Herzegovina</td>
<td>19,768</td>
<td>1,898,044</td>
<td>96</td>
</tr>
</tbody>
</table>

The population of the principal towns was as follows: Sarajevo, 51,919; Tuzla, 11,333; Banjaluka, 14,800; Bihać, 6,201; Travnik, 6,647; Mostar, 16,392.

Movement

The census of 1910 showed an increase in the population of Bosnia since 1895 of 282,425. The following regions showed the highest increase: Prnjavor, 52.22 per cent.; Petrovac, 39.14 per cent.; Sarajevo town, 36.33 per cent.; Glamoč, 35.06 per cent.; Rogatica, 34.27 per cent.; Višegrad, 34 per cent.; Lepče, 31.41
per cent. The lowest increase was in the Banjaluka district, only 9.09 per cent. The birth-rate in the towns was less than in the country, and notably among the Mohammedan population of the towns the birth-rate had declined. In Herzegovina the census of 1910 showed a net increase of 47,527 in the population since 1895. The vital statistics of Bosnia and Herzegovina for three years were as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Living</th>
<th>Dead</th>
<th>Deaths</th>
<th>Net increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>1911</td>
<td>76,693</td>
<td>218</td>
<td>49,622</td>
<td>27,071</td>
</tr>
<tr>
<td>1912</td>
<td>81,994</td>
<td>178</td>
<td>48,416</td>
<td>33,578</td>
</tr>
<tr>
<td>1913</td>
<td>82,333</td>
<td>210</td>
<td>54,473</td>
<td>27,860</td>
</tr>
</tbody>
</table>

Of the number of living births in 1913, 43,427 were boys and 38,906 were girls.

Increase actual and natural, 1895-1910:

<table>
<thead>
<tr>
<th>Districts</th>
<th>Actual increase</th>
<th>Natural increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sarajevo</td>
<td>60,000</td>
<td>41,000</td>
</tr>
<tr>
<td>Tuzla</td>
<td>66,000</td>
<td>57,000</td>
</tr>
<tr>
<td>Banjaluka</td>
<td>75,000</td>
<td>61,000</td>
</tr>
<tr>
<td>Bihać</td>
<td>37,000</td>
<td>41,000</td>
</tr>
<tr>
<td>Travnik</td>
<td>44,000</td>
<td>46,000</td>
</tr>
<tr>
<td>Mostar</td>
<td>No figures obtainable</td>
<td>62,030</td>
</tr>
</tbody>
</table>

1 Including increase or decrease due to movement of population. Police statistics are not available, but it is estimated that during the period 1895-1910, 50,000 people emigrated with permits to do so.
II. POLITICAL HISTORY

CHRONOLOGICAL SUMMARY

1141 Bela II of Hungary occupies Bosnia, which had been previously dependent on Croatia.
1189 The letter of the Ban Kulin.
1225 The Ban of Bosnia, Kotromanić, conquers Herzegovina.
1376 The Ban, Stephen Tvrtko, styles himself King of Bosnia, with the consent of the King of Hungary.
1448 Stephen Vukčić shifts his allegiance from the King of Bosnia to the Austrian Habsburgs, and is created Duke (Herzog) of St. Sava, whence his dominion came to be called Herzegovina instead of Hon.
1463 Conquest of Bosnia by the Turks.
1483 Conquest of Herzegovina by the Turks.
1526 The Battle of Mohács assures the permanence of the Turkish conquests.
1599 Austria acknowledges the Turkish sovereignty over Bosnia and Herzegovina.
1558 The rising of the rayahs.
1559 The Reforming Law.
1574-75 The revolt of the provinces against Turkish oppression.
1575 (Oct. 2) The Reforming Iráde.
1575 (Dec. 12) The Reforming Firman.
1575 (Dec. 30) The Andrásy Note.
1576 (Feb.) The Iráde granting the demands of the Andrásy Note.
1576 (July 8) The Reichstadt Agreement between the Austrian and Russian Emperors.
1576 (Dec.) The Constantinople Conference.
1577 The Russo-Turkish War.
1578 (Mar.) The Treaty of San Stefano.
1578 (June 6) Secret Convention between Austria and England respecting Bosnia and Herzegovina.
1878 (June 13—July 13) The Berlin Congress places Bosnia and Herzegovina in Austrian occupation.
1879 The Austro-Turkish Convention.
1882-1908 Kállay’s Administration.
1908 Burián’s Administration.
1908 (Oct. 7) Austria annexes Bosnia and Herzegovina.
1910 (Feb.) The grant of a Constitution.
(1) Early History

Hungarian Suzerainty and Native Resistance.—Bosnia and Herzegovina were at one period picturesquely described as the point of the Turkish lance directed against Europe. Their acquisition by Austria in 1878 transformed them into the point of the German lance pressing towards the Balkans. Their present importance is derived from this fact as their past importance was derived from the other.

The early history of the provinces is troubled and obscure. The Magyars affirm that Bosnia formed the nucleus of the original kingdom of Croatia. However that may be, the country for many centuries became successively the prey of all its neighbours. Croat, Serb, Hungarian, and Eastern Roman seized it in turn, and lost it again. Native Bans, however, among whom Kulin (1168) stands out as a national hero, constantly asserted with varying success the claims of national autonomy; and the attempt of the King of Hungary at the close of the twelfth century to strengthen his hold over the country by calculated ecclesiastical re-organisation led the Ban Stephen Kotromanić to profess the Bogomilian heresy, as Kulin had done before him. The Bogomilians, who took their rise in the twelfth century in Bulgaria, were really Manichaeans, and rejected the Old Testament, marriage, and the ministry of the Church. Their adherents in Bosnia and Herzegovina were numerous; and their doctrines proved an important factor in paving the way for Islam. Stephen Kotromanić also distinguished his administration in 1325 by conquering Herzegovina, whose possession had been for centuries contested by Bulgaria, Serbia, and the Eastern Empire. To maintain his acquisition, however, against Stephen Dushan, the Tsar of Serbia, he was obliged to seek the help of the King of Hungary; this he could only procure by returning to the Catholic faith, which he proceeded to do. Even so the Serbs were strong enough to force him
for a time to acknowledge the Serbian Tsar as his suzerain. This arrangement did not, however, survive the reign of Stephen Dushan; and Bosnia drifted back into the orbit of Hungary under the Ban Stephen Tvrtnko (1353-1391), who, in 1376, with the consent of his Hungarian over-lord, styled himself King of Bosnia, and ultimately, shaking off the suzerainty of Hungary, made himself master of a kingdom which included parts of Dalmatia, Serbia, and Croatia.

The Turkish Conquest.—A new and most formidable power was, however, by this time making its strength felt in the Balkans. In 1389 the Turks routed the Serbs at Kossovo; and from that moment the autonomy of Bosnia was threatened. It would be unprofitable to follow the struggles, both at home and with Hungary, in which the Bosnians wasted their strength before the Turks attacked them. There seems little doubt that the persecution of the Bogomilians by the Catholics made the advent of the Turks welcome to a large part of the population. However that may be, the Turkish conquest was singularly facile; and by 1463 the Turks were masters of Bosnia. Within twenty years Herzegovina had suffered the same fate. Stephen Vukčić, its ruler, had, in 1448, transferred his allegiance from the Ban of Bosnia to the King of the Romans (i.e., Austria), at the same time adopting the style of Duke of St. Sava or Primorje; and from this circumstance the name Herzegovina (the Dukedom) was substituted for that of Hom.

(2) TURKISH RULE

Weakness of Turkish Administration.—The battle of Mohács (1526) assured the Turkish conquest; and the Turkish sovereignty over the two provinces was ultimately recognised by Austria at the Peace of Carlowitz (1699); but a strip of Northern Bosnia, running south of the Save, was recovered for the Habsburg Empire by the Treaty of Passarowitz (1718). The domestic history of the two provinces after the Turkish
occupation is not unlike that of other parts of the Turkish Empire. The promises of fixed and equitable taxation, of security of possession, and of religious and racial equality contained in the Hatti Sheriff of Gulhané of 1839 and the Hat-i-Humayun of 1856, established principles rather than practice. The dominant feature of the situation in Bosnia and Herzegovina was the juxtaposition of a strong conservative, land-holding Moslem aristocracy, in the main recruited originally among the Bogomilians, and an oppressed Christian peasantry, burdened with taxation and feudal dues. The Turkish Government exacerbated the feelings of these factions by investing some of the landlords with a peculiar interest in certain landed property, as a special reward for their devotion to the cause of Islam. The effect of this measure was to give them the right to take the tenth part of the harvest and to expel, at will, the Christian *rayahs* from the territory under their control. About 1848 the position was aggravated still further by the increase from a tenth to a third (*tretina*) of the landlord’s share of the produce. An attempt on the part of the Turkish Government to reform abuses produced in 1850 a revolt of the feudal aristocracy, which was suppressed by the Government and led to the abolition of serfdom. The disappearance of the feudal system and the substitution of a *métayer* system of tenure, under which the landlord supplied sometimes only the land, sometimes both land and capital, whilst the profits were divided between landlord and peasant, had the immediate effect of intensifying the hostility between the landlords and the new class of farmers. In 1858 the *rayahs* rose in Northern Bosnia; and it was in these circumstances that a commission was appointed and certain definite measures of reform published in 1859. Although these measures were never enforced under the Turkish rule they became important subsequently.

when the Austrian occupation took place, as they formed the basis of the Austrian treatment of the agrarian problem in Bosnia and Herzegovina.

The Agrarian Law of 1859.—In the first place, the Law of 1859 suppressed the various corvées to which the kmet, or serf, had previously been subject, and required him in place of them to convey to the landlord a third part of his produce. One-tenth part (desetina) of the remaining two-thirds went to the State, and served as a basis for the assessment of the rent. The cost of the construction and repair of the kmet’s habitation was laid upon the proprietor, so that in case of eviction no hardship would any longer fall upon the former. Moreover, the kmet obtained the right of pre-emption, if the landlord desired to sell; and later, under the Austrian régime, provision was made for the advance of money to the peasant for this purpose. A further provision of the Law required the proprietor, who had previously been accustomed to exact half the produce in the case of fruit, vegetables, and forage, to content himself with a third. The landlord was further restricted by the withdrawal of his right to billet himself and his family on the peasant, and to transfer his dues to third parties, who had often enough been Jews or Greeks and more oppressive than the landlords. Disputes were to be settled not by tribunals but by arbitrators selected by the parties. (Under the Austrian administration assessors are still employed in the less important cases.) Finally, written contracts were substituted for verbal agreements, and, after being submitted to the local authority, were to be signed by the contracting parties.

The Revolt of 1874-5.—The Law of 1859 contained several elements of reform; but it was either evaded or neglected altogether. Possessed of all administrative powers, Moslem officials in general, and corrupt policemen and oppressive tax-farmers in particular, rendered the life of the peasantry intolerable. Sympathy was shown by the Austrian Slavs towards the
Slavs under Turkish rule; and a considerable migration across the Austrian border of Bosniaks and Herzegovinians, notably of those engaged in petty commerce, took place in the summer of 1873, to the embarrassment of the Austrian Government. In 1874, after a bad harvest, the people grew tired of suffering. But the causes of the revolt were by no means purely economic. The withdrawal of the last Turkish garrisons from Serbia in 1867 and the endeavours of her Prince, Michael Obrenović, to form something of the nature of a Balkan League against the Turk created in Bosnia-Herzegovina the hope of attaining liberation by union with Serbia. Elated by the rising sense of Jugo-Slav nationality, Herzegovina rose under the leadership of Ljubibratić, the former Voivode, Peko Pavlović, Ivan Mušić, a Catholic priest, and Zarko, an Orthodox pope. Bosnia, where Statimirović, Tripkožaković, and Bačević were the principal figures, followed in 1875.

Andrássy, the Austrian Foreign Minister, desired to maintain the status quo in the Balkans, and had the sympathy of the greater Powers of Europe in his attempt. His first moves aimed at preventing the Austrian Slavs from assisting the Slavs of Turkey, and at the same time at enabling the Turkish Government to assert its authority. Slav subjects of Austria desiring to pass into the revolted Turkish provinces were disarmed at the frontier; and Klek, an Austrian port at the mouth of the Narenta, on the Dalmatian coast, was placed at the disposal of the Turks for landing troops and supplies, which the mountainous character of the country rendered it difficult to convey by land. Then, in conjunction with Russia and Germany, Andrássy pressed for the neutrality of Serbia and Montenegro, for effective military action on the Turkish part in dealing with the insurgents, and for the introduction of such reforms in Bosnia and Herzegovina as would prevent the recurrence of the trouble. The good offices of the Consular Agents of Austria, Germany, and Russia
were offered to the Turkish Government in August 1875; but it was not until Great Britain and France had joined the other Powers that the Porte agreed to the institution of a Consular Commission. This assembled at Mostar in September 1875, and opened negotiations with the insurgents; but these declined to treat with the Commission unless the representatives of Turkey were excluded from it. Turkish promises of reform, extorted by the Powers and embodied in an Iradé (October 2, 1875) and a Firman (December 12, 1875),1 did nothing to satisfy the rebels, who in the meanwhile gained successes and cut the Turkish communications with the sea.

The Andrassy Note.—It was in these circumstances that Andrassy, on December 30, 1875, addressed a Note to the Turkish Government on behalf of the Austrian, German, and Russian Governments, in which he demanded: (1) full religious liberty; (2) the abolition of the farming of taxes; (3) a law to guarantee that the product of the direct taxation of Bosnia and Herzegovina should be allocated to the immediate interests of the provinces; (4) the institution of a special commission composed of an equal number of Moslems and Christians to superintend the execution of the reforms proposed by the Powers, as well as of those proclaimed in the recent Iradé and Firman; (5) the amelioration of the condition of the rural population. The first four points were to be carried into immediate effect; the fifth by degrees, as was practicable. The reforms mentioned in the Firman included the establishment of a provincial council and of tribunals elected by the inhabitants; the irremovability of judges; the reorganisation of the police; security for proprietary rights; and the suppression of the abuses to which the levies for public works gave rise, as well as an equitable reduction in the tax for exemption from military service. The Note has been criticised as containing one grave

1 These are printed in Herstlet's Map of Europe by Treaty, vol. IV, pp. 2407-2418.
omission. No security was provided that the reforms would be executed by the Porte, which accepted the Note and published an Iradé in February 1876 granting what was demanded. The Austrian Government then addressed itself to the task of compelling the rebels to submit, and early in 1876 arrested Ljubibratić. The Nationalists, however, were disinclined to fall into line with the wishes of the Austrian Government while the security for the execution of the reforms remained insufficient, and in reply to the Austrian communication on the subject of the Note and the Iradé, they set out in a memorandum addressed to General Rodić, the Austrian representative, the following desiderata: (1) the cession to the Christians of a third of the land they cultivated; (2) the withdrawal of the Turkish troops from the country with the exception of six fortresses; (3) the restoration of the ruined or damaged dwellings; (4) permission to retain their arms until the reforms had been put into effect; (5) administrative reforms and the grant of a constitution; (6) the repatriation of refugees, and the distribution of relief to paupers; (7) the execution of reforms under the control of Russian and Austrian agents resident in the six fortresses reserved to the Turks.

The Revolt of Bulgaria.—Matters, however, were so far advanced that, even if the greater Powers had accepted the memorandum, it is questionable whether this would have prevented the revolt of Bulgaria, which took place in May 1876. In the same month the Russian Chancellor, Gorchakoff, induced the Prussian and Austrian Governments to agree to the Memorandum of Berlin (May 13, 1876), which threatened Turkey with coercive measures if the promised reforms were not put into effect. On May 30 a palace revolt in Constantinople, in which the Sultan, Abdul Aziz, was killed, weakened the Turkish Government and encouraged Serbia and Montenegro, after a momentous hesitation, to take up arms at the beginning of July. The delay gave the Turks time to
recover from their surprise; and they proved a match for the Balkan peoples. Prince Milan of Serbia personally appealed for the intervention of the European concert; and under pressure from England a Conference of the Greater Powers met at Constantinople on December 23, 1876. The Porte simultaneously announced the grant of a constitution to the Turkish Empire, and on this pretext rejected the proposals of the Conference, which included administrative autonomy for Bosnia and Herzegovina under Turkish governors to be nominated by the Porte with the consent of the Powers. This attitude was sustained and enforced by the Turkish Parliament, in spite of another English move for a pacific settlement; and war with Russia, in which the Turks had the worst of it, followed in April 1877. By the Treaty of San Stefano, which concluded hostilities in March 1878, Bosnia and Herzegovina were to have been treated in the manner proposed at the Constantinople Conference, subject, however, to any modifications agreed upon by the Russian, Austrian, and Turkish Governments. This arrangement was unacceptable to Austria, which had for two years entertained other designs for the future of those provinces. In July 1876 the Austrian and Russian Emperors had met at Reichstadt; and the latter, in exchange for a promise of Austrian neutrality during the Russo-Turkish War, had grudgingly acquiesced in the substitution of Austrian for Turkish control in those provinces, should the independence of Serbia and Montenegro be recognised or the incapacity of Turkey to maintain order in Bosnia and Herzegovina be demonstrated.

The Berlin Settlement of 1878.—The Austrian motives for desiring the occupation, as set forth by Andrassy at the Berlin Congress, were the peculiar inconvenience—notably as regards the support of refugees—caused to Austria by the disorders in Bosnia and Herzegovina; the incapacity of the Turkish Government; and the consequent impossibility of a solution on the lines of the Treaty of San Stefano.
The provinces, though still in theory Turkish territory, were, by the twenty-fifth article of the Berlin Treaty, placed in Austrian occupation, an arrangement which was to last until the pacification of the provinces and an amelioration of their condition had been achieved. The Turkish representative refused to sign until a clause thus definitely affirming the temporary nature of the occupation had been inserted. An important concession was made in that Austria was permitted to place garrisons and to make commercial and military roads in the Sanjak of Novi-Bazar. The detail connected with these changes was left to be decided between the two Powers concerned; and by subsequent negotiation with Turkey the right of garrisoning was restricted to the towns of Priboj, Prijepolje, and Plevlje. Garrisons were accordingly introduced in these places in 1879, but withdrawn when Bosnia and Herzegovina were annexed in 1908.

(3) Austrian Rule

The Austro-Turkish Convention of 1879.—The actual occupation of Bosnia and Herzegovina in 1878-9 proved a troublesome affair owing to the vigorous resistance of the Moslems, particularly at Sarajevo. Little active resistance was offered by the Christians, who were exhausted by years of fighting against the Turk; but Orthodox as well as Moslem sentiment was bitterly opposed to the occupation. At the close of 1878, Andrassy, in reply to an interpellation in the Budget Commission of the Austro-Hungarian Delegation, stated that the occupation would last until its objects were attained; and that, if the question of annexation arose, it would be considered by the Austro-Hungarian legislative bodies in concert with the Crown. On April 21, 1879, an Austro-Turkish Convention defined the nature of the Austrian control. An attempt during the negotiation on the part of the Turks to insert a clause affirming the provisional character of the Austrian occupation of the two provinces was firmly resisted by Austria. The Sultan's
sovereign rights were, however, affirmed; and four administrative principles were laid down. Of these the first stipulated for the continued employment of competent Turkish officials pending the introduction of a native staff of officials, when circumstances allowed; the second for the maintenance of religious, and more particularly of Moslem, liberty; the third for the exclusive reservation of the revenues of the two provinces for their internal requirements; and the fourth for the free circulation of Turkish coinage. The adoption of Austro-Hungarian money-standards made the use of Turkish coinage impossible, and in 1879 and 1880 the Turkish currency was disallowed; whilst the education of the natives was still too backward to admit of their taking anything like complete control of the administrative machine. The provinces were drawn into the Austro-Hungarian Customs-Union in 1879; and their diplomatic and consular affairs were gradually undertaken by the Austrian Foreign Office. The withdrawal by the Great Powers in 1880 from their Consuls of the rights exercised in Turkey under the Capitulations marked another stage in the substitution of the Austrian for the Turkish Government; and the introduction in 1882 of conscription for the Austro-Hungarian Army was a serious infraction of the terms of the Treaty of Berlin.

Administration of Kállay.—The misconduct of Austrian petty officials charged with the financial administration and the introduction of conscription combined to produce a revolt in 1882. But whatever charges may be brought against Austria on the score of defective sympathy with the racial aspirations of the Bosnians, there can be no serious question that in certain directions notable advances were made in the direction of practical efficiency under Austrian guidance. These achievements are associated with the names of Kállay and Burián.

Baron von Kállay, the translator of Mill's Essay on Liberty, and a not unsympathetic student of Serbian affairs, was Governor of Bosnia between 1882 and 1903.
Kállay's administration aimed rather at creating a tradition of competent government than at instituting self-government, though this was not altogether neglected. It ran on despotic though benevolent lines, and involved the use of spies and severe restrictions upon the liberty of the press. Repression of national sentiment went so far that Kállay with commendable logic prohibited the circulation in the provinces of his own History of the Serbs, in which the racial identity of Serbs and Bosnians was admitted. Brigandage and the corruption of justice, both of which had been notoriously rampant under Turkish rule, practically disappeared, thanks to an admirable staff of police and civil servants; and sanitation was vastly improved. Kállay's policy in ecclesiastical, educational, and agrarian matters has inevitably been a target for criticism; and racial prepossessions no less inevitably play a part in the judgments passed upon them. In ecclesiastical matters Kállay seems to have held the balance equitably. The disappointment of the Catholics at their limited influence upon policy, the facilities afforded to Moslem officials to go on pilgrimages to Mecca, the foundation by the Government of a fine college for the education of Moslem jurists, and the general improvement in the statistics of crime and illegitimacy, are in their different ways evidence of political and even-handed administration. Educational matters, like religious, are more fully treated elsewhere. Here it may be said that Kállay's guiding principle was to avoid the creation of a body of highly cultivated men, for whose attainments so primitive a society as the Bosnian could offer no outlet except political intrigue, by preferring the claims of a practical and technical education. Thus the promise gradually to transfer the administration to competent natives has been rendered impossible of fulfilment; and the number of Austro-Hungarian officials in the province has multiplied. On the other hand, the construction of roads and railways, the entire cost of which was borne by the provinces, was carried out in the strategic and economic interests of
Austria-Hungary; and the outlay brought no compensating advantages. The railway constructed from Sarajevo to the eastern frontier at a cost of 78,000,000 kr. had admittedly a strategic object and little economic importance. At the same time, Austria refused permission to build a line connecting Bosnia with the commercial ports of the Adriatic. In regard to the agrarian question, Kállay took his stand upon the law of 1859, which has already been discussed. The peasant grumbled, but partly at the pains of progress. He suffered from the obligation to pay his tithe to the Government and his tribute to the landlord (tretina) at regular times and in money instead of in kind; but the facilities afforded for the purchase of his holding by the establishment in 1895 of a Landesbank, to advance him money at 6½ per cent. for this purpose, show that the Government was actuated by a genuine desire to better his condition. As a matter of fact, however, land purchase has proceeded so slowly under these arrangements that they can hardly be said to have contributed much to the solution of this acute agrarian problem. The fact that taxation increased must be regarded as an inevitable consequence of the successful attempt to develop the communications of the country, though in Austrian rather than specifically in Bosnian interests.

Administration of Burián.—Baron Burián succeeded Baron von Kállay in 1903. The main feature of his policy was the attempt to develop further the practice of self-government, of which a beginning had been made in 1897 in the towns. Other points in his administrative policy were the conversion of the tithe into a tax, by making it calculable on the basis of ten years harvest, instead of leaving it to be assessed each year on the harvest itself to the sometimes disastrous inconvenience of the tenant, who might have to leave  

¹ In 1901 a strategic railway was completed which connects Sarajevo with the naval base of the Gulf of Cattaro, and has a branch line to Gravosa; but the economically more valuable connection with Spalato and Sebenico was withheld.
his crop to spoil whilst waiting for the Government assessor; the mitigation of the press law; the regulation of usury; and, above all, the abolition of forced labour on the roads, for which the taxation of rich and poor, according to their means, was substituted. The desire to settle the complicated land question, without reference to the Greater Powers interested in the Berlin Treaty, must be recognised amongst the objects which Austrian officials had in view at the time of the annexation of Bosnia and Herzegovina to the Austro-Hungarian Empire.

The Austrian occupation (1878) is not incapable of defence. The necessary pacification of the provinces could be undertaken only by a strong neighbouring Power, and the subsequent development only by the same Power or by an international Commission. While the latter would have been free from the temptation to consider other interests than those of the provinces, it is improbable that it would have shown much activity or a disposition to spend money. This has been done by Austria, as is proved by the fact that material, and especially sanitary, conditions before the war were more advanced in Bosnia than in Serbia. But it was impossible for Austria to be disinterested. If she did not at that date definitely regard the provinces as a stage on the road to Salonika, she saw in their possession security against the development of Serbia into a powerful State. The annexation in 1908 marks a further stage; the policy of the Drang nach Osten was now mature, and was pursued regardless of the fact that it would in all probability involve the use of these populations in the near future in the struggle against their own kinsmen.

* * * More recent history will be found under Social and Political Conditions, pp. 27-8. See also the Jugo-Slav Movement, No. 14 of this series, pp. 21-30.
III. SOCIAL AND POLITICAL CONDITIONS

(1) RELIGIOUS

Under the Convention of 1879 between Austria and Turkey, complete liberty in the exercise of religion was secured to the peoples of Bosnia and Herzegovina; but religious feeling, though successfully restrained in general, has always to be reckoned with, owing to the co-existence of three vigorous religious communities—Catholic, Orthodox, and Moslem. The figures, according to the census of 1910 for Bosnia and Herzegovina combined, were as follows:

Orthodox ... ... ... 825,418
Moslems ... ... ... 612,137
Roman Catholics ... ... ... 434,061
Uniates ... ... ... 8,136
Jews ... ... ... 11,868
Evangelicals ... ... ... 6,342

The Christians in Bosnia are largely Orthodox, in Herzegovina Catholic and Orthodox mixed; but the fact that territorially the two confessions are inextricably intermixed has added to the complexity of the situation.

The affairs of the Orthodox Church are regulated by a Concordat concluded in 1880\(^1\) between Austria and the Patriarch of Constantinople, whose financial claims on Bosnia and Herzegovina were compensated by a sum of 58,000 piastres in gold from the Austrian Government. According to this arrangement the Orthodox bishops were no longer paid by casual dona-

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\(^1\) The text will be found in French in Larmeroux's *La Politique extérieure de l’Autriche-Hongrie*, vol. I, p. 213.
tions from their flocks in proportion to their popularity, but by regular taxes which were subsequently (in 1884) abolished as being a violation of the principle of the equality of religions, and replaced by a grant from the public treasury. It was also arranged by the Concordat that the appointment to the three metropolitan sees should be made by the Government after communicating with the Patriarch, who retained his spiritual supremacy over them. The Government have built churches, endowed them largely with books, provided for the widows and orphans of the clergy, and erected a seminary for Orthodox priests. The policy pursued towards the Orthodox Church by Baron von Kállay was consummated in 1905, under Baron Burián, by the grant of a large measure of autonomy.

The Moslems have received most considerate treatment. The Sultan’s spiritual sovereignty was recognised at the time of the Austrian occupation by the permission to continue the mention of his name in public prayer, and the practice of flying the Ottoman flag from the minaret, where this had been the custom, though subsequently a green flag with the inscription “Hour of Prayer” was substituted for the other. By arrangement with the Sultan of Turkey, the Reis-ul-Uléma, the head of the Bosnian Moslems, is now nominated by the Emperor; but the community is autonomous, is endowed in common with the Jewish and Christian religions, and has special courts to deal with questions of matrimony and succession. Its large ecclesiastical properties, which go by the title of vakuf, have also been reorganised by the Government and placed under the control of a department in Sarajevo, administered by Moslem officials under Government supervision, with the result that their value has largely increased. The Moslems, being of the Serbian race, retain little feeling for the Turkish Government; and the migration of Moslems to Turkey must be attributed to the religious pride of a Moslem aristocracy, subject under the new conditions to Christian officials. At the same time the identity of
race is not without influence in moderating the antipathy between the Moslems and the Christians.

(2) POLITICAL

Bosnia and Herzegovina were first placed under the joint Austro-Hungarian Administration, but on February 26, 1879, were transferred to the care of the joint Austro-Hungarian Minister of Finance alone, in whom was vested the control over the local Government and expenditure, and who was made responsible to the Joint Parliamentary Delegations, not to the Austrian or Hungarian Parliament. Ultimate legislative authority rested with the Emperor, though no change could be made in the relations between the Monarch and the provinces without the approval of the Parliaments of Austria and Hungary, to which also appertained revisional powers where their interests were concerned. The actual initiative in framing prospective legislation was left with the Provisional Government. This last consisted of a Landeschef, who is the Commandant of the Imperial and Royal Army, and the "Civil Adlatus," who, with a council consisting of the heads of the political, financial, judicial, and public works departments, controls the civil administration. The language used in education and in legal proceedings is Serbian. In public proclamations either Serbian or German is employed, and in the case of legislation both are customary.

On October 7, 1908, the annexation of Bosnia and Herzegovina to the Austro-Hungarian Empire was announced by Baron Aehrenthal without any previous authority from the signatories of the Treaty of Berlin. The annexation was not unconnected with the Turkish Revolution of July 24, 1908, which promised to introduce constitutional government among the various nationalities under Turkish rule, and roused in Austria the fear that in these circumstances the return of Bosnia-Herzegovina to Turkey might be demanded of her. On February 20, 1910, a constitu-
tion was given to the annexed provinces by imperial decree. The elective machinery was good, as was shown by the orderly conduct of the ensuing elections; but the legislative power conferred was too limited to give any real satisfaction, and consequently became the subject of immediate protest and agitation. The ingenious system of representation is based upon a direct and universal suffrage, organised on curial lines, and classified by religious opinion. Parliamentary representation proportionate to their numbers is allotted to the Orthodox, Moslem, Catholic, and Jewish communities, viz., thirty-one, twenty-four, sixteen, and one members respectively, making a total of seventy-two elected members of the Diet. Besides this the Diet contains ex officio the Chief Rabbi and five members of the Orthodox, Moslem, and Catholic hierarchies. There are also four ex officio lay members of the Diet, viz., the President of the Supreme Court, the Mayor of Sarajevo, and the Presidents of the Sarajevo Chambers of Advocates and of Commerce. The old administrative organisation still obtains, and the "Civil Adlatus" and the Chiefs of the Administrative, Financial, and Economic Departments can all attend the sessions of the Diet. The legislative power of the Diet is, however, very restricted. Under the constitution, all bills carried in the local legislature require confirmation in the Parliaments of Austria and Hungary and approval by the Austro-Hungarian Common Ministry before they come up for the royal assent. Local politics have so far pivoted upon the demand for the reform of this arrangement. At the elections of May 1911, the Serbian National, Croatian, and Moslem Leagues, which advocated the abolition of Austro-Hungarian control, and the substitution of a Ministry responsible to the Diet and in direct touch with the Emperor, overwhelmingly defeated their respective rivals, the Serbian Independents (Agrarian Socialists), the Croatian Catholics, and the Moslem Independents.
(3) Educational

Instruction in Bosnia and Herzegovina is still defective in quantity, although the quality appears to be good, and has attracted the attention of the Prussian Government. According to the statistics of 1905-6, under 15 per cent. of the children of school age possessed educational facilities; and, though more schools were promised, Dr. Baernreither, a member of the Austrian Delegation, commented in 1908 upon their insufficiency to meet the needs of the situation. Elementary schools are of two classes: State schools, of which, in 1906, there were 253, and confessional schools, of which there were 101 (70 Orthodox and 31 Catholic). According to a recent Jugo-Slav authority, there were, in 1916, 458 elementary schools, giving a proportion of one school to about 4,000 inhabitants. These figures compare unfavourably with those of Serbia, and, combined with the fact that education is not compulsory, lend support to the view that Austrian policy aimed at perpetuating the tutelage of the provinces. Catholic and Orthodox priests and the Moslem hodzas have the right of entry into the State schools, and give instruction according to the wishes of parents. Educational associations have been formed by the Orthodox, Catholic, and Moslem communities since 1902 under the titles of Prosvjeta, Napredak, and Gajret respectively. Education in State schools is free; and confessional schools receive a subvention from the State. The Moslems, and especially the Moslem women, show a strong disinclination to allow their daughters to mix with Christian girls in the State schools, but their taste for education is said to have been stimulated by the Young Turk Movement. The Orthodox community complain to some extent of the oppressive attitude of the Government towards their schools; but the reply would be that the schools were not up to the mark in point of efficiency. Certainly there seems to be no lack of liberality in regard to the study of racial history in Orthodox schools.
Secondary education is mainly dependent upon two gymnasia at Sarajevo and Mostar and upon a realschule at Banjaluka; but there are also a technical intermediate school, an institute for the training of teachers, and a military academy. It is one of the grievances of the Jugo-Šlav party that, owing to practical exigencies, a knowledge of German is compulsory in secondary education. The country contains no university; a circumstance which illustrates the principle adopted by the Government of encouraging practical rather than theoretical studies.

GENERAL OBSERVATIONS

(a) Popular Opinion and National Sentiment

Bosnia and Herzegovina possess a strong sentimental attraction for the Serbs, and have been described as the Moscow of Serbia. This is partly due to the fact that the oldest extant document in the Serb language—the letter of the Ban Kulin in 1189—originated in Bosnia, partly to the adoption of the dialect of Herzegovina by Vuk Karadžić as the basis of the Serbian literary language, and partly also to the Bosnian origin of many distinguished Serbs.

It is difficult to gauge the extent to which the Bosnians reciprocated the feeling of the Serbs for them, but their sentiment was probably the weaker of the two. For one thing they were in many cases too illiterate to appreciate Jugo-Šlav ideals in their fulness; and the ties of the Catholics and Moslems, though not necessarily alien, rather distracted their sympathies. Large numbers of Bosnians, however, eluded Austrian vigilance and fought in the Serbian ranks in the Balkan Wars; and after the Serbian invasion of Bosnia in the first year of the European War very many followed the retreating army into Serbia, while others sought a refuge in Montenegro. The Government adopted from the outbreak of hostilities a policy of repression in its most extreme form. There is no doubt that throughout
the War the feeling of the provinces has been strongly anti-Austrian.

(b) Questions interesting other Countries

The Turkish interest in Bosnia and Herzegovina may now be written off.

The Serbian interest in the acquisition of the provinces is obvious. Their possession would give Serbia an accession of population equal to two-thirds of her own, as well as the Save and the Dinaric Alps for boundaries, and would bring her within grasp of the Dalmatian seaboard, and of Croatia-Slavonia. Without them any hold on the countries last named must be precarious. Prior to the Balkan Wars, the Serbs aspired at the least to the acquisition of a strip of territory of some 10,000 square kilometres on the right bank of the Drina, which would have given them a connection with Montenegro, and at the same time have cut right across the Austro-Turkish communications. They claimed that authority over this region had once been exercised from Serbia or from the Sanjak of Novi-Bazar, which, under Turkish occupation, had apparently constituted the Sanjak of Zvornik. The possession of this corridor would have given Serbia access to the sea by a route running from Mokragora past Foća, along the Sutjeska, past Gačko and Bilek to Sutorina.

1 See on this Cvijić, L'Annexion de la Bosnie, &c., p. 55.
IV. ECONOMIC CONDITIONS

(A) MEANS OF COMMUNICATION

(1) Internal

(a) Roads

At the time of the Austrian occupation (1878) there were in the two provinces less than 600 miles of roads of any kind, and even these were not properly engineered and were mostly unprovided with bridges. In 1910 the total length of the roads amounted approximately to 4,500 miles, of which 1,300 miles consisted of main roads with a normal width of 15 ft., 1,400 miles of district roads with a normal width of 12 ft., and 1,800 miles of cart roads and bridle tracks. The main and district roads are almost everywhere in first class order, duly provided with bridges, and well engineered. Some of them, as for instance the road over the Makišnj Saddle (3,685 ft.) between Bugojno and Prozor and that which leads from the plateau at Bilek to Trebinje, are remarkable for boldness of construction. A considerable addition to the existing system is, however, desirable if the resources of the country are to be developed to their full extent.

According to the Turkish Law of 1869 all male inhabitants between the ages of 16 and 60 were obliged to work six days in the year on the roads and to furnish draught animals for the purpose. This law (strassenrobot) remained in force, with modifications, during the early years of Austrian occupation, but in 1908 the robot was abolished and the roads are now kept up by the State at an annual expenditure of about £62,500 under the direction of a chief and district engineers.
(b) Rivers and Canals

The waterways, considered as a means of transport and communication, are of but small economic importance. Bosnia lies for the most part in the basin of the Save and its tributaries, of which the chief are the Una (with its affluent the Sana), the Vrbas, the Bosna, and the Drina. In Herzegovina the only river of importance is the Narenta. Shallow draught steamers can navigate the Save and the lower waters of the Drina and the Una; the remainder of the rivers are too much encumbered with shallows to be of any use as means of communication. Their chief value, so far as transport is concerned, is as waterways for the timber traffic. The schemes for making the Drina navigable as far as Višegrad and for deepening the channel of the Bosna and connecting that river by a canal with the Narenta, thus establishing uninterrupted communication by water between Hungary and the Adriatic, are worth mentioning, but their feasibility would appear to be extremely doubtful.

(c) Railways

The railway system of Bosnia and Herzegovina consists of (i) a normal gauge line from Doberlin on the Croatian frontier to Banjaluka; (ii) narrow gauge lines extending from Bosna Brod, on the Hungarian frontier, to Sarajevo, Mostar, and the Adriatic, with many branches; (iii) forest and industrial lines. With the exception of some of those in the last class, all the lines are owned by the State.

(i) The line from Doberlin to Banjaluka was the only one existing at the date of the Austrian occupation. It was built by Baron Hirsch under a concession from the Turkish Government as part of a line which was to extend to Sarajevo and eventually to join up with the proposed railways to Salonika and Constantinople. In 1878, however, it was in such a state of disrepair as to be unusable. The Austrians reopened it and connected it with the Croatian system. It
has a length of 65 miles, and is worked by the military authorities. In 1913 its rolling stock consisted of 11 locomotives and 292 cars. The goods carried by it amounted in 1909 to 102,315 tons and in 1913 to 94,406 tons. For the future prospects of this line see below.

(ii) The main system of the country consists of the narrow gauge single-line railways, the earlier of which were hastily constructed by the Austrians for military purposes at the time of the occupation. Of these the line from Brod, on the Croatian (Save valley) line, to Sarajevo was built in 1882, and has a length of 165 miles. It has the following branches: (a) from Doboj to Tuzla and Siminhan, 111 miles, running east towards the Drina and the rich Posavina district; (b) from Semizovac to Čevljanović a short line (12½ miles) immediately north of Sarajevo; and (c) from Lašva, half-way between Doboj and Sarajevo, a line 44 miles long runs to Dolniji Vakuf (with a branch 20 miles long to Jajce) and thence to Bugojno in the valley of the Vrbas. This was completed in 1894-5.

In 1891 the railway from Brod to Sarajevo was extended to Mostar, whence a line had already been constructed to the port of Metković. The line, which connects the watershed of the Bosna with that of the Narenta, is for much of its length on the rack and pinion system and is one of the most remarkable engineering works in Europe.

There remain the two so-called strategic railways. These have been a source of much heart-burning, as they are alleged to have been built at the cost of the provinces although primarily serving Austro-Hungarian interests only. This is at most only partially true. The first of these railways is the line which leaves the Mostar—Metković section at Gabala, and runs to Zelenica on the Gulf of Cattaro with short branches to Gravosa and Trebinje. The first part of this line is a vital necessity to the prosperity of Bosnia and Herzegovina, for it gives them direct access to the Adriatic at Gravosa, which, until or unless the port of Neum-Klek (see below, under Ports) is developed, forms, in
view of the unsuitability of Metković, by far the best outlet to the sea. The trains from Sarajevo run direct to Gravosa and not to Metković. The extension to the Gulf of Cattaro was no doubt built to give direct land communication with the chief southern naval base of the Monarchy, but it also opens up the district about Trebinje, one of the most fertile in Herzegovina. The line, which is 81 miles long, was completed in 1901 and, though running for part of its course through Dalmatia, is controlled by the Bosnian Railway Administration.

The second strategic line is that which goes from Sarajevo to Uvac on the old Turkish frontier, with a branch from Megjegjin via Uzhitse to Vardiste, on the Serbian frontier. This line was completed in 1906 at enormous cost and has a length of 111 miles. If it had been continued to Mitrovitza and Uskub it would have given Bosnia access to the Ægean Sea at Salonika. The recent extension of the Vardiste branch to Uzhitse in Serbia has linked the Bosnian with the Serbian system, for which see below.

The narrow gauge railways (Landesbahnen) also control the municipal electric railway at Sarajevo and the mountain railway Podlugovi–Vareš. Including these, they had in 1913 a total length of 584 miles, and their rolling stock consisted of 242 locomotives and 5,005 cars. In 1909 the tonnage of goods carried by them was 1,704,969, and in 1913, 2,092,919.

(iii) There are a considerable number of forest and industrial lines, some of which are merely temporary lines for the timber trade. The most important are the following: (a) the line Usoč–Pri- 
binić (northern Bosnia), owned by the State Agricultural Department and managed by its forestry section; (b) Zavidović–Olovo–Kusače (60 miles), the property of the Agricultural Department and leased to the firm of Eissler & Ortlieb; (c) the line Ribnik–Ostrelj–Drvar (western Bosnia), owned by the Bosnische Forst- 
industrie A/G Otto Steinbeis; this line connects with the North Dalmatian railway system at Knin.
The total length of the railways in the two provinces in 1913 was about 963 miles. The Landesbahnen and the military railway (Doberlin–Banjaluka) possessed 253 locomotives and 5,297 cars. The tonnage of goods carried by them amounted in 1911 to 1,818,096 tons, and in 1912 to 2,198,808 tons. The receipts in 1911 were £705,062, in 1912 £903,086; the working expenses in 1911 amounted to £473,618, and in 1912 to £679,838. The two strategic railways were, however, run at the considerable loss of about £12,500 a year.

Projects of Expansion.—The existing railway system has long been inadequate for the growing trade of the provinces. The original lines are unsuited for heavy traffic, and the communications with the Monarchy and with the sea coast are awkward to a degree. For many years the rivalry between Austria and Hungary on the one hand and the conflict of both with local interests on the other have prevented the carrying out of a comprehensive scheme of improvement. In the year 1912, however, a compromise was effected and a large programme of expansion sanctioned. A loan of £1,250,000 was authorised, of which the Monarchy was to contribute two-thirds and Bosnia one-third, to cover the cost of new construction. Under this scheme 277 miles of new line and 219 miles of normal gauge in place of narrow gauge would have been provided. It will be best to consider it in relation to the interests involved.

(1) Austrian Interests.—The existing normal gauge line was to be continued from Banjaluka to Jajce. From Jajce to Bugojno the narrow gauge line was to be converted to normal gauge. A new line was to run up the valley of the River Vrbas and down that of the Rama to join Bugojno with the Sarajevo–Mostar line at Rama, while the line from Rama to Mostar was to be normalised. Thus direct communication would be afforded between Vienna and Southern Dalmatia via Zagreb and Mostar. Further connection with the sea was to be given by a narrow gauge railway from Bugojno via Aržano to Spalato. But to make
this scheme complete it would further have been necessary to connect Sarajevo with this line by a normal gauge railway, either by normalising one of the existing lines, Sarajevo–Kama or Sarajevo–Lašva–Dolnji Vakuf or by building a new line from Sarajevo to Prozor via Fojnica.

(2) Hungarian Interests.—The real obstacle to the improvement of the Bosnian railway system has been the attitude not of the Austrian but of the Hungarian Government, which has taken advantage of the fact that all the existing railways lead through Hungarian territory to try to force all traffic to pass through Budapest. Nevertheless Austria, the industrial part of the Monarchy, provided 70 per cent., and Hungary, the agricultural rival of Bosnia, only 30 per cent. of the imports from the Monarchy. The Doberlin–Banjaluka extension would have done much to remove this anomaly. The Hungarians were compensated under the new scheme by a more direct line from Hungary into Bosnia. This was to leave the existing Hungarian line at Samac on the Save and run up the valley of the Bosna to Doboj on the Brod–Sarajevo line. The narrow gauge line from Doboj to Sarajevo was to be normalised, and thus direct communication by a normal gauge line would have been established between Sarajevo and Budapest. The connection with Hungary was to be further secured by a line from Brčka on the Save (which town was already on the Hungarian system) to Tuzla.

(3) Local Interests.—The part of the scheme hitherto described concerns the interests of Austria and Hungary almost as much as those of the provinces. The two remaining lines chiefly concern the latter only. The first of these is the branch from the Brčka–Tuzla line to Bjelina and Rača in the extreme north-eastern corner of Bosnia, by which the rich Posavina district would have been opened up for the first time. The second is the line from Novi to Bihać on the Croatian frontier in the extreme north-west of Bosnia. This line was to be built entirely at Bosnian expense.
(4) Serbian Interests.—It is hardly necessary to say that these formed no part of the scheme of extension. Nevertheless it is important to note, in view of existing circumstances, what were the Serbian aspirations in respect of railway extension in Bosnia. It is here that the strategic railway running south-east from Sarajevo is all-important, for it is evidently destined to be one of the chief connections between Old Serbia and the Adriatic, as well as between Bosnia and New Serbia and the Ægean. Now that the Serbian line has been extended from Uzhitse to Vardâshe in Bosnia, access to the sea is secured for Serbia, either by way of Sarajevo–Mostar–Gravosa (or Neum–Klek) or, when the line Bugojno–Aržano is completed, via Sarajevo to Spalato.

(d) Posts, Telegraphs, and Telephones

In 1914 there were 249 post offices and 405 telegraph stations, all under the control of the military and subject to the same conditions as those of the Monarchy. The General Post Office in Sarajevo was opened in 1913, and here both the telegraph and telephone services are centralised.

Two postal motor-car services are now in operation: one from Banjaluka to Jajce, and the other from Novi to Bihać.

There were in 1914, 6,625 miles of telegraph and 990 miles of telephone wire. Subscribers to the Sarajevo telephone service pay an annual rate of £4 3s. 4d., and a three minutes’ call costs 3d.

(2) External

Ports

Bosnia is wholly an inland province, but Herzegovina has two very small stretches of sea coast. The first of these is on the southern side of the estuary of the River Narenta; and it is possible that here will be found the solution of the difficult
problem of procuring for the two provinces a satisfactory outlet on the sea. The Dalmatian port of Metković has for some time past been declining—a process due to the silt carried down by the Narenta and also to the prevalence of malaria. Gravosa has, therefore, supplanted it; but Gravosa lies too far south to form a convenient port for Bosnia. It would, however, be quite possible to construct a wholly new port on the small stretch of Herzegovinian sea coast; and for some years past the Bosnian Diet has favoured a project of this kind. Such a port could be formed in Klek Bay, an inlet 3½ miles long and ½ mile broad, with an entrance four cables wide and 13 fathoms deep and a general depth of 10-14 fathoms, which is described in the *Admiralty Pilot* as “an excellent port for vessels of the deepest draught.” Port Neum, which would be the site of the future port, has already a post and telegraph station and is visited by the Dalmatian Line steamers of the Metković-Stagno-Piccolo and the Trappano-Stagno-Piccolo services. It is moreover free from the malaria which devastates Metković. At present, however, it has no railway connections of any kind and not even a mole.

The second point at which Herzegovina touches the sea is in the Bocche di Cattaro, a short way west of Castelnuovo between Kobito Point and the mouth of the River Sutorina. But this stretch has only a historical interest.

(B) INDUSTRY

(1) LABOUR

*Labour Supply; Emigration and Immigration*

The population of the two provinces increased from 1,158,164 in 1879 to 1,898,044 in 1910. It is difficult to give a definite opinion on the supply of labour. On the one hand it is asserted that, so far as agriculture is concerned, it is adequate, and that any further increase of the population will have to find employment
in industrial pursuits. On the other hand, it has been said that there is plenty of untilled soil suitable for colonisation.

So far as immigration is concerned, there were in the provinces in 1910 46,859 immigrants (forming 2.47 per cent. of the entire population) from the Austrian part of the Monarchy; 61,151 (or 3.23 per cent.) from the lands of the Hungarian Crown, three-fourths of them coming from Croatia-Slavonia; and 6,581 (or 0.34 per cent.) foreigners. In the early years of the occupation the Government encouraged colonists and gave grants of land and various privileges to them. Thus there was a settlement of Catholic Germans, chiefly from Westphalia, in the district of Banjaluka, while in the Posavina district were two settlements of German Calvinists from Hungary. The total number of such settlers amounted in 1905 to 9,660. Latterly, however, the growth of the nationalist movement has led to this policy of encouragement being abandoned, though naturally the real reason for the change has not been admitted.

In accordance with usual custom, Austria has put all possible obstacles in the way of emigration; and those intending to leave the country have to obtain permission from the Government and the police. The Administration prided itself on the fact that after the occupation few Mohammedans emigrated except the Turkish officials, but it would probably have been better if greater numbers had done so, for the obstinate conservatism of the Mohammedans has been a great hindrance to the progress of the country. Nor has the Government acted wisely in putting difficulties in the way of emigration to America, for the example of Italy has shown how much good may accrue to the mother country from such emigration, which is often only temporary. From 1883 to 1905 only 32,625 persons emigrated from Bosnia and Herzegovina (of whom 4,042 returned), a yearly average of 1,243, or scarcely 6.33 per cent. of the yearly increase of the population.
(2) Agriculture

(a) Products of Commercial Value

The agricultural progress of Bosnia and Herzegovina in recent years has been remarkable. It is estimated that between 1882 and 1910 the amount of cereals produced increased by 78 per cent.; of potatoes by 190 per cent.; of tobacco by 167 per cent.; of plums by 94 per cent.; and of grapes by 73 per cent. Under the Turks the chief interest of the inhabitants, especially in the forest and Karst regions, lay in the raising of live-stock. This was accounted for by the fact that cattle were not taxed at all, and sheep, goats, and pigs only very lightly, whereas agricultural produce was liable to the State for tithe and to the landlord for his share (see below, under Land Tenure). In times of danger, too, live-stock could be more easily placed in safety, while the general oriental outlook of the inhabitants was responsible for laziness and scorn of bodily labour, this tending again to elevate "Feldgraswirtschaft" above "Feldbau."

In 1910 the agricultural population of Bosnia-Herzegovina was 1,668,887, or about 88 per cent. of the whole. According to another estimate, two-thirds of the working population were actually employed on the land. In Bosnia especially conditions both of soil and climate are propitious to agriculture, and failure of crops is practically unknown. The districts specially named in the consular reports as grain-growing areas—Bjelina, Zenica, Dervent, Livno, Gradiska, Tesanj, and Bugojno—are all in Bosnia. Herzegovina, a mountainous country with an uncertain rainfall and liable to excessive heat in summer, is less favourably endowed. Its hills are mostly barren rock, and cultivation is possible only in the valleys and hollows. Tobacco and the vine, however, both flourish exceptionally well, and many thousands of acres of

1 For the amount of the produce of the chief crops in 1909 and 1910, see Appendix, Table III.
arid, stony ground, at present unproductive, could be profitably laid out in vineyards, while the extensive Alpine pastures might be put to far fuller use than they are at present.

_Cereals._—_Maize_ is the most important crop, as it forms the staple food of the peasants and labouring classes. In 1912 the yield was 217,000 metric tons. It is specially grown in north-west Bosnia in the neighbourhoods of Banjaluka, Prijedor, and Bihac.

_Wheat_ is the only winter crop of any kind sown in the country. It is all bearded, is chiefly sown in the autumn, and in favourable seasons yields two crops a year in some parts of Herzegovina. As there is not enough wheat grown to satisfy the domestic demand, nearly 10,000 metric tons of flour are annually imported from Hungary. The finest wheat is grown in and around Banjaluka.

_Oats_ rank next in importance, the finest of these also coming from the province of Banjaluka, where climatic conditions favour the crop. Before the Austrian occupation they were little cultivated, as, according to the custom of the East, horses were fed on barley. Now, however, they are in great demand.

The importance of _barley_ has steadily increased; and in 1895 the Government took steps to improve the quality of the crop by the introduction of fresh seed. One hundred and fifty tons are daily consumed in the country. Excellent beer is also brewed in considerable quantities, the principal brewery being the Aktienbrauerei Sarajevo.

_Rice_ was formerly grown in some parts of Herzegovina, where irrigation was possible, but it has been found much more profitable to grow tobacco there instead.

_Wine._—The climate and soil of Herzegovina are particularly well suited to the vine, especially in the

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1 Compared with 81,000 metric tons of wheat, 69,000 of oats, 62,000 of barley, and 11,000 of rye. In the same year the yield of hay was 712,000 metric tons, and of potatoes 95,000 metric tons.
fruitful valley of the Narenta, where the vineyards give by far the greatest yield.

In 1888 the Government established a model vineyard at Buna, near Mostar, where some nineteen acres were put under cultivation; and in 1893, with a view to further development, distributed fine cuttings of new varieties of vine among the peasants and gave demonstrations in modern methods of cultivation. They also supplied the utensils necessary to the industry either free of charge or at a very low price on the instalment system. These measures, combined with the introduction of chemicals for the prevention of disease, from which the vines are on the whole remarkably immune, greatly stimulated efficiency in vine dressing. In recent years, however, when phylloxera spread from Dalmatia—it was especially destructive in the neighbourhood of Mostar—no steps were taken to stamp out the scourge or to replant the affected vineyards.

In 1910 16,000 acres of new ground were made over to viticulture, 95 per cent. of this area being in Herzegovina, where the sandy soil is congenial to the Arabian vine. The quality of the wine, of which zilavka (white) and blatina (red) are the principal varieties, is fairly good, but would be better were more care and attention given to manufacture and storage. The flavour resembles, but is superior to, that of the Dalmatian wine, being rather strong and sweet. Modern methods of sterilising and filtering have now been adopted, and German machines have been imported for the purpose. The annual vintage is from 2,000,000 to 3,000,000 gallons. Most of it is consumed in Bosnia-Herzegovina itself, the rest being exported to Austria-Hungary.

Fruit and Vegetables.—It has been said that there are few countries where fruit cultivation is so bound up with the life of the people. Except in the exposed districts of south-west Bosnia and north-east Herzegovina, the climate and soil are admirably suited to it. Plums, which are grown in all parts of the country,
both by peasants and by landowners, are of the greatest commercial as well as domestic importance; but if the trees were more scientifically pruned, the ground better manured, and sufficient provision made for packing the fruit, the value of the harvest could be considerably increased.

There is a large trade in dried plums, and drying ovens of the latest pattern have been installed by Government at the principal centres of the industry, which are in northern Bosnia, especially in the Posavina district. Manufactured products are slivovitz, or plum brandy; bestilj, a jam made without sugar; and legnar, or plum marmalade. All these are consumed mainly by the peasants. Nearly all the crop is bought up by the Landesbank, and resold to dealers in Vienna and Budapest.

Pears, apples, cherries, figs, quinces, apricots, peaches, currants, gooseberries, raspberries, and chestnuts all flourish luxuriantly in Bosnia or Herzegovina. The cherries in the valleys of the Narenta and Drina are remarkably fine, and would find a ready sale if properly packed. At present they are gathered without their stalks, and consequently receive much damage in transit. Walnuts, which have received great attention, are of especial importance. The best grow in Foča, Cajnica, Konjica, and Mostar. In the sub-tropical climate of Herzegovina figs, pomegranates, olives, and oranges are grown for local and Bosnian consumption. Sarajevo is the chief fruit market for the two provinces.

The following vegetables are cultivated with good results: potatoes, cabbages, French beans, gourds, cucumbers, peas, tomatoes, beetroot, lettuce. The cabbage is of particular importance, being the staple food of the working classes during the winter. The large white haricot bean is grown extensively.

Sugar-beet.—The peasants of Tuzla first started the cultivation of the sugar-beet in 1887. In view of their success it is now grown in many other parts of the country, the best being produced in the districts of Bjelina, Bugojno, Sarajevo, Visoko, and
Zenica. Great efforts have been made by the peasants themselves to improve and extend the cultivation. In 1892 the Government enlarged the sugar factory at Usora, near Doboj, on the Brod—Sarajevo line of railway. The yearly consumption of sugar-beet at this factory was about 34,448 tons, and in 1896 the annual production was 30,000 net quintals of sugar. This supply was almost adequate to the demand of the country. Only 6,000-8,000 quintals were imported in 1910, but the import has increased since that date.

Tobacco is grown extensively in Herzegovina, where, as an article of importance in agricultural commerce, it is only equalled by the vine. The native tobacco dries quickly, and is strong and very aromatic, the best crop and finest quality being produced in Trebinje. The Bosnian plant is inferior, and is only grown in Foća, Banjaluka, and Srebrenica. The trade is a monopoly of the Government, who have factories at Sarajevo, Mostar, Banjaluka, and Travnik, and take over at a fixed price the entire crop with the exception of a small proportion reserved for the grower's private consumption, and not allowed to be put on the market. Prospective growers have to obtain a Government permit defining the exact area to be sown. Under suitable conditions and careful cultivation the yield is often to the value of £40 per acre, and the area sown increases annually. In 1912 about 2,200 metric tons of Herzegovinian and 700 of Bosnian tobacco were worked up at the factories into about 88,000,000 cigarettes and 90,000,000 packets of tobacco. Seventy-five per cent. of the output is consumed in the country, and the greater part of the remainder is bought by the Austrian and Hungarian monopolies.

Flax and hemp are only grown in sufficient quantities for home industrial spinning, but the quality of both is good.

Hay is grown on all the uplands, and in Herzegovina is of particularly fine quality; but the yield is minimised by the fact that the cattle are left at grass until March or April, and cutting is postponed until
July, when the crop is already dried up and the harvest is likely to be ruined by rain.

*Pyrethrum cinerarifolium* is grown in a few places in Herzegovina for the manufacture of insect-powder. *Sunflowers* are cultivated widely for the useful oil their seeds contain.

*Silk.*—Sericulture was once widespread, but fell into decay before the Austrian occupation. With a view to reintroducing the silkworm industry the Government in 1895 planted some young mulberry trees in the district of Banjaluka, where the climate is very favourable. They obtained good silkworm eggs from the State establishment at Szegzard, in Hungary, which in turn buys up all the cocoons produced in these provinces. The only people who have responded to these measures are the German colonists at Maglaj, on the Vrbas. The peasants are not eager to experiment in a branch of farming which is now quite unknown to them, and they will require a great deal of encouragement and instruction before they take it up with any enthusiasm.

*Honey.*—Apiculture, on the other hand, enjoys a good measure of popularity. An association of beekeepers at Sarajevo, formed under the auspices of the Government, and receiving an annual subsidy of 4,000 kr. (£167), had a membership of 2,500 in 1903, when there were 6,000 hives of up-to-date pattern in the country, the honey from which was of excellent quality.

*Cheese.*—Cheese is a popular native product, and is made either from cow’s, sheep’s, or goat’s milk, as is also a cheap curd cheese, which is a food of the peasants. The Trappist agricultural order of monks at Banjaluka are experts in the making of a mild kind of Swiss cheese, which finds a ready market both in Bosnia and in Austria. The demand for this commodity far exceeds the supply.

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1 In the British Consular Report for 1888 it is stated that there were estimated to be over 100,000 hives in the country; but the subject is not mentioned in any subsequent report until that of 1903.
Live-stock.—In 1910 the numbers of the live-stock in the two provinces were estimated to be:

- Horses, mules, and asses: 228,831
- Cattle and buffaloes: 1,309,922
- Goats: 1,393,068
- Sheep: 2,499,422
- Pigs: 527,271

The horses of these provinces, though small, are very strong and hardy. In former times they were held in high repute; but, owing to the lack of good sires, the stock has degenerated, the average animal not being over fourteen hands.

The Government has, however, taken steps to improve the breed by the importation of Arab stallions from the State breeding establishment at Bablona, in Hungary. These are maintained at the Government depôts at Sarajevo, Mostar, and Travnik, and from March to July are sent to the breeding districts throughout the country, where the peasant can obtain their services free of charge. Annual horse-shows have been instituted, at which good prizes are given for native exhibits, and at Sarajevo the Government has laid out an excellent racecourse, where is held an annual international meeting, at which there are special entries for native-bred horses.

Notwithstanding these measures, before the breed is really satisfactory, more judgment will have to be shown in the choice of stallions. At present the consideration of size overrules that of bone and stamina. Stallions imported direct from Asia Minor would not only be far better suited to the conditions of a rocky country like Bosnia-Herzegovina, but would cost much less than those now procured from Bablona.

The native horses, on account of their low stature, are better adapted for saddle and pack than for draught. They are used, however, in preference to larger breeds, not only to draw the light carts of the

1 Stallion asses have also been imported from Cyprus.
Bosnian peasants, but even in the Austrian military transport service.

Cattle.—Although the provinces have been described as "far better suited for cattle breeding than agriculture," until comparatively recently there was little scientific effort to promote the industry. Thirty years ago the following deplorable conditions obtained:—

"In winter but little care is devoted to the cattle. Hardly any shelter is given them, and they are left to pick up what food they can so long as the snow is not too deep for them to get about, and even when the ground is frost-bound and deep in snow, barely sufficient food, and never anything beyond hay and straw, is given to keep them alive till the spring." 1 In the exceptionally hard winter of 1887-8 some 25 per cent. of the cattle perished. It may, perhaps, be taken for granted that State encouragement has persuaded the peasant to the practice of a wiser economy. Many animals have been imported, of breeds selected with a view to their suitability to the districts to be supplied. The bulls are lent to the cattle-owner free of charge, and the cows sold to him on the instalment system. Annual shows, at which pure-bred calves are exhibited, take place in the various districts, prizes being given by the Government and additional prizes for bulls kept in the best condition. By 1895 the number of animals in the country had almost doubled since the Austrian occupation; and, though the census of 1910 showed a decrease of 7.6 per cent. in comparison with that taken fifteen years earlier, this was capable of a satisfactory explanation, and a compensatory improvement in quality could be claimed. From 1899 to 1903 there was a steady increase in the cattle export trade, but subsequently a rather marked falling off.

The breeding of sheep and goats is everywhere encouraged. In Herzegovina, and in a few of the more barren parts of Bosnia, each peasant family is allowed to keep ten sheep or goats free of tax; and while, for

1 British Consular Report (Agriculture), 1888, p. 4.
the sake of the forests, the tax on goats has been raised, that on sheep has been lowered. Astrachan sheep have been introduced from Caracul, a district between Khiva and Bokhara, and have been successfully reared on the model farms (see below) at Gačko and Livno.

Swine are reared in the valleys of the Posavina and Livno and along the Save, but, because of the prejudices of the Mohammedan population, are not universally kept, and are rarely brought to market. The native breed is very inferior, but it has been successfully crossed with the Berkshire.

Poultry and Eggs.—From the Government poultry farm at Prijedor, in north-west Bosnia, the peasants can obtain birds and eggs of choice breeds at a very low price, in some cases even free. This establishment, which came into being in 1892, has been no small stimulus to poultry farming, and a good trade has been done in eggs. Eggs produced in Bosnia-Herzegovina are particularly suitable for export, as they contain very little fatty matter; but the peasants have still to learn the best principles of selection and methods of packing.

(b) Methods of Cultivation, including Irrigation

Methods of cultivation in Bosnia-Herzegovina are as superficial as they are primitive. Practically the only assistance given to the soil is to allow it to lie fallow for periods varying from three to seven years; it is seldom ploughed to a sufficient depth, receives but little manure or chemical dressing, and abounds in weeds. Naturally, therefore, its output falls far below its capacity. Only in the case of tobacco do the crops receive adequate manuring.

Harvesting methods are equally primitive. After reaping, the grain is trodden out by horses, and is subsequently winnowed by being thrown up on a shovel on a windy day. This entails much loss of time and labour. A successful harvest depends entirely upon
the weather, and in a wet autumn a very large proportion of the crop is wasted. Cutting is often delayed until the grain is over-ripe and falling. There have, however, been distinct signs of improvement in recent years.

The Government has sought to encourage agriculture by the distribution of the necessary machinery and implements, which can either be hired or bought outright by the peasant at a reduced rate on the installment system. In 1912 the Serbian National Bank took over from the Landesbank a special depot for the sale of agricultural machinery, and has opened showrooms at Banjaluka, Bjelina, Brod, and Gradiška.

Irrigation.—Uncertainty of rainfall and frequency of drought are among the chief obstacles to agricultural development, especially in Herzegovina, and in order to provide against shortage of water numerous rain-water reservoirs have been constructed. Three mountain streams have been dammed at Klina, near Avtovac, for the irrigation of the Gačko plain. Thus 1,482 acres of meadow land have been brought under cultivation. Formerly this area, though marshy in winter, was parched in summer, there being frequently no rainfall for two months. Two good crops of hay are now annually got from the land, and the peasants of Gačko find this harvest most remunerative. The Mlade district, in Ljuvuski, has also been regulated, the high spring floods of the Mlade and İmotski valleys having been controlled and made available for irrigation. The Livno plain has been drained.

Model Farms.—In order to afford the peasants the opportunity of learning improved methods of agriculture the Government established two model farms in 1886, one at Modrić, in the Buna valley (north Bosnia), the other at Gačko, near the Montenegrin frontier, in Herzegovina. In 1888, at Livno, near the Dalmatian frontier, and in 1893, at Butmir, near Sarajevo, other farms of the same kind were established, the latter almost exclusively supplying Ilidže
and Sarajevo with pure milk and vegetables, and having also mountain stations where cows and sheep were kept for making cheese in imitation of Western types. The position of all these farms was carefully chosen in order to illustrate the different varieties of climate, soil, and branches of farming. Thus Gačko and Livno are devoted to cattle-rearing, the poor, rocky soil in these localities being little suited to agriculture. Modrić, lying in the corn-producing plain of the Posavina, is specially adapted for growing cereals, vegetables, and fruits. Ilidže gives equal attention to both branches. Experienced farmers are sent from Austria-Hungary to instruct the peasants. A number of natives are received as farm pupils, and given food, lodging and moderate wages. Special attention is given to the raising of crops for fodder, and the care needed for the successful rearing of stock. Dairy farming, especially cheese-making, is also demonstrated, a few dairymen being sent to Hungary for the express purpose of studying cheese-making. The stations also serve as bases for the supply of new varieties of seed, young plants, and new breeds of animals. Theoretical instruction is given in the winter. These enterprises have not, however, been attended with much success, and for some years before the war the Government was anxious to dispose of them at a low cost.

Model Horticultural Establishments and Gardens.—Four establishments were laid out by the Government in 1894, at Dervent and Travnik, in Bosnia, and at Mostar and Lastva, in Herzegovina. Pupils were taken, and thousands of young fruit trees and cuttings were annually distributed to the peasants, special prominence being given to the grafted apple, pear, plum, cherry, quince, apricot, and peach trees. Numbers of mulberry trees and cuttings of vines, currants, gooseberries and raspberries of the choicest kinds were also distributed. The peasants seemed eager to obtain these, especially the vine cuttings. In addition to the establishments named, one hundred and eighty-seven municipal fruit gardens, in various parts of the [2008]
country, have been planted with grafted fruit trees for distribution.

(c) Forestry

The forests of Bosnia and Herzegovina cover a greater extent than those of any country in Europe except Finland. About half the total area of the two provinces (that is to say, some 6,672,000 acres) is reckoned as forest land, but over not more than 3,550,000 acres are the trees fit for felling. The principal trees are the beeches, which constitute more than half the trees of the country, and sometimes reach a height of 200 feet with a girth of 20 feet at the level of a man's shoulder. They cover the hills of northern Bosnia up to 2,500 feet. The oak, which used also to grow on those hills, has almost disappeared. On the central ranges, where there are altitudes of 5,000 feet, the characteristic trees are the beech, the ash, the elm, the fir and the pine; while on the still higher mountains further south firs, pines and other conifers predominate. The chestnut, aspen, willow, hornbeam, birch, alder, juniper and yew occur in all these districts; also, but more rarely, mountain ash, hazel, wild plum, pear and other fruit trees. After the beeches, by far the most numerous trees are the conifers, of which the black spruce is of particular value owing to its importance in shipbuilding.

With the exception of small areas, amounting to about one-fifth of the whole, which are held by the Mussulman ecclesiastical commissioners or by private owners, and on which a tithe is levied in proportion to the net annual profits, the forests are the property of the Government, without whose permission they cannot be cut. The timber trade, which is the most important of Bosnian industries, is almost entirely in foreign hands; the largest firms being the Bosnische Forst-industrie A/G Otto Steinbeis, owners of the railway from Ribnik to Knin, by which the timber is carried to the Dalmatian port of Šibenico; Eissler and Ortlieb of Zavidović; and the Italian firm of Giuseppe Feltrinelli.
at Sjetline, with headquarters at Milan. The greater number of the shares of the Steinbeis Company were recently acquired by the State.

The forests had been suffered by the Turks to fall into a deplorable condition. Fires, ruthless felling for the sake of a little firewood, and encroachment by landlords and peasants alike had wrought great havoc. It is true that there was an admirable Turkish forest law, dating from 1869, which divided the forests into four categories (State, vakuf, village, and private), and regulated the right of the villagers as to the collection of firewood, &c.; but, like most Turkish laws, it had remained a dead letter. The Austrians have done a great deal to remedy this state of things. They instituted a forest department, stopped the indiscriminate fellings and burnings, and appointed local commissions to inquire into disputed forest rights. About the beginning of the century the reclamation of the Herzegovinian Karst by the planting of saplings was commenced; and since the annexation various remedial steps have been taken, including a goat tax, the restriction of cattle-grazing areas and the re-afforestation, begun in 1913, of the denuded areas of Herzegovina. It was also proposed to surround Sarajevo with a belt of forest. In consequence of these measures the timber trade of Bosnia is a continually increasing one. About 94 per cent. of the timber for agricultural purposes is exported, of which about 40 per cent. goes to Italy.

(d) Land Tenure

The land question in Bosnia and Herzegovina is a very complicated one, and is difficult to explain without some reference to historical conditions. So far as the categories of ownership are concerned, it is best to take the Turkish designations, as most clearly explaining the situation. Of mulk, or freehold proper, there

1 These categories are now reduced to two—i.e., State and private. The village or communal forests—i.e., those in which the inhabitants of the neighbouring villages have extensive rights—amount to about one-third of the total area of the State forests.
is very little in Bosnia, and practically only the house, out-buildings, and a small area of garden or vineyard come under this head. By far the greater part of the cultivated land is mirie, which is really a leasehold tenure, paying tithe to the State as reserved rent. Mulk can be disposed of freely, mirie only with the consent of the State. The remaining categories include vakuf or Mohammedan religious foundations, movat, or waste and forest lands, and metruke (roads, etc.), the last two being State property. The present land system grew up out of the circumstances of the Turkish conquest. The result of that conquest was the creation of an exclusively Mohammedan landlord class, representing either the Turkish conquerors, or such of the old feudal nobility of Serb race as embraced Islam for the sake of preserving their lands, or, again, the free yeoman or peasant class. The conquerors cultivated very little themselves, the bulk of the land being worked by the original Christian owners in return for a share of the produce; thus grew up the kemet class, which has continued to the present day. (The vakuf lands also were usually leased.) In the year 1895 out of 221,581 heads of families there were:

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>5,833 landlords (agas, begs)</td>
<td>2.63%</td>
</tr>
<tr>
<td>86,867 free peasants</td>
<td>39.21%</td>
</tr>
<tr>
<td>88,970 kemets</td>
<td>40.15%</td>
</tr>
<tr>
<td>22,655 free peasants, who were</td>
<td>10.23%</td>
</tr>
<tr>
<td>also kemets¹</td>
<td></td>
</tr>
<tr>
<td>17,256 unattached agricultural</td>
<td>7.78%</td>
</tr>
<tr>
<td>labourers</td>
<td></td>
</tr>
</tbody>
</table>

Although the balance of opinion appears to be against the kemet system, there is something to be said for it. It must be remembered that the kemet is under no personal subjection, and is in no way bound to the soil. Moreover, the landlord has to provide him with dwell-

¹ I.e., an intermediate class, consisting partly of kemets who have raised themselves, and partly of free peasants who have sunk in status.
ing house, farm buildings, &c., and to keep them in repair; and these are generally in a far better condition than those of the free peasants. On the other hand, it is said that the system produces friction between the landlord and peasant, due partly to economic causes (see below), and partly to the difference in religion between them; and that it tends to sap the industry and energy of the peasant class as a whole. The system may be summed up as follows: The produce is divided between the landlord, or aga, and the tenant (kmet) in certain established proportions. When the aga provides the seed and the cattle for ploughing, the division is equal; when the kmet himself finds those necessaries, he is entitled to two-thirds of the resultant harvest, and the aga to one-third, though in some parts of Herzegovina, where the land is very poor, the tenant's share is three-quarters. The kmet has also to pay a tithe to the Government; this is the only land tax levied. The Austrians have introduced certain reforms to the benefit of the kmet. Though the aga still takes his share in kind, the tithe is now paid in money and is reckoned on a ten years' average; whereas under the old dispensation a new assessment was made every year and the crops were often spoilt while they stood waiting the advent of the official assessor.

The land question is perhaps the most prominent in Bosnian politics; and, although at the Congress of Berlin the Austrian Government recognised its urgency, the steps which they have since taken have not proved decisive in their results. They are still accused by their critics of fostering the antagonism, always acute, between aga and kmet, and of showing undue favour to the former. The peasant, it is true, has always enjoyed the right of pre-emption should his landlord be willing to sell; but until recently the terms on which he was obliged to raise the purchase money were so onerous that he was usually ruined in the course of acquiring his property. In 1911 a law came into force to enable him to borrow from the State the whole sum required, but since
this law contains no provisions for compulsory sale, the process of redemption is still likely to be slower than the enemies of the kmet system would wish.\textsuperscript{1} That the law has not been a dead letter, however, there are figures available to show. Between 1879 and 1909 about 26,000 kmet\textsuperscript{s} became freeholders, the largest number of purchasers in any one year being 1,539 in 1909, at which date some 80,000 kmet\textsuperscript{s} still remained.\textsuperscript{2} Between December 1911, when the new law came into operation, and the end of July 1912, 4,248 redemption loans, amounting in the aggregate to £333,000, had already been sanctioned, the money being derived from a preliminary advance of £416,000 provided by two financial groups represented by the Landesbank and the Agrarbank. By the middle of March 1913 the number of loans had risen to 8,641, their aggregate value to £665,000, and the enfranchised area to 203,000 acres.

(3) Fisheries

The streams of both provinces are rich in all kinds of river fish, but especially in various kinds of salmon. Trout and crayfish are present in the whole Bosna and Drina districts; the eel fisheries of the Narenta are valuable; and salmon, sturgeon, and sterlet from the Danube are netted in the Save. There is an establishment for scientific pisciculture near the source of the

\textsuperscript{1} According to the calculations of Professor Grünberg, of Vienna University, the last kmet will not be owner of his land before the year 2025. With this may be compared the opinion of His Majesty's Consul-General, expressed, however, before the law had become effective, that "the process of redemption will, in all probability, advance with increasing rapidity, so that in a few years' time there will be no kmet\textsuperscript{s} left" (British Consular Report for 1910). According to Dr. R. W. Seton-Watson, writing since the outbreak of war: "The feudalism of the Moslem Beys still survives almost unimpaired, and land purchase is only in its most elementary stage." (The Balkans, Italy, and the Adriatic, p. 43).

\textsuperscript{2} In 1885 the proportion of free peasants to kmet\textsuperscript{s} was as 11 to 19, or 36.66 per cent. to 63.33 per cent. In 1895 it was as 20 to 23, or 46.51 per cent. to 53.49 per cent.
Bosna, 2½ miles west of Ilidže; there are four ponds, with space for 600,000 fish, and river trout is the chief object of attention. Only about 300,000 fish of the finer kinds were caught annually before 1899, but since then the industry has been greatly developed.

(4) MINERALS

The province of Bosnia is rich in minerals of commercial value. The most abundant of these are salt, coal, and iron, but the manganese and chrome ore deposits are also of great importance. The copper and quicksilver mine at Mascara was closed in 1909, but both copper and lead have been worked during the war. Asbestos was discovered at Halilovar in 1897, and it is believed by experts that Karst bauxite seams extend into Bosnia and Herzegovina. In olden times both gold and silver were worked in Bosnia and Herzegovina. Gold is actually found in the districts watered by the Rivers Vrbas, Lašva, Fojnica, and Rama. Silver is found, chiefly in connection with galena, especially at Srebrenica, where the mines had already been worked by the Romans and in the Middle Ages. Since the occupation, researches have been made both by the Government and by private enterprise for alluvial gold and for silver mines, but they have so far been attended with no great results.

The mineral wealth of Herzegovina scarcely admits of comparison with that of Bosnia, but has never yet been satisfactorily explored.

The mining law of Bosnia and Herzegovina is that of 1882, which is based on the Austrian mining law of 1854. It regulates the granting of concessions for the working of minerals, which are a State monopoly.

With few exceptions the mines are either entirely in the hands of the Government or worked by companies in which the Government holds a considerable interest.

Salt.—The salt springs form one of the most valuable commercial assets of Bosnia-Herzegovina. The most

1 The figures given are, except in specified cases, taken from the Bosanski Glasnik or Bosnischer Bote for 1918.
important are those at Tuzla, where there are 8 bore holes with an average depth of 300 metres. The yearly output of brine is 200,000 cubic metres, of which 125,000 are used by the Ammoniak-Sodafabrik Lukavac. The rest goes to the saltworks at Kreka and Siminhan. There are six pans at each of these works, and their combined yearly production is 36,000 metric tons, converted into 30,000 metric tons of fine salt, 5,800 of coarse salt, and 200 of briquets. This product is largely consumed in the country.

Coal.—The coal of Bosnia-Herzegovina is most satisfactory in quality, and were there better facilities for transport and greater enterprise shown by the producers a considerable export trade might well be developed. The three mines of Kreka, Zenica, and Kakanj Doboj alone supplied all the requirements of the province in 1903. At the most recent international congress of geologists it was estimated that the lignite deposits amounted to 3,676,000,000 tons, of which half have been opened up. In 1916 the total output of lignite was estimated at 930,000 metric tons, an increase of 130,000 metric tons over 1915.¹

The following are the principal centres of the industry, the mines in each case being owned and worked by the State.

Kreka, near Tuzla.—These mines have been steadily working since 1884. They are run by electricity, and produce annually some 350,000 metric tons of lignite. The workers number 910.

Zenica.—The Mining Treasury in 1886 took these mines over from the Viennese Coaling Industry. The staff employed here numbers 600, and there is an annual output of 150,000 metric tons.

Breza, near Podlugovi.—This mine commenced operations in 1907. It has developed rapidly, and the average yearly production for 1918 was 170,000 metric tons. The workers number 560.

¹ Neue Freie Presse, September 25, 1918.
Banjaluka.—The annual output of these mines, which were opened in 1897, was at one time 20,000 metric tons, but now stands at 12,000 metric tons. There are 70 workers.

Kakanj-Doboj.—New coal mines were opened here in 1900. Their situation on the Brod-Sarajevo line of railway should greatly help in their development. Their yearly production is at present 160,000 metric tons, and the number of men employed 680.

Uglici, near Bjelina.—This coal pit, with a working staff of 12, maintains an annual production of 5,000 metric tons of lignite.

Chrome Ore.—The chrome ore mines at Dubostica are the only mines of their kind in Europe. The deposits of chrome earth are abundant, but scattered over a considerable area, which necessitates the periodic shifting of the mining plant. Operations are carried out by the Gewerkschaft Bosnia, and their chemists reckon that the raw ore, as extracted, contains 44 to 50 per cent. of oxide of chromium. The yearly output of ore, which doubled between 1915 and 1916, is now 900 metric tons.

Iron and Steel.—The centres of the iron industry are the ironworks at Vareš, which are under Government administration, and the iron and steel works at Zenica, which are supplied with metal from the blast furnaces at Vareš, and produce 18,000 metric tons of rolled iron goods yearly. These, though of a very rough description, are of good quality and quite adequate to the needs of the country and of the neighbouring Balkan states, to which they are exported in considerable quantities. In 1900 the Vareš works, where the yearly output is 150,000 metric tons of ore, 43,000 metric tons of pig-iron, and 4,000 metric tons of castings, paid a dividend of 13½ per cent., while those at Zenica were "very moderately prosperous." In 1903 the dividend from Vareš was 9 per cent., but Zenica was reported "to have achieved rather better results than hitherto." On
the whole, though the fortunes of the industry have shown a tendency to fluctuate, there seems to be no reason why, given favourable circumstances, it should not prosper.\(^1\) In 1916, in view of the scarcity of ore for the State foundries, the Prijedor deposits were opened by the military authorities and extensive operations commenced, a railway 18 kilometres long having been built from the mine to the station at Prijedor. The ore of the State seams at Ljubija (Prijedor) is said to be plentiful and of excellent quality.

*Manganese.*—There is a mine at Semizovac which has been worked by the Gewerkschaft Bosnia since 1881. The yearly output is some 20,000 metric tons of pure ore,\(^2\) which are exported. Pig-iron is used in the initial processes of refinement. The workers number 180.

*Mineral Springs.*—Bosnia-Herzegovina abounds in mineral springs of all kinds, the majority of which, though remaining unexploited, should yield a considerable profit under scientific management.

The sulphur springs at Ilidže have been famous since the days of the Romans. A hydropathic establishment was opened there in 1898, and has been largely frequented, adding to the attractions of the already popular bathing resort. In former times the hot sulphur springs were only used for bathing, but arrangements have now been made by which the patients can drink the water medicinally.

The Guber springs at Srebrenica, which have been working since 1889 with a staff of 60 workers, now produce annually some 300,000 bottles of arsenic-iron water, which find a ready sale on foreign markets.

\(^1\) In 1915 the total output of ore for the provinces was 110,000 metric tons; in 1916 it rose to 160,000; while it was estimated (perhaps rather generously) that the output for 1918 would be between 500,000 and 600,000 metric tons. *(Neue Freie Presse, September 25, 1918.)*

\(^2\) In 1916 the output is said to have been 22,700 metric tons, which was nearly five times the pre-war output.
Mineral Output.—The *Statesman’s Year Book* for 1918 gives the following figures for the mineral output of Bosnia-Herzegovina:

<table>
<thead>
<tr>
<th>Mineral</th>
<th>1914</th>
<th>1915</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>metric cwts.</td>
<td>metric cwts.</td>
</tr>
<tr>
<td>Coal</td>
<td>8,068,810</td>
<td>7,988,916</td>
</tr>
<tr>
<td>Iron ore</td>
<td>1,778,801</td>
<td>1,104,095</td>
</tr>
<tr>
<td>Manganese</td>
<td>41,200</td>
<td>104,221</td>
</tr>
<tr>
<td>Pig-iron</td>
<td>440,780</td>
<td>257,009</td>
</tr>
<tr>
<td>Steel ingots</td>
<td>285,203</td>
<td>189,333</td>
</tr>
<tr>
<td>Rolled iron</td>
<td>227,793</td>
<td>140,192</td>
</tr>
<tr>
<td>Salt</td>
<td>1,577,248</td>
<td>1,465,354</td>
</tr>
</tbody>
</table>

The total value was 6,670,000 kr. in 1914 and 7,700,000 kr. in 1915.

(5) Manufactures

The industrial development of Bosnia-Herzegovina has been thwarted by lack of capital and the sluggish state of the money markets in recent years. There are few factories, most of which are under Government control. Such private firms as exist are unable to compete with the large foreign houses, and their custom is purely local. The total number of industrial enterprises in 1912 was 492.

Chemicals.—By far the most important factories are those concerned in the production of chemicals. These are for the most part well-equipped with modern plant and machinery. The factory organising staffs have proved themselves capable and far-seeing, preparing for all emergencies and year by year developing the industry to a high grade of efficiency.

The following are the chief chemical factories:

The *Bosnische Mineralölprodukten- und Chemikalienfabrik Danica*, which was originally a depen-
dency of the Ammonia Soda Factory at Lukavac, has proved a most successful enterprise, well staffed and capably managed, dealing with some 2,400 waggons of Galician crude oil, 80 per cent. containing paraffin and 20 per cent. free of paraffin. Its annual production averages 1,500 waggons of various mixed petroleums, benzine, spindle oil, mixed and machine oil, refined and rough paraffin, and blue, gas and Diesel-motor oil. The factory also produces asphalt, coke, vaseline and vulcan oil. About 25-30 per cent. of the total output is exported, petroleum to Turkey and the Balkan States, the rest to England, France, Switzerland, Italy, and South America. The factory is connected by an overhead line and two small branch lines, also by telephone with the railway station of Bosna Brod. In May, 1912, it employed 250 hands.

The Ammonia Soda Factory (Erste Bosnische Ammoniaksoda - Fabriks- Aktiengesellschaft), established at Lukavac, near Tuzla, with a working capital of 4,500,000 kronen, consumes annually some 125,000 cubic metres of salt water from the Tuzla Salt Works, and 6,000 waggons of coal from the mines at Kreka. The annual output averages 2,200 waggons of ammonia soda, 400 waggons of caustic soda, and 200 waggons of crystal soda. Considerable quantities of calcium carbide and pyrolineose acid are produced. The works employ some 310 workpeople, and the wages are good.

The Bosnische Holzverwertungs-Aktiengesellschaft in Teslić specialises in the products of beechwood, methylic alcohol, pyrolineose acid and charcoal. They make a speciality of the chemical treatment of railway sleepers and building timber to preserve them from rot. The manufacture of acetone and acetate of lime were included in the company's original activities but were abandoned on account of unsuitability of plant. The enterprise has proved very successful, and in 1901 held a contract with the Government iron works at Vares, by which, up till 1916, the latter were to take the entire output of charcoal. Some 300,000 cubic
méters of beechwood are dealt with annually, and 2,500 workmen are employed in the forests and 1,000 in the factory.

The *Bosnische Elektricitäts-Aktiengesellschaft in Jajce* (formerly known as the *Elektricitätswerke in Jajce*) is chiefly concerned with the production of calcium carbide. As the process is a secret one it is very difficult to get access to the works, which are said to be the largest of their kind in Europe. In 1898 the company acquired from the Government the sole right of utilising the water power of the celebrated Pliva waterfall for the production of electric motive power. The beauty of the falls has in no way been marred, and the power derived from them is very considerable. In 1901, owing to a glut on the market, the original company failed and was taken over by a combine which included the Frankfurter Gold- und Silberscheide-Anstalt and the Wiener Credit-Anstalt. The new enterprise has proved very successful, and has included the production of chloride of lime and caustic soda in its activities. About 600 persons are employed.

*Wine, Tobacco, and Sugar.*—See under *Agriculture.*

*Minor and Home Industries.* There is at Sarajevo, under Government control, a carpet factory, which is also a school of instruction and has numerous branches in other towns; it produces carpets which compete with those of Persia, Turkey, and Bulgaria, and are exported to most European countries; the yarn is imported from Bradford. There are also in Sarajevo a Government embroidery factory, and ateliers where the peasants are instructed in the home production of chased and inlaid wood, leather and metal goods, which are of high quality and popular in foreign markets.

A kind of Broussa silk and a cotton fabric of a similar nature are widely made by the native women in their own homes. This industry is also encouraged by the Government, under whose auspices the goods find ready purchasers in France and the Dual Monarchy.
(6) Power

Owing to its excellent natural water supply, and to the precipitous course of its rivers, Bosnia-Herzegovina is assured of a plentiful supply of hydraulic power. The water system of the country is good, and electricity is in use for both light and power in all the chief towns. Water power and the production and distribution of electricity are strictly under Government control; terms are low and conditions satisfactory. Generating stations are numerous and are capably run. Hydro-electric installations provide motive power for many mines, metallurgic enterprises and factories, and an increasing number of towns are supplied with electric tramway systems. The more important schemes recently begun or projected include an electric power station for Sarajevo, and another at Jablanica, where the Aussig Chemico-Metallurgical Association has a concession for utilizing the waters of the Narenta to provide 21,000 h.p. for a chemical factory and 5,000 h.p. to work the Sarajevo-Mostar railway.

(C) Commerce

(1) Domestic

(a) Principal Branches of Trade

On the subject of internal trade there is nothing of significance to add to what has already been indicated in connection with the various industrial, and more particularly the agricultural, pursuits of the population.

1 "Since 1882 not a year has passed but some town in Bosnia or the Herzegovina has been provided with waterworks." (British Consular Report, 1903, p. 11.)
(b) Towns, Markets, and Fairs

<table>
<thead>
<tr>
<th>Town</th>
<th>Population (according to census returns of Oct. 10, 1910)</th>
<th>Principal Industries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sarajevo</td>
<td>51,919</td>
<td>Timber, flour, beer, cigarettes, inlaid gold and silver work, carpets and embroidery.</td>
</tr>
<tr>
<td>Mostar</td>
<td>16,392</td>
<td>Wine, tobacco, fruit, vegetables.</td>
</tr>
<tr>
<td>Banjaluka</td>
<td>14,800</td>
<td>Cereals, live-stock, farm produce, skins, bees.</td>
</tr>
<tr>
<td>Tuzla</td>
<td>11,333</td>
<td>Salt, plums, coal, live-stock, bricks, electric power.</td>
</tr>
<tr>
<td>Bjelina</td>
<td>10,061</td>
<td>Fruit, grain, plums, plum brandy, live-stock.</td>
</tr>
<tr>
<td>Zenica</td>
<td>7,215</td>
<td>Coal, iron and ironworks, plums, grain, hides.</td>
</tr>
<tr>
<td>Travnik</td>
<td>6,647</td>
<td>Tobacco, horses, sheep.</td>
</tr>
<tr>
<td>Breka</td>
<td>6,511</td>
<td>Plums, live-stock.</td>
</tr>
<tr>
<td>Bihač</td>
<td>6,201</td>
<td>Maize, fruit, horses, cattle.</td>
</tr>
<tr>
<td>Dervent</td>
<td>5,363</td>
<td>Grain, live-stock, plums.</td>
</tr>
<tr>
<td>Prijedor</td>
<td>5,184</td>
<td>Grain, maize, eggs, plum brandy.</td>
</tr>
<tr>
<td>Livno</td>
<td></td>
<td>Wool, grain, hay, sheep, goats.</td>
</tr>
<tr>
<td>Jajce</td>
<td></td>
<td>Chemicals.</td>
</tr>
<tr>
<td>Gradiska</td>
<td></td>
<td>Grain.</td>
</tr>
<tr>
<td>Brod</td>
<td></td>
<td>Plums, swine.</td>
</tr>
<tr>
<td>Tesanj</td>
<td></td>
<td>Live-stock, plums, grain.</td>
</tr>
<tr>
<td>Konjica</td>
<td></td>
<td>Fruit.</td>
</tr>
<tr>
<td>Bugojno</td>
<td></td>
<td>Beetroot, grain, live-stock.</td>
</tr>
</tbody>
</table>

Markets are held bi-weekly in most of the principal towns, the peasants often bringing their produce from a great distance. Fairs are held at festival times and, like most mid-European events of this kind, combine commercial activity with entertainment.

(c) Organizations to promote Trade and Commerce

A Chamber of Commerce was established in 1909 to further the trade and industry of the provinces. Its activities are multifarious, and its foundation was regarded as a link in the chain of measures preceding [2008]
the endowment of the country with partial self-government." The Government, however, keeps a certain control over it by the presence at its sittings of a commissary appointed by the Common Minister of Finance.

There are Co-operative Societies scattered over the country for the purpose of providing loans, encouraging thrift, facilitating the sale of produce, supplying the necessaries of agriculture and purchasing land. The membership and funds of these were considerable, but on the outbreak of war the Orthodox organisations were dissolved and their property confiscated.

*Industrial Education.—* At the technical school at Sarajevo, founded in 1895, carpentry, lock- and blacksmithery, carriage-building, and other trades are taught. Only native pupils are accepted. In 1897 practical agricultural instruction was introduced into the village schools. The instruction given at the State model farms and gardens is referred to elsewhere. (See pp. 50-51).

(d) *Openings for British Trade*

It is difficult to give exact figures as to British trade in Bosnia and Herzegovina, as very few British goods come directly to the provinces. Most of them are ordered through merchants at Vienna, "who in this respect act as distributing agents for the whole of Austria-Hungary," the only exceptions being small quantities of stationery, jam and table delicacies. Another difficulty arises from the fact that the term "Engleska roba" (English goods) does not necessarily mean that the goods are British at all. "The Austrian manufacturer," said the British Consul at Sarajevo in 1910, "seeks to appropriate for his productions some of the halo surrounding British goods by affixing to his own wares fictitious trade marks and designa-

1 British Consular Report, 1908, p. 10.
tions in English. The retailer is aware of this, but allows his customer to be deceived by these devices. He argues that it is after all one of the tricks of his trade to which he is justified in resorting. The English label affixed to a hat or an overcoat of Austrian manufacture will often decide a wavering customer to buy the article. And, as customers persist in asking for British goods at prices far below those at which it would be possible to sell them, the trader who does not wish to lose his trade considers that he has no alternative but to keep a stock of ‘Engleska roba,’ more or less English in style and design. The appellation ‘English’ has, in fact, almost come to be a generic term used to denote the style and design rather than the origin of an article.” There is, however, a demand for a large number of genuine British goods of various kinds, among the more important of which are agricultural and other machinery. Most of the motor cars used are of German origin, strongly built for wear and tear in a mountainous country; but there appears to be an opening for British-made cycle cars, steam locomobiles, oil and benzine motors, driving and threshing machines and flour mills. At present most of the ploughs, reaping machines, etc., are of Austrian make, though Sweden supplies some of the locomobiles and America some of the machines. There is a great demand for cotton yarns, but at present British yarns constitute only 2½ per cent. of the total required. It is reported that they could easily improve their position. The same may be said of woollens, hosiery, haberdashery, linoleum and oilcloth. Most of the cutlery being supplied from Germany, the trade in Sheffield goods has wholly ceased; but it could be revived. Other British industries to which attention has been directed include coke—“which should eventually capture the market, as being better and cheaper than its only rival, Westphalian”—jute and jute manufactures, Scotch herrings, mustard, rubber heel-plates, games (even the footballs used in Association football come from Berlin), perfumery, and photographic apparatus.

[2008]

G
(2) FOREIGN

If we consider Bosnia and Herzegovina as component parts of Austria-Hungary, their foreign trade is extremely small, their exports being limited to timber, shipped from the Austrian ports, and some live-stock, which chiefly goes to Italy; whilst the share of foreign countries in their imports is even smaller, only a very small fraction being supplied by countries other than Austria-Hungary. For purposes of convenience, however, Bosnia and Herzegovina are here considered as an independent entity, and the flow of goods into and out of the country, which would normally come under the heading of internal trade, is classed here under imports and exports.\(^1\) Austria herself considers Bosnia-Herzegovina as a colony which supplies its raw produce to the mother country in return for manufactured goods. The balance of the trade is all in Austria’s favour; she supplies far more than she receives, and her trade with her “colony” during the period 1904-13 was much greater than that of Hungary, since she could supply what Bosnia needed, and needed what Bosnia could supply.

The general trade movement of the country between 1905 and 1913 was as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Exports</th>
<th>Imports</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>1905-09</td>
<td>£3,878,000</td>
<td>£4,013,118</td>
<td>£7,891,118</td>
</tr>
<tr>
<td>1910</td>
<td>£5,536,459</td>
<td>£6,022,459</td>
<td>£11,558,918</td>
</tr>
<tr>
<td>1911</td>
<td>£5,073,561</td>
<td>£6,420,915</td>
<td>£11,494,476</td>
</tr>
<tr>
<td>1912</td>
<td>£5,424,126</td>
<td>£7,279,729</td>
<td>£12,703,855</td>
</tr>
<tr>
<td>1913</td>
<td>£5,753,708</td>
<td>£8,370,667</td>
<td>£14,124,375</td>
</tr>
</tbody>
</table>

Up to 1909 exports and imports kept pace with each other, but since that date the exports have shown only a slight increase, whilst the imports have increased

\(^1\) For detailed figures see Appendix.
enormously. This growing disproportion is to be attributed to (a) the rising cost of manufactured articles, which form a large proportion of the import: agricultural produce has not shown an increase in prices which is at all commensurate; (b) the cultural development of the people, bringing with it a higher standard of living; and (c) in the case of 1912 and 1913, the concentration of troops in the country in consequence of the Balkan Wars, which diminished the export of livestock and augmented the import of other foodstuffs.

(a) Exports

The most important exports of Bosnia-Herzegovina are timber, live-stock and the products of the plum (prunes and plum brandy). No others approach these in economic value.

Timber represents 50 per cent. of the total quantity of goods exported from Bosnia, and about 25 per cent. of the total value. The values of timber in 1911, 1912, and 1913 were respectively £1,431,125, £1,385,875, and £1,376,667. About three-quarters of this export was sawn timber, and the rest sleepers, staves for casks, firewood, etc. About seven-tenths went through Croatia and Slavonia, and three-tenths to Dalmatia, but the ports of Sebenico, Spalato, Metković and Gravosa were steadily increasing their proportion of the trade. The percentages were as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Croatia and Slavonia</th>
<th>Dalmatia</th>
<th>Serbia, Turkey and Montenegro</th>
</tr>
</thead>
<tbody>
<tr>
<td>1910</td>
<td>77·98</td>
<td>21·32</td>
<td>0·70</td>
</tr>
<tr>
<td>1911</td>
<td>76·82</td>
<td>22·44</td>
<td>0·74</td>
</tr>
<tr>
<td>1912</td>
<td>77·61</td>
<td>21·51</td>
<td>0·88</td>
</tr>
<tr>
<td>1913</td>
<td>75·38</td>
<td>24·55</td>
<td>0·07</td>
</tr>
</tbody>
</table>

The ultimate destinations of Bosnian timber were very varied, including Egypt, the Argentine, Belgium, [2008]
China, Great Britain, France, Greece, Holland, Italy, Asia Minor, the East Indies, the Persian Gulf, and West, South and North-West Africa; a little went to the Balkan countries, Germany and Switzerland. For the years 1906-8 the respective percentages of Bosnian timber taken by the chief foreign customers were:—Italy 39·66 per cent., Egypt 14·46 per cent., Hungary, Croatia and Slavonia 13·77 per cent., Austria 6·53 per cent., France 5·78 per cent., Tunis and North-West Africa 3·53 per cent., Spain 3·02 per cent., Germany 2·84 per cent. Senegal and West Africa 2·79 per cent., Great Britain 2·64 per cent.

Live-stock.—The export of live-stock shows the following figures in recent years:—

<table>
<thead>
<tr>
<th></th>
<th>1905-9</th>
<th>1910</th>
<th>1911</th>
<th>1912</th>
</tr>
</thead>
<tbody>
<tr>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td></td>
</tr>
<tr>
<td>619,033</td>
<td>980,306</td>
<td>525,667</td>
<td>980,500</td>
<td></td>
</tr>
</tbody>
</table>

For 1913 total figures are unavailable, but the value of the cattle, horses, mules, and donkeys exported was £657,375; this leaves out of account sheep, goats, pigs and buffaloes.

The following were the numbers of the different animals exported in the years 1910-13:—

<table>
<thead>
<tr>
<th></th>
<th>1910</th>
<th>1911</th>
<th>1912</th>
<th>1913</th>
</tr>
</thead>
<tbody>
<tr>
<td>Horses</td>
<td>12,578</td>
<td>9,716</td>
<td>8,052</td>
<td>5,207</td>
</tr>
<tr>
<td>Mules and Donkeys</td>
<td>135</td>
<td>901</td>
<td>422</td>
<td>411</td>
</tr>
<tr>
<td>Cattle</td>
<td>121,203</td>
<td>33,471</td>
<td>78,555</td>
<td>58,348</td>
</tr>
<tr>
<td>Buffaloes</td>
<td>179</td>
<td>43</td>
<td>115</td>
<td>13</td>
</tr>
<tr>
<td>Sheep</td>
<td>68,592</td>
<td>50,517</td>
<td>56,279</td>
<td>83,717</td>
</tr>
<tr>
<td>Goats</td>
<td>46,868</td>
<td>13,701</td>
<td>21,556</td>
<td>41,720</td>
</tr>
<tr>
<td>Pigs</td>
<td>10,839</td>
<td>6,568</td>
<td>14,004</td>
<td>17,790</td>
</tr>
<tr>
<td>Total</td>
<td>260,694</td>
<td>114,317</td>
<td>179,083</td>
<td>207,206</td>
</tr>
</tbody>
</table>
The large export in 1910, and also in the preceding year was due to the tariff war between Austria and Serbia, which encouraged the export of Bosnian livestock into Austria to take the place of Serbian. The normal export was to Austria, Hungary and Italy, together with a negligible quantity to Serbia and Turkey, which by 1913 had ceased altogether; there was probably a small export to other countries via the Dalmatian ports. All cattle exported via Croatia and Slavonia went to Austria and Hungary (by far the larger proportion to Austria); that through the Dalmatian ports went chiefly to Italy. The following percentages represent the respective proportions:

<table>
<thead>
<tr>
<th>Year</th>
<th>Croatia and Slavonia</th>
<th>Dalmatia</th>
<th>Serbia</th>
<th>Turkey</th>
</tr>
</thead>
<tbody>
<tr>
<td>1910</td>
<td>55.36</td>
<td>44.63</td>
<td>0.01</td>
<td>—</td>
</tr>
<tr>
<td>1911</td>
<td>36.04</td>
<td>63.95</td>
<td>—</td>
<td>0.01</td>
</tr>
<tr>
<td>1912</td>
<td>66.01</td>
<td>33.99</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>1913</td>
<td>45.42</td>
<td>54.58</td>
<td>—</td>
<td>—</td>
</tr>
</tbody>
</table>

Austria imported from Bosnia the following numbers of cattle:—

<table>
<thead>
<tr>
<th>Year</th>
<th>1910</th>
<th>1911</th>
<th>1912</th>
<th>1913</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>140,498</td>
<td>138,230</td>
<td>109,978</td>
<td>91,590</td>
</tr>
</tbody>
</table>

There was a considerable export of fresh meat, mainly pork.

The diminution in 1912 and 1913 was due to the increased consumption within the country, which is to be accounted for by the increase of garrison troops resulting from the Balkan Wars.

Plums.—Fresh plums are catalogued under fruit; the large plum-product export consists of dried plums and
zwetschkenmus, a native spirit distilled from plums. The values of this export were as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Dried plums</th>
<th>Zwetschkenmus</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1910</td>
<td>174,595</td>
<td>60,200</td>
<td>234,795</td>
</tr>
<tr>
<td>1911</td>
<td>279,251</td>
<td>35,784</td>
<td>315,035</td>
</tr>
<tr>
<td>1912</td>
<td>76,772</td>
<td>13,458</td>
<td>90,230</td>
</tr>
<tr>
<td>1913</td>
<td>463,064</td>
<td>110,078</td>
<td>573,142</td>
</tr>
</tbody>
</table>

Tobacco, raw and manufactured.—The values of the exports in the period 1910-13 were:

<table>
<thead>
<tr>
<th></th>
<th>1910</th>
<th>1911</th>
<th>1912</th>
<th>1913</th>
</tr>
</thead>
<tbody>
<tr>
<td>£</td>
<td>160,570</td>
<td>153,265</td>
<td>7,085</td>
<td>68,738</td>
</tr>
</tbody>
</table>

The export of tobacco fluctuates greatly, but as its average value in the period 1905-9 was only a little over £40,000, whilst the figures of 1910 and 1911 show a considerable advance on this, it would seem to have a future before it in normal years.

Countries of Destination.—The bulk of the exports went to Austria and Hungary; but timber was re-exported from Trieste to other countries, and a fluctuating proportion of the live-stock went to Italy. The small share taken by other countries may be presumed from the fact that the Statistische Monatschrift for April and May 1916, reviewing Bosnian commerce up to 1914, does not find it worth while to give separate figures for goods sent to Austria and to other countries.
It gives the following values for Austria plus other countries and for Hungary:

<table>
<thead>
<tr>
<th>Year</th>
<th>Austria and other countries</th>
<th>Hungary</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Value</td>
<td>Percentage</td>
</tr>
<tr>
<td>1909</td>
<td>£ 3,884,542</td>
<td>77.13%</td>
</tr>
<tr>
<td>1910</td>
<td>£ 4,456,917</td>
<td>81.04%</td>
</tr>
<tr>
<td>1911</td>
<td>£ 3,993,917</td>
<td>78.72%</td>
</tr>
<tr>
<td>1912</td>
<td>£ 4,053,834</td>
<td>74.74%</td>
</tr>
<tr>
<td>1913</td>
<td>£ 4,652,000</td>
<td>80.85%</td>
</tr>
</tbody>
</table>

Taking all the figures from 1904 to 1913 inclusive, Hungary's share in the exports of Bosnia amounted to one-fifth only.

(b) Imports

The two outstanding imports are articles of consumption (food, drink and tobacco) and textiles. The value of the former shows a rapid rise; the chief article is flour, of which the import in 1913 reached a value of £743,667, whilst the maize import was £290,958, making a total for flour and maize alone of £1,034,625. Coffee in 1913 was imported to the value of £409,125, and sugar to the value of £208,792, both having nearly doubled in value since 1904.

The textile and clothing import was very large in 1911 and 1913, but rather lower in 1912; the 1913 value was made up as follows:

<table>
<thead>
<tr>
<th></th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raw cotton and cotton yarn</td>
<td>£ 213,208</td>
</tr>
<tr>
<td>Cotton goods</td>
<td>£ 303,917</td>
</tr>
<tr>
<td>Clothing</td>
<td>£ 617,417</td>
</tr>
<tr>
<td>Linen goods</td>
<td>£ 120,500</td>
</tr>
<tr>
<td>Various</td>
<td>£ 142,458</td>
</tr>
</tbody>
</table>

£1,397,500
This is an increase of half as much again on the average value imported 1905-9.

The value of the machinery import was making enormous strides. The average value yearly imported in the period 1905-9 was £104,000, in 1913 the value was over £541,600. Most of the other imports show a very steady upward tendency.

_Countries of Origin._—Austria-Hungary was almost the only supplier. The relative proportions supplied by Austria and Hungary are seen in the following figures, the amount supplied by other countries being so small as not to require special attention.

<table>
<thead>
<tr>
<th>Year</th>
<th>Austria and other countries.</th>
<th>Hungary.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Value</td>
<td>Percentage</td>
</tr>
<tr>
<td>1909</td>
<td>£4,055,708</td>
<td>69.76</td>
</tr>
<tr>
<td>1910</td>
<td>£4,805,792</td>
<td>71.50</td>
</tr>
<tr>
<td>1911</td>
<td>£4,997,417</td>
<td>68.49</td>
</tr>
<tr>
<td>1912</td>
<td>£5,220,792</td>
<td>71.72</td>
</tr>
<tr>
<td>1913</td>
<td>£5,907,583</td>
<td>70.65</td>
</tr>
</tbody>
</table>

Taking all the figures from 1904 to 1913 inclusive, Hungary's share in the imports of Bosnia amounted to one-third.

_Transit Trade._—A small proportion of the imports are transit goods intended for Novi-Bazar. They chiefly consist of furniture and cotton goods. No statistics are available.

_(c) Customs and Tariffs_

Bosnia-Herzegovina is included in the Austro-Hungarian customs union, and receives an annual sum of 600,000 kr. under the title of customs _aversum_ (compensation). This amount was fixed in 1879 on the basis of the trade returns for that year, and, although the foreign trade of the provinces has since increased considerably, has never been raised.
(D) Finance

(1) Public Finance

The principal items in the budgets of Bosnia-Herzegovina for the years 1911 and 1912 are as follows:

## Receipts

<table>
<thead>
<tr>
<th>Item</th>
<th>1911</th>
<th>1912</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tobacco</td>
<td>615,253</td>
<td>631,806</td>
</tr>
<tr>
<td>Railways</td>
<td>524,514</td>
<td>567,917</td>
</tr>
<tr>
<td>Commuted tithe</td>
<td>310,500</td>
<td>307,118</td>
</tr>
<tr>
<td>Excise</td>
<td>245,486</td>
<td>272,917</td>
</tr>
<tr>
<td>Mines</td>
<td>243,298</td>
<td>257,243</td>
</tr>
<tr>
<td>Forests</td>
<td>183,272</td>
<td>230,621</td>
</tr>
<tr>
<td>Stamps</td>
<td>125,069</td>
<td>136,875</td>
</tr>
<tr>
<td>Salt</td>
<td>126,875</td>
<td>130,348</td>
</tr>
<tr>
<td>Land, house and income taxes</td>
<td>112,257</td>
<td>128,577</td>
</tr>
<tr>
<td>Liquor licences</td>
<td>48,611</td>
<td>48,611</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>212,326</td>
<td>221,961</td>
</tr>
<tr>
<td>Debit balance</td>
<td>14,106</td>
<td>—</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,761,657</strong></td>
<td><strong>2,933,994</strong></td>
</tr>
</tbody>
</table>

## Expenditure

<table>
<thead>
<tr>
<th>Item</th>
<th>1911</th>
<th>1912</th>
</tr>
</thead>
<tbody>
<tr>
<td>Railways</td>
<td>498,002</td>
<td>526,389</td>
</tr>
<tr>
<td>Service of loans</td>
<td>253,215</td>
<td>269,724</td>
</tr>
<tr>
<td>Bosno-Herzegovinian troops</td>
<td>234,207</td>
<td>248,879</td>
</tr>
<tr>
<td>Mines</td>
<td>229,267</td>
<td>241,854</td>
</tr>
<tr>
<td>Tobacco administration</td>
<td>233,514</td>
<td>238,228</td>
</tr>
<tr>
<td>Education</td>
<td>179,279</td>
<td>196,568</td>
</tr>
<tr>
<td>Justice</td>
<td>163,698</td>
<td>178,605</td>
</tr>
<tr>
<td>Gendarmerie</td>
<td>158,974</td>
<td>163,594</td>
</tr>
<tr>
<td>Public works</td>
<td>128,282</td>
<td>136,865</td>
</tr>
<tr>
<td>Woods and forests</td>
<td>98,118</td>
<td>99,354</td>
</tr>
<tr>
<td>Sanitary services</td>
<td>58,528</td>
<td>61,050</td>
</tr>
<tr>
<td>Salt administration</td>
<td>55,243</td>
<td>53,473</td>
</tr>
<tr>
<td>Civil service and miscellaneous</td>
<td>476,330</td>
<td>519,068</td>
</tr>
<tr>
<td>Credit balance</td>
<td>—</td>
<td>343</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,761,657</strong></td>
<td><strong>2,933,994</strong></td>
</tr>
</tbody>
</table>
Taxes are levied under the following heads:—

1. An octroi on all goods entering Sarajevo and other large towns.
2. State monopoly dues on tobacco and salt.
3. The tithe on agricultural produce (see above, under Land Tenure).
4. House tax.
5. Income tax (which before the war was levied at the rate of 4 per 1,000 on every individual).
6. Mining royalties.
7. Pig, goat, and sheep tax.

(2) Currency

The currency of Bosnia-Herzegovina is the same as that of Austria-Hungary.

(3) Banking

The banking business of the provinces is very largely based on foreign capital. The Privileged National Bank (Privilegirte Landesbank, Privilegovana Zemaljska Banka), which has a paid-up capital of 14,000,000 kr., and a deposit account with the Austro-Hungarian Bank, has a far larger clientele than all the other banks together. Until 1909 it was the only institution in the country that did mortgage business, but in that year was founded, with a fully paid-up capital of 8,000,000 kr., the Privileged Agrarian and Commercial Bank (Privilegirte Agrarische und Kommerziale Bank, Privilegovana Agrarna i Komercijalna Banka), of which the object of the agrarian section is to carry on business in mortgages, and in particular to advance money to the kmets for the purpose of land purchase. The Austro-Bosnian Bank was started in 1912 by the Union Bank of Vienna and the Boden-Credit-Anstalt to take over the business formerly transacted by the Union Bank. Its capital was increased from 4,000,000 kr. to 8,000,000 kr. in 1917.
Besides these the most important banks are the Croatian, Moslem and Serbian Central Banks, with their affiliations, which are all in intimate relationship with the Union Bank and the Landesbank. Their business consists mainly in discounting bills and negotiating small loans.

A Post Office Savings Bank was opened in 1911 and has proved popular.

In 1918, under the direction of the Pester Erster Vaterländischer Sparkassenverein and the Niederösterreichische Escomptebank, a new bank, the Bosnische Industrie und Handelsbank, was established at Sarajevo with a share capital of 6,000,000 kr., among its objects being the exploitation of the natural wealth of Bosnia.¹

The number of peasants’ loan societies, which are worked on the Raiffeisen system, increased from 73 in 1910 to 228 at the end of 1912.

(E) GENERAL REMARKS

Any consideration of the present state, or conjecture as to the future, of a country about which for more than four years only the most casual and unreliable information has been available, must needs be purely tentative; and when that country is one whose inhabitants enjoy, or suffer under, an alien domination, generalisation is doubly hazardous, for it is almost impossible to disinfect one’s conclusions from the political taint of the authorities on which they are necessarily based. It may safely be asserted that Bosnia-Herzegovina has resources both agricultural and mineral which have not yet been developed to anything like their full extent, and that the Christian Slavonic peasantry is backward in culture and primitive in its industrial methods; but, while some would attribute this to the Bosnian’s native indolence, others put it down to his discouragement at seeing his land in

¹ Algemeen Handelsblad, August 20, 1918.
the hands of the Moslem and his political destiny at the disposition of Austria. In the eyes of many the kmet system of land tenure is an unmitigated curse, while according to one authority, whose view is endorsed by so careful an observer as Miller, it is "a golden law for the peasant." It is scarcely to be disputed that since the Austrian occupation many substantial reforms have been introduced, some of which at any rate, such as the abolition of the road corvée, have been directly beneficial to the whole population; but the Slavophil maintains that from the vast majority of these reforms only the German or Magyar colonist has reaped, or been intended to reap, any advantage. In any case the determining causes of the progress or stagnation of Bosnian commerce are not altogether political. The prosperity of a country so predominantly agricultural must always depend to a large extent on the harvest; and that, however up to date the mechanical devices employed to produce and protect it, can never be entirely under human control. The industries of the provinces, moreover, although "the financial history of the occupation in the Budget returns is one of unbroken success," have always been hampered by lack of capital. Nevertheless, until the outbreak of the Balkan War, the trade returns had for a good many years shown a steady increase; and, though direct trade with England was almost insignificant, there were indications that the demand for British goods might easily have been stimulated (see above, pp. 66-7).

1 Drage, Austria-Hungary, p. 631.

2 "Traders of experience declare that not for many years past have conditions been so bad as those which have prevailed since the outbreak of the war. They are, nevertheless, convinced that once the crisis is over a period of good trade and easy financial conditions will set in." (British Consular Report, 1912, p. 7.)
## APPENDIX

### Table I.—Value of Principal Exports, 1905–1910.

<table>
<thead>
<tr>
<th>Description</th>
<th>Average 1905–9</th>
<th>1910</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cereals</td>
<td>£299,070</td>
<td>£397,250</td>
</tr>
<tr>
<td>Chemicals (including drugs, dyes, and explosives)</td>
<td>£365,393</td>
<td>£401,215</td>
</tr>
<tr>
<td>Foods and fodder</td>
<td>£378,130</td>
<td>£419,169</td>
</tr>
<tr>
<td>Iron and iron manufactures</td>
<td>£318,836</td>
<td>£374,197</td>
</tr>
<tr>
<td>Iron ore, base metals, &amp;c.</td>
<td>£78,120</td>
<td>£78,252</td>
</tr>
<tr>
<td>Leather and leather manufactures</td>
<td>£14,195</td>
<td>£21,714</td>
</tr>
<tr>
<td>Live-stock</td>
<td>£619,033</td>
<td>£980,306</td>
</tr>
<tr>
<td>Oils and fats</td>
<td>£84,944</td>
<td>£87,446</td>
</tr>
<tr>
<td>Paper</td>
<td>£55,963</td>
<td>£117,078</td>
</tr>
<tr>
<td>Spirits, wine, &amp;c.</td>
<td>£108,261</td>
<td>£63,607</td>
</tr>
<tr>
<td>Textiles (wool, cotton, linen, silk, &amp;c.)</td>
<td>£144,256</td>
<td>£146,248</td>
</tr>
<tr>
<td>Timber, wood products, and coal</td>
<td>£1,076,235</td>
<td>£1,182,034</td>
</tr>
<tr>
<td>Tobacco (raw only—not manufactured)</td>
<td>£42,758</td>
<td>£133,809</td>
</tr>
</tbody>
</table>

### Table II.—Value of Principal Imports, 1905–1910.

<table>
<thead>
<tr>
<th>Description</th>
<th>Average, 1905–9</th>
<th>1910</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base metals and manufactures</td>
<td>£69,997</td>
<td>£61,191</td>
</tr>
<tr>
<td>Bricks, earthenware and cement.</td>
<td>£66,041</td>
<td>£100,347</td>
</tr>
<tr>
<td>Cereals</td>
<td>£719,807</td>
<td>£690,192</td>
</tr>
<tr>
<td>Chemicals (including drugs, dyes and explosives)</td>
<td>£126,903</td>
<td>£146,535</td>
</tr>
<tr>
<td>Coal and timber</td>
<td>£44,877</td>
<td>£51,977</td>
</tr>
<tr>
<td>Foodstuffs</td>
<td>£450,837</td>
<td>£687,327</td>
</tr>
</tbody>
</table>
### Table II—(continued)

<table>
<thead>
<tr>
<th>Item</th>
<th>Average, 1905-9</th>
<th>1910</th>
</tr>
</thead>
<tbody>
<tr>
<td>Glass</td>
<td>£35,604</td>
<td>£60,952</td>
</tr>
<tr>
<td>Iron and steel</td>
<td>£299,463</td>
<td>£406,133</td>
</tr>
<tr>
<td>Leather</td>
<td>£145,329</td>
<td>£225,282</td>
</tr>
<tr>
<td>Live-stock</td>
<td>£111,085</td>
<td>£225,543</td>
</tr>
<tr>
<td>Machinery</td>
<td>£104,666</td>
<td>£91,174</td>
</tr>
<tr>
<td>Oils and fats</td>
<td>£197,569</td>
<td>£250,466</td>
</tr>
<tr>
<td>Paper</td>
<td>£41,577</td>
<td>£51,517</td>
</tr>
<tr>
<td>Spirits, wines, &amp;c.</td>
<td>£181,085</td>
<td>£244,388</td>
</tr>
<tr>
<td>Textiles</td>
<td>£841,323</td>
<td>£1,121,549</td>
</tr>
<tr>
<td>Vehicles</td>
<td>£54,317</td>
<td>£68,037</td>
</tr>
</tbody>
</table>

### Table III.—PRODUCE OF THE CHIEF CROPS IN 1909 AND 1910

<table>
<thead>
<tr>
<th>Crop</th>
<th>1909</th>
<th>1910</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wheat</td>
<td>723,378</td>
<td>929,416</td>
</tr>
<tr>
<td>Rye</td>
<td>104,166</td>
<td>118,580</td>
</tr>
<tr>
<td>Barley</td>
<td>765,580</td>
<td>684,398</td>
</tr>
<tr>
<td>Oats</td>
<td>766,808</td>
<td>898,843</td>
</tr>
<tr>
<td>Maize</td>
<td>2,787,066</td>
<td>2,503,010</td>
</tr>
<tr>
<td>Potatoes</td>
<td>1,489,703</td>
<td>822,593</td>
</tr>
<tr>
<td>Plums (black and white)</td>
<td>222,358</td>
<td>176,118</td>
</tr>
<tr>
<td>Beet sugar</td>
<td>257,338</td>
<td>112,927</td>
</tr>
<tr>
<td>Tobacco</td>
<td>52,267</td>
<td>39,550</td>
</tr>
</tbody>
</table>
AUTHORITIES

HISTORICAL

The early history of the country can be conveniently read in Caix de Saint-Aymour's Les Pays Sud-Slaves de l'Autriche-Hongrie (1883); and a useful summary of the history from the earliest times to 1448 will be found in an article by Wm. Miller in the English Historical Review, 1898, Bosnia before the Turkish Conquest. More recent history is to be found in the chapters on Austria in the Cambridge Modern History; Hertelot's Map of Europe by Treaty, vols. II and IV, for various documents, including Andrassy's Note of December 30, 1875; Larmeroux (Jean), La Politique extérieure de l'Autriche-Hongrie, chaps. I, II, III (Paris, 1918); and the Foreign Office Confidential Reports of 1906-13.

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As regards present conditions Geoffrey Drage's Austria-Hungary (1909) tabulates the dominant facts and statistics in a convenient form; and William Miller's Travel and Politics in the Near East, chap. III (1898), contains a useful criticism of them by an intelligent observer.

The subject can be viewed from an Austrian standpoint in Dr. J. M. Baernreither's Bosnische Eindrücke (Vienna, 1908), and from a Serbo-Croat one in Vouk Primorac's La Question Yougoslave (Paris, 1918); Cvijic's L'Annexion de la Bosnie et la Question serbe (Paris, 1909); André Barre's La Bosnie-Herzégovine (Paris, 1906); Nikola Stojanović's Bosnie-Herzégovine (Geneva, 1915); and The Southern Slavs, Land, and People (London, 1916).

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MAPS

Bosnia and Herzegovina are covered by four sheets (L. 33 Trieste, L. 34 Buda-Pesth, K. 33 Roma, K. 34 Sofiya; G.S.G.S. 2758) of the "International" Map published by the War Office on the scale of 1:1,000,000.

For ethnography, see the Ethnographical Map of Central and South-East Europe, issued by the War Office (G.S.G.S. 3703e) in four sheets: Maps, Vol. 4, in this series; and "L’Europe ethnique et linguistique: Atlas descriptif, en trois cartes," published by De Agostini’s Geographical Institute, Novara (1917).
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