

## THE ITALIAN CONTRIBUTION TO THE DEVELOPMENT OF BAR OVER THE FIRST TWO DECADES OF THE 20<sup>th</sup> CENTURY

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In the early 20<sup>th</sup> century, in the place where Bar is located today, there was to be found the settlement of Pristan, comprising several houses situated near a very small harbour called Mandracchio. The then town of Bar – now termed Old Bar – was located 4 km away from the sea shore, inland and in a place that, according to the standards of the Middle Ages, was better protected. During the Montenegrin-Turkish war, in the siege of 1877 and 1878, Old Bar was devastated. The Montenegrin authorities were not interested in its renovation. Instead, they constructed several buildings for their own needs in Pristan. In 1885, in Topolica and near Pristan, a palace was constructed for the family of Prince Nikola Petrović's son-in-law, Petar Karađorđević, which later became the palace of the Crown Prince Danilo Petrović<sup>1</sup>. Even before its liberation from Turks, the Bay of Bar was envisioned as the primary port of Montenegro and it was thus logical to erect a new settlement nearby, given the relative distance to Old Bar. However, Montenegro did not have the funds to implement this plan; therefore, for almost three decades after the liberation from Turks, the plan remained but a pipe dream.

Over a period of less than ten years, a group of Italian capitalists – led by the Venetians Giuseppe Volpi (Fig. 1) and Piero Foscari (Fig. 2) – changed the circumstances of the Montenegrin economic situation quite considerably. At the site of Pristan, New Bar started to grow; a town that would have enjoyed marvellous opportunities if all the intended economic projects had been realised by this capitalist group. Volpi and Foscari appeared in early 1903 in Cetinje: they contracted a variety of concessions in transport and industry with the Montenegrin government, as well as other concessions for the exploitation of forest and mineral resources. For the most profitable concession of all, the arrangement of a monopoly on the purchase and processing of, and trade in, Montenegrin tobacco, they set up a joint stock company under the name 'Regia Cointeressata dei tabacchi del Montenegro' (Fig. 3). In 1904 and 1905, for the company's needs, a modern tobacco processing plant was built in Podgorica. At the same time, storehouses and processing facilities were constructed in Bar for the Tobacco Monopoly. A network of test fields was established where Italian families

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<sup>1</sup> KASALICA, JOVIĆ 2009, 42-45.



Fig. 1 Giuseppe Volpi  
(after BURZANOVIĆ 2009, fig. 2).



Fig. 2 Piero Foscari  
(after BURZANOVIĆ 2009, fig. 3).

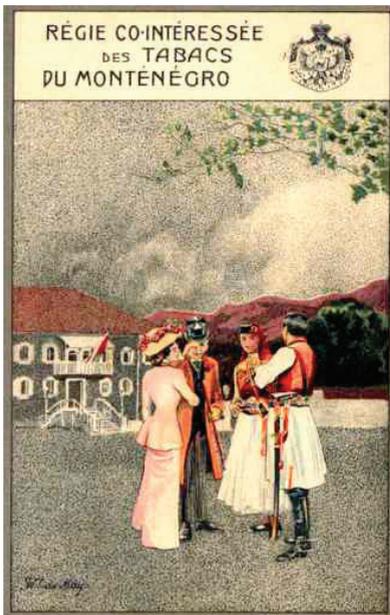


Fig. 3 A postcard from the beginning  
of the 20<sup>th</sup> century.

– taken from the Province of Lecce – were employed to demonstrate the cost-effective method designed to facilitate the farming of high-quality tobacco varieties<sup>2</sup>.

For the realisation of the other concessions, Volpi and Foscari set up the ‘Montenegrin-Italian Trade Union (Sindacato italo-montenegrino)’ that – over the next three-and-a-half years – was intensively involved in working to ensure the necessary capital, financial and political support from the Italian government. It planned economic ventures in Montenegro of vital interest to the Italian state. Montenegro was presented as the ‘Gate of the Balkans’, the starting point for the economic and political penetration by Italy into the Balkans and, at the same time, a strategic area if not for stopping, then at least slowing down Austro-

<sup>2</sup> ĐUROVIĆ 1958, 236-236.

Hungarian expansion within the Balkans<sup>3</sup>. With the support of the Italian envoy, Luigi Girolamo Cusani, it was primarily the concessions in transport that were negotiated with the Montenegrin government. During the said activities, the Trade Union was transformed twice – firstly into the ‘Port of Bar and Railway Trade Union’ and finally into the ‘Compagnia di Antivari’, namely the Bar Company<sup>4</sup>. The Montenegrin government assigned to the new Trade Union the concessions contracted with its predecessor. Volpi and Cusani managed to get the Prince and the government to drop both any claims for independent Montenegrin navigation on Lake Skadar and also to forgo the subsidy allocated by the Italian government for that purpose. As for the postal transportation service, it was subsequently organised, on a temporary basis, by the Italian government – which was just the first step toward the wholesale surrendering of that service to the Italian-Montenegrin Trade Union<sup>5</sup>.

The Bar Company was set up on December 20<sup>th</sup> 1905 as a Montenegrin autonomous company based in Cetinje. The Company’s goals were to construct the port and to set up also free zones in Bar; to construct and to exploit the railway ‘in Montenegro and abroad’; to have a monopoly over navigation on Lake Skadar by mechanical vessels; and in general to undertake ‘any financial and trade operation of any kind’. The Company’s operational life was set at 65 years. The Company’s capital amounted to 4 million crowns<sup>6</sup>. At the invitation of the promoter, supported by the Italian government’s benevolent attitude and encouragement, a share capital formation was undertaken and assisted by the major financial and industrial institutions of Italy. With patriotic enthusiasm, private individuals also participated in the company. The shareholders were the Italian Trade Bank; the Pisa and Vonwiller Banks, Milan; Luigi Marsaglia Bank, Torino; and R. Piaggio and Sons Factory, Genoa as institutional investors; and then, as private investors, Tommaso Bertarelli; Marco Besso; the engineer Ernesto Breda; Luigi Cansi; Ferdinand Cesaroni; the engineer Count A. Corinaldi; Carlo Ottavio Cornagia; Senator De Angelis; Count Piero Foscari; Baron Tristan Galloti; Vico Mantegazza; Guglielmo Marconi; Luigi Marsaglia; the lawyer Clemente Maraini; Giorgio Mylius; Attilio Odero; the engineer Giuseppe Orlando; the

<sup>3</sup> BURZANOVIĆ 2009, 26-27.

<sup>4</sup> ASDMAE, Archivio Segreto di Gabinetto, Cassette verdi, *Cusani a Tittoni*, Cettigne, Cettigne, 10. VIII 1905. In the summer of 1905, the Italian-Montenegrin Trade Union was transformed – between the end of July and the beginning of August specifically – into the ‘Port of Bar and Railway Trade Union’. The new Trade Union had capital amounting to 1,000,000 lire. The President, Foscari, was replaced by an engineer, Roberto Paganini, who was already the President of the ‘Tobacco Monopoly’. Paganini assumed this role after receiving a promise that the Italian government would provide the Company with subsidies.

<sup>5</sup> AS, SI 55, *Cusani a Tittoni*, Cettigne, 14. IX 1905; *Glas Crnogorca*, no. 37, 17. IX 1905, 4.

<sup>6</sup> *Međunarodni ugovori Crne Gore 1878-1918*, Zbornik dokumenata sa komentarom, G. Perazić, R. Raspopović (eds.), *Statut anonimnog društva nazvanog Barsko društvo*, Podgorica 1992, 510-518.

engineer Vittorio Ottolenghi, the engineer Piero Piola-Daverio; Count Carlo Raggio; Vittorio Rolandi-Ricci, Count and Senator G. Rosi Martini; Frederik Selve; Senator Treves di Bonfiglio; G. Tempini and Cezar Treza di Musella<sup>7</sup>.

The strengthening of the Italian position and presence in Montenegro affected Austro-Hungarian interests. Of particular concern was the possibility that – after the concessions had been realised – the Italian position in Montenegro would be so strong that it would be a serious obstacle even to the Austro-Hungarian's own expansionist intentions within the Balkans, primarily within Albania. From as early as the spring of 1904, while endeavouring to hinder the Italian plans, the Austro-Hungarian envoy, Baron Otto Kuhn started submitting to Prince Nikola a variety of transport and industrial projects that Austrian companies or the Austrian government might implement in Montenegro<sup>8</sup>. The same concern was felt in Russian diplomatic circles as well. The Russian envoy in Cetinje, Maksimov, attempted to exert pressure on the Montenegrin Prime Minister, Lazar Mijušković, to prevent the execution of the contract, which he believed to be harmful to both Montenegrin and Russian interests. Being unsuccessful in his attempt, he did his best to assist the Montenegrin government through his advice during the negotiations, with the intention that the final version of the contract would be as favourable as possible to Montenegro<sup>9</sup>.

Finally on June 26<sup>th</sup> 1906, the Italian envoy Cusani was in a position to send to the Minister of Foreign Affairs in Rome a telegram, which read as follows: 'I am pleased to have this opportunity to inform Your Excellency that extensive difficulties have been overcome safely; today, the Bar Company and the Montenegrin government have entered into a contract that will ensure the priority of Italian influence here over the economic life of Montenegro'<sup>10</sup>.

During 1905 and 1906, certain port and railway construction works were completed, even prior to the execution of the contract with the Bar Company<sup>11</sup>. They had been initiated by another business venture which was independent of the Bar Company.

Being both undeveloped and, in technical terms, underdeveloped, Montenegro thus had the opportunity to establish – on August 4<sup>th</sup> 1904, within its territory, on the Volujica hill near the entrance to the port of Bar – the first radiotelegraph station (Fig. 4) on the eastern shore of the Adriatic Sea, the initial operation of which was celebrated with due ceremony on that date. According to official reports, Marconi and his London-based company

<sup>7</sup> MANTEGAZZA (n.d.), 24-25.

<sup>8</sup> AS SI 55, *Cusani a Tittoni*, Cettigne, 25.V 1904.

<sup>9</sup> AS SI 55, *Cusani a Tittoni*, Cettigne, 25.V 1904.

<sup>10</sup> DDI, *teza serie* (1896-1907), Vol. X (29. V 1906-31. XII 1907), 26, *Cusani a Tittoni*, Cettigne, 26.VI.1906.

<sup>11</sup> FRANETović 1960, 344.

erected both the Montenegrin station and its twin in San Cataldo near Bari. He did that to satisfy the Italian Royal couple's wish to make it possible for Queen Jelena to communicate more quickly with her parents<sup>12</sup>. Regardless of the accuracy of the claims, political, military, economic and even moral importance was attributed to this particular venture. The introduction of the radiotelegraph system liberated Montenegro from the previous Austro-Hungarian monopoly on telegraph lines. The system was connected, via Kotor, to the European Telegraph Network; however, the Austro-Hungarians had through that link an opportunity to spy on Montenegrin telegraph communications, or even to censor or interrupt them whenever it pleased them. The Bar-Bari direct line, functioning by means of a device invented by an Italian, thus represented a significant opportunity to promote the technical and cultural powers of Italy<sup>13</sup>.



Fig. 4 Marconi station on Volujica hill (courtesy of Zavičajni Muzej u Baru, Compagnia D'Antivari).

The construction of the port of Bar began in the spring of 1905 (Fig. 5). From the stern of his ceremonially decorated luxury yacht, Prince Nikola inaugurated, on March 23<sup>rd</sup>, the major construction works. At the place to which the new breakwater should have reached, saying 'Let this work be at a blessed moment and to the satisfaction of both the state and the whole Montenegrin nation', he dropped into the sea a large stone with his monogram and the date of the ceremony carved in it. That symbolic action was followed by a religious service, toasts and a feast at the Crown Prince's Palace at Topolica, in which the Prince, various Montenegrin dignitaries, Foscari and other Trade Union representatives took part<sup>14</sup>. The works were to be executed by Marin Šegvić, an entrepreneur from Split, according to a

<sup>12</sup> КИРОВА 1973, 203.

<sup>13</sup> MANTEGAZZA 1905, 186-188; *Glas Crnogorca*, no. 35, 28. VIII 1904, 3.

<sup>14</sup> *Glas Crnogorca*, no. 11, 19. III 1905, 3.



Fig. 5 The first works in construction of Bar port (courtesy of Zavičajni Muzej u Baru, Compagnia D'Antivari).

study that had been developed by the engineer Enrico Coen Cagli<sup>15</sup>. Cagli was believed to be one of the best civil engineers in Italy. Later, he was technical director to the Consortium engaged in the construction of the port of Genoa<sup>16</sup>. In terms of the construction of the port itself, the hydraulic regulation of the lower levels of the Bar valley was also calculated, so as to ensure both the gradual improvement of the terrain and the effective prevention of silting at the port. Mr. Cagli was responsible for the future New Bar development, as well as for establishing the free industrial zone added to the port<sup>17</sup>. The plan was to construct a minimum of 300 m of masonry-lined shore-line so as to provide berths for ships with up to a 7 m draft. It was planned that two breakwaters would be constructed, at 150 m apart, for the protection of the port against winds from the north and west. Within such a pro-

<sup>15</sup> FRANETOVIĆ 1960, 342. According to certain data, the construction works of the port of Bar actually started in 1903, when the Venetian capitalist group originally commenced their Montenegrin venture. The extent of these works remains unknown, except for the fact that the construction of the breakwaters was certainly underway. The works were executed by Mr. Šegvić. It may be that those works are related to certain measurements taken – with the assistance of one Austria engineer – by the engineer Marko Đukanović in the port of Bar in 1901.

<sup>16</sup> MANTEGAZZA (n.d.), 26.

<sup>17</sup> CAGLI 1910, 13.

tected space, two large (150 m) long jetties were envisaged, with one small jetty nearby to serve passenger transport, at the site of the former small harbour called Mandracchio. On the eastern side, a wide, 100 m-long jetty should have been constructed as well, whence a roadway would have served as the principle link with the settlement<sup>18</sup>. According to Article 25 of the contract, the Bar Company was obliged to have the execution of the works underway before May 1<sup>st</sup> 1906, with a completion date of July 1<sup>st</sup> 1909 at the latest<sup>19</sup>. As a bond guaranteeing that they would commence the works on time, the Bar Company paid a two million crown deposit (Article 84)<sup>20</sup>.

Various difficulties exacerbated the execution of the port construction works. Some of the more extensive port construction work began in the first days of 1906<sup>21</sup>. They were well underway by the end of that year, but were then postponed due to damage from storm waves. Thereafter the work resumed in April 1907 – after a complete break of four months. Several months later, in July 1907, there arose a conflict with certain contractors. In November 1907, Mr. Šegvić filed a claim against the Bar Company at the court in Bar. The dispute which arose lasted for two and a half years. Both parties to the dispute refused the offer of a direct mutual settlement<sup>22</sup>. The Company requested that the government order Mr. Šegvić to remove his equipment from the site and provide the Company with the opportunity to engage another contractor and continue the construction works. On receiving this appeal, the government immediately requested a postponement of the construction works; moreover, they denied the Company the opportunity to resume them. In May 1908, the government ordered the site to be entrusted to the Company – although compliance with the order took place no earlier than in June. The Bar Company was not satisfied with the speed of the court's decision-making concerning their dispute with Mr. Šegvić and they attempted to influence the court via appeals to local political powers. The delay in the settlement of the dispute was in part due to the judicial and political processes that were taking place in the Principality because of the potential terrorist bombing plot against Prince Nikola: all this was the focus of public attention for several months. The dispute was finally closed in court no earlier than in May 1910; however, even then the matter was not resolved completely, because of the likelihood of an appeal that would further prolong the proceedings. Therefore, Mr. Šegvić and his investor accepted a settlement in July 1910. The Italian and Austrian embassies had also participated in the dispute, while the Montenegrin authorities had multiple interests, partly to achieve the speediest possible resolution of the case, but also to minimise the payment

<sup>18</sup> CAGLI 1910, 7-19

<sup>19</sup> *Ugovor o gradnji barskog pristaništa i željeznice Pristan-Skadarsko jezero*, 1906, Cetinje.

<sup>20</sup> *Ugovor o gradnji barskog pristaništa i željeznice Pristan-Skadarsko jezero*, 1906, Cetinje.

<sup>21</sup> ASDMAE, Carte Levi, b. 29, *N. Squitti a San Giuliano*, Cettigne, 27.VI 1910.

<sup>22</sup> ASDMAE, Carte Levi, b. 29, *N. Squitti a San Giuliano*, Cettigne, 27.VI 1910.

awarded in favour of Mr. Šegvić: the purchase of the Bar Company's facilities would have been to the detriment of Montenegro, as it would have been included as an expense in the overall price of the construction of the port<sup>23</sup>.

In April 1908, the port design underwent a change, agreed with the government, so that the complexity of the works was doubled, relative to what had been stipulated by the contract (Fig. 6). Instead of constructing a mole between the two 150 m-long jetties, with its interior side protected by a 10 m-long dock, now one jetty was planned as 250 m long, to be protected by a 22 m-wide shoulder, whereas the length and width of the other pair was to be reduced to 100 m and 15 m, respectively. Based on these changes, the relevant law regulating the quantity of works that should be executed by the Company was both proposed and approved, so that the authorities could officially confirm that the port was indeed ready for operation and that accordingly the port's income belonged proportionally to the Company<sup>24</sup>.



Fig. 6 The port of Bar in 1908 (after BURZANOVIĆ 2009, fig. 8).

<sup>23</sup> ASDMAE, Carte Levi, b. 29, *N. Squitti a San Giuliano*, Cettigne, 27.VI 1910; *N. Squitti a San Giuliano*, Cettigne, 7.VII 1910. The Italian Ministry of Foreign Affairs ordered its envoy in Cetinje to use all his influence to make the Prince decide in favour of the Bar Company; ASDMAE, Carte Levi, b. 29, *San Giuliano a Legazione Cettigne*, Roma, 17.VII 1910; *N. Squitti a San Giuliano*, Cettigne, 27.VI 1910; *N. Squitti a San Giuliano*, Cettigne, 2.VIII 1910.

<sup>24</sup> ASDMAE, Carte Levi, b. 29, *Compania d'Antivari a Levi*, Roma, 15.VI 1912.

The Bar Company management faced employee dissatisfaction and strikes during the construction works. The first recorded strike took place in April 1906<sup>25</sup>. In the early July 1909, some 200 workers engaged in the construction of the port went on a new strike due to a wage reduction from 4.5 to 3.5 Perpers. The workers engaged in the construction of the railway stretch passing through the Bar valley had gone on strike in 1906, while the workers engaged in the Sutorman tunnel boring works went on strike in July 1907<sup>26</sup>.

Simultaneously with the port construction works, the Bar Company also made technical and financial calculations for the construction of a new railway track. Two tracks were considered that would connect Bar and Lake Skadar. For the Italians, the more desirable track – in both economic and political terms – was one that would have reached Lake Skadar near the village of Murići, close to the Turkish / Albanian border. For the Montenegrin government, the preferred route was the Vir-Bar track, as it was less peripheral<sup>27</sup>. The former stretch would also have passed through Ottoman territory, which was not acceptable to the authorities in Constantinople. Therefore, the latter track was chosen, with its starting point at Pristan station at an altitude of just 1,5 m; from there it meandered along the serpentine trackways of mount Sutorman with gradients and sharp bends. It passed through the massif at an altitude of 660 m, thanks to a tunnel 1,300 m long, and then descended to Virpazar on Lake Skadar's far northern shore, back down to an altitude of only 14 m. The railway route (Fig. 7) was developed by the engineer Roberto Paganini, one of the key figures in the Bar Company<sup>28</sup>.



Fig. 7 The original plan of the Antivari-Virpazar railway (after CAGLI 1910, appendix).

<sup>25</sup> DACG, *Ministarstvo finansija i gradevina*, 1906, no. 762; *Ministarstvo unutrašnjih djela-Ministarstvu finansija i gradevina*, Cetinje, IV 1906. Some 150 workers stopped their activities in the port, due to poor wages.

<sup>26</sup> DACG, *Ministarstvo finansija i gradevina*, 1906, *Sekretar oblasne uprave u Baru-Ministru unutrašnjih djela*, Bar, 7. VII 1907; Bojović 1969, 338-339.

<sup>27</sup> MANTEGAZZA (n.d.), 26.

<sup>28</sup> CAGLI 1910, 20-21.

Managed by the engineers Passi and Cenderini, the railway construction works commenced in the spring of 1906 (Fig. 8)<sup>29</sup>. The first locomotive from Bar arrived in Virpazar on September 26<sup>th</sup> 1908, a fact that the engineer Vincenzo Passi telegraphed to the Montenegrin Prime Minister Lazar Tomanović<sup>30</sup>. The Italians arranged a small celebration in Vir, where

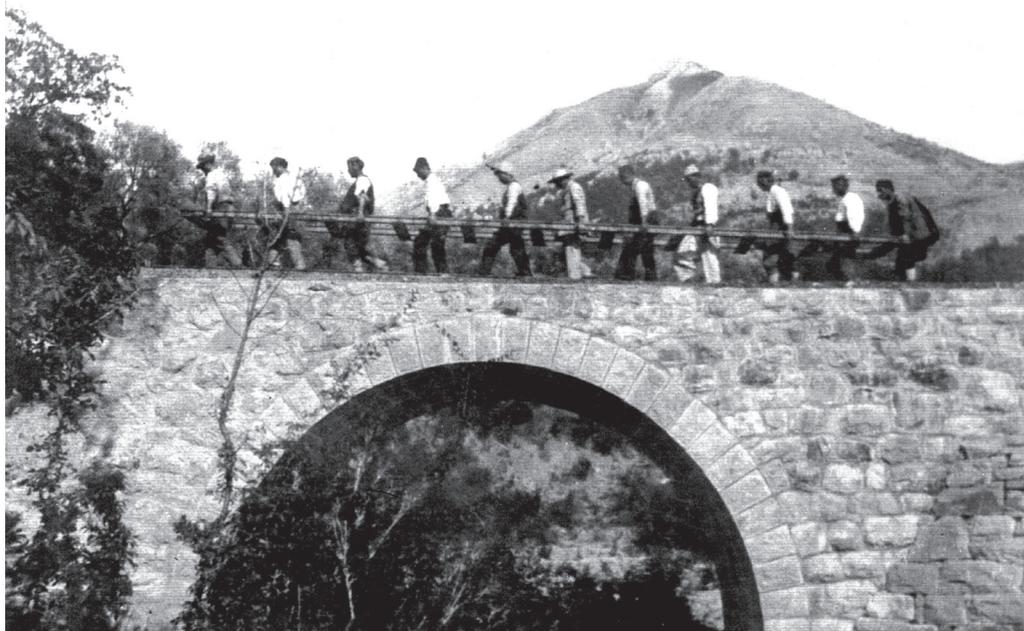


Fig. 8 A moment in the railway construction (after BURZANOVIĆ 2009, fig. 17).

<sup>29</sup> DACG, Ministarstvo finansija i građevina, 1906, no. 843, *Lerko-Ministru građevina i saobraćaja*, Pristan, 10. IV 1906. The Bar Company representative Lerko reported, on April 6<sup>th</sup>, to the Montenegrin Minister of Finance, Civil Engineering and Transport about the arrival of the engineers Passi and Cenderini, due to the beginning of the railway construction works as well as mentioning their intention to have the works for the Pristan station and the tunnels through Sutorman begin immediately. Given that assembling barracks near the tunnels were required without any delay, approval was requested to occupy the land there.

<sup>30</sup> DACG, Ministarstvo inostranih djela, 1908, no. 3195, *Pasi-Tomanoviću*, Virpazar, 26. IX 1908; Tomanović's telegraph message read as follows: 'With delight I welcome the first locomotive arrival in Virpazar, wishing that this Italian venture's success will create a space for new ventures that are useful to Montenegro and to our joint interests... I cordially congratulate you, your friends and all the workers, Minister Pres. Tomanović'; *Tomanović-Pasiju*, Cetinje, 13/26. IX 1908.

they exhibited the ruler's photograph and served a feast to the local people. Regular traffic should have commenced as soon as the required inspection's finding that the railway construction works had been executed up to standard. The official press releases both talked of the expected huge economic benefits and announced that the ceremonial putting into operation of the track would soon occur (Figs. 9-10)<sup>31</sup>. The constructed and fully operational railway had effects on the demography and the economic and urban development of Bar, which saw the construction of storehouses for materials and fuel, railroad yards for locomotives and motorail trains, and reloading systems<sup>32</sup>. The railway stations were both interconnected and connected with the Bar Administration by their own telegraph network<sup>33</sup>.

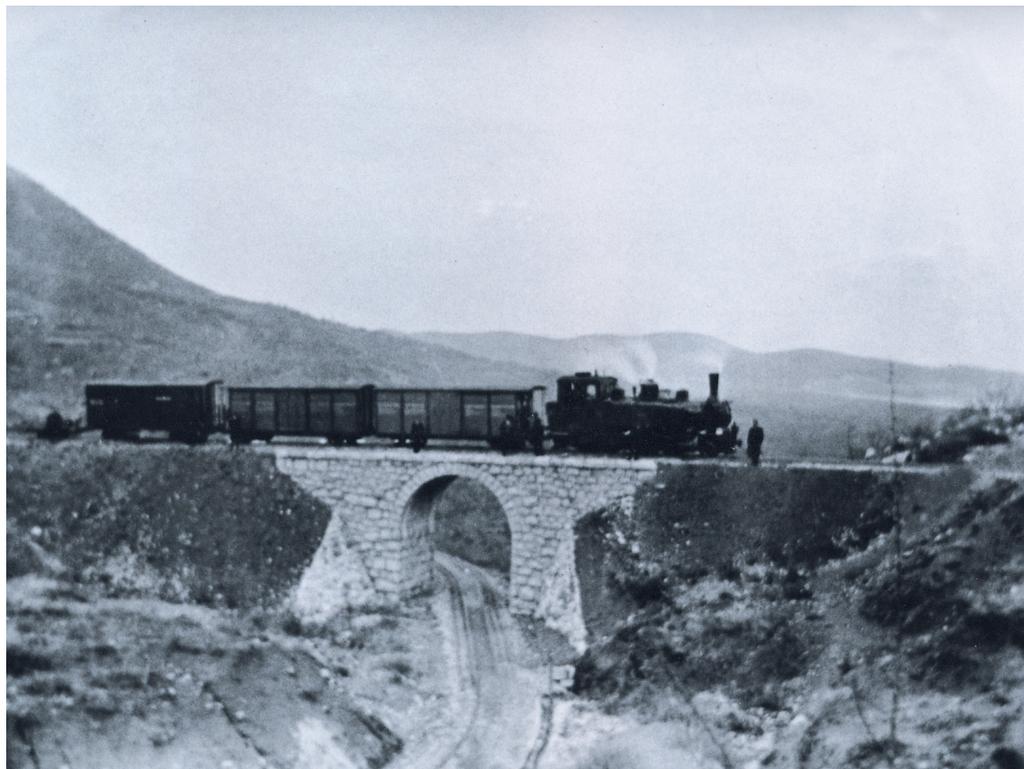


Fig. 9 The first train journey of the Antivari-Virpazar railway (after BURZANOVIĆ 2009, fig. 18).

<sup>31</sup> *Glas Crnogorca*, no. 51, 13. IX 1908, 3.

<sup>32</sup> BURZANOVIĆ 2009, 39; Vir accommodated the repair workshop and the depot. Next to Vir station, there was a restaurant, whereas a buffet was located near the Sutorman tunnel entrance, on the Bar side. Bar station did not offer any such facilities, given that the Company had constructed the Marina Hotel in Bar.

<sup>33</sup> CAGLI 1910, 22.

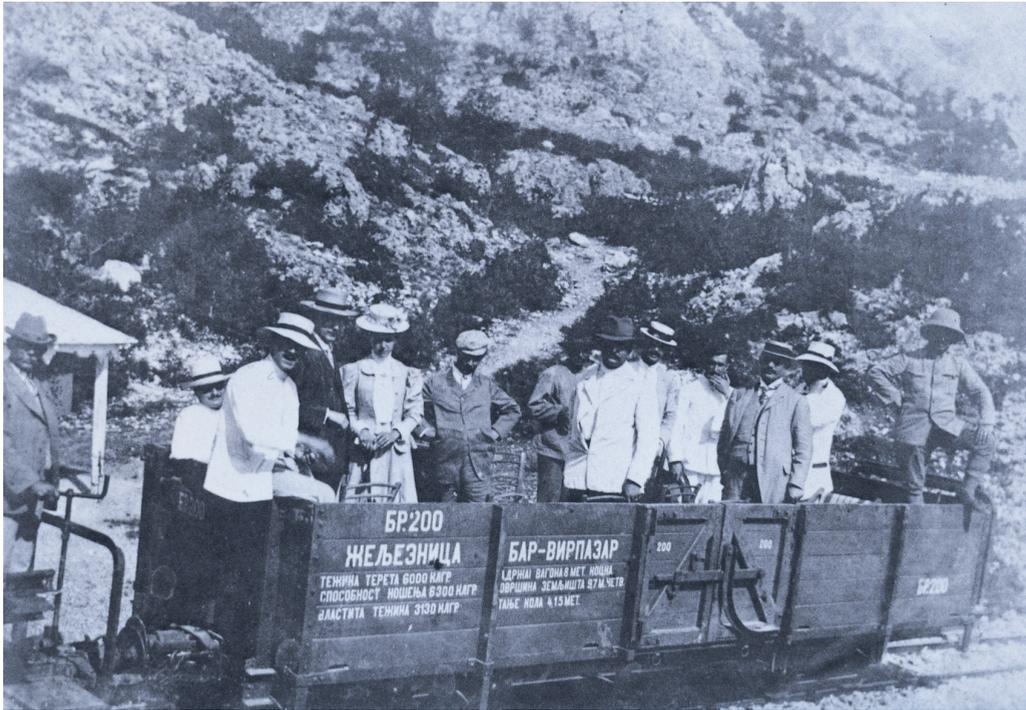


Fig. 10 A scene from the opening ceremony of the Antivari-Virpazar railway  
(after BURZANOVIĆ 2009, fig. 22).

The Montenegrin authorities and people were not as enthusiastic as the Italian Company members in celebrating the start of operations of the small Principality's first railway. Their attention was absorbed by a significant international political crisis, caused by the Austro-Hungarian annexation of Bosnia and Herzegovina, an event which launched a torrent of anti-Austro-Hungarian protests and demonstrations, in which the Bar Company's workers also took part.

The Annexation crisis was an extremely fortunate event for the Bar Company. The crisis induced Italy to recognise the need to engage themselves more actively in Balkan politics so that they could oppose the Austrian regional expansion that was endangering Italian interests. In Montenegro, the port of Bar, which their exponent the Bar Company was responsible for, was specifically constructed as their economic and political hub within the Balkans – however, Italian diplomats also attempted to acquire the port of Spitzza, which had been taken by the Montenegrins in the war of 1877; however, they had to surrender it to their greater neighbour, the Habsburg monarchy. The Italian diplomatic move was crushed by the Habsburg determination not to make even the slightest territorial

compromise. Austria did agree though to waive their rights, as stipulated by Article 29 of the Treaty of Berlin, that had considerably limited both Montenegrin sovereign rights and diminished the military and political significance of the port of Bar and the accompanying constructed transportation system<sup>34</sup>.

Montenegro's newly acquired rights to permit war and naval ships to enter the port of Bar did indeed increase the significance of both Bar and the Italian companies operating in Bar. Five French warships sailed into the port on December 31<sup>st</sup> 1909, where they were welcomed by Prince Nikola and overjoyed locals (Fig. 11)<sup>35</sup>. Very soon thereafter, the port was visited by the Italian destroyer Montebello that had been sailing across the Adriatic Sea for scientific purposes. In late February 1910, the Austro-Hungarian fleet sailed into the port; however, instead of enthusiasm, they received simple courteous greetings from officials in receptions hosted in Bar and Cetinje, respectively<sup>36</sup>. In 1910, Italian fleet<sup>37</sup> and Russian fleet<sup>38</sup> visits followed, as well as other calls made by Turkish and Greek warships<sup>39</sup> as well.



Fig. 11 Prince Nikola with French and Montenegrin officials  
(courtesy of Zavičajni Muzej u Baru, Compagnia D'Antivari).

<sup>34</sup> BURZANOVIĆ 2013, 109-110; RAKOČEVIĆ 1983, 58; TOMANOVIĆ 1921, 71-77.

<sup>35</sup> *Glas Crnogorca*, no. 53, 21. XII 1909, 3-4.

<sup>36</sup> *Glas Crnogorca*, no. 8, 13. II 1910, 4.

<sup>37</sup> *Glas Crnogorca*, no. 22, 15. V 1910, 2.

<sup>38</sup> *Glas Crnogorca*, no. 37, 24. VIII 1910, 2-3.

<sup>39</sup> POPOVIĆ 1985, 53.

Due to the Montenegrin boycotting of goods of Austro-Hungarian provenance, Montenegro and Italy expanded their trade relations, which operated mainly through the Bar Company's transport means, going through the port of Bar<sup>40</sup>.

The Bar Company management took advantage of the crisis to obtain from the Montenegrin government a port operation permit, although not all the contracted works had been completed within the set deadline. On January 31<sup>st</sup> 1909, Prince Nikola ratified the law requiring the Principality government's authorities to assign the free port of Bar to the transportation system<sup>41</sup>. The law laid down also that the contract might be considered fulfilled as soon as the 250 m long breakwater was constructed. Slightly less than one month prior to opening the port, on September 26<sup>th</sup> and 29<sup>th</sup> respectively, the legal documents concerning the port operation, such as 'the Temporary Regulation' and 'the Port Tariff Schedule', were released<sup>42</sup>.

The new Bar port was inaugurated and handed over to the Bar Company for operation on October 23<sup>rd</sup> 1909, by the arrival of Gallipoli steamship. On that day, at 8 in the morning, the steamship's bow touched the three-color ribbon and thereby the port was symbolically inaugurated (Fig. 12). At the moment of the steamship berthing beyond the breakwater, the Bar-Vir railway line, already in operation for a year, ran trains towards Lake Skadar. The inauguration ceremony was attended by Gavro Vuković, the Italian envoy to Cetinje, Baron Nicola Squitti, and the Bar Company's representatives. After the religious



Fig. 12 The inauguration of the Bar port (courtesy of Zavičajni Muzej u Baru, Compagnia D'Antivari).

<sup>40</sup> RADUSINOVIĆ 1978, 97-107; VUKČEVIĆ 1974, 243, 245.

<sup>41</sup> *Glas Crnogorca*, no. 6, 31. I 1909, 1.

<sup>42</sup> *Privremena tarifa za eksploataciju slobodne barske luke i njoj pridodate slobodne zone*, Cetinje, 29. IX 1909; *Privremeni pravnik za eksploataciju slobodne barske luke i njoj pridodate slobodne zone*, Cetinje, 29. IX 1909.

rituals had been completed, Minister Vuković handed over the signed Port Delivery Operation document to the Bar Company. The ceremony was completed by a lunch hosting 80 guests, including Bar Company representatives, Montenegrin government representatives and local distinguished people, held at the Marina Hotel. During that ceremony, the port accommodated three steamships, the Prince's yacht and several sailing ships. Except for the Austrian Lloyd's steam boat, all the listed vessels were duly decorated with official ceremonial flags. The steam ship's crew demonstrated thereby the symbolic Austrian attitude towards the inauguration and its significance<sup>43</sup>.

Three days after the inauguration, a terrible storm caused waves to strike the port with devastating force and the breakwater suffered serious damage<sup>44</sup>. Due to that, as well as it being the end of the working season, the Bar Company was late with the execution of those works stipulated in the agreement reached with the Montenegrin government on the Port Tariff Schedule, on which the handing over of the port to the Company depended. Those works were not finished by the Italian party before July 1910, of which interval the Montenegrins took advantage and delayed handing over the said Tariff Schedule to the Italians<sup>45</sup>.

The transportation system, comprising of the port of Bar and the Bar-Vir railroad, was supplemented by the Lake Skadar navigation system. This comprised the Vir, Rijeka Crnojevića and Plavnica quays respectively, as well as an array of berthing channels and basins that were to be developed at places where the lake's inadequate water depth prevented the regular traffic of steam ships (Fig. 13). From those ports, further transport to inland destinations was provided by the roads linking Plavnica-Podgorica and Rijeka Crnojevića-Cetinje, from which a network of already developed main roads extended. The Port and the Lake Skadar Channels Development and Construction Study were done by an expert in hydraulic works, one Piero Piola-Daverio<sup>46</sup>. The contractor was the Italian entrepreneur and engineer Facanoni.

The Bar Company interests in achieving a monopoly in all aspects of the Montenegrin transportation system had led to the purchase from Marconi of the Bar-Bari (Volujica-San Cataldo) telegraph line, although it was not a positive asset financially. Marconi was one of many well-known shareholders in the Bar Company: that fact existed if for no other reason

<sup>43</sup> FRANETOVIĆ 1960, 346.

<sup>44</sup> ASDMAE, Carte Levi, b. 30, *Izveštaj administrativnog savjeta generalnoj skupštini*, 4. V 1910.

<sup>45</sup> ASDMAE, Carte Levi, b. 30, *Izveštaj administrativnog savjeta generalnoj skupštini*, 4. V 1910. The Company insisted, in vain, on viewing the delay as a consequence of 'force majeure'; its desire that the government should decide on January 1<sup>st</sup> 1910 as the deadline to put into force the provisions concerning the Port Tariff Schedule Handing Over to the Company was also ignored.

<sup>46</sup> MANTEGAZZA (n.d.), 27.



Fig. 13 Boats on the Skadar Lake (courtesy of Zavičajni Muzej u Baru, Compagnia D'Antivari).

than to make the arrangement easier. The contract, dated September 19<sup>th</sup> 1908, required him to sell to the Bar Company the Volujica-based radio station at a price of 30,000 Lire plus 5% commission on telegrams to be exchanged between Bari and Bar<sup>47</sup>.

In late 1906, for the more successful realisation of their economic and political interests in Montenegro and Albania, the Bar Company management, in cooperation with the Banca Commerciale, set up the Skadar Bank (Banco di Scutari), which was in fact just a subsidiary bank of the Bar Company that provided the bank with funds<sup>48</sup>. Volpi's people, explicitly the Venetian Group members, had considerably greater ambitions induced in mind: they brought about the setting up of the Eastern Trade Company (Società Commerciale d'Oriente) in 1907, funded by the Italian Trade Bank's capital. The said Company's goal was to make a breakthrough into the eastern Mediterranean<sup>49</sup>. Company branches were established both in Montenegro (in Bar) and in Albania. The

<sup>47</sup> DACG, Ministarstvo finansija i građevina, 1908, no 931, *Lerko-Ministarstvu finansija*, Bar, 1/14. VIII 1908. V 1998, 54-55. Roma, ranih djelanika, 908.

<sup>48</sup> TAMBORA 1974, 108.

<sup>49</sup> MILIĆ 1984, 195.

Company played a significant role in the Montenegrin government's subsequent financial arrangements<sup>50</sup>.

The construction of the port of Bar, the railway, the quays and the Lake channels was entirely to the benefit of the development of all those settlements where the Italian company was active – most explicitly for Bar, Virpazar, Rijeka Crnojevića and Podgorica. That is particularly true as regards the new town that, alongside the port of Bar and in its service, had grown up in the location of the former settlement of Pristan (Fig. 14). The Italians gave it a strong start by drawing up the town plan and again by the very existence of the Bar valley-based works, through the execution of which the valley was adapted to settlement construction. Both the Montenegrin authorities and the Bar Company did their best to provide the public with information about that; Antonio Baldacci has written about the eager journalistic campaigning<sup>51</sup>. This journalism in apparent response to actual news (or maybe as an element of the same publicity campaign) created the impression that Bar



Fig. 14 The port of Bar (courtesy of Fototeca Kombëtare Marubi, Shkodër).

<sup>50</sup> КИРОВА 1973, 230-232; PERAZIĆ, RASPOVIĆ 1992, 704-708 (see the Published archival sources list).

<sup>51</sup> BURZANOVIĆ, POPOVIĆ 2016, 230-232.

would become the new capital of Montenegro, replacing Cetinje. Just as the port of Bar was growing and the trade/traffic was expanding both in it and along the Vir-Bar railway, so a greater demand for residential, commercial and administrative building construction emerged and the population of Pristan grew. Given the ambition to have Bar developed as a port, and a trade, industry and transportation hub, neither the Italian company nor the Montenegrin authorities were happy with the town being constructed in an anarchic way, i.e. without any planning<sup>52</sup>. As a result, during the execution of the contract of 1906, it was stipulated that the town should develop according to the plan drawn up in advance by the Bar Company's engineers (Fig. 15). According to this plan, the Italians were to irrigate the Bar valley, by regulating the Rikavica spring that – in addition to flooding the surrounding

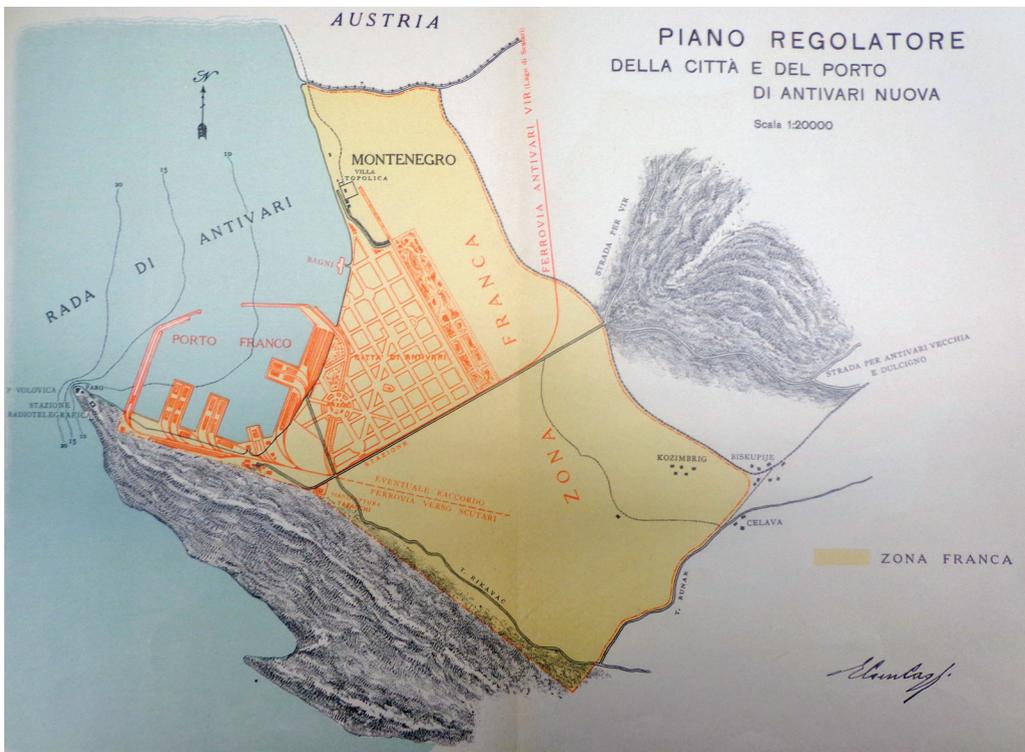


Fig. 15 Plan of town and port of Bar (after CAGLI 1910, appendix).

<sup>52</sup> DACG, *Ministarstvo finansija i građevina*, 1906, no. 1066, Cetinje, 17. V 1906; Minister Radović's decision to take into consideration Marko Pukić and Josip Dešković's respective applications for permitting building construction in Pristan was postponed until 'the construction plan is drawn up'. Pukić wanted to construct a *Lokanda* building.

land – used to damage the breakwater by depositing mud there<sup>53</sup>. The Bar Company was also to ensure that Pristan was supplied with water and drill the wells located within the port zone. Later on, the Company did hydrologic investigations for the purpose of establishing a water supply system, according to the agreements made with the Montenegrin authorities. On the eve of World War I, a deal was reached to have that water supply system constructed. Thanks to the Bar Company, Bar followed Cetinje as the second Montenegrin town to have an electricity supply system. Electrical energy was originally provided by a motor generator. Later on, the construction of a larger power plant was worked out. While taking care of the town's functioning, the Italians also drew up the Town Hygiene Regulation<sup>54</sup>. If the contemporary circumstances in Montenegro are taken into account, the town rejoiced in the best national traffic system, let alone the existence of the port, the railway, the telegraph, and the radiotelegraph system. As of 1901, the Montenegrin maritime transport routes overseas were considerably improved by the Puglia maritime company from Bari, with the Company's ships maintaining regular lines between Bar and the Italian ports<sup>55</sup>.

In Bar, the Italians built several agreeable buildings, of which the Marina Hotel (Fig. 16) was the most outstanding. It was erected on the slopes of the Volujica hill and would bring a touch of European glamour to the town, given that it was built and



Fig. 16 Hotel Marina (courtesy of Fototeca Kombëtare Marubi, Shkodër).

<sup>53</sup> CAGLI 1910, 12.

<sup>54</sup> DACG, Barsko društvo, *Rukopis gradskog sanitarnog pravilnika*.

<sup>55</sup> TRIZIO 1983, 98; OTTOLINO 1981, 124, 126.

furnished according to the European standards. It was named after Foscarini's daughter, Marina. According to the writings of a contemporary Italian, everyone who stayed even for one night at the hotel believed it to be paradise on Earth. The Italian Foreign Ministry official, P. Levi, visiting in 1912 to inspect the Italian companies operating in Montenegro, reported that the hotel had 20 rooms, 2 dining rooms, 2 small parlours and one larger parlour. The hotel was furnished simply and very carefully. There was one flower terrace outside. According to his opinions, the hotel had only one deficiency: namely that a number of rooms were occupied by the Bar Company's officials and so the hotel did not have sufficient capacity to receive the numerous excursion groups. To begin with, it was leased to some Italian hotel managers and also to Montenegrin nationals. In 1912, the Company took over the whole management of the hotel<sup>56</sup>. Several smaller houses were located next to the hotel, intended again for Company officials' purposes. The settlement had also a small hospital, with an accompanying outpatient office and a pharmacy. The Customs House and the Railway Stations were of particular note among the buildings there<sup>57</sup>.

Some of the projects that were designed by the Italian engineers and architects for Bar were never implemented – such as that of Adolfo Magrini in 1911, which featured a design for an impressive theatre there (Fig. 17)<sup>58</sup>.

Due to the economic and political interests that Italians had in Bar, as well as the large Italian population there, the Italian Kingdom established the Vice Consulate in Bar in 1908. To serve as the first consul, Corrado Niccolini, the former chancellor to the Embassy in Cetinje, was appointed<sup>59</sup>. The town was already host to an Austrian Consulate as well.

On May 8<sup>th</sup> 1908, Prince Nikola placed the foundation stone of New Bar (Fig. 18). Motivated by the celebratory ambience, Prince Nikola sent to his son-in-law, the Italian King Victor Emmanuel, a courteous telegram emphasizing the mutual interests linking the two nations and pointing to the Bar mission, serving the needs of the Slavic brothers living by the river Danube and longing for access to the Adriatic Sea. The ceremonial act caught the interest of the European public. A Hungarian high economic official, the

<sup>56</sup> ASDMAE, Carte Levi, b. 29. The contract of April 29<sup>th</sup> 1909 entrusted the hotel operation to Alexander Cerutti from Piacenza, with an expiry date set for May 1<sup>st</sup> of the following year. The second contract, dated April 26<sup>th</sup> 1910 entrusted the hotel management to Angelo Conti and Sons Company from Piacenza and to Petar Đonović thereafter. The contract dated February 15<sup>th</sup> 1911 transferred the hotel management to Eduardo Salle. From 1912, the hotel was run directly by the Company and, after employing one Swiss director, the hotel continued to deliver satisfactory services.

<sup>57</sup> CAGLI 1910, 19.

<sup>58</sup> MAGRINI 1911, 1-29.

<sup>59</sup> *Glas Crnogorca*, no. 46, 11.VIII 1908, 2; *Gazzetta Ufficiale del Regno d'Italia*, no. 54, 5. III 1909, 996.



Fig. 17 Magrini's project for the Bar theatre  
(courtesy of Narodni Muzej Crne Gore, Cetinje, Arhivsko-Bibliotečko odjeljenje).

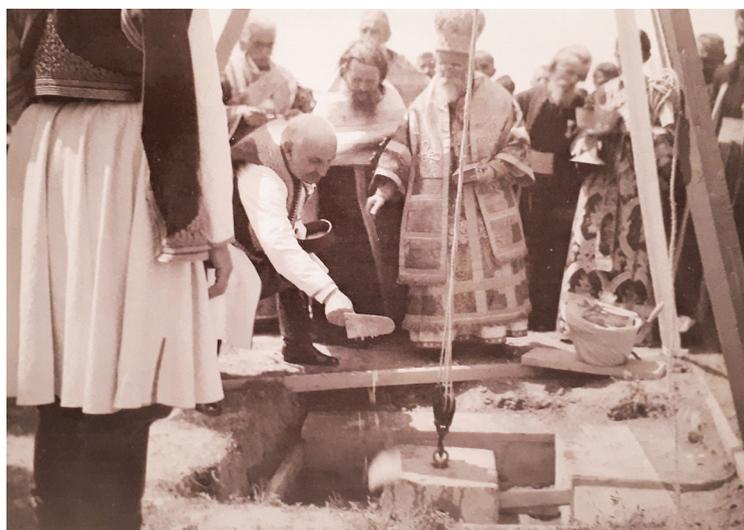


Fig. 18 Prince Nikola places the foundation stone for the New Bar  
(courtesy of Narodni Muzej Crne Gore, Cetinje, Arhivsko-Bibliotečko Odjeljenje).

geographer Havass Rezső, was an advocate of economic links between Dalmatia and Hungary, and he focused on the consequences that the development of Bar and the accompanying transport system projects could have for the Dalmatian economy – to this end he visited Bar in September 1908, to inform himself fully as to the course of the Italian venture<sup>60</sup>. The Austrian consul, Dušan Meković, and Serdar Janko Vukotić provided Havass with a correction of the rumours, by a repudiation of the news announcing Bar as the new capital of Montenegro and offering the explanation that, in the event of warfare, one warship only would have been enough to destroy any such new capital. Upon his return to Hungary, Havass wrote about the Italian venture in Montenegro, trying to draw the public's attention to the threat of Italian regional expansion to the Austro-Hungarian economic and political interests in the region. He asserted that Italy had breached the Treaty of Berlin by taking over the management of Bar, if not formally, then *de facto*. By these ventures, Italy had effectively taken over Montenegrin economic life. Bar (Fig. 19) and Montenegro were just the first step; Albania would be the second one, in particular Vlorë, given that it was situated opposite Otranto and stood as the key to the Adriatic Sea<sup>61</sup>. In the European press, particularly that of Austria-Hungary, such writing was not exceptional.

The ambitious plans of the Italian capitalists to have the port of Bar as the terminal for the long Trans-Balkan railway track, stretching from the River Danube to the Adriatic Sea bid fair to open up marvellous opportunities for Bar's urban development. The realization of such a project would have required the participation of numerous members, such as Russia, France, Italy and several Balkan countries, including also the Ottoman Empire (from 1912 to 1913). In the decade preceding World War I, it regularly seemed that political and financial agreement would be reached by and between the interested countries and that the implementation of this grand project would begin. A series of European political crises – starting with the Young Turk Revolution in 1908, going on through the Annexation Crisis and the Balkan Wars, and coming finally to a head in

<sup>60</sup> MAĐAR 1998, 54-55. While in the spacious Bay of Bar, his attention was attracted first by the Marconi Station on Volujica hill – symbolising most brilliantly the advancement and the linked relationship between Montenegro and Italy – and then by the two-storey Marina Hotel on the slope of Volujica, comprising 36 rooms (!) and parlours waiting for newcomers, tourists and entrepreneurs and overlooking the port construction activities, as well as a locomotive running on the track of Montenegro's first railway. On the Bay's opposite side, the Crown Prince's villa and several inferior structures are located. 'Where is that New Bar?' Havass asked. 'It does not exist yet, because only five houses and several barracks are here. Two houses are two-storey ones, out of which one accommodates the Austrian Consulate and the other one houses the Post Office, the Port Administration and other offices. The one-storey building is occupied by the Austrian Lloyd Shipping Agency. There is an avenue passing between the houses and, a bit farther on, there stands a two-storey stone building accommodating the Italian Tobacco Monopoly office.'

<sup>61</sup> MAĐAR 1998, 55.

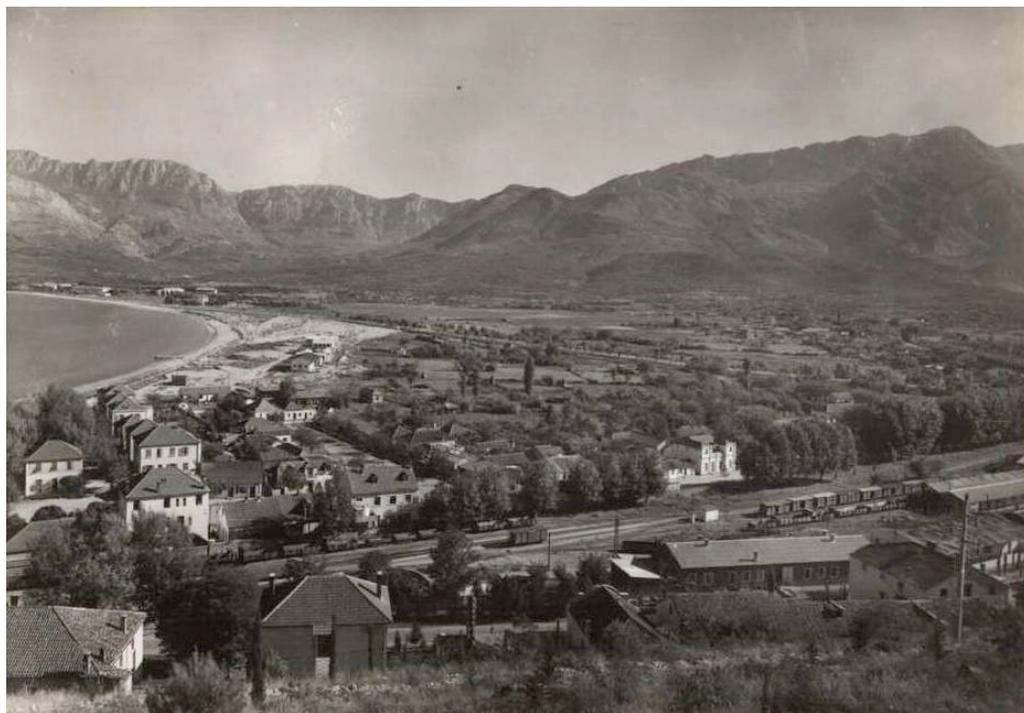


Fig. 19 A view of the New Bar (courtesy of Fototeca Kombëtare Marubi, Shkodër).

World War I – prevented the implementation of all those projects. Under the changed circumstances after the Great War, the necessary international interest in and consensus for a Trans-Balkan railway construction disappeared. In the newly created Yugoslav state, the Bar Company lost its importance and with it a portion of the concession they had held during the Principality of Montenegro/Kingdom of Montenegro period. The Yugoslav authorities did not have a friendly attitude towards Italian economic initiatives in Montenegro, so the Bar Company stagnated and only survived thanks to Italian government subsidies. All of this meant a slowing down of the economic and urban development in Bar, where the town's development over the first two decades of the 20<sup>th</sup> century had been dependent to the largest extent on the intensity and character of the Italian economic presence in Montenegro<sup>62</sup>.

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<sup>62</sup> BURZANOVIĆ 2009, 51.

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