

## Development of Foreign Pharmaceutical Market in Russia Between the end of the 19<sup>th</sup> and the Beginning of 20<sup>th</sup> Century

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**Introduction.** Pharmacy in Russia just like in other countries originated and developed as part of medicine. The first laws governing the operation of regulating pharmacies in Russia were passed by Peter the Great. Later on, in 1789, the first Apothecary decree was issued. Until 1912, significant imperial decrees were passed nine times. During these two centuries the laws related to developing drugstore business either had been changed or created anew. In the 19<sup>th</sup> century, with the development of Russia, a network of private pharmacies expanded alongside with the Royal pharmacy in both capitals. The supply of drugs in storehouses grew inexorably, e.g., “portable pharmacy supplies” of last tsar Nicholas II consisted of 7 chests of drugs and included more than 700 names of drugs from Russian Pharmacopoeia. At the same time the state drug assistance to the population was still poor. Private and state-owned pharmacies were extremely scarce. No pharmacies could be found in more than 170 cities in Russia.

**The aim.** The aims of the respective study include:

- performance of a thorough analysis of the pharmaceutical market,
- study of the production of drugs,
- consideration of the legislative aspects of the Russian drug market due to the influence of foreign pharmaceutical companies at the end of the 19<sup>th</sup> and the beginning of the 20<sup>th</sup> century.

**Materials and methods.** The sources of the study include the historical pharmaceutical periodicals and legislation concerning the production of drugs available at Riga State Historical archive as well as Russian State Historical archive in St. Petersburg. The historically-descriptive method has been used in the research.

**Results and conclusions.** Due to the lack of general development of technology and industry in Russia in the late 19<sup>th</sup> and early 20<sup>th</sup> century, the production of domestic drugs was poorly developed. Drugs produced in local pharmacies were often of very low quality due to the imperfection of the technology, the pursuit of the profit and the use of low quality ingredients. Pharmacy often sold false drugs and most of them were over-the-counter medication.

The cost of the domestic drugs was lower than their analogues of any European country.

As regards Europe, the situation with the production of pharmaceutical goods was different. Some companies had extended their zone of interests abroad. For some foreign companies Russia turned out to be of great interest because of its huge undeveloped market. Hoffmann-La Roche was among such companies. From 1897 to 1914, Roche turnover increased 20 times and Russia became the largest market after Germany.

The revolution in 1917 threw back the development of pharmaceutical business in Russia. Private businesses in Russia were nationalised by the decree of *Sovnarkom* on 28 December, 1917. In 1919 the new government nationalised the assets of foreign pharmaceutical companies as well and the trade with Russia had almost been totally closed down.