

Cosmopolitan Networks

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**Cosmopolitan Networks in
Commerce and Society
1660–1914**

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FOREWORD

The present volume is the outcome of an international workshop held at the German Historical Institute London in December 2007. The workshop focused on the study of economic and social networks which contributed to the interconnecting of distant regions. From the late Middle Ages, European merchants of different ethnic origins engaged in international trade, settled in the leading port cities of the time, and frequently mixed with the local elites, not only in Europe, but increasingly worldwide. The networks they created soon became global in their geographical dimension. Whether they were cosmopolitan in quality, that is, whether they not only connected distant places, but also initiated a process of mediating various cultures through the encounter of people of diverse ethnic origins and cultural backgrounds, was one of the questions asked by this workshop. This focus on the quality of network relations and interactions rather than their quantitative dimensions sets this workshop apart from the growing number of conferences and volumes on merchants' networks in general.

In the process of preparing this book for publication the editors have incurred many debts. Apart from the authors, we would like to thank all the other participants in the workshop for their contributions and comments, in particular, Thomas Biskup, John Davis, Dorothee Marie-Louise Doepfer, Mark Häberlein, Albane Forestier, Roger Knight, Rainer Liedtke, Ulrich Pfister, and Thomas Weller. We would also like to thank the authors whose papers are included in this volume for revising their essays, and for their patience in bearing with us through the slow process of editing this volume. Jonathan Uhlener, Berlin, translated and copy-edited several of the essays. However, most of all the editors are indebted to Angela Davies of the German Historical Institute, who prepared the publication with her usual care and took on the task of typesetting. Her experience and help proved invaluable at all stages of the production of this volume.

*Düsseldorf and London,
December 2010*

Andreas Gestrich and
Margrit Schulte Beerbühl

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1

Introduction

MARGRIT SCHULTE BEERBÜHL

In the eighteenth century the expansion of commerce acquired a new geographical dimension and intensity. European and non-European trade regions were rapidly becoming interconnected on a hitherto unprecedented scale, and attained a new global dimension. Reflecting the global changes that occurred during the last few decades of the twentieth century, new approaches in economic history have dealt with aspects of these early roots of globalization as well as general transnational business and trade relations in the early modern period. One of the core problems of research into the economic and social processes of early modern globalization is to understand the nature and prerequisites of long-distance cooperation and exchange under the adverse conditions created by long and insecure communication and transport routes. It was primarily in this context of risk-reducing strategies and the building of interpersonal and informal trust relations in long-distance trade that the concept of networks has proved to be a useful analytical tool.

The concept of networks has become popular in many disciplines and has produced a rich body of research on commercial and social relations in early modern social and economic history. From an economic vantage point, Mark Casson stresses that networks are 'a powerful way of understanding the historical evolution of economic and social institutions'.¹ Some economic historians see networks as an alternative to institutions and markets, while others, like Casson, emphasize that institutions and markets should not be seen as alternatives, but simply as special types of networks.² Furthermore, some

¹ See Mark Casson's essay in this volume.

² For the concept of networks as an alternative to institutions and markets, see Grahame F. Thompson, *Between Hierarchies and Market: The Logic and*

economic historians and social scientists regard social networks as providing a particularly effective means of acquiring social capital, especially at times of rapid social and economic change,³ or of minimizing economic risks in long-distance trading companies or international firms by establishing trust through social networks.⁴

This volume is particularly interested in networks created in the context of early economic expansion from the late seventeenth to the early twentieth century. Merchants of different ethnic origins engaged in international trade settled in the leading commercial port cities of the time, and mixed with the respective local elites around the globe. This spread of commerce and the concomitant migration of merchants and industrial entrepreneurs produced a particular set of people who might be described as 'cosmopolitan', that is, people, whose contacts were both geographically widespread and based on 'the idea that all human beings, regardless of their political affiliation, do (or at least can) belong to a single community, and that this community should be cultivated'.⁵ Use of the term 'cosmopolitan', however, is not without pitfalls, and its application to the early modern period needs some justification. There is also the question of whether the networks the merchants created were really cosmopolitan or just transnational or global, and whether there is a clear concept of cosmopolitan networks in modern research. These problems will be briefly addressed in this introduction, which will then go on to give an overview of the structure of the volume and the main arguments of the individual essays.

Limits of Network Forms of Organization (Oxford, 2003); for Mark Casson's view, see his essay in the present volume.

³ See e.g. Karoline Krenn, 'Strukturbildung in der Krise: Interlocking directorates und die Deutschland AG in der Weimarer Republik', in Markus Gamper and Linda Reschke (eds.), *Knoten und Kanten: Soziale Netzwerkanalyse in Wirtschafts- und Migrationsforschung* (Bielefeld, 2010), 119–44.

⁴ Johannes Marx, 'Netzwerke als Quelle sozialen Kapitals: Zur kulturellen und strukturellen Einbettung vertrauensvoller Handlungen in Netzwerken', *ibid.* 95–118; Michael Plattner, 'Mobile Eliten in der Internationalisierung multinationaler Unternehmensnetzwerke: Die Rolle hybriden sozialen Kapitals bei der Überbrückung kultureller Distanz', *ibid.* 221–46.

⁵ <<http://plato.stanford.edu/entries/cosmopolitanism/>>, accessed 22 Nov. 2010.

Introduction

The Concept of Cosmopolitanism

Cosmopolitanism is not a new concept. Its roots go back to ancient Greek philosophy, in particular, to the schools of the Cynics and Stoics. They first developed the idea of a *kosmopolites*, a citizen of the cosmos who belongs not to the *polis* or city-state, but to a cosmic or global community of citizens.⁶ This philosophical tradition was primarily based on the idea of a moral universalism. In contrast to this universalistic approach, a new cosmopolitanism based on the acceptance of cultural differences and 'the foreign' appeared during the eighteenth century. Its origins lay in the political and religious conflicts of the late seventeenth century. Increased mobility and travelling appeared in response to the expansion of commerce, and along with them came the experience of foreign cultures.

The eighteenth century had many faces. Whereas some historians have paid a great deal of attention to the rise of early nationalism during this century,⁷ others have stressed advances in international trade and the development of new consumption patterns in what has been called the European age of mercantilism in the seventeenth and eighteenth centuries. Moreover, a global universe became conceivable. Britain rose to become the first imperial and industrial nation in the world. During the eighteenth century economic rivalry and wars encouraged by the mercantilist policies of the European states began to shape the nation-state, and in tandem with nationalism, a new cosmopolitanism emerged. The Enlightenment promoted the idea of the 'cosmopolite', a citizen of the world who identified with something beyond his own nation and showed tolerance towards strangers. The cosmopolitan ideal was closely linked with notions of humanity, pacifism, and the fundamental unity of mankind. It was the aspiration of the intellectual class of the century, of Hume, Voltaire, Kant,

⁶ For a survey of the ideal, see Derek Heater, *World Citizenship and Government: Cosmopolitan Ideas in the History of Western Political Thought* (New York, 1996).

⁷ Gerald Newman, *The Rise of English Nationalism: A Cultural History, 1740–1830* (London, 1987); Linda Colley, *Britons: Forging the Nation 1707–1837* (New Haven, 1992). Cf. Karen O'Brien, *Narratives of Enlightenment: Cosmopolitan History from Voltaire to Gibbon* (Cambridge, 1997), 4 n.6.

Humboldt, and others.⁸ These philosophers called themselves 'cosmopolites', 'cosmopolitans', or 'citizens of the world'.

The encounter with other people and the acquisition of knowledge through travelling had an enormous impact on the imagination of the Enlightenment intellectuals. Hume, Voltaire, and others regarded travelling as an important way of removing prejudices and advancing culture and humanity,⁹ and cultural and geographical experiences of the non-European world also began to be included.¹⁰ Growing knowledge of non-European cultures contributed to an awareness of the similarities between the habits of different European cultures. Rousseau remarked: 'There are no longer any Frenchmen, Germans, Spaniards, or even Englishmen: there are only Europeans. They all have the same tastes, the same passions and the same customs.'¹¹ According to Edmund Burke, the European elite of his time possessed 'a system of manners and education that was nearly similar to all in this quarter of the globe'. 'When a man travelled', he continued, 'from his own country, he never felt himself quite abroad.'¹²

What these intellectuals perceived was that the wealthier classes were increasingly following the same patterns of consumption. Sugar, coffee, tea, tobacco, and other colonial goods began to shape the daily diet throughout Europe. Similarly, throughout Europe people dressed according to the French fashion. Newspapers and other

⁸ For the cosmopolitan ideal of the Enlightenment, see Thomas J. Schlereth, *The Cosmopolitan Ideal in Enlightenment Thought: Its Form and Function in the Ideals of Franklin, Hume and Voltaire 1694-1790* (London, 1977).

⁹ David Hume to John Hume, 7 Apr. 1738, from John Hill Burton, *Life and Correspondence of David Hume: From the Papers Bequeathed by his Nephew to the Royal Society of Edinburgh, and other Original Sources*, 2 vols. (Edinburgh, 1846), i. 257; see also Voltaire to Charles Augustin Ferriol, Comte d'Argental and Grace Bose du Bouchet, Comtesse d'Argental, 21 Sept. 1763, from Theodore Besterman (ed.), *Voltaire Correspondence* (Geneva, 1960), vol. liii, p. 38, letter no. 10602. For similar estimates concerning travel, see Schlereth, *Cosmopolitan Ideal in Enlightenment Thought*, 2 and 182.

¹⁰ *Ibid.* 23.

¹¹ According to David A. Bell, *The First Total War: Napoleon's Europe and the Birth of Warfare as we Know it* (Boston, 2007), 72.

¹² Edmund Burke, *Letters on the Regicide Peace* (1796), ed. E. J. Payne (London, 1912), iii. 80-1. Quoted from Schlereth, *Cosmopolitan Ideal in Enlightenment Thought*, 2 and 182.

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periodicals spread news about events in distant places. And everywhere in Europe a new associational culture emerged. Debating or reading clubs and societies and coffee houses became centres of communication and the dissemination of knowledge. These observations were at the bottom of Enlightenment cosmopolitanism, and of a belief in a common European history.

Over the last two decades, the ideal of cosmopolitanism has gained a new popularity in the social and political sciences.¹³ Globalization, migration, multiculturalism, and the weakening of the nation-state have put cosmopolitanism back on the agenda of academic research. The revival has mainly been due to the political conception of a transnational democracy and citizenship that stretches beyond the nation-state and national identity.¹⁴ Since then, social scientists have considerably widened the revitalized concept by adding 'more progressive connotations'.¹⁵ The modern concept no longer refers only to a dispositional orientation or a philosophy, but embraces a variety of different connotations. The concept has only recently been recognized as a social process and condition, a mode of behaviour, a practice and competence, and a political project towards building transnational institutions and recognizing multiple identities.¹⁶ Despite attempts to modify the old eighteenth-century image, however, its main features are still essentially based on the traditional Enlightenment cosmopolitanism.

This is not the place to deal extensively with the connotations of modern cosmopolitanism. However, a few aspects which are impor-

¹³ Ulrich Beck and Edgar Grande, *Das kosmopolitische Europa: Gesellschaft und Politik in der zweiten Moderne* (Frankfurt am Main, 2004); Steven Vertovec and Robin Cohen (eds.), *Conceiving Cosmopolitanism: Theory, Context, and Practice* (New York, 2002); Rainer Bauböck (ed.), *Blurred Boundaries: Migration, Ethnicity, Citizenship* (Aldershot, 1998); Kwame Anthony Appiah, *Der Kosmopolit: Philosophie des Weltbürgertums* (Munich, 2007).

¹⁴ Gerard Delany, 'The Cosmopolitan Imagination: Critical Cosmopolitanism and Social Theory', *British Journal of Sociology*, 57 (2006), 28-9; David Held, *Democracy and the Global Order* (Cambridge, 1995).

¹⁵ Vertovec and Cohen (eds.), *Conceiving Cosmopolitanism*, 21; David A. Hollinger, 'Not Universalists, Not Pluralists: The New Cosmopolitans Find Their Own Way', *ibid.* 228.

¹⁶ Gerard Delanty, *The Cosmopolitan Imagination: The Renewal of Critical Social Theory* (Cambridge, 2009), 25; Vertovec and Cohen (eds.), *Conceiving Cosmopolitanism*, 9.

tant in the context of the present volume need to be mentioned. The modern concept of cosmopolitanism has been re-appropriated as an alternative path or middle way between nationalism and globalization, and between universalism and multiculturalism. A kind of cosmopolitanism that is not devoid of local identification or cultural identity is favoured. It is a 'rooted cosmopolitanism' allowing an identity based on the culture of origin. Unlike universalism it does not dispense with diversity and difference. Waldon and Hall highlight the central role of culture as an instrument for living a meaningful life. But people do not draw only on a single coherent culture based on birth and place. Every person has the choice of embodying elements of many cultures in shaping his or her identity.¹⁷ People show a remarkable capacity to forge their identities and perceptions from diverse encounters with different people and cultures. Modern cosmopolitanism is therefore regarded as the ability to make one's way in foreign cultures and become part of them.¹⁸ People acquire multi-layered or hybrid identities. Thus cosmopolitanism is not a quality people are born with, but something attained during a lifetime. It is a relational process, or, in other words, a process of mediation by which national and global cultures become entangled.¹⁹

The concept of multiple or hybrid identities reflects the high mobility of our modern age and the interconnectedness of diverse ethnic and cultural communities. Globalization has created multi-layered identities and complex loyalties through daily encounters with foreign cultures, for example, on the part of the frequent traveller who journeys to the most distant places and has friends and relatives all around the world, or the local resident who lives in a multicultural neighbourhood.

Cosmopolitanism can arise through the process of increased connectivity and cultural contact, but does not necessarily do so. The outcome of the encounter may be to evoke feelings of hostility and animosity, and thus produce violence and conflict. Especially since 9/11, modern scholars point out that cosmopolitanism also creates

¹⁷ Stuart Hall, 'Political Belonging in a World of Multiple Identities', *ibid.* 26; Jeremy Waldon, 'Minority Cultures and the Cosmopolitan Alternative,' *University of Michigan Journal of Law Reform*, 25 (1992), 751-93.

¹⁸ Jonathan Friedman, *Cultural Identity and Global Process* (London, 1994), 204.

¹⁹ David Held, 'Culture and Political Community: National, Global, and Cosmopolitan', in Vertovec and Cohen (eds.), *Conceiving Cosmopolitanism*, 48-58.

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resistance and opposition. Global social changes have boosted adverse reactions, prejudices, right-wing movements, militant and particularistic religious organizations, and terrorism. These represent the dark side of the phenomenon. Nationalism and cosmopolitanism are in a dialectical relationship and have emerged together since the early modern period.

Enlightenment cosmopolitanism was Janus-faced: its other face was nationalism. At the same time as merchants, scientists, and other travellers set off for new, unknown, and distant places, for the first time experiencing the previously unknown and immense diversity of the globe, mercantilism provoked a new national rivalry and wars. Schlereth argued that Enlightenment cosmopolitanism was 'an important reaction and partly also a protest against certain social, religious, economic and political realities of their age, which they considered parochial'.²⁰ The cosmopolitan ideal became commonplace and achieved international popularity with Kant's writings in the 1790s. There have always been times which have been more propitious for cosmopolitanism than others, and the outbreak of the Revolutionary and Napoleonic Wars promoted nationalist tendencies, so that after the turn of the century cosmopolitanism was quietened by rising nationalism.

Studies on modern as well as Enlightenment cosmopolitanism highlight the role of mobility. Travelling, however, is only one way of acquiring a cosmopolitan disposition. Other types of mobility must also be considered. Klaus Bade has pointed out that temporary and permanent migration are constitutive phenomena of humankind, whether forced migration caused by religious or political persecution, labour migration, or other types of voluntary migration. They, perhaps more than other forms of mobility, have contributed to the entanglement of different cultures.²¹ The behaviour and perceptions of a migrant worker or an immigrant were affected not only by his new environment. It was a dialectic process: his arrival and settlement also evoked reactions that influenced the host society.

²⁰ Schlereth, *Cosmopolitan Ideal in Enlightenment Thought*, p. xiii.

²¹ See Klaus J. Bade, *Homo Migrans. Wanderungen aus und nach Deutschland: Erfahrungen und Fragen* (Essen, 1994).

MARGRIT SCHULTE BEERBÜHL

Cosmopolitan Networks

Over recent decades, migration research has turned away from the old concept of migration as a linear process of moving from A to B or a simple return migration. Instead, it is seen as a spatial phenomenon. Migrants created networks between their countries of origin and destination countries, with the result that regions became interconnected. The flow of information and the spread of knowledge within these networks through repeated travelling, step and chain migration, letters, and the transport of goods and money cannot be overestimated.²² Social and economic networks have been regarded as a powerful way of understanding the entanglement of people, regions, and knowledge.

Migration-based transnational networks, institutions, and collective activities, however, do not necessarily promote cosmopolitanism, which essentially depends on the aims, strategies, and social composition of its members. Networks represent a dynamic and flexible type of connection and may also inhibit any cosmopolitan modes of activity. Cosmopolitanism cannot be reduced to globalization because it cannot be separated from identities, modes of belonging, and perceptions. As Gerhard Delanty argues, globalization entails not just networks and contacts, but also conflict. Accordingly, a global network may encourage local or nationalist tendencies, or crime and terrorism.²³ In contrast, and drawing on aspects of the definition of cosmopolitanism given above, we define as cosmopolitan those networks whose members not only cross national boundaries through their activities and mobility, but connect distant places and foreign cultures through their activities, and contribute to the generation of knowledge and goods, and to a social and cultural interconnectedness that brings about an understanding of the other as well as

²² Jan Lucassen and Leo Lucassen (eds.), *Migration, Migration History, History: Old Paradigms and New Perspectives* (Berne, 1999), 9–40; Dirk Hoerder, 'Segmented Macro Systems and Networking Individuals: The Balancing Functions of Migration Processes', *ibid.* 73–86; Jochen Oltmer, 'Einführung: Europäische Migrationsverhältnisse und Migrationsregime in der Neuzeit', *Gesellschaft und Geschichte*, 39 (2009), 6–7; *id.*, *Migration im 19. und 20. Jahrhundert* (Munich, 2009).

²³ Ulrich Beck, 'The Cosmopolitan Society and its Enemies', *Theory, Culture and Society*, 18 (2001), 17–44.

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a curiosity and interest in engaging with the stranger. From the vantage point of networks, cosmopolitanism is understood as an activity connecting and entangling places and people for the exchange of goods and knowledge.

Given this definition, we do not endorse Pauline Kleingeld's category of an early modern 'market cosmopolitanism' that is equated with Adam Smith's theory of the free market.²⁴ Social relations are the key feature for understanding the mechanisms of networks, a concept which has become so popular in economic history because it offers an interdisciplinary approach which allows non-economic social and cultural phenomena to be integrated into the analysis. In an age that lacked formal institutions, the network approach offers a new understanding of the expansion of commerce towards a world economy. As it highlights the role of actors and linkages, it has given rise to many studies on the expansion of early modern global trade over the last two decades. In publications on the Atlantic trade or the eighteenth century trade, economic historians such as Patrick O'Brien, Perry Gauci, David Hancock, and others regard the commercial elite as the prime mover for the transition to early modern world trade.²⁵ Margaret C. Jacob regards merchants as the vanguard of cosmopolitanism, for 'commerce automatically makes people more open, more accepting [of] strangers'.²⁶ Besides eighteenth-century intellectuals and travellers, merchants were certainly not the

²⁴ For the concept of 'market cosmopolitanism' see Pauline Keingeld, 'Six Varieties of Cosmopolitanism in Late Eighteenth-Century Germany', *Journal of the History of Ideas*, 60 (1999), 505–24.

²⁵ Perry Gauci, *The Politics of Trade: The Overseas Merchant in State and Society, 1660–1720* (Oxford, 2001); David Hancock, *Citizens of the World: London Merchants and the Integration of the British Atlantic Community, 1735–1785* (Cambridge, 1995); Patrick O'Brien, 'Merchants and Bankers as Patriots or Speculators? Foreign Commerce and Monetary Policy in Wartime 1793–1815', in John J. McCusker and Kenneth Morgan (eds.), *The Early Modern Atlantic Economy* (Cambridge, 2000). For similar evaluations see also the studies by Jacob M. Price, and recent publications by Kenneth Morgan, Sheryllynne Haggerty, and many others.

²⁶ Alison Games, *The Web of Empire: English Cosmopolitans in an Age of Expansion 1560–1660* (Oxford, 2008); and Margaret C. Jacob, *Strangers Nowhere in the World: The Rise of Cosmpolitanism in Early Modern Europe* (Philadelphia, 2006), 66.

only cosmopolitans. Given increased mobility and the beginning of the age of mass migration, the lower classes who settled abroad also contributed to the entanglement of the world. But we still lack studies of the cosmopolitan practices of the lower classes in the early modern period.²⁷

The essays in this volume focus on cosmopolitan networks of merchants for a number of reasons. Early modern merchants who engaged in long-distance trade had usually received a 'cosmopolitan education'.²⁸ They had learned foreign languages. After their apprenticeships they flung themselves into strange and distant worlds, either as commercial travellers or supercargos, in order to bring back new commodities and fashions that would allow them to achieve commercial success. Long-distance trade allowed merchants to acquire a cultural understanding of the other, enabling them to conduct business and develop commercial and social strategies that allowed them to survive. They organized and financed the flow of goods, information, and innovations which changed consumption patterns and perceptions fundamentally. By transporting goods to Africa or the West Indies they integrated businesses across geographically dispersed areas, bringing people and products together in flexible and novel ways and dispersing news about foreign places and habits.

Another important reason for focusing on the cosmopolitan networks of merchants is that early modern philosophers such as David Hume and Rousseau based their ideal of a 'citizen of the world' and a world society on a political economy of commerce that was decidedly international in outlook and demanded freer market relations. They regarded the merchant class as the most obvious promoters of a cosmopolitan outlook and highly valued their activities. David Hume described merchants as 'the most useful race of men in the whole society'.²⁹ They 'serve every one and [are] the true citizens of the world', for 'English, Dutch, Russian and Chinese merchants tie all

²⁷ A German baker or pork butcher who introduced German bakery goods or German sausages into England, or an Italian chocolate-maker who settled in Germany may have also contributed to the spread of cosmopolitanism.

²⁸ For the recent demand for a cosmopolitan education, see Martha Nussbaum, 'Patriotism and Cosmopolitanism', *Boston Review*, 19 (1994), 3–34.

²⁹ David Hume, 'Of Interests', in id., *Essays*, i. 324, quoted from Schlereth, *Cosmopolitan Ideal in Enlightenment Thought*, 205 and 101 n.19.

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the individuals of different nations together like threads of silk and bring the peace that is necessary to world commerce'.³⁰ In these sentences the author Michel Jean Sedaine certainly presents an idealized picture of the merchant's world. The reality of commercial life at his time was harder, and merchants' ambitions certainly more mundane. They had to combat a multitude of vagaries such as storms, pirates, wars, envy, and deceit. In order to reduce such risks they operated within trust-based networks. In a low institutional environment, reliable partners were often found among family and kin, co-religionists or compatriots, but long-distance trade also required the acceptance of new non-related or foreign partners.

Networks have an inclusive and an exclusive tendency. Even outward-looking or cosmopolitan networks are never unconditionally or unreservedly open to anyone. Especially in a high-risk environment, where success or failure depends on the reliability and trustworthiness of a network's members, selection and evaluation of those who are to be admitted is necessary. Moreover, the respectability and honesty of those within a network need to be permanently monitored. As some of the essays in this volume show, even the strong ties of family or kinship are no guarantee for the successful functioning of social and commercial relations. This applies to all types of networks.

Overview

The volume starts with a theoretical contribution by Mark Casson on economic and business networks. He underlines the importance of networks for the understanding of the dynamics and development of social and economic institutions, as networks offer efficient solutions to coordination problems. Networks organize and structure the flow of resources and information. Casson points out that because of their complexity, network structures have to be broken down into different types and substructures for the purpose of systematic analysis. Networks are not only endlessly intertwined with others because their members belong to more than just one network; they are also

³⁰ Michel Jean Sedaine, *Le Philosophe sans le savoir*, quoted from Schlereth, *Cosmopolitan Ideal in Enlightenment Thought*, 205 n.16.

highly volatile as they constantly re-create their internal composition depending on time and circumstances. Innovations and discoveries may alter or end established networks. Casson's essay provides not only a theoretical basis for this volume, but also a very practical one, as he is both interested in a quantifying approach to network analysis and open to the less strict approach of historians. A lack of quantifiable sources means that historians often have to be content to describe network structures, look at their qualitative importance, their impact on social and economic structures, and individual agency.

The essays in this volume mainly cover the early modern period when European merchants began to expand their trading networks around the world. We therefore thought it important to start with the spatial dimension of cosmopolitan networks and focus on some migrant groups and aspects of their networks which have attracted less attention in international research. The following two groups of essays then turn their attention first to the social dimension of networks and, finally, to problems of network stability under external and internal stress.

Transnational merchant networks which spanned a large geographical distance aimed first of all to interconnect spaces in order to organize the flow of goods. Travel, migration, and settlement in foreign places were the basic coordinating features of long-distance networking. The interconnection of regions and distant places also requires acting merchants to overcome social distance, that is, on the one hand, as Casson highlights, the crossing of linguistic and cultural barriers, and on the other, the protection of their interests in a foreign environment. In the case of the Jewish merchant diaspora in the Mediterranean, Daniel Jütte outlines how an economic-political consulship developed in the sixteenth century to protect their interests in the Christian as well as Islamic parts of the Mediterranean. The services which these merchant-consuls provided were also open to Christian clients. The decline of this office began in the second half of the seventeenth century with the rise of national patterns of identification in the consulates.

The essay by Klaus Weber und Margrit Schulte Beerbühl describes the expansionist commercial policy pursued by German merchant families in order to gain access to the European and colonial markets, which they were excluded from by the restrictive policies of

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the imperial nations in the eighteenth century. Merchant families from the textile areas of the German hinterland and of the Hanseatic towns established branches in the leading port cities of Europe, which were managed by close family members. This settlement strategy allowed them to overcome mercantilist barriers and to connect not only a number of previously unconnected, or only slightly connected, trade regions in Europe, but also the port cities of London, Cadiz, and Bordeaux, gateways to the non-European world where they had settled. At these points the European trade networks merged into global networks. The migration and settlement strategy of these merchants also resulted in the emergence of a European elite. At local level they established firms in partnership with native merchants; they intermarried while maintaining relations with family members in different parts of the Continent. Their identity and self-perception were certainly not confined, either locally or nationally.

Cosmopolitanism was at all times threatened by adverse social, economic, and political currents. In his essay Bradley Naranch shows how the cosmopolitan culture of Hamburg's overseas merchants, who had settled in many parts of the world, came under threat in the 1860s after the foundation of the North German Confederation. Up to then, Naranch argues, the Hanseatic cosmopolitan model had been a highly successful and cost-effective means of exploiting opportunities in a variety of global markets because it combined trade neutrality with cosmopolitan networking.

In addition to the development of long-distance trade networks which created an economic and cultural cosmopolitanism, local centres such as the major European cities of London, Paris, and Amsterdam with their bourses or exchanges have been the focus of research on cosmopolitanism. As well as the capitals and financial centres, port cities are places of intense economic and cultural interaction. They play host to foreign sailors, merchants, travellers, and ethnic and religious minorities from abroad, who meet daily in the course of business. This constant contact has a quietly corrosive effect on ethnic and cultural boundaries. In her essay on Falmouth, Fowey, and the Isles of Scilly, Helen Doe shows that even such small ports were thriving places of cosmopolitanism with far-reaching international business relations.

Enlightenment cosmopolitanism is seen as a secular movement, while religion or, to be more precise, churches and religious sects are

often regarded as parochial, xenophobic, and enemies of freedom and the liberal tradition. In the ongoing discussion on cosmopolitanism Peter Van Der Veer has recently argued that hardly any systematic attention has been paid to religion. Religious groups like the evangelicals pursued outward activity in converting others, and their goal of transforming peoples lives had a strong civilizing and educational aspect. They were also ardent supporters of the abolition of slavery. Van Der Veer concludes that liberal and evangelical cosmopolitanism had much in common.³¹ From the vantage point of economic history, an analysis of business networks of religious minorities reveals a more complex pattern of economic and intercultural relations. In economic studies of religious business elites, such as the Quakers, the strong cohesion between religious affiliation and business has often been seen as a key to their economic success. However, their success was not exclusively based on their internal support and control of members. Their outward-directed activities and willingness to cooperate and compromise with other economic and cultural networks should not be overlooked. It must also be pointed out that religious networks flourished at the time of the Enlightenment. They were not only local or national, but expanded rapidly beyond national borders.

Frank Hatje and Sünne Juterzenka argue in their essays on the Mennonites, Pietists, and Quakers, that the economic success of their networks was, on the one hand, based on the fact that they generated modes of behaviour, values, and social norms such as honesty, trust, and obligation that were conducive to the advancement of international trade and civil society. Hatje highlights that while economic and religious activities within the Mennonite networks were inextricably interwoven and mutually supportive, their success, on the other hand, was essentially based on their flexibility and openness to cooperation with other religious and ethnic groups. Juterzenka discusses an aspect of the story of the Quakers that is not so well known, namely, their less successful expansion on the Continent. Despite strong internal cohesion, they could not maintain their presence in Continental Europe. In the cases addressed in the two essays, the decline of the religious business networks were

³¹ Peter Van Der Veer, 'Colonial Cosmopolitanism', in Vertovec and Cohen (eds.), *Conceiving Cosmopolitanism*, 165-79.

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caused by adverse outward circumstances as well as by internal structural weaknesses and a tendency to exclusiveness.

The following two essays deal with networks of influence and power. In the first case study, on Milan, Monika Poettinger analyses the transformative influence of foreign merchants on local societies. She also addresses modes of interaction and networking with the host society which generated a range of innovative cultural and economic practices. In the case of Milan, Poettinger elaborates the transformation of the economic and social structure of Milan and Lombardy caused by the immigration and the introduction of foreign skills, knowledge, and goods by German merchants. The maintenance of relations with the country of birth secured a continuous flow of technical innovations which had a long-lasting impact on the north Italian region.

Another type of powerful network is studied by Gareth Cole. He investigates the relationship between private merchants and the Board of Ordnance, which was responsible for supplying the army and navy with weapons and gunpowder. Two of the three components of gunpowder had to be imported from India and the Mediterranean respectively. He highlights the crucial role of the private sector and its trading networks for supplying the British forces with enough of the necessary stores throughout the wars.

The essays in the last section address the problems of networks. As Casson mentions, it is not always a pleasure to belong to a network.³² Networks draw their structural strengths and weaknesses from inherent social and moral norms, but the expectations which members hold of their partners are not always fulfilled. Apart from moral and social weaknesses, inability or deceit may endanger a network. Even networks based on family and kin are not always benign. Family and kin, however, can less easily be excluded from a network than unrelated partners. In her essay on an Atlantic network based on family, Sheryllyne Haggerty discusses the problems which arise for a business network when family members fail. Samuel Rainford's business network continued to work because non-related partners and friends provided the necessary support. Apart from internal factors, long-distance merchant networks were exposed to a multitude of external dangers such as wars, pirates, sudden death, and hostile

³² See Mark Casson's essay in this volume.

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competitors in a common market. In her essay on West India merchants, Carolyn Downs explains the importance of a wide range of weak ties which made survival possible in an adverse environment when parts of the network failed, were destroyed, or closed by others.

2

Networks in Economic and Business History: A Theoretical Perspective

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I. Introduction

1. Networks as an Inter-Disciplinary Subject

Networks are everywhere. In *physics*, there are electrical circuits; in *civil engineering*, structures like bridge trusses; in *information technology* there are telephones and the internet; while in *geography* there are transport systems, such as motorways and railway systems. Agriculture and industry depend upon distribution systems (pipelines, electricity grids) and disposal systems (drainage ditches, sewage systems). In *biology*, the brain is analysed as a network of neurons, and in *anthropology*, family networks are created and sustained through reproduction. *Economists* refer to networks of trade, investment, and technology transfer when discussing international and inter-regional resource flows. *Sociologists* analyse social groups in terms of inter-personal networks, and use network effects to explain 'chain migration' flows, whilst *business strategists* analyse networks of strategic alliances between firms.

Networks are a powerful way of understanding the historical evolution of economic and social institutions. Institutions are often analysed in terms of firms, markets, and the state.¹ Networks are then introduced as a fourth type of institution. This approach is not suffi-

I am grateful to Margrit Schulte-Beerbühl, Paloma Fernandez Perez, Mary Rose, Marina Della Giusta, Zella King, and Bob Jessop for comments on earlier drafts of this essay. Useful comments were also received at the GHIL Seminar at which the earliest version of this paper was presented.

¹ See Douglas C. North, *Structure and Change in Economic History* (New York, 1981).

ciently radical, however. Networks are an emerging paradigm for economic and social history. But to exploit the potential of this paradigm fully, there needs to be more agreement and greater clarity over the definition of terms. There are many different types of network, involving different types of element connected up in different ways using different kinds of relationship. Confusion is created when researchers fail to define their terms and to specify which type of network they are writing about.

2. *Ambiguities of the Subject*

When analysing networks, different disciplines refer to the same concepts by different names. The members of a network are variously referred to as elements, nodes, vertices, and points, whilst the connections between them are referred to as linkages, edges, paths, and so on.

Ambiguities exist even within a single discipline. For example, economic and business historians have used the term 'network' in several ways.² All four of the concepts described below have been applied to industrial districts based on flexible specialization, but it is not always clear, in any given instance, which type of network a writer has in mind.

- A 'network' as a distinctive organizational form, intermediate between firm and market. In this context, a network comprises a web of long-term cooperative relationships between firms.
- A 'network firm' as a set of quasi-autonomous subsidiaries. Japanese *keiretsu* and Italian business groups are often described in these terms.
- A 'local business network' which involves key actors, such as bankers, entrepreneurs, and government officials, who informally coordinate activities within an economic region or urban centre. This network involves a mixture of organizations of different types. The relationships are used to finance strategic investments in local public goods, like training colleges or dock improvements, whose benefits accrue to businesses in general rather than to any single business in particular.

² See Graeme F. Thomson, *Between Hierarchies and Markets: The Logic and Limits of Network Firms* (Oxford, 2003).

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- A 'network industry', such as transport, water, energy, and other utilities. Network industries typically sink large amounts of capital into specialized infrastructure which links different locations and facilitates the movement of resources between them.³

There is a tension between these specific connotations of a network, and the generality of the underlying concept. It can be argued, for example, that firms and markets are not alternatives to networks, but simply special types of network—the firm being a relatively rigid and hierarchical network, and a market a flat and flexible one. On this view, almost everything is a network, and so it is fruitless to argue about what is a true network and what is not. The research question is not so much 'Is it a network?' as 'What type of network is it?' The key to understanding networks is to have a scheme by which to classify them.

3. Role of Networks in the Coordination of Economic Activity

The key economic role of networks is to coordinate activities. Whatever the activities, networks are crucial in communicating crucial information, controlling conflict, and fostering cooperation. Without the benefits of coordination, it would often not be worthwhile to invest in networks.

A common objection to this approach is that networks are created because people like to belong to them. In other words, the benefits generated by networks are intrinsic, rather than instrumental. Intrinsic benefits are certainly an important benefit of belonging to small and cosy groups like a happy family. But not all networks are a pleasure to belong to; some professional networks can be very competitive, for example, and, far from welcoming new members, act more like a clique or a cartel. People still seek entry, however, because of the economic advantage that can be obtained. If emotional benefits were the only benefits that people derived from networks, it seems likely that networks would be much less common than they are.

³ See James Foreman-Peck and Robert Milward, *Public and Private Ownership of Industry in Britain, 1820–1980* (Oxford, 1994).

Taking an instrumental view of networks helps to explain why there are so many different varieties of network in practice. Different network structures are best adapted to coordinating different types of economic activity. If emotional benefits were the only reward then it is likely that networks would be much more homogeneous: in particular, they would be much smaller and friendlier than many of them really are. To explain why network structures vary, it is necessary to recognize that different types of network coordinate different types of activity.

II. A Simple Typology of Networks

1. Social Networks versus Physical Networks

If 'everything is a network' then clearly there must be different types of network. A river and its tributaries, for example, exemplify a *physical* network that distributes water, whilst an extended family exemplifies a *social* network that connects descendants of common ancestors.⁴ More precisely, a physical network connects material elements such as natural features, buildings, and plants, whilst a social network connects people.

Physical networks have *spatial* characteristics. These are usually represented in two dimensions, for example, by a map of a road or river system, although some networks are inherently three-dimensional, such as crystalline structures and aircraft flight paths.

The spatial dimension is also relevant to social networks, but not to the same extent. An individual's social network may be summarized by the names in their address book, but it would be a mistake to suppose that those who live further away are contacted less frequently. In social networks, *social distance* is more relevant than *Euclidean distance*. Thus two people who live either side of a national border may be 'further apart' than two people who live at opposite ends of the same country. Social distance may be expressed using a metric of communication costs, provided that these costs include not

⁴ See Peter Haggett and Richard J. Chorley, *Network Analysis in Geography* (London, 1969).

merely the cost of a letter or telephone call, but the costs of overcoming linguistic and cultural barriers too.

Networks can be analysed at different levels of aggregation. An element of a physical network may comprise a single unit, such as an individual factory, or a collection of units, such as a town or region; this leads to a difference between the inter-plant network studied in industrial complex analysis and the inter-regional network studied by regional policy analysts.⁵ In the social sphere, single individuals constitute the members of an inter-personal network whilst groups of people make up an inter-organizational network. Inter-organizational networks are often best analysed in inter-personal terms, however, since relations between organizations are usually mediated by representatives, and relationships may alter radically when the representation changes.

2. Investment in Networks

Another important distinction is between *natural* networks and networks *engineered* by human agency. Both physical and social networks can be engineered: thus a canal is an analogue of a natural river, whilst a club is an analogue of a family.

Engineering a network can involve a major investment, and requires entrepreneurship of a high order. Canals were financed using an early form of joint-stock company, whilst the establishment of early professional societies required major commitments of time by their founders and trustees.

Any given network is almost invariably part of a wider system. Thus engineered networks are typically embedded in natural networks, for example, canals developed from cuts made in navigable rivers, and railways followed river valleys because the gradients were easy. The only network that is not part of a wider system is the global network that encompasses the totality of all the networks: it is the network that links every person, every resource, and every loca-

⁵ On industrial complex analysis see Walter Isard, E. W. Schooler, and T. Vierorisz, *Industrial Complex Analysis and Regional Development* (London, 1959); on inter-regional networks see Harvey Armstrong and Jim Taylor, *Regional Economics and Policy* (3rd edn., Oxford, 2000).

tion, directly or indirectly, to every other, through different types of physical and social connection. Every other network is a sub-set of this encompassing network. It is necessary to base analysis on subsidiary networks because this encompassing network is so complex that, while it can be analysed at a high level of aggregation, it is too large to analyse fully at a disaggregated level. It must be recognized that every subsidiary network selected for study is therefore an 'open system' which connects with the rest of the global network at various points. For analytical purposes it is often useful to ignore these external connections in order to focus on the internal structure of a subsidiary network, but it is important not to forget that the analysis is then based on the assumption that the structure of the wider network remains constant.

3. *Coordination: The Interdependence of Physical and Social Networks*

Physical networks are often analysed as though they were independent of social networks, and vice versa, but in reality the two types of network are closely linked. Social networks are used to coordinate flows through physical networks, and to coordinate strategic investments in them. Conversely, social networks require supporting services supplied by physical networks, for example, transport to and from the meetings organized by a club. Geographers often study physical networks in isolation from social networks, whilst sociologists often study social networks in isolation from physical ones. Such partial perspectives provide a distorted picture of networks, and can lead to misleading conclusions.

Physical networks involving flows of goods and services emerge because the *division of labour* leads individuals to specialize in particular tasks. A single complex task is broken down into a set of simpler tasks, each performed by a different person. The different elements of the physical network are created by this differentiation of tasks. A social network is created to coordinate the actions of the people who have been assigned to these different tasks, using special channels of communication.

Different stages of production may have to be carried out at different locations because of local availability of natural resources or special labour skills. This requires a physical network to transport

intermediate products and ensure that scales of activity at different locations are compatible with each other.

Different products may also be produced at different locations. When consumers like variety, a high proportion of the output at each location must be exported. This requires a distribution network to transport the product and a social network to ensure that each consumer obtains the particular mixture of goods that he desires.

4. *Engineering Trust in Social Networks*

Where resources are scarce and people are selfish, everyone has an incentive to claim the ownership of a resource for themselves. Criminals steal, transactors cheat, workers shirk, and citizens 'free ride'. A social network can resolve such problems by developing a stock of mutual obligations.⁶ Engineering trust through mutuality addresses a number of simple everyday problems.

- *Maintaining social order.* Perhaps the most fundamental coordination problem of all is to avoid accidents and collisions. It is a basic law of nature that two people cannot occupy the same space at the same time. Families and communities develop informal customs and rituals which avoid conflict between members. Conformity with local custom reinforces the sense of 'belonging' to the network, and encourages loyalty to fellow members of the group.
- *Organizing enjoyable group activities.* Work can be interesting and playful if it is not too repetitive or demanding, and shared participation in such activity can also strengthen group identity.⁷ Organizing and participating in a local festival is an example; so, too, are team sports. People earn respect as much for making the effort as for getting a result. It becomes a form of cooperative self-improvement in which each person is only 'competing against themselves' in order to improve upon their 'personal best'.

⁶ See Mark Granovetter, 'Economic Action and Social Structure: The Problem of Embeddedness', *American Journal of Sociology*, 91/3, 481-510.

⁷ See Thorstein Veblen, *The Instinct of Workmanship and the State of the Industrial Arts* (New York, 1914); and Frank H. Knight, *The Ethics of Competition and Other Essays* (London, 1935).

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- *Counselling and care.* In a volatile environment where coordination is costly, coordination failures, leading to set-backs and disappointments, are always liable to occur. Providing care and counselling to victims of misfortune is a task in which everyone can share, even though some may have more professional skill than others. The person who is the victim one day may be counsellor the next, and may even turn their own setback to advantage by drawing on their own misfortunes to counsel others. Alternating roles in this way can therefore develop empathy and encourage reciprocity, and thereby engineer trust.

Engineering trust is particularly easy when membership is small and everyone is close together.

- Proximity facilitates face-to-face communication and so, unlike remote communication, information does not have to be written down and codified. Furthermore, verbal emphasis, gesture, and posture give added clarity and conviction to face-to-face communication.
- Small membership means that everyone is personally known to others, and so deviants are easier to detect. Relationships are more personal, and less anonymous, than in larger groups.
- The combination of proximity and small size means that chance encounters are common. Gossip is intense, and so reputation effects are strong. A person with a bad reputation can be punished by being shamed or shunned in subsequent encounters. Finally, it is easy to arrange consultative meetings at which everyone can express their views on matters of common concern. This encourages a relatively democratic approach to collective decision-making.

5. *A Market in Trust*

While small local networks are particularly important in building trust, large dispersed networks create a major demand for trust. The value of resources coordinated by a large dispersed network can be very high, for example, a network of international trade in high-value products, or an international banking network transmitting large amounts of cash and loans. If we call the small local network a bond-

ing network and the large dispersed network a commercial network then the problem is to apply the trust generated by the bonding network to facilitate coordination within the commercial network. The difficulty is that the commercial network is very different from the bonding network. Inter-personal relationships within a bonding network are relatively intense, in emotional terms, whilst inter-personal relationships in a commercial network are more detached.

The distances covered by a commercial network mean that to support a commercial network the members of a bonding network must disperse in some way. There are three main ways in which this can be achieved.

- *The movement of people.* People brought up in the same community can emigrate, creating a diaspora of people with common roots. Once introduced to each other, they remain bonded for life. In the case of families and communities they may pass on this sense of bonding to their children, creating a distinctive ethnic group. The effect may also apply to alumni, former work colleagues, fellow professionals, and so on.
- *Regular visits to a central meeting place.* People can meet up at regular intervals for intensive bonding experiences. Within families, baptisms, weddings, and funerals play a useful role in forming new bonds and replacing obsolete ones. Similarly, the annual meetings of professional associations provide opportunities for bonding at the dinner and the bar. The fact that people travel enormous distances to such events underlines their importance in engineering trust.
- *The federation of local networks.* Different local networks may embrace the same culture. This may be a religion, a political outlook, a common interest, or hobby. The leader may travel around to 'spread the word', or send out teams of missionaries or representatives to form local satellite networks. These networks then federate within the parent organization. In this model it is the leader and the representatives who do the travelling, rather than the individual members; it is particularly appropriate for situations in which travel costs for ordinary members are very high.

These three mechanisms complement each other. For example, a family may disperse to create a diaspora, and then the different local

communities established by the emigrants may affiliate into an organization that promotes their traditional values. From time to time the whole family may reassemble for an important 'rite of passage' of one of its leading members, or for some ceremony to honour the common ancestors.

6. *Volatility and Innovation*

If a physical network operated in a totally stable environment then there would be little day-to-day need for coordination. Each day the same routine would be followed. A rigid system of command and control working on a regular cycle would be perfectly adequate to coordinate physical flows, much like a railway signalling system driven by the dictates of a daily timetable.

In fact the economic environment is constantly changing, creating a continual need to modify levels of production and patterns of trade throughout the global economy. As new trade routes open up, new demands for infrastructure arise. Networks of transport and communication evolve, breaking some connections, but also bringing distant places into closer contact with each other.

In addition, intellectual curiosity and the quest for greater economy stimulates scientific discovery. In a private enterprise economy individuals can profit from discoveries through innovation. To produce and distribute new products, innovators create new networks of customers and suppliers, and possibly destroy the networks built up by their established competitors in the process. Thus while established networks influence the type of information discovered, the discovery of new information feeds back to alter the structure of networks too.

Social networks also spread news, including information about new investment opportunities. The diffusion of news speeds up adjustment to change. News can be spread in two main ways: by local contact, through conversation with neighbours in a small group; or through broadcasting to members of a larger group.

A leader may emerge who controls broadcast information. The leader may promote particular beliefs about the environment and censor or discredit competing views. He may also favour certain types of institution over others, for example, preferring large firms to

markets, or government to private enterprise. He may decide to promote certain moral values as conducive to trust, such as honesty, loyalty, and hard work.

7. Intermediation

The division of labour applies not only to production activities, but to the design and operation of a network too. In a physical network, specialized hubs may emerge where different traffic flows converge. These hubs provide flexibility by allowing traffic to be switched from one route to another.

In social networks, entrepreneurs and leaders act as information hubs. Individual consumers go to entrepreneurs to buy their goods, relying on the entrepreneurs to procure the goods on their behalf from the producer, who is the ultimate source of supply. Individuals who need to make contact with other individuals may go to a leader and ask them to arrange an introduction. The leader may expect the individual to join their group, and possibly pay a membership fee, in return for receiving this service.

In a private enterprise economy entrepreneurs compete with each other for custom. Similarly, leaders of rival groups compete for members, and also to gain influence for their views. As a result, both physical networks and social networks develop a multiplicity of competing hubs. Ordinary members use these hubs as gateways to the rest of the network. In effect, relationships between ordinary members of the network are mediated by the entrepreneurs from whom they buy, the leaders of the groups to which they belong, and the hubs through which they travel, and through which the goods they buy are consigned to their homes. While individuals also have direct connections to other individuals, the number of such direct connections is very small compared to the number of people to whom they are indirectly connected through the hubs. This would make the hubs extremely powerful if it were not for the competition between them. This competition reflects the fact that individuals usually have more than one hub through which they can reach another individual who is able to fulfil their needs.

III. *Basic Concepts of Network Theory*

1. *Connectivity and Configuration*

The basic principles of network representation are set out in the mathematical theory of graphs.⁸ The defining feature of a network is *connection*. A set of *elements* which are connected to each other form a *network*. Every pair of elements belonging to a network is connected up, either *directly* or *indirectly*. Indirect connections are effected through other elements of the network.

From an economic and social perspective, there are four key aspects of networks:

- *size*, as measured by the number of elements that belong to the network;
- *diversity*, as measured by the number of different *types* of element that belong to the network;
- the types of *relationship* that connect the members; and
- the *configuration* of the network, which describes the pattern in which the different elements are connected up.

Economic historians have discussed relationships in considerable detail, but have said surprisingly little about size and diversity, that is, about the characteristics of the elements that are connected up. Configuration has been studied even less by historians, and it is therefore useful to begin by addressing this issue.

Considerable research has been carried out into the configurations of physical networks, but remarkably little into the configuration of social networks.⁹ Conversely, far more research has been carried out into the nature of relationships in social networks than in

⁸ See Norman L. Biggs, E. Keith Lloyd, and Robert Wilson, *Graph Theory, 1736–1936* (Oxford, 1986); and Reinhard Diestel, *Graph Theory* (New York, 1997).

⁹ There are some notable exceptions, however. These include Patrick Direian and Frans N. Stockman, *Evolution of Social Networks* (Amsterdam, 1997); S. Wasserman and K. Faust, *Social Network Analysis: Methods and Applications* (Cambridge, 1994); and Barry Wellman and S. D. Berkovitz (eds.) *Social Structures: A Network Approach* (Cambridge, 1988).

physical networks. Only a small number of writers has integrated the analysis of relationships with the analysis of configurations, however.¹⁰

There are many different ways of connecting up a given set of elements. The configuration of a network is defined by the set of direct pair-wise linkages between its elements. As the number of elements increases, the number of different ways in which elements can be connected up increases dramatically. Network analysis is bedevilled by the complexity created by this 'combinatorial explosion'.

2. Hubs

Hubs are points at which three or more linkages converge: they act as consolidation centres and distribution centres for the traffic over the network. Hubs are often connected to other hubs by trunk connections which carry high-volume traffic.¹¹

The power of a hub can be measured by the proportion of through traffic that it handles in proportion to the amount of traffic originating or terminating at the hub itself. When every linkage in a network carries the same amount of traffic, the power of a hub is proportional to the number of linkages it possesses. With n elements, including a solitary hub, and two-way flow of traffic x between each pair of elements, the total traffic through the hub will be $(n - 1)(n - 2)x/2$. The traffic originating from, or destined for the hub will be $(n - 1)x$, and so the power of the hub will be the ratio of the first term to the second, namely $(n - 2)/2$.

3. Webs

A weakness of the hub configuration is that there is no 'redundancy', that is, there are no alternative routes between any pair of elements.

¹⁰ See Harvey Leibenstein, *General X-efficiency Theory and Economic Development* (New York, 1978); Ronald S. Burt, *Structural Holes: The Social Structure of Competition* (Cambridge, Mass., 1992); and Sheila Pattison, *Algebraic Models for Social Networks* (Cambridge, 1993).

¹¹ See Duncan J. Watts, *Six Degrees: The Science of a Connected Age* (London, 2003).

A failure in any link will completely disconnect one of the elements from the network and a failure of the hub itself is fatal. A natural solution is to use more than one hub. In the limiting case, every element becomes a hub. This creates a web configuration, in which every element is directly connected to every other.

It is often said that networks afford significant economies of scale, but these economies are in fact attributable to hubs. In a web, where every element is directly connected to every other, the number of linkages, $n(n - 1)/2$, is equal to the number of connections achieved, and so there is no saving in linkages as the number of elements in the network increases. On the other hand, the number of linkages in a corresponding hub is only $n - 1$, and so network economies increase without limit when a hub configuration is adopted. The difference between the hub and the web becomes more pronounced as the number of elements increases, as moving from a hub to a web increases the number of linkages by a factor $n/2$.

IV. *The Schematic Representation of Networks: An Application to Trade*

1. *Entrepreneurial Intermediation and the Coordination of Trade*

To illustrate the application of network analysis in economic and social history it is useful to set out an example which has widespread relevance, and which exemplifies many of the general points made above. The evolution of trade is a suitable example. Trade is a generic feature of economic development, and demonstrates very clearly the importance of studying all the aspects of network structure – size, diversity, relationships, and configurations – rather than just a single one of them.

As indicated earlier, social networks are used to coordinate physical networks. Trade in manufactures, raw materials, or agricultural products involves networks of physical flows which are coordinated by information flows mediated by social networks. Long distance trade is generated by a physical division of labour in which producers at one location serve consumers at another location.¹²

¹² See Louis Putterman, *The Division of Labour and Economic Welfare* (Oxford, 1990).

An accurate representation of a trade network calls for a clear distinction between the flow of resources that needs to be coordinated and the flow of information that effects the coordination. Figure 2.1a introduces the convention, used in subsequent figures, that physical flows are indicated by thick lines and flows of information by thin lines. The thick black line in the figure illustrates the flow of product which results when one person – the producer *S* – decides to specialize in the production of a good which customer *D* consumes.

The physical activities that generate the physical flows are denoted by square boxes whilst the people who control the activities, and coordinate the flows, are denoted by circles. Thus the embedding of a circle within a square denotes that the individual concerned not only communicates with other individuals, but controls physical activities too.¹³

Connections in networks can be either one-way or two-way. The direction of the arrow from right to left illustrates the one-way flow of the product from *S* to *D*. In economic and social networks most flows are two-way, but the flows in each direction are different. For example, when product flows from *S* to *D*, there is a reverse flow of payment from *D* to *S*, but this is not shown in the interests of simplicity.

It is assumed that trade is intermediated by an entrepreneur, *E*. The entrepreneur is the first to recognize the opportunity for *S* to specialize in production, because *S* himself is not aware of *D*'s latent demand. Information flow is illustrated by a thin line. The left-hand line *DE* illustrates the entrepreneur's market research which identifies *D*'s demand, whilst the right-hand line *SE* indicates the entrepreneur's investigation of production possibilities which identifies *S* as a source of supply. The arrows indicate the direction of information flow.

To understand relationships properly, however, it is necessary to examine how the entrepreneur extracts profit from the opportunity. The answer is that he will block direct communication between *D* and *S* by interposing a retailer, *N*, in the product flow. The entrepreneur may set up as a retailer himself; he buys from the producer, and then marks up the price for resale to the consumer. Alternatively, he

¹³ For a more complete discussion of these conventions see Mark Casson, *Information and Organization* (Oxford, 1997); and id., *Entrepreneurship and Leadership* (Cheltenham, 2000).

may use an independent retailer, in which case he acts as a wholesaler instead, buying from the producer and reselling to the retailer.

The simple case where the entrepreneur acts as retailer is illustrated in Figure 2.1b. The entrepreneur negotiates with the producer over the price of the goods, as indicated by the two-way flow of information *ES*. As a retailer, he negotiates with the customer, as indicated by the two-way flow of information *ND*. As a retailer, he also places orders with the producer in order to maintain sufficient stock to service demand, and the producer invoices him in return; this two-way information flow is represented by the line *NS*. The entrepreneur continues to observe the customer, as indicated by the one-way flow of information *DE*, and in addition he uses the media to advertise the product to the customer. These are two distinct information flows that go in opposite directions, and not a form of dialogue, unlike the other information flows, and therefore they are represented by two separate lines.

The relationship between the entrepreneur and the manager of the retail facility involves authority. It is fundamentally different from the other relations, connecting *E* and *N* to *S* and *D*, which involve negotiation instead. While communication between entrepreneur and manager is two-way, it is asymmetric because the entrepreneur gives orders and the manager reports back when they have been carried out. In Figure 2.1b the authority relation is indicated by a letter *A* placed next to an arrow in the middle of the connecting line, where the arrow indicates the direction in which orders are given.

Entrepreneurship is normally viable only when market size is sufficient to cover the fixed costs of creating the market, that is, making contact with customers and suppliers, and establishing a retail facility. It follows that *D* indicates a representative consumer rather than a solitary consumer. Representing each consumer individually would make the figure impossibly complicated. There may be several producers, too, particularly if the demand is large and production plants are small scale.

2. *Trust as a Basis for Trade*

In a market economy, 'buyer' and 'seller' are important roles. They carry certain expectations about conduct. Such expectations relate to

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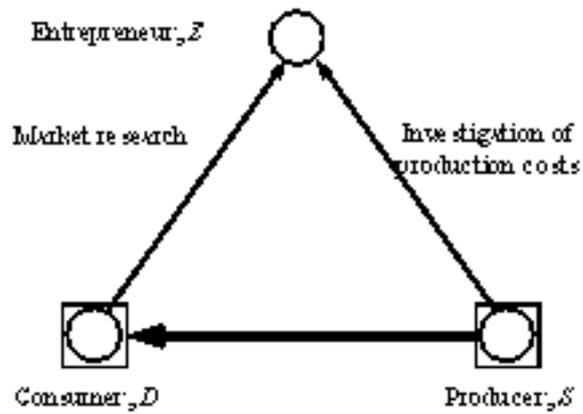


Fig. 2.1a Intermediation as information synthesis: role of the entrepreneur in promoting coordination

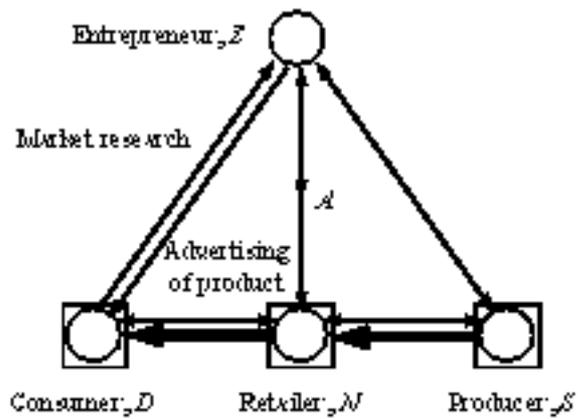


Fig. 2.1b The market-making entrepreneur: establishing a distribution channel

the two-way flows of information *ES* and *ND* in Figure 2.1b, which involve the negotiation of contracts for the supply of the product and its resale to the consumer. These information flows occur before the delivery of the product has commenced; after the date for delivery has passed, there may be further communication arising from delays or quality problems. Trust reduces the costs of these contracts by encouraging compromise in negotiation, compliance with delivery requirements, and a speedy resolution of any disputes.¹⁴

Trust can be generated in two main ways. If one of the parties has a reputation for being trustworthy, then the other parties can place themselves in his hands. If the intermediary has a strong reputation, for example, then the producer will accept payment after delivery, allowing the entrepreneur to check the quality before he pays. Similarly, the consumer will be willing to pre-pay for the product, provided that he has sufficient funds.

The entrepreneur's reputation may derive from the fact that he belongs to an outward-looking social network that enjoys a good reputation. The situation is illustrated in Figure 2.2, where *E* belongs to a network whose membership is known to consumer *D* and producer *S*. This network has a leader *L* who makes it known to everyone that *E* is a member. Provided that everyone is also aware that *E* controls *N*, they will be happy for *N* to hedge his credit risk at their expense.

E's reputation means that *D* and *S* trust *E* and *N*, even though *E* and *N* do not trust *D* and *S*. The resultant pattern of trust is indicated in the figure using a 'double arrow' notation. The links *ES*, *NS* and *ND* all carry a double arrow facing away from either *E* or *N*, so that the arrow represents the additional weight to be attached to information flowing from the reputable party.

3. Engineering Mutual Trust

The role of a social network in supporting a trading relationship is illustrated in Figure 2.3a and its application to the market model is shown in Figure 2.3b. Just as the entrepreneur intermediates market

¹⁴ See Oliver E. Williamson, *Economic Institutions of Capitalism* (New York, 1985).

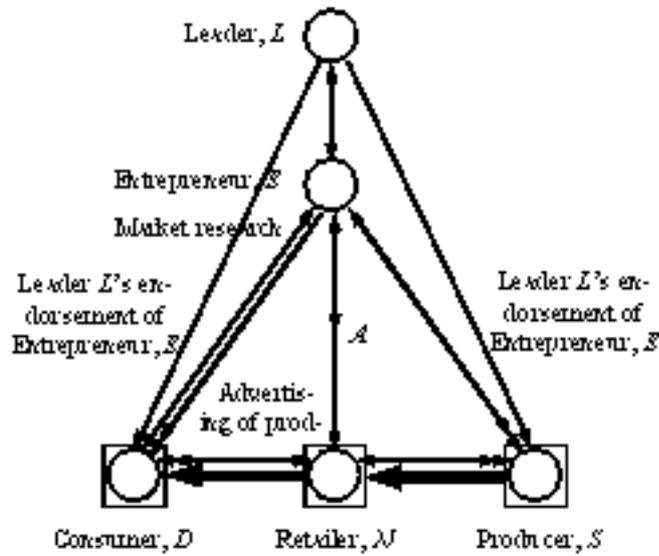


Fig. 2.2 Leader of elite social group endorses integrity of entrepreneur

relationships, so the leader of a social network, L , intermediates voluntary non-profit activity. Participants in this activity form a bonding network. According to Figure 2.3a, L introduces E to S within the context of the bonding network, and as a result they both incur additional obligations which then underpin their business relationship. In the absence of intermediation by the bonding network the business relationship would be impersonal, and sustained by remote communication. Relations within the bonding network are, by contrast, personal and face-to-face. To effect face-to-face communication, E and S travel to meetings of the bonding network; at the first meeting they are introduced by L , while at subsequent meetings L is on hand to supply further support if necessary, for example, mediating in any disputes between them. The return travel to the meeting is represented by the thick grey line, which carries two arrows to indicate a round trip.

The consequences of embedding the business relationship within a bonding network are shown in Figure 2.3b. *E* trusts *S* and *S* trusts *E*, so there are double arrows pointing in each direction along this link. This represents the mutual trust that exists between *E* and *S* and indicates that a lower level of transaction cost is incurred by this connection now that it does not depend on *E*'s reputation alone.

It can be seen, therefore, that social networks reduce transaction costs in two distinct ways. Outward-looking networks confer reputations on entrepreneurs (and others) which facilitate the intermediation of trade (and the advancement of the division of labour as a whole). These reputations create one-sided trust which allows the entrepreneur to deal with other people who place themselves in his hands. Ordinary networks that promote shared interests also confer reputations on their members through emotional bonding, but these reputations are more localized, and in inward-looking networks the obligations which members accept are limited to fellow members of the group. The advantage of the emotional bonding effected by the ordinary network, however, is that it develops mutual trust between people who might not qualify to join an elite group.

Thus while elite outward-looking networks develop unilateral trust in people who take on intermediating roles, ordinary inward-looking networks develop mutual trust between less influential people. These two roles complement each other in improving the performance of the market system.

4. *Competition between Entrepreneurs*

The essence of a market is that a customer can choose between alternative sources of supply. While an entrepreneur may have a temporary monopoly when he sets up a new market, as assumed above, competitors will soon appear, who either imitate his product or market a variant of it instead. A mature market therefore features competition between rival entrepreneurs. This is illustrated in Figure 2.4a, which portrays two rival entrepreneurs, *E1*, *E2*, drawing on distinct sources of supply *S1*, *S2*. Each entrepreneur acts as a retailer. Two representative consumers are shown, *D1*, *D2*, to emphasize the possibility that the two entrepreneurs can divide the market between them. Prior to contract, each consumer solicits price quotations from

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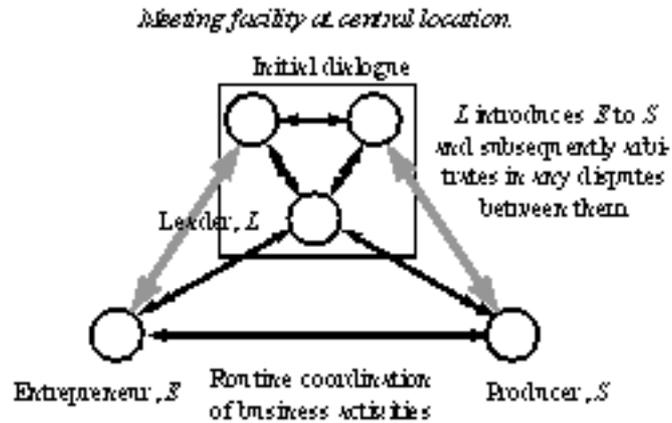


Fig. 2.3a Role of social networking in building trust to support economic activity

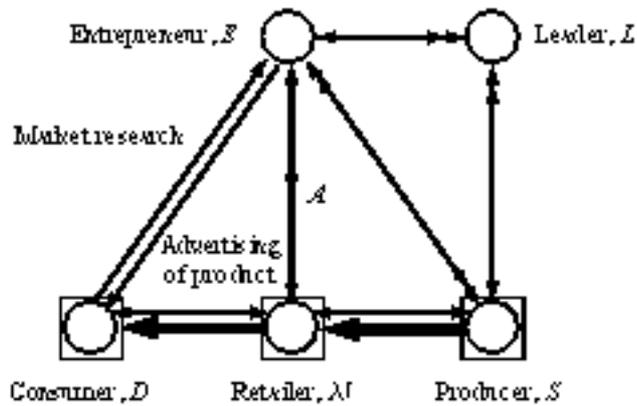


Fig. 2.3b Role of a social network in building mutual trust between a producer and a market-making entrepreneur

each entrepreneur. Having compared the prices, $D1$ decides to buy from $E1$ and $D2$ from $E2$; this is illustrated by the pattern of thick lines representing the product flows. It should be noted that under competition the network of information flows is far more dense than the network of product flows. This is because product only flows when a contract has been agreed, whilst information flows every time a potential contact is investigated.

5. *Confidentiality*

Most writers on networks assume that, if considerations of cost are ignored, then more linkages are always better, because this will shorten the paths between some pairs of elements, and thereby reduce overall communication costs. But in practice, many people devote a lot of effort to avoiding communication with other people. One reason is simply that communication is time-consuming and therefore costly. There is no point in wasting time talking to someone who has no contribution to offer.

There are numerous people we walk past everyday that we do not stop and talk to because we are hurrying to meetings with people to whom we wish to talk. Although a link has already been created by chance that has placed us at the same location at the same time, we do not wish to take advantage of the opportunity; on the contrary, we actively decline it. Even people we already know may be avoided if we do not trust them, for there is no point in talking to someone whom you do not trust, since you would not wish to trade with them, and in any case you cannot believe what they say.

Other people are positively dangerous. This is not just a question of physical danger, but of economic danger. An entrepreneur will not wish to communicate with a competitor because he does not wish the competitor to know his price, because if he did then he could steal his customers away by quoting a marginally lower price.

It is possible, though, that some entrepreneurs can trust each other not to steal customers. In this case they can profit from collusion by raising price. By raising price above the competitive level, the suppliers can redistribute income from customers. Because higher prices will also restrict demand, the customers will lose more than the suppliers gain, which is one reason why collusion is regarded as anti-social. To

avoid complaints from the consumers, the entrepreneurs may disguise their collusion. They therefore communicate in secret rather than in public, in the hope that customers will not realize what is going on. Thus if there is a link between *E1* and *E2*, it will normally be secret. This is illustrated in Figure 2.4b, where a link between *E1* and *E2* is shown in a box to indicate that it is hidden from other parties.

Consumers can also communicate with each other, as illustrated by the link between *D1* and *D2* in Figure 2.4b. In most product markets, however, consumers lack market power because there are far more consumers than producers and therefore it is too costly for them to coordinate their purchasing strategies. Consumers can, however, compare the prices they have paid through normal social channels such as gossip. This tends to strengthen consumer market power in a different way. Each consumer can 'free ride' on the shopping experiences of other consumers, and therefore economize on the amount of shopping that they do themselves. Furthermore, any entrepreneur who reduces his price can expect to gain a larger share of the market when consumers pool their information since his reputation will spread more quickly. Thus even when consumers are unable to coordinate their purchasing decisions formally, they can still improve their position by harnessing social networks to distribute price information within the group.

It should be noted that issues relating to confidentiality vary according to the type of product traded in the market. Thus in labour markets, trade unions organize collusion amongst the workers conspicuously in order to maximize their strike threat power, whilst employers similarly organize their labour purchasing to maximize their lock-out power, creating a system of collective bargaining underpinned by 'countervailing power'.

A set of linkages between consumers and producers exemplifies a 'vertical' network in which the flow of communication follows the same path as the flow of the product, while a network of producers and a network of consumers both exemplify a 'horizontal' network between people operating at the same stage of product flow. It is often claimed that vertical linkages strengthen competition and improve trade, whilst horizontal linkages are anti-competitive and damage trade, but this is not always the case, as the example of consumer learning makes clear. More generally, within any network composed of different types of element, it is useful to distinguish

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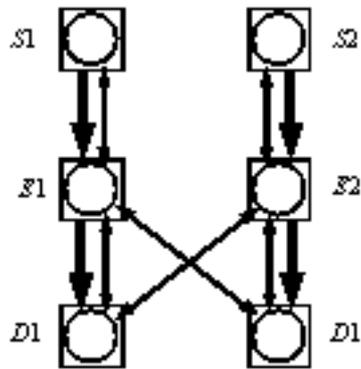


Fig. 2.4a Stylized view of a competitive market intermediated by entrepreneurs

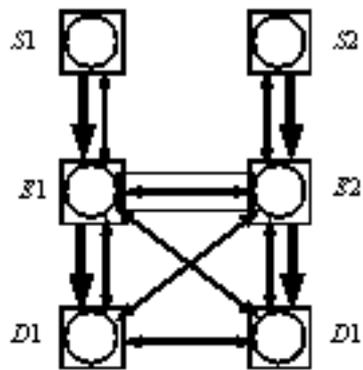


Fig. 2.4b Vertical and horizontal communication in a market with secret collusion between suppliers and learning between consumers

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linkages between elements of the same type from linkages between elements of a different type. Once again, links between elements of different types may be presumed to be pro-competitive, and links between elements of the same type to be anti-competitive, although these presumptions will not always be correct as the competitive implications depend not only on the configuration but also on the type of relationship involved.

V. The Spatial Division of Labour and the Demand for Transport and Communication Networks

1. The Demand for Personal Transport Derived from Social Networking

The above analysis has emphasized the close links between social networks and physical networks, with the flow of information through the former being used to coordinate the flow of resources through the latter. The links between social and physical networks become even closer when the spatial dimension of economic activity is examined in more detail.

There is a crucial difference between remote communication and face-to-face communication: while the former creates a demand for communications infrastructure, the latter creates a demand for transport infrastructure. Everyone cannot live 'next door' to everyone else, and so face-to-face communication creates a demand for travel to meetings. When just two or three people plan to meet, people may take it in turn to act as host, but when a significant number of people need to meet a central location will normally be used. A specialized central location reduces overall travelling distance, whilst large meetings economize on the use of time as it is possible to meet lots of people by making just one trip.

Attending large meetings is also an efficient way of obtaining introductions: each person can not only be introduced, but can also introduce others. The structure of the meeting is important in this respect. People need to be able to circulate so that they can be paired up with appropriate people. Break-out areas in which people can hold confidential one-to-one discussions are also useful when the function of a meeting is to help broker business deals.

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Efficiency of communication is increased if different meetings take place at the same central place, so that people can attend several meetings on the same trip. Different meetings of interest to the same groups of people can be scheduled to run in sequence, as with the annual conferences of related professional associations.

Other meetings are in continuous operation. A shopping centre, for example, may be construed as a continuous open meeting where people can come and go as they please. People who are attending scheduled meetings can 'pop out to the shops' at their convenience. Retailing is a prominent activity at many of the hubs where people meet. Historically, abbeys and castles attracted retailers, especially on saints' days, while many of today's major retail centres originally developed around ports or centres of government.

2. Emergence of Personal Transport Hubs through Economies of Agglomeration

Retailing affords economies of agglomeration to consumers. Where different retailers stock different types of product, the consumer can collect an entire 'basket' of different goods on a single trip. Where different retailers stock different varieties of the same product, the customer can assess the design and quality of different varieties on the spot. Where different retailers stock the same product, customers can compare prices. In each case the agglomeration of retailers reduces the marginal cost of a customer's search.

Retailers supplying complementary goods have a direct incentive to locate close together. If one shop is already selling outerwear, for example, then a shop that sets up next door selling underwear can anticipate a substantial 'passing trade'. It is not so clear, though, why competing retailers would locate together. One reason is that customers refuse to buy from a local monopolist because they believe that they will be cheated. This reflects a lack of trust in society. Thus retailers who locate together gain credibility: they acquire a small share of a large market instead of the entire share of the very small market that they would otherwise enjoy.

Another explanation relates to innovation. An effective way to advertise a new product is to display it adjacent to its closest competitor. Customers can be 'intercepted' on their way to their usual source of supply. The 'market test' may well put one of the suppliers

out of business: if the new product is successful then the established retailer may quit, while if it fails then the innovator will quit. An established retailer defeated by an innovation may retire to a more remote location where he can monopolize a small market with his traditional product.

The link between innovation and agglomeration explains why a market may be regarded as a 'self-organizing' system. Volatility in the environment continually creates new consumer problems, and a consequent demand for new products to solve them. At the same time, the social accumulation of technological knowledge allows new types of product to be developed. But an innovation is only viable if it can find a market, and its market is to be found where its closest competitor is sold. To make as much profit as early as possible, a confident innovator will head for the largest market (possibly after 'proving' the product in a smaller market first), which is where the contest between the new product and the old product will be played out.

The continuous influx of new products increases both the novelty and the diversity of the products available at a major hub. The greater intensity of competition means that older obsolete products will be expelled from large markets before they are expelled from smaller ones. The larger the market, therefore, the greater is the diversity and the lower is the average age of the product.

On the other hand, the risks faced by the consumer are greater in a large market because a higher proportion of the products will be unproven. A large market will therefore attract buyers who are confident of their ability to judge design and quality, and who value novelty for its own sake, while smaller markets will retain the custom of less confident people, and those who prefer proven traditional designs. Optimal innovation strategy therefore explains both the capacity of the market system to renew itself continually by up-dating its product range, and also the concentration of novelty in the largest markets.

3. Varieties of Transport Hub

Meeting points and major markets constitute information hubs. People visit these centres specifically to meet other people. Travel to the hub both sustains the existing division of labour and also helps to

effect changes in it. Shopping sustains profitable production, whilst meetings support the innovation process: researchers 'network' at conferences; entrepreneurs meet venture capitalists at elite gala events; and inter-firm alliances are planned at trade fairs.

With so many visitors to the hub, accommodation, catering, and entertainment facilities are required. Infrastructure may be built to facilitate mass transit to the hub. The ease of access and the variety of services available at the destination attracts tourists. A *visitor hub* of this type is, in principle, quite distinct from the *transit hub*, such as a railway junction or airport hub, at which people change from one trunk route, or transport mode, to another. People travel *through* a transit hub in a particular direction, whereas they travel *to and from* a visitor hub as part of a return journey.

The essence of a transit hub is that a number of connecting trunk lines all converge on the same point. Through traffic is switched from the in-coming link to the out-going link. Some traffic can be switched from one route to another without stopping—for example, express trains at country railway junctions and car traffic at motorway intersections—but in other cases a stop is required so that a connection can be made with another route. It is when traffic has to stop that it may 'stop over' rather than proceed on its way at the first available opportunity.

There is little point in stopping over at a pure transit hub, as there are no major services to attract the visitor. A visitor hub, on the other hand, can attract stop-overs if it can also be used as a transit hub. In order to act as a transit hub, however, it needs to occupy an appropriate location on the transport network, at the intersection of important routes. A transport hub without visitor potential is exemplified by the railway town of Crewe, which is an important junction that provides few visitor services. By contrast nineteenth-century London became a great metropolis by combining the roles of transit hub and visitor hub. Many railway trunk routes converged on London from different points of the compass, but each had its own terminal, so through travellers were obliged to change terminals as well as trains. However, the railway companies provided massive station hotels which not only allowed travellers to break their journey with an overnight stop, but encouraged them to spend several days in the capital, consulting with doctors, bankers, and solicitors and attending theatres and museums.

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Combining the role of transit hub and visitor hub can lead to congestion, however. In the late twentieth century visitor attractions have tended to concentrate in the centres of the cities whilst transit hubs have moved to airports and motorway junctions on the periphery. London has strengthened its visitor appeal by excluding through traffic from the centre using a congestion charge, whilst Birmingham has acquired visitor appeal by building shopping centres and exhibition halls close to its motorway transit hubs. In the global economy of the twenty-first century, competition between 'world cities' is based on finding an efficient way of combining the roles of transit hub and visitor hub.

VI. Conclusion

Networks have stimulated a great deal of interest amongst economic and business historians over the past decade. Part of this is because of their ideological significance. They have been hailed as an alternative to large impersonal organizations such as the multinational firm or the state. Indeed, it has been suggested that the modern capitalist system took a 'wrong turning' about a century ago, when the large managerial corporation superseded the networks of flexible specialization that prevailed in the industrial districts of the time.¹⁵

Networks are inherently complex, but this does not mean that they cannot be properly understood. The structure of a network is governed by four main factors.

- *The size of the network, as measured by the number of elements.* Size is an important determinant of both the type of relationship and the configuration of flows. Large size encourages network members to opt for a multiplicity of impersonal relationships rather than a small number of personal relationships. It also calls for the consolidation of network flows along trunk connections, and the emergence of specialized trunk hubs where trunk traffic is sorted and sent on.
- *The membership of the network, as reflected in the types of element that belong to it, and the extent to which different types are mixed.* A typi-

¹⁵ See Michael J. Piore and Charles F. Sabel, *The Second Industrial Divide: Possibilities for Prosperity* (New York, 1978).

cal trade network, for example, will contain at least three types of element: a consumer, a producer, and an intermediary such as an entrepreneur.

- *The types of relationship between members, which reflect the roles that they play.* Social relationships, for example, vary from highly impersonal relationships sustained by remote communication, which are characteristic of commercial networks, to highly personal relationships, sustained face-to-face, which are characteristic of smaller and more localized bonding networks.
- *The configuration of the network, which describes the pattern in which the different elements are connected up.* Intermediators often act as hubs in networks. Multiple hubs stimulate competition within the network, and provide redundancy which makes the network resilient to shocks.

Recent analysis of social networks has been dominated by the study of relationships, and in particular by the issue of trust. This has distracted attention from the issue of configuration. Configuration is an important influence on the cost of operating a network. Configuration is the major focus of graph theory, and has received much attention in research on physical networks, but most writers on economic and social history have ignored it.

This essay has outlined the structure of a positive theory of networks which explains why certain types of network are particularly common in certain situations. A simple approach is to identify the function that a network exists to perform. The division of labour provides the rationale for many physical networks. It creates a wide variety of industries whose products are distributed to millions of individual consumers. The division of labour needs to be coordinated, and a social network is well adapted to this task. Some networks coordinate long-distance trade, whilst others coordinate production processes; others regulate access to public goods, such as heritage sites, or facilitate mutual support between individuals.

Specialized intermediators emerge within networks, acting as communications hubs. If these intermediators work for profit then they normally re-sell product to the members, and if this is not possible then they charge a brokerage fee. Intermediation for profit is a classic example of entrepreneurial activity. Entrepreneurship is often presented as a highly individualistic activity, but in fact it depends

heavily on the use of networks. A successful entrepreneur will identify the key networks that he needs to join, and for this purpose he requires a good understanding of the relationships that exist within the various networks, and their implications for the ways in which the members of those networks behave.

Many intermediators do not work for a profit, however. They may be charismatic idealists seeking to improve society; operating for profit would be incompatible with their moral principles. Alternatively they may be high-status individuals who are rewarded by deference and respect. In some cases non-profit intermediators can cover their costs from voluntary donations to their organization, or by charging membership fees.

Different coordination requirements are best satisfied by different network structures. Hence the nature of the division of labour determines the pattern of coordination required, which in turn determines the most appropriate network structure. If coordination is efficiently organized then the most efficient network structure will be the one that is used. Long-distance trade, for example, is usually coordinated by for-profit entrepreneurs through inter-firm contracts, whilst the delivery of local social services is usually coordinated by non-profit leaders who establish schools, hospitals, churches, sports clubs, and community associations for this purpose.

The leader of a non-profit group has a significant advantage over an entrepreneur who runs a for-profit firm in establishing a reputation for integrity. His selection of non-profit activity suggests altruistic motives, whilst the absence of charges for services eliminates the incentive to offer services that he does not intend to supply. This in turn is a significant advantage in establishing the external reputation of the network to which the leader belongs.

Any given person will belong to a substantial number of networks: family, church, sports club, work group, political party, professional association, and so on. The fact that many non-profit networks recruit part-time volunteers and rotate tasks gives people ample opportunity to join many networks and to get acquainted with a high proportion of the membership of each. It is therefore quite probable that, quite by chance, they encounter someone with whom they are able to trade, for example, a distant family member may become a business partner, or a fellow member of a sports club may become a customer or employee.

Membership of one network can influence a person's behaviour in another network. For example, a supplier will be more reluctant to cheat on quality if his customer is a friend. There is scope for significant positive externalities from the membership of different social networks. It has been argued, however, that a person's behaviour in one network may be quite unrelated to their behaviour in another, and in particular that a person's private life is no indicator of their behaviour in public life, and vice versa. This could be the case, for example, if a person adapted their behaviour fully to the strategic requirements for success in each particular sphere. However, if an individual belongs to a network that imposes universal moral obligations on them then these obligations, if honoured, are bound to spill over into conduct in other networks. The individual will gain a reputation based upon his commitment to universal standards of behaviour, and this will in turn influence the range of economic activities that he is able to undertake. The reputation of eighteenth-century Quaker businessmen for probity is a case in point.

The greatest impact on economic performance will, in theory, be made by outward-looking social networks that promote functionally useful moral values. These are values that reduce transaction costs and promote productivity; namely, values such as honesty, willingness to compromise, hard work, and thrift. These values are embodied in the obligations to which the members commit themselves. The universal nature of these values gives the members a reputation outside the network. As a result, members of such networks are well-equipped to intermediate in trade.

By actively recruiting new members, the leaders of such networks can add to the total stock of reputation in the economy. The stock of reputation can be multiplied further by encouraging experienced members to found new networks, or start up satellite networks based on similar principles.

Because each person in the economy belongs to so many different networks, all the networks to which people belong are intertwined. Every network is connected, directly or indirectly, to every other network by multiple links. Thus every network is a sub-set of a single giant network that encompasses the entire global economy.

To cut through this complexity, it is necessary to analyse any given network phenomenon by concentrating on just one part of the global system. Research must proceed by abstracting the network

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under scrutiny from the system as a whole in order to examine its internal structure in full detail. It must not be overlooked, however, that the network under scrutiny is connected to the rest of the system at numerous points—it is an ‘open system’, in other words. Disturbances originating elsewhere in the economy can impinge on the network at any point, and sometimes at several points at once.

This methodology of examining the part in relation to the whole is common to all social science, however, and so in this respect the study of networks merely conforms to general research practice. What has been missing from the study of networks so far is not so much an awareness of this interdependence, as a reluctance to examine the structure of individual networks in adequate detail. It is hoped that the survey of network structure presented in this essay, and the analysis of its economic significance, will encourage business and economic historians to pay more attention to network structure in future.

PART I

Geographies of Commercial Networks

From Westphalia to the Caribbean:
Networks of German Textile Merchants
in the Eighteenth Century

MARGRIT SCHULTE BEERBÜHL and KLAUS WEBER

Early modern maritime trade linking Germany with the overseas world has so far been seen as dominated by the Hanseatic port cities. 'Apart from those in its cities of Hamburg, Lübeck and Cologne', wrote Charles Kindleberger, 'the Germany of the Holy Roman Empire lacked effective merchants for the marketing of Rhenish cloth, Silesian linens, and East Prussian grain and timber.' He explained this as a disastrous consequence of the Thirty Years War.¹ More recent research, however, has pointed to the emergence of trade networks from the German textile hinterlands as early as the second half of the seventeenth century, not to mention the sixteenth-century networks of the trading empires of the Fugger and Welser.² It is true that there was a significant decline in the German economy between these two periods, but for a long time the devastations, in particular, the demographic losses caused by the Thirty Years War, have been overestimated, and they were distributed in very uneven ways. While some areas were hit very hard, others barely suffered.³ The effects of the war, however, helped to increase the gap between

¹ Charles P. Kindleberger, *World Economic Primacy: 1500–1990* (Oxford, 1996), 22.

² Margrit Schulte Beerbühl, *Deutsche Kaufleute in London: Welthandel und Einbürgerung (1600–1818)* (Munich, 2007); Klaus Weber, *Deutsche Kaufleute im Atlantikhandel: Unternehmen und Familien in Hamburg, Cadix und Bordeaux (1680–1830)* (Munich, 2004); Mark Häberlein, *Die Fugger: Geschichte einer Augsburger Familie (1367–1650)* (Stuttgart, 2006), 80; Jörg Denzer, *Die Konquista der Augsburger Welser-Gesellschaft in Südamerika (1528–1556)* (Munich, 2005).

³ Hans-Ulrich Wehler, *Deutsche Gesellschaftsgeschichte, i. 1700–1815* (Munich, 1987), 54–7.

the 'pioneer countries', that is, the Netherlands and England, and the 'late-comer', Germany.⁴

The Spanish-Dutch and Anglo-Dutch Wars of the sixteenth and seventeenth centuries interrupted this well-established route, and much of the trade shifted to the neutral German North Sea ports of Bremen and Hamburg.⁵ This encouraged entrepreneurial merchants from some manufacturing areas in the German hinterland to establish new networks stretching to the major port cities of the western European sea powers, to Russia, and beyond. These networks will be the focus of this essay.

The concept of networks has been much used in a variety of academic disciplines and provides a highly appropriate model for analysing the expansion of long-distance trade in early modern times, and the changes that took place during that period. The commercial network can be seen as a self-organized coordinating mechanism.⁶ It is a concept that focuses on the actors and relational ties, that is, the informal practices of coordination. Early modern trade relied essentially on such informal practices among family, a wider kinship group, and other trust-based personal relations. In this essay we will highlight the social and economic aspects of the emerging trade networks as well as their spatial and temporal dimensions. The spatial dimension of physical networks has been explicitly analysed in historical geography and engineering.⁷ In social and early modern history, for example, in migration history, the spatial dimension has often been referred to only implicitly, although the development of our modern global world has been a deeply spatial phenomenon, and a corollary of spatial mobility was social and economic change.⁸

⁴ For a comparative analysis of pioneer and late-comer see the enduring influence of Alexander Gerschenkron, *Economic Backwardness in Historical Perspective* (New York, 1965).

⁵ Carlos Gómez-Cinturión Jimenez, *Felipe II, la empresa de Inglaterra y el comercio septentrional (1566-1609)* (Madrid, 1988), 269.

⁶ See Stanley Wassermann and Katherine Faust, *Social Network Analysis: Methods and Applications* (Cambridge, 1994); Grahame F. Thompson, *Between Hierarchies and Markets: The Logic and Limits of Network Forms of Organization* (Oxford, 2003).

⁷ See Mark Casson's essay in this volume.

⁸ Sven Kesselring has recently pointed out that the spatial and temporal aspect of networks has been widely neglected in sociological literature. Sven

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Many monographs on the emergence of early modern trade networks have focused either on one actor or on a group of actors encompassing one or two generations.⁹ It is often not appreciated that in the early modern period a far-reaching international trade network did not develop wholly within the lifetime of one trader, but frequently had a longer history. It was not unusual for such networks to have a history dating back several generations and to be built on extensive clusters of kinship networks. The development of individual networks or certain kinship-based clusters of networks over a period of several generations is not easy to explore because of the lack of sources, the mobility of the actors, the changes in surnames, and the informal nature of such networks. It requires intense prosopographical research to reveal lines of continuity. Research into the spatial-temporal dimension may reveal some long-term economic and social strategies pursued by Continental merchant families and the structural pattern of the early modern immigrant, or ethnic, trade networks.

This essay will examine the temporal-spatial development of trade networks set up by merchants from manufacturing areas in the German hinterlands, in particular, in three of the leading European port cities of the early modern period: London, Cadiz, and Bordeaux. The following questions will be discussed. What were the reasons for expansion? What were the underlying strategies pursued? What long-term and short-term patterns can be perceived in the expanding trade networks from the textile hinterlands and other manufacturing regions?

Kesselring, 'Topographien mobiler Möglichkeitsräume: Zur sozio-materiellen Netzwerkanalyse von Mobilitätspionieren', in Bettina Hollstein and Florian Strauss (eds.), *Qualitative Netzwerkanalyse: Konzepte, Methode, Anwendungen* (Wiesbaden, 2006), 333-58. See also John Urry, 'Social Networks, Travel and Talk', *British Journal of Sociology*, 54 (2003), 155-75.

⁹ e.g. David Hancock on a group of more than twenty English merchants who traded with the New World between 1735 and 1785. David Hancock, *Citizens of the World* (Cambridge, 1995). One of the few exceptions is Steve Murdoch, *Network North: Scottish Kin, Commercial and Covert Association in Northern Europe 1603-1746* (Leiden, 2006). See also David Dickson (ed.) *Irish and Scottish Mercantile Networks in Europe and Overseas in the Seventeenth and Eighteenth Centuries* (Ghent, 2007); Karina Urbach (ed.) *Royal Kinship: Anglo-German Family Networks 1815-1918* (Munich, 2008); Mike Burkhardt, *Der hantische Bergenhandel im Spätmittelalter: Handel – Kaufleute – Netzwerke* (Cologne, 2009).

There are some common features in the political and economic backgrounds of the German trading communities established in the three places under consideration here. Given the political structure of the old German empire, split into a multitude of small states which had many toll stations but no colonies, German entrepreneurs wanting to develop their own long-distance trade had to leave their country and settle in the rising entrepôts of neighbouring powers such as St Petersburg,¹⁰ London, Bordeaux, Cadiz, Livorno, and other western European port cities. As the mercantilist policy of the early modern empires aimed to exclude foreigners from trading with their colonies, the foreign merchants had to settle in the imperial mother countries and eventually acquire citizenship or find native business partners in order to gain legal access to the overseas world. For various reasons, migration to the port cities of the colonial sea powers was of mutual interest to German merchants and their host economies. For German merchants, the expanding colonial empires offered trading areas unhampered by frequent customs and toll stations and provided direct access to their colonial commodities.¹¹ For the colonial sea powers, foreign businessmen, in return, offered outlets for surplus colonial merchandise and capital needed for the development of overseas possessions and the maritime economies in general.

The relevance of the networks investigated here goes beyond the German and even the European context. After all, enormous quantities of German-made commodities, more than half of them textiles, were shipped to western European ports, and much was re-exported to the Atlantic world. German merchants were important agents in the marketing of these goods, and large quantities were also re-shipped by Spanish, French, and British traders. In the first half of the eighteenth century, about 15 per cent of all imports to Britain consisted of linen. As Karin Newman has pointed out, 70 to 80 per cent of all imported foreign linen textiles came from Germany, and 90 per cent of this volume was re-exported across the Atlantic. This means

¹⁰ On Russia see Victor N. Zakharov, *Zapadnoevropejskie kupcy w Rossii: Epocha Petra I* (Moscow, 1996) [Western European merchants in Russia during the Period of Peter I]; Victor N. Zakharov, 'Der Anteil west- und mitteleuropäischer Kaufleute am Außenhandel Russlands im 18. Jahrhundert', *Berliner Jahrbuch für osteuropäische Geschichte* (1997), 29–48.

¹¹ For this and the following discussion see Margrit Schulte Beerbühl, *Deutsche Kaufleute*.

that about two-thirds of all British linen exports were of German origin. Irish linen followed in second place, and English textiles came only third.¹² They served a wide variety of uses: chequered German linens were used for seaman's shirts; Silesian diaper and damasks for table linen; while fine Silesian lawns such as cambrics, imitations of French fabrics, served the fashionable needs of the higher classes.¹³ The cheaper varieties were much in demand among the lower social strata in the New World. As the Jamaican plantation owner William Beckford remarked before the Parliamentary Committee on the linen trade in 1744, 'all the Negroes and the poor White People are generally clothed with German linens, from 6d to 9d an Ell, called Osnabrughs'.¹⁴ Such labelling demonstrates that products of particular regions had made a name for themselves as 'stout Weser flaxen', 'true born Osnabrughs', 'true born Tecklenburghs', or 'Creguelas de Westphalia'.¹⁵

The French and Spanish contexts provide similar examples. The accounts of the important French trading house of Fornier frères, established in Cadiz, reveal that about two-thirds of its textile purchases between 1768 and 1786 were made in Germany. Of the total expenditure of 12 million *reales*, 3 million were spent in Hamburg, 1 million in Bremen, and 2 million in Silesia. Between 1.5 and 2 million *reales* were spent in Holland, probably also on German fabrics, as Dutch ports served as important outlets for Westphalian makes. Only some 35 per cent of the purchases were made in France.¹⁶ At the same time, the Spanish textile industry also absorbed significant quantities

¹² Karin Newman, 'Anglo-Hamburg Trade in the Late Seventeenth and Early Eighteenth Centuries' (Ph.D. thesis, University of London, 1979), 202.

¹³ *Ibid.* 198-9.

¹⁴ British Parliamentary Papers, House of Commons, Sessional Papers of the Eighteenth Century, Reports and Papers 1742-60, vol. 19: *Report on Linen 1744* (Wilmington, 1975), 19; Mr Ashley similarly reported that the 70,000 Negroes on Barbados were 'usually clothed with Foreign "Osnabrughs"', *ibid.* 18.

¹⁵ Edith Schmitz, *Leinengewerbe und Leinenhandel in Nordwestdeutschland* (Cologne, 1967), 33, 86, 92.

¹⁶ Robert Chamboredon, 'Une société de commerce languedocienne a Cadix: Simon et Arnail Fornier et Cie (Nov. 1768-Mars 1786)', in Antonio García-Baquero González (ed.), *La burguesía de negocios en la Andalucía de la ilustración, Cadiz (Dip. Provincial de Cádiz)*, (1991), ii. 35-53, at 35, 49.

from central Europe. According to Pierre Villar, in 1793 the Catalan industries imported only about 1.2 million ells of linen (equivalent to almost 1.1 million metres) from Hamburg. This was usually printed or dyed before being re-exported as Spanish fabrics.¹⁷ The taste of consumers in Spanish colonial markets is reflected in a report by British merchants on trade in the Caribbean, sent to Parliament in 1806: 'The Spanish traders are very strongly prejudiced in favour of German linens . . . When a Spanish trader goes into a store on a British island, the first article he asks for is German linens.'¹⁸

Herbert Klein has emphasized that German-made linen and calicoes were also sought after in African markets. He claims that on the West African coasts, Indian cottons which 'were in great demand in the seventeenth century', were replaced 'by German-produced linens from Silesia in the early decades of the 1700s as the prime textile import'. The share of German manufactures among the barter commodities used to purchase African slaves cannot be underestimated.¹⁹ This aspect will be examined more closely below.

These observations on overseas markets are confirmed by data from the textile-producing regions of Germany. From the 1740s to the 1780s, more than three-quarters of Silesia's linen production, whose annual value fluctuated between about 3 and 6 million *Taler*, was destined for the Atlantic nations of western Europe and their own exports, and some of it was even shipped directly to the Americas.²⁰ Far smaller territories also exported large quantities. In the late 1780s, the County of Ravensberg, for example, annually exported linen worth some three-quarters of a million *Taler*.²¹ The quantities of cen-

¹⁷ Pierre Vilar, *La Catalogne dans l'Espagne moderne: recherches sur les fondements économiques des structures nationales*, 3 vols. (Paris 1962), iii. 118, 126.

¹⁸ Otto-Ernst Krawehl, *Hamburgs Schiffs- und Warenverkehr mit England und den englischen Kolonien 1840–1860* (Cologne, 1977), 441.

¹⁹ Herbert S. Klein, *The Atlantic Slave Trade* (Cambridge, 1999), 114. For an overview, see Klaus Weber, 'Deutschland, der atlantische Sklavenhandel und die Plantagenwirtschaft der Neuen Welt (15. bis 19. Jahrhundert)', in *Europe, Slave Trade, and Colonial Forced Labour*, special issue of *Journal of Modern European History*, 7/1 (2009) 37–67.

²⁰ Alfred Zimmermann, *Blüthe und Verfall des Leinengewerbes in Schlesien: Gewerbe- und Handelspolitik dreier Jahrhunderte* (Breslau, 1885), 460–7.

²¹ Edith Schmitz, *Leinengewerbe und Leinenhandel in Nordwestdeutschland (1650–1850)* (Cologne, 1967), 81.

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tral European fabrics being traded all around the Atlantic basin show that these markets were highly integrated. The merchants portrayed below were key agents in the underlying trade, and the networks they developed enhanced this inter-continental integration.

*The London-Based German Textile Trading Houses
in the Eighteenth Century*

The British capital assumed a primary position among the leading commercial cities of Europe during the course of the eighteenth century. London rose to be the world's first financial city and was home to the first big insurance companies, set up to alleviate the risks that more or less global trade involved. Settling in London was a highly attractive option for the European commercial elite, and not only for German merchants. Britain was interested in foreign merchants settling in the country for a number of reasons. One was that they provided the capital needed both to finance the many wars fought between 1689 and 1815, and to organize far-flung trade. D. W. Jones has already referred to the role of foreign capital in financing the Nine Years War against France (1689-98).²² It continued to finance the monetary needs of the British government in the eighteenth century and, as P. G. M. Dickson has pointed out, the import of foreign capital released English funds for industrial development.²³ Another reason was that the colonies of the emerging British Empire, scattered around the world, still presented a patchy picture. These far-flung territories had to be kept and protected. Their population also had to be fed and markets had to be found for the commodities the colonies produced. At the heart of this tremendous task were the overseas traders. They organized supplies and sales. By managing their own commercial operations, merchants thus helped to build the infrastructure of the empire. And, as David Hancock has remarked, overseas traders not only exported commodities, but with them they

²² See D. W. Jones, *War and Economy in the Age of William III and Marlborough* (Oxford, 1988).

²³ P. G. M. Dickson, *The Financial Revolution in England: A Study in the Development of Modern Credit* (London, 1967), 336-7.

transported ideas and values which contributed to integrating the dispersed areas into an empire.²⁴

The Nine Years War had already contributed to a certain shortage of enterprising merchants with capital. Foreign merchants began to fill the gap which British merchants had left. There was not only a lack of numbers, but native merchants also turned their capital to more profitable investments.²⁵ Foreign merchants, among them a growing number of Germans, migrated to London to replace them. They contributed to turning the capital into an emporium of world-wide trade by re-exporting the surplus of colonial goods which the British Isles could not consume to the European Continent. The old German states, Russia, and other parts of south-eastern Europe were a profitable market for colonial wares because these countries did not have any overseas colonies to supply them directly with sugar, coffee, and other tropical produce. These countries also delivered a variety of commodities such as linen textiles, timber, and naval stores which Britain on its own could not produce in the quantities required to supply the needs of its colonial residents, its navy, and emerging modern industries.

When did the migration and settlement of German merchants in London begin? Since the late Middle Ages, London's commercial elite had already been international. In the seventeenth century, London's immigrant elite was largely made up of Dutch and Huguenot merchants, while there were few Germans. Only in the eighteenth century did Germans become the largest immigrant group of the Christian faith. After Elizabeth I closed the Steelyard, no more than a handful of German merchants remained in the capital. From the last years of the Commonwealth the number of German merchants began to increase. Although merchants from the Hanseatic cities of Bremen and Hamburg constituted a majority among London's eighteenth-century Germans, there were as many from the textile areas of the north-western parts of the Holy Roman Empire as from Hamburg alone (see Table 3.1).

Several factors influenced people to leave the country of their birth. Perhaps more important than Germany's slow recovery from the economic impact of the Thirty Years War was the disruption of

²⁴ David Hancock, *Citizens of the World* (Cambridge, 1995).

²⁵ Jones, *War and Economy*, 257–8.

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Table 3.1 Region of origin of German merchants established in London, 1715–1800

Place of birth (states)	Number
Hamburg	79
Bremen	67
Westphalia, Brunswick, Berg, Lippe, Hildesheim ^a	45
Hanover ^a	35
Saxony	29
Brandenburg	18
Hesse/Hesse-Kassel	16
Holstein	15
Prussia	13
Palatinate	10
Silesia	8

^a These small states comprised the textile area of the north-west of Germany and should actually be seen as an early pre-industrial unit. Taken together, more came from this part of Germany than from either Hamburg or Bremen between 1715 and 1800.

Source: compiled by the authors from from William A. Shaw, *Letters of Denization and Acts of Naturalization for Aliens in England and Wales 1701–1800* (Manchester, 1923).

the old trading routes via Amsterdam or Rotterdam, and the English Navigation Acts, which excluded foreigners from direct trade with the colonies. Another factor was the commercial policy of the Continental merchant families of keeping competition among themselves within limits. Hermann Jacob Garrels from Leer in East Friesland, for example, gave the reason for his decision to settle in London as 'so viele Brüder sich in einem kleinen Orte schaden, da sie sich hingegen in der Entfernung von Nutzen sey können' (that so many brothers in a small place like Leer would harm each other, while at a distance they could benefit each other). This policy was pursued not only by Germans, but by Continental merchant families in general. For the same reasons, two of the five Dutch Muilman brothers, who were among Amsterdam's leading merchant-bankers, left for London.²⁶

The textile merchant families of the hinterland generally had a very high birth rate of ten or more children. It is clear that their home towns could not provide enough economic opportunities to feed all the children, as towns such as Herford and Elberfeld had several thousand inhabitants.²⁷ Their sons therefore did not emigrate only to London. Brothers and other close relatives of the London-based migrants settled in other important commercial port cities, such as Amsterdam, Bordeaux, Cadiz, and Livorno, to name only a few, thus establishing networks which connected the leading European port cities. As London rose to become the first commercial and financial city of the world, the share of German merchants settling in the British capital (in relation to the total population) was probably topped only by those settling in Amsterdam.²⁸ Depending on place of

²⁶ Ernst Esselborn, *Das Geschlecht Garrels aus Leer* (Berlin, 1938), 130; Peter Muilman, 'Autobiographical Notes of Peter Muilman', at the end of the first volume of his *A New and Complete History of Essex . . . by a Gentleman*, 6 vols. (Chelmsford, 1770).

²⁷ Herford had about 2,700 inhabitants in 1718; Elberfeld about 3,000 in 1700. See Nicolas Rügge, *Im Dienst von Stadt und Staat: Der Rat der Stadt Herford und die preußische Zentralverwaltung im 18. Jahrhundert* (Göttingen, 2000), 35; Walter Dietz, 'Die Wuppertaler Garnnahrung', in Horst Jordan and Heinz Wolff (eds.), *Werden und Wachsen der Wuppertaler Wirtschaft: Von der Garnnahrung 1527 zur modernen Industrie* (Wuppertal, 1977), 44.

²⁸ From 1600 to 1800, the proportion of Amsterdam's total population that was German fluctuated between 15 and 25 per cent. Jan Lucassen, 'Immi-

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birth, two groups of networks can be distinguished. While merchant families from Hamburg and Bremen connected the European port cities, those from the textile areas of the north west and other parts of the German hinterland had to establish networks by step and chain migration, which linked the hinterland with London via the north German port cities. The branches in the north German port cities served as turnover places to facilitate maritime transport and trade with London and other foreign port cities.

Elberfeld (now Wuppertal), Herford (Westphalia), and adjacent regions were renowned for their linen industries. Linen and linen yarn from Elberfeld in particular had a high reputation for its whiteness and the bleaching techniques used to achieve this. From the sixteenth century on, linens and yarn from Elberfeld were exported to the Dutch Republic, France, and other foreign places.

From Elberfeld and Herford two clearly definable migration chains can be perceived. Both started as combined step and chain migrations at about the time of the English Restoration and continued for more than a century. The first chain migration started from Elberfeld and comprised fourteen merchants. The second, of ten merchants, originated from Herford. Additional chains of migrants from the nearby towns of Remscheid, Osnabrück, Brunswick, and Hanover have to be added to these two chains. All were more or less related by ties of kinship and long-established commercial ties in their home country. These kinship networks were transported to the British capital, where they continued to trade in close cooperation. Only with the coming of the cotton industry did the migration of German textile traders begin to shift from London to the new industrial centres and port cities of the north, although the British capital continued to attract the largest number of immigrants (see Table 3.2).

The first migrants from Elberfeld who have left traces were three Kaus brothers, who arrived in London around 1660. They were joined by three Teschemacher brothers from the same town a generation later. A fourth Teschemacher brother opened a merchant house in Bremen at about the same time. Members of the Wichelhausen family, who were related to the Teschemachers, also settled in

granten in Holland 1600-1800: Een kwantitatieve benadering', in Centrum voor de Geschiedenis van Migranten, *Working Paper 3* (Amsterdam, 2002), 25, table 5.

Table 3.2 Chain migration from Elberfeld and Herford to London, showing year of naturalization

Elberfeld	Herford
1660 Kraus, John	1670 Sirps, Bernard
1667 Kraus, Jasper	1708 Burges, Heydman John
– Kraus, Engel	1710 Voguell, Henry
1685 Teschemacher, John E.	1722 Voguell, Frederick
1691 Teschemacher, John W.	1726 Smith, Conrade
– Teschemacher, Isaac	1739 Pritzler, Theophilus
1706 Iserloo, Engelbert	1739 Smith, George Frederick
1708 Bergmann, Casper	1749 Pritzler, Christopher F. (via London to Zittau)
1718 Korten, Abraham	1753 Klausing, Henry (via London to Petersburg)
1719 Lucas, Peter	1756 Molling, Godfrey
1731 Korten, Peter	1775 Molling, Frederick
1737 Wichelshausen, Godfrey	
1761 Siebel, John Roger	
1791 Teschemacher, John Roger (to Nottingham)	

Source: compiled by the authors from from William A. Shaw, *Letters of Denization and Acts of Naturalization for Aliens in England and Wales 1701–1800* (Manchester, 1923).

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Bremen and London.²⁹ After the turn of the century six more descendants arrived within a decade. The last one came to London in 1758. Migration from Herford followed a similar long-term pattern. The first migrant from Herford, Bernard Sirps, arrived in the 1660s. At the same time, close cousins settled in Bremen and Hamburg. He was succeeded by Heydman John Burges, and Henry and Frederik Voguell. They were all related to each other. The last person to come from Herford was Frederick Molling (Mölling), who became a British citizen in 1775. Thus both groups established family-based trade networks linking their home town, the Hanseatic towns, and London. Those who stayed in Bremen were among the founders of the English Company of Bremen.³⁰

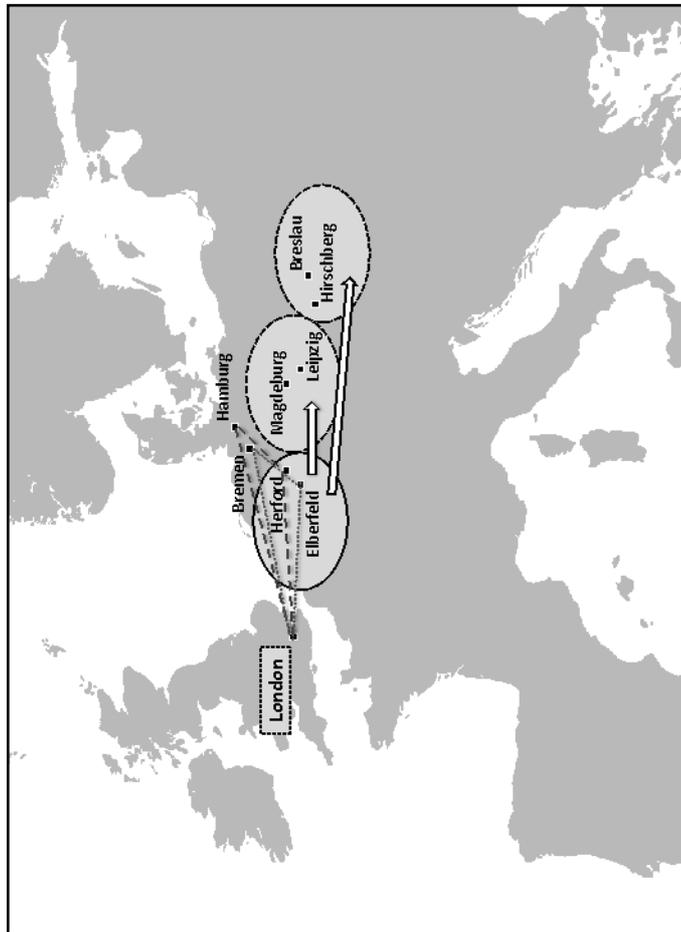
Migration to Bremen and London was part of a more complex pattern of migration. To understand the structure of these networks fully, connections with the textile regions of Saxony and Silesia must also be taken into account (see Figure 3.1). Because of the distance from Silesia and Saxony to the North Sea, it is generally assumed that Silesian or Saxon merchants had hardly any direct trade relations with London.³¹ Linen which was destined for export was sold either in Lüneburg, where the smaller Silesian merchants stored their goods, or directly to merchants in Hamburg, as the bigger Silesian houses

²⁹ Ruth Prange, *Die bremische Kaufmannschaft des 16. und 17. Jahrhunderts in sozialgeschichtlicher Betrachtung* (Bremen, 1963), 220, 226–7; for the London migrants see Schulte Beerbühl, *Deutsche Kaufleute*, 151.

³⁰ For the Englische Kompanie, see *ibid.* 93, 100 n.177; Prange, *Die bremische Kaufmannschaft*, 37–8.

³¹ Historians of the Silesian linen trade such as Siegfried Kühne and Marcel Boldorf mention that English merchants went to Silesia to buy linen, but they do not mention direct relations with, or even migration to, Britain. Marcel Boldorf, *Europäische Leinenregionen im Wandel: Institutionelle Weichenstellungen in Schlesien und Irland (1750–1850)* (Cologne, 2006), 90; Siegfried Kühne, *Der Hirschberger Leinwand- und Schleierhandel von 1648–1806* (Breslau, 1938), 90–1. The merchant house of Frege & Co. had had some direct contact with Britain since the 1770s, but according to Danny Weber it was of little importance. On the other hand he stresses the important trade in textiles between Saxony and England, but mainly refers to British merchants visiting the fairs in Leipzig and other nearby textile places. See Danny Weber, *Das Handels- und Bankhaus Frege & Comp. in Leipzig (1739–1816)* (Stuttgart, 2008), 73–6.

Figure 3.1 Network clusters of German textile merchants, 1660–1800



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did.³² Looking at trade from a London perspective presents a somewhat different picture. German merchants in London maintained intensive links with the Silesian and Saxon textile areas, partly by migrating via London to Silesia, partly by settling close relatives in a Silesian or Saxon town. Henry Voguell of Herford, mentioned above, was a major importer of Silesian and Saxon linen, and he travelled frequently between London, Zittau, and other places in Saxony and Silesia. One of Voguell's partners and relatives in London was Christopher Frederick Pritzler, also from Herford. Pritzler later migrated to Zittau, where he established a textile house.³³ Apart from Pritzler, Henry Voguell's most important supplier in Zittau was Carl Christian Besser.³⁴

Peter Hasenclever, a merchant from Remscheid, one of the major towns in the textile and metal manufacturing Duchy of Berg, had started his merchant career in the house of an uncle in Lisbon. When the textile trade with the Portuguese colonies began to decline, he moved to Cadiz and entered a partnership with, among others, Heinrich Böhl.³⁵ From Cadiz Hasenclever migrated to London. His younger brother Francis had meanwhile settled in Hirschberg in Silesia.³⁶ Böhl also left Cadiz and settled in Silesia. Both houses, that of Francis Hasenclever and Böhl & Kaller, became the main suppliers of Roger Siebel of Elberfeld, who had migrated to London in 1758. A surviving balance sheet from the partnership between Roger Siebel of Elberfeld and John Amyand in London reveals that they were important traders of Silesian and Saxon linen textiles.³⁷

³² Boldorf, *Europäische Leinenregionen im Wandel*, 91–2.

³³ The National Archive Kew (hereafter TNA), Probate Records (Prob) 11/ 751.

³⁴ Arno Kunze, 'Der Zittauer Leinengroßhandel', *Zittauer Geschichtsblätter*, 6 (1930), 44.

³⁵ On the Böhl family, see also the section below on Cadiz.

³⁶ For Peter Hasenclever see Sylvia Eichelkraut-Naumann and Tania Ünlüdag, *Peter Hasenclever: Kaufmann und Unternehmer der Aufklärung. Bergische Unternehmestypen im Umbruch zur Moderne*, ed. Karl-Hermann Beeck (Neustadt a.d. Aisch, 1996), 41–120; Margrit Schulte Beerbühl, 'Commercial Networks, Transfer and Innovation: The Migration of German Merchants to England, 1660–1800', in Stefan Manz, Margrit Schulte Beerbühl, and John R. Davis (eds.), *Migration and Transfer from Germany to Britain 1660–1914* (Munich, 2007), 19–35.

³⁷ Herefordshire Record Office, Amyand Records J56/VI/13; in addition to

Nor should direct migration from Saxony and Silesia to London be underestimated. A continuing chain migration to London can be perceived. From Saxony it started with Christopher Rose from Zwickau in the 1660s. Like migrants from the north-western textile regions, those from Saxony and Silesia moved to London at intervals of more or less a generation. Nine merchants arrived from Dresden and seven from Leipzig. Chain migration from Silesia started a little later, after the turn of the century.³⁸ In all, thirteen merchants from Silesia settled in London. Migration from both regions continued until the end of the eighteenth century.

This interconnected cluster of trade networks formed the backbone of the community of German textile traders in London. It had developed over a century and each migrant generation had contributed in its own way to this long-term development. From the British capital, German merchants expanded their trade to the most distant places in the world. The geographical scope of the London-based network of course varied greatly, depending on how long it had been operating, and the ability and degree of integration of each immigrant merchant.

Records of the London-based houses are very piecemeal and allow only partial, though interesting, insights into their far-flung trade. John William Teschemacher, one of the three Teschemacher brothers from Elberfeld, had risen into the mercantile elite of London within a decade of his arrival. In 1695–6 he was the second largest exporter of cloth, exporting goods to the value of more than £28,000.³⁹ He imported sugar and other colonial produce from the Caribbean Islands. The commercial relations of his house stretched as far as India. His nephew, a merchant-mariner, died there in 1721. John William also traded with the Baltic and had partners in Vienna

the two houses in Silesia mentioned above, they also traded with Schaeffermeyer of Bautzen and Gottlob Frege & Co. of Leipzig.

³⁸ It started with John Christian Zimmermann, alias Carpenter, from Prieg in 1701. William A. Shaw, *Letters of Denization and Acts of Naturalization for Aliens in England and Wales 1701–1800* (Manchester, 1923), 5.

³⁹ The largest one was David Debary from Hamburg. He exported commodities worth more than £34,000 in 1695–6. See Schulte Beerbühl, *Deutsche Kaufleute*, 104; D. W. Jones, 'London Overseas Merchant Groups at the End of the Seventeenth Century and the Moves against the East India Company' (Ph.D. thesis, University of Oxford, 1970), App. II.

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and Transylvania.⁴⁰ He did not yet trade with Russia, which was monopolized by the Russia Company. Until the reform of the Charter, the Russia trade was in the hands of a small coterie of merchants, probably numbering no more than about twelve to fourteen. The reform of 1698 opened membership to all English-born and naturalized merchants. Immediately after the opening of the Russia Company, the number of admittances jumped. It soon dropped, however, and annual entries remained low until the end of the Nordic Wars in 1719. Only when negotiations for a commercial treaty with Russia were pending did the number of admittances begin to rise again. Neither John William Teschemacher nor his surviving brother John Engelbert seem to have become members of the Russia Company. It was left to their successor in business, John Abraham Korten, to join. He was a relative of the Teschemachers and had started his business career in the house of the two brothers. Korten joined the Russia Company only after he had clashed with it concerning imports from Russia. Since the conclusion of the commercial treaty in 1734, Russia had become Britain's most important eighteenth-century trading partner and Korten's trade with Russia formed the backbone of his company's business. In 1740 he was among the very first naturalized immigrants to become a member of the Russia Company's Court of Assistants.⁴¹

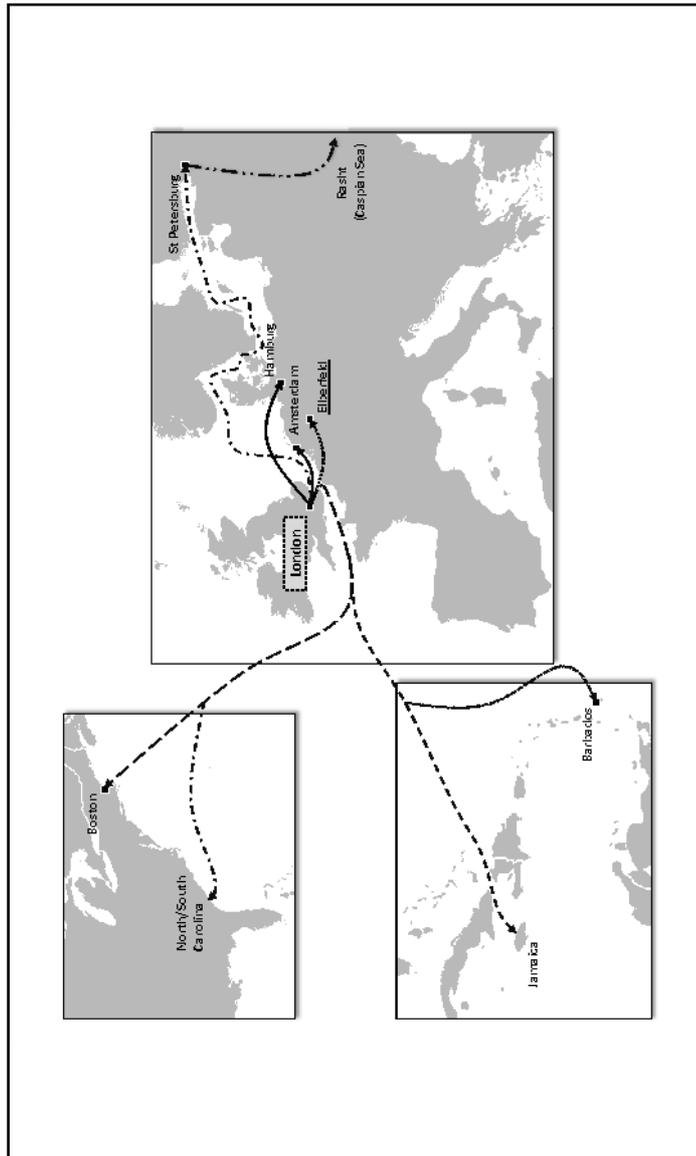
An account book covering the last few years of Korten's life has survived and provides some information on the structure of his trade. In around 1740 his London house was an emporium poised between east and west. His trade relations stretched from the Caribbean and North American colonies in the west to St Petersburg and overland as far as Reschd in Persia in the east.⁴² His home town of Elberfeld continued to be an important prop of his trade and it is interesting to note that, via his London house, the economy of the small German town of Elberfeld participated in an almost worldwide trade. Moreover, Korten's relatives in Elberfeld became shareholders in his ventures in the New World and Russia (see Figure 3.2).

⁴⁰ His nephew was an East India mariner and merchant and died in Calcutta in 1721 (TNA, Prob 11/ 582); for his trade with Vienna and Transylvania see TNA, Prob 11/ 534.

⁴¹ Guildhall Library London, Russia Company, Minute Books, MS 11741/6, p. 173.

⁴² Korten Account Book J56/VI/3, p. 16.

Figure 3.2 Abraham Korten's trading network, 1738-42



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Korten's account book also reveals that partners at the remotest ends of his commercial web were the riskiest and most difficult to control. After his death, losses of more than £3,000 had to be written off because merchants in America and Persia were dead, impoverished, bankrupt, or had disappeared.⁴³

Korten's network of business partners in the British capital was closely linked to the Dutch community. In London he was a member of the Dutch Church of St Austin Friars and he organized most of his Atlantic ventures with Isaac van Assendelft, a naturalized British merchant of Dutch birth, and the Barclays. Among his friends and business partners were some of the most prosperous and wealthiest members of the Dutch merchant community, such as the brothers and government financiers Joshua and Gerrard Van Neck.⁴⁴ Both became guardians of his daughter and executors of his will. His account book reveals no connections with the Huguenot community in London, but his daughter, Anna Maria Korten, married George Amyand, a British merchant of Huguenot descent, who had started his business career in the house of Henry Voguell from Herford.

The regulation of succession was often a problem in family enterprises, either because they had no issue or the issue was not deemed fit to take over the business. John Abraham Korten had no surviving male issue when he died in 1742. His younger brother Peter, who had been a junior partner in John Abraham's house at least since 1731, had died in 1735. He was succeeded by Godfrey Wichelhausen, another close relative from Elberfeld, but Godfrey died only a year after John Abraham, so that the house was left to John Abraham's wife and his daughter Anna Maria. The account book was closed in 1746 at the time of Anna Maria Korten's marriage to George Amyand. Succession shifted to the house of Voguell & Amyand. Anna Maria

⁴³ Korten Account Book J56/VI/3, p. 14. His losses, however, were small compared with those of the Schiffner brothers, two Russian-Germans in London. They had accumulated losses of more than £100,000 in eight years, and went bankrupt in 1761 (Lewes Record Office, Schiffner MSS 2802, 2808).

⁴⁴ Joshua and Gerrard Van Neck came from The Hague. Joshua established valuable trading links with the Parisian Protestant firm of Thellusson, Necker & Co and supplied the French Tobacco Monopoly with tobacco from London. During the wars of 1744–8 and 1756–63, trade with France permitted the firm to act as a channel of communication between the two governments. For his services he was created a baronet in 1751 (DNB).

and her mother, née Siebel, moved into the house of George Amyand, which had been the business address of Voguell & Amyand for some years.

The importance of proximity to allow easy encounters and face to face contacts for engineering trust has been highlighted by Mark Casson.⁴⁵ As has been shown in the case of Korten, it gave his family and business partners a chance not only for international cooperation and the exchange of commodities, but also for social encounters. London's international commercial elite clubbed together in local societies and coffee houses, and intermarried. These relationships provided the foundation for an outlook and behaviour that may be termed cosmopolitan.

The transition to the next generation included the risk of weakening social and economic ties. The younger generation, especially when born in England, might not have had the same strong relations with the country of their parents' birth, and ties might be further weakened when the business was transferred to a son-in-law or another native-born Englishman.⁴⁶ As long as the market seemed promising, the textile families of Elberfeld and their partners in trade attempted to secure trade links by chain migration. The surviving records do not provide any information on Amyand's relationship with Elberfeld. A decade after Korten's death, Amyand's business had become the largest Russia house in western Europe. Moreover, Amyand had become one of the governors of the East India Company and was one of the big government financiers during the Seven Years War.⁴⁷ The family in Elberfeld was keen to continue the business relationship and only a few years after the death of his mother-in-law Anna Maria Siebels, one of her nephews, John Roger Siebel, entered the business and became Amyand's junior partner. When George Amyand died in 1766, his son John was still a minor, and business was transferred to Roger Siebel who took John as junior partner. This partnership ended in 1772, when Roger Siebel returned home. With his return, the migration of merchants from Elberfeld to London came to an end, turning instead to the new industrial regions in the north of England.

⁴⁵ See Mark Casson's essay in this volume, p. 24.

⁴⁶ This could, of course, also happen if the issue was born in Britain.

⁴⁷ Lewis Namier, *The Structure of Politics at the Accession of George III* (2nd edn. London, 1957), 55–6.

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There are a number of reasons for the end of the chain migration from Elberfeld to London, which had lasted for more than a century. Competition from the Scottish and Irish linen industries had grown since the beginning of the century, and at the time when the partnership came to an end, Britain was experiencing a major financial crisis caused by excessive speculation. This crisis also affected the textile industry. Personal tensions within the partnership may have been another reason.⁴⁸ The 1770s, moreover, saw the beginning of the industrialization of the cotton industry, not only in Britain but also in the Rhineland, Saxony, and the region of Elberfeld. The spinning industry was mechanized much more slowly in Germany than in Britain, and first attempts to copy British machines were only partially successful.⁴⁹ They could thus not compete with the British textile industry for some decades. However, there was still a high demand for linen yarn, which was used as warp in the worsted industry, and in the 1780s John Roger Teschemacher moved to Nottinghamshire. He established himself there as merchant-manufacturer in the hosiery industry and was also an inventor. He constructed two textile machines for which he received patents in 1791 and 1792 respectively.⁵⁰

The Herford houses of Furstenau, Schroder & Co, and its successor Langkopf, Molling & Rasch appeared in the records of the Virginia and Maryland house of Joshua Johnson of London as large purchasers of tobacco in the early 1770s, while they supplied the Americans with German linen. During the Napoleonic Wars, the house of Molling, Spitta & Co had switched from linen to cotton and in 1812 it exported a large amount of cotton yarn on commission for the Manchester firm of McConnell & Kennedy.⁵¹ Surviving records of

⁴⁸ Herefordshire Record Office, Articles of Partnership Apr. 1769, BA89/8/7. The contract between John Roger and John Amyand explicitly recorded that the uncle Claudius Amyand should not interfere in the business.

⁴⁹ Jörg Engelbrecht, *Das Herzogtum Berg im Zeitalter der Französischen Revolution: Modernisierungsprozesse zwischen Bayerischem und französischem Modell* (Paderborn, 1996), 103–4.

⁵⁰ See patent no. 1808 and patent no. 1917 in Bennet Woodcraft, *Subject Matter Index of Patents of Inventions 1617–1852*, pt. 2: *Chronological Index of Patents* (London, 1854), 332, 352.

⁵¹ Letters to and from Molling Spitta and Molling. Rylands Library Manchester, McConnell and Kennedy Papers, MCK/2/1/18–21.

Molling, Spitta & Co reveal that they were also big traders in coffee, sugar, and other colonial goods such as logwood, and Russian goods such as hemp and flax.⁵²

Some of the London-based German merchants, like the Pritzlars of Herford, diversified into manufacturing and insurance. In the eighteenth century London was the largest sugar-refining centre in Britain and one of the Pritzlars mentioned above became a sugar refiner. They ran a refinery at Wellclose Square for several generations. They also sat on the board of directors of the Phoenix insurance company.⁵³

Via London, merchants from Germany's north-western textile areas also traded with Spain and Portugal and their colonies. Apart from the already identified Hasenclever, German merchant families with branches in Cadiz and Bordeaux also had established members in London, like the Bethmans or Luetkens.⁵⁴ In the trade with the Iberian Peninsula they enjoyed the privileges of the Methuen Treaty with Portugal and the Asiento Treaty with Spain. The British merchant navy also carried goods to the Spanish and Portuguese colonies in the eighteenth century, and at times of war its ships sailed under the protection of the Royal Navy. This was a decisive advantage given the widespread nature of privateering and piracy. In addition, the London-based Germans were connected with well-established German merchant communities in Lisbon and Cadiz.

Linen, Glass, and Cuckoo Clocks: German Merchants in Cadiz

Until the turn of the eighteenth century, Seville had been the Spanish port with the most extensive privileges for trading with Spain's American colonies. During the War of the Spanish Succession, its position was contested by Cadiz, which already hosted an important group of French traders and during the conflict sided with the ultimately successful Bourbon monarchy. Consequently, in 1717, important civil and naval institutions were transferred from Seville to

⁵² TNA, Bankruptcy Records, B3/4549.

⁵³ Guildhall Library, Phoenix Fire Insurance, List of Members for 1782, PX3; Kent's Directory for London, 1791, Directors of the Phoenix Fire Office, Lombard Street.

⁵⁴ See below.

Cadiz. Even though this monopoly-like status in handling and administering the transatlantic traffic was undermined from the 1760s, when other ports were gradually permitted to take part in the lucrative exchanges with Spanish America, even around 1790 Cadiz still managed some 80 per cent of this trade. The city therefore attracted large numbers of merchants from virtually all European nations. The French and the Italian mercantile communities were the most important, given Spanish domination over parts of Italy and the ascent of the Bourbon monarchy to the throne in Madrid in 1700.⁵⁵ While the French community was mostly drawn from the ranks of wealthy or extremely wealthy maritime traders, the Italian community included a large number of smaller businessmen and retailers. The next most important group may have been the Dutch from both the Republic and the Austrian Netherlands, as most sources from Cadiz do not distinguish clearly between the two groups. Whereas the French merchants may have counted some 350 around 1773, the Dutch community was probably only half that size. Another important group was the Irish, while the English, Danish, Swedish, and German communities were even smaller.⁵⁶ The international mixture in this port city was further enriched by merchants from places such as Malta, Ragusa, the Levant, the Spanish colonies, and even by a few Chinese businessmen from Macao.⁵⁷

Given that they left little evidence in much-used official sources such as tax registers, the German group has always been considered to have been numerically small. Yet more recent investigation of

⁵⁵ Antonio García-Baquero González, *Cádiz y el Atlántico (1717-1778): El comercio colonial español bajo el monopolio gaditano*, 2 vols. (Seville, 1976); Manuel Bustos Rodríguez, *Los comerciantes de la Carrera de Indias en el Cádiz del siglo XVIII (1713-1775)* (Cadiz, 1995); Ana Crespo Solana, *La Casa de Contratación y la Intendencia de la Marina en Cádiz (1717-1730)* (Cadiz, 1996); Manuel Bustos Rodríguez, 'Cádiz and the Atlantic Economy (1650-1830)', in Horst Pietschmann (ed.), *Atlantic History: History of the Atlantic System (1530-1830)* (Göttingen, 2002), 411-34.

⁵⁶ Antonio García-Baquero González and Pedro Collado Villalta, 'Les Français à Cadix au XVIII^e siècle: la colonie marchande', in CNRS (ed.), *Les Français en Espagne* (Paris 1990), 173-96; Ana Crespo Solana, *El comercio marítimo entre Amsterdam y Cádiz (1713-1778)* (Madrid, 2001).

⁵⁷ We owe this information about Chinese merchants in eighteenth-century Cadiz to Dr Manuel Ravina Martín, Director of the Archivo Histórico Provincial de Cádiz.

notary archives has shown that at least 239 German traders had settled there between 1680 and 1830. Nonetheless, it is unlikely that the group was larger than around 80 to 100 at any time during the 1780s and 1790s, when it was at its demographic peak.⁵⁸ This estimate includes only the shareholding partners of trading companies. If employees such as bookkeepers, other related professionals, and family members are also included, that figure might easily be doubled.

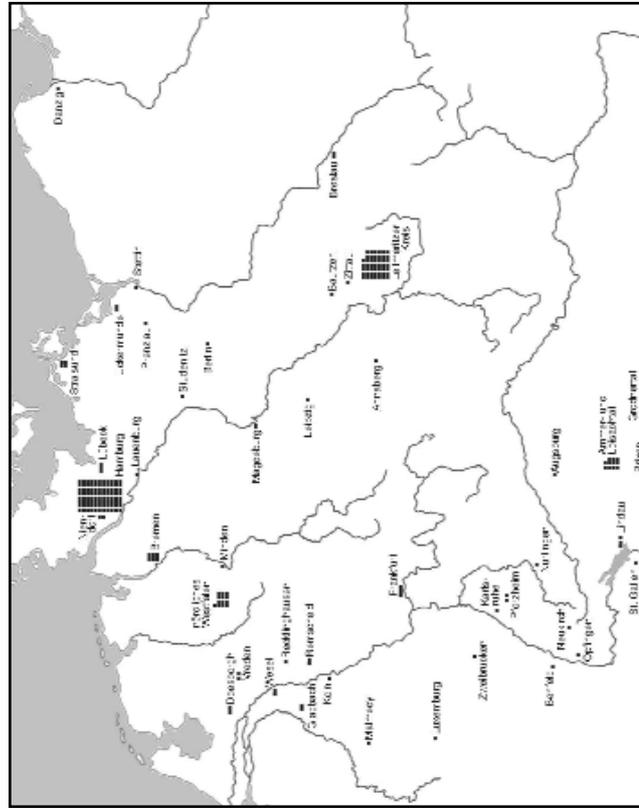
The nature of the sources used here, mostly wills from notary archives, allows the places of origin of almost all of this group totalling 239 to be identified, revealing some parallels with the German community in London. In Cadiz as in London, merchants from Hanseatic cities do not clearly dominate the German community. Of the 227 individuals whose German home we know, 88 came from Hamburg, while only 6 were from Bremen and 3 from Lübeck. Surprisingly, a dense and discrete cluster of origin occurs in one of the seemingly most remote areas of the Holy Empire, in Bohemia, separated by a mountain range from the northern German lowlands and the North Sea coast. Some 50 Bohemian traders (all German-speaking) were established in Cadiz, the first having arrived during the 1720s. Most came from the village of Haida (today Nový Bor) and its surroundings in the district of Leitmeritz (today Litoměřice), which was famous for glass manufacturing. Another region of origin was the vast proto-industrial area in north-western Germany that was also well represented in London, including the territories of northern Westphalia, the Duchy of Berg, the County of Mark, and the lower Rhineland. This more dispersed cluster consisted of 26 textile and metalware traders. Half of them came from the northern Westphalian linen-producing region around Osnabrück and Bielefeld. The more eastern territories of southern Saxony, Lusatia, and Silesia, which were also well-known textile regions, sent only a few traders to Spain (see Figure 3.3).

A good example of merchants linking the textile manufactures of north-western Germany with Atlantic markets is provided by the Ellermann family. In the literature on the merchants in Hamburg and in Cadiz, traders of that name were assumed to be from Hanseatic cities, but in fact they originated from two villages near Osnabrück,

⁵⁸ Weber, *Deutsche Kaufleute*, 352–161.

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Figure 3.3 Places of birth of German merchants established in Cadiz, 1680–1830



Source: Klaus Weber, *Deutsche Kaufleute im Atlantikhandel: Unternehmen und Familien in Hamburg, Cadix und Bordeaux (1680–1830)* (Munich, 2004), 402. Reprinted by permission of C. H. Beck Verlag.

Ibbenbüren and Venne. Ibbenbüren in particular had become famous for its tradition of peddling regionally made linen cloth and high quality household knives all over northern Germany, to the Baltic lands in the east, and to Holland in the west.⁵⁹ In the 1720s, probably even before settling in Hamburg, a branch of the Ellermann family business was already present in Cadiz. According to Spanish taxation sources, by the mid-century they had become the single most successful German firm established there.⁶⁰ In the 1730s, when Johann Arnold Ellermann, founder of the Cadiz branch, went to Hamburg, his brother Justus was settled in Amsterdam, most likely as a wealthy merchant, because he possessed real estate within the city. By then, Johann Arnold's brother Georg Heinrich had arrived in Cadiz, while another brother, Hermann, was travelling in Spanish America, a territory actually prohibited to foreigners. In Hamburg, Johann Arnold Ellermann became a distinguished member of the city's chamber of commerce and in 1744 was elected its chairman. Throughout the eighteenth century, about half of Hamburg's merchant elite was composed of newcomers to the city, mostly from northern Germany, so the Ellermanns fit perfectly into this pattern. By 1746, Johann Arnold had sent his first frigate to Cadiz and on into the Mediterranean. The building of this ship had been subsidized by the Senate as the result of a successful lobbying campaign by the very chamber of commerce of which Ellermann was chairman by then. From 1752 to 1761 he also held a seat in the *Bürgerschaft*, the assembly of the Hanseatic citizenry.⁶¹

At that time, he maintained a correspondence with Juan Cologan, a member of an Irish merchant family established in the Canary Islands, an important Atlantic take-off point for smuggling goods into the Americas. The last port at which slave ships en route to Africa could take supplies on board lay in the Canary Islands, and they were one of the major Spanish markets for German linen. Because of the huge demand from Atlantic markets, Cologan was par-

⁵⁹ Hannelore Oberpenning, *Migration und Fernhandel im 'Tödden-System': Wanderhändler aus dem nördlichen Münsterland im mittleren und nördlichen Europa des 18. und 19. Jahrhunderts* (Osnabrück, 1996).

⁶⁰ Manuel Bustos Rodríguez, *Los comerciantes de la Carrera de Indias en el Cádiz del siglo XVIII (1713-1775)* (Cadiz, 1995), 223-4.

⁶¹ Weber, *Deutsche Kaufleute*, 224-5.

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ticularly interested in Westphalian and Silesian linen, which constituted the bulk of Hamburg's exports.⁶² During the 1760s, the Ellermann trading company in Cadiz went into partnership with Johann Jakob Schlieper. Schlieper came from the town of Benfeld, in the Alsatian cotton-processing region, and had married a Spanish woman. In 1776 his daughter, Francisca María, married Prudencio Delaville, a French merchant from Nantes. In Nantes, the Delavilles were one of the leading families engaged in the slave trade, and in Cadiz, Prudencio Delaville and his brother, Armand François, were shareholding partners of the *Compañía gaditana de negros*, at that time the largest Spanish slave-trading business. To supply this company with textiles for the barter trade on African coasts was most probably one of the intentions of this familial and commercial alliance established by the trading house of Hermann, Ellermann & Schlieper.⁶³

Johann Arnold Ellermann's son, Johann Heinrich, and his grandson, Heinrich, continued to run the Cadiz branch throughout the second half of the century. His daughter, Angela Isabel, married Nikolaus Kirchhof, a wealthy Hamburg merchant and senator who had spent some years in Cadiz. This marriage secured the Ellermanns' advancement into Hamburg's highest social and political ranks. The shipping business was kept in the family until at least the 1790s. In 1798–9 the Ellermanns were among the first German shipowners to participate in the neutral trade to Spanish America, decreed in Madrid in 1797 under the conditions of war. Members of the Böhl family (see below) also held shares in the ship. Meanwhile, the Cadiz branch of the family had acquired urban real estate there and had invested in Andalusian saltworks. As late as the 1860s the house was still represented there, under the direction of Heinrich Ellermann, born in Hamburg around 1790. He had married a Spanish woman and then served as consul for the Hanseatic cities.⁶⁴ Merchants like

⁶² In 1753, Cadiz received some 47 per cent of Hamburg's duty-paid linen exports to Spain, while 33 per cent was shipped to the Canary Islands. Staatsarchiv Hamburg, Admiralitätskollegium, 371–2, F6, vol. 18 (1753).

⁶³ Bibiano Torres Ramírez, *La compañía gaditana de negros* (Seville, 1973), 40, 80–1; Weber, *Deutsche Kaufleute*, 273–5. Johann Peter Hermann, the third partner, was a nephew of the Ellermann founder generation.

⁶⁴ Walter Kresse, *Materialien zur Entwicklungsgeschichte der Hamburger Handelsflotte 1765–1823* (Hamburg, 1966), 166; Weber, *Deutsche Kaufleute*, 120–4.

the Ellermanns built networks that linked Germany's textile regions directly with transatlantic markets.

Another type of far-reaching network was established by peddling merchants from the Alps and south-western Germany. They were not unlike the French networks investigated by Laurence Fontaine, also built on kinship and trade in specific items.⁶⁵ These German peddling merchants traded with items which were less robust than textiles or metalware and required tight vertical integration.⁶⁶ They were quite numerous in Cadiz. Half a dozen had come from the Black Forest area, almost twenty from the Bavarian Ammer valley and the Gardena valley in the Tyrol, and some more from the trading city of Lindau, on Lake Constance. The lands around the lake had produced and exported linen since the medieval period. The Black Forest, however, became known for its export items only much later. From the late seventeenth century, a clock industry developed on the eastern slopes of this poor and remote mountain area. This rural industry experienced an important boom from 1730, the year when a certain Franz-Josef Ketterer, from the village of Neukirch, manufactured a tiny bellows and pipe that imitated the call of the cuckoo, integrated it into the mechanism of a chronometer, and thus invented the cuckoo clock.⁶⁷

The late seventeenth-century take-off of rural manufacturing in regions like Bohemia, the Black Forest, and some areas of Westphalia was enhanced by new methods of marketing. A very specific pattern had been developed by the Bohemian glass traders. Since about 1680, they had expanded their established methods of regional peddling with glassware into more distant regions, and increasingly replaced their backpacks with handcarts or even horse-driven carriages. Trade was carried out by a multitude of small companies whose members

⁶⁵ Laurence Fontaine, *Histoire du colportage en Europe (XVe–XIXe siècle)* (Paris, 1993); published in English as *History of Peddlars in Europe* (Cambridge, 1996).

⁶⁶ Vertical integration here means the concentration of (ideally) all aspects of manufacturing a product into one firm, from the acquisition of raw materials and production processes to distribution.

⁶⁷ Alfred Behr, 'Warum die Schwaben Tüftler sind', *Frankfurter Allgemeine Zeitung*, 12 Mar. 2002, p. 12. On Ketterer (1676–1753) also see Richard Mühe and Helmut Kahler, *Deutsches Uhrenmuseum Furtwangen: Die Geschichte der Uhr* (Munich, 1983), 124. The claim that this was a Swiss invention was boosted by Graham Greene's *The Third Man*, but must be regarded as fiction.

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were linked by familial ties and were, at the same time, involved in manufacturing. They controlled the entire chain from production to packaging, haulage, and sale. By 1700, sales expeditions had reached places as far to the east as St Petersburg and Moscow (1688), and London and Cadiz (1691) to the west. In the decades that followed, Bohemians established permanent trading posts all over Europe: in Trieste, Ancona, Naples, Palermo, and Milan; in Amsterdam (before 1730), Rotterdam, The Hague, and Utrecht; in Porto (1730) and Lisbon; and in at least seventeen places in Spain, most prominently in Cadiz (1720s), Bilbao (before 1733), and Madrid. Northern Europe was covered by trading houses in Hamburg, Copenhagen, and Riga; the Ottoman Empire by houses in Istanbul and Smyrna. Despite the tight Spanish restrictions on foreign trade with its colonies, branches were opened in Lima (1784) and Mexico City (1787). From most of these posts abroad, the pedlars covered vast areas, thus offering their products even in remote villages. In Cadiz alone, some fifty Bohemian merchants had established themselves in the period from 1720 to 1830 (not counting clerks and apprentices). A number of the families connected with the seventeenth-century glass trade remained in business into the nineteenth century: Kreybich, Preysler, Piltz, Palme, and Grosmann, to name but a few.⁶⁸

According to contemporary observers, the discipline which Bohemian trading houses imposed on their members, and their celibate lifestyle, meant that they resembled convents more than commercial enterprises. A case study of the branches in Cadiz and Bilbao confirms that company contracts specifically prohibited employees from mixing with the host society, marrying partners from abroad, and even socializing with non-Bohemian merchants. Working days were to start and finish with prayers.⁶⁹ Even though their Catholic

⁶⁸ Ludwig Schlesinger, 'Reisebeschreibung eines deutschböhmischen Glas-schneiders', *Mittheilungen des Vereins für Geschichte der Deutschen in Böhmen*, 8 (1870), 220–35, at 222–6; Edmund Schebek, *Böhmens Glasindustrie und Glas-handel: Quellen zu ihrer Geschichte* (Prague, 1878; repr. Frankfurt am Main, 1969), 62–3, 88–91, 138; Otto Quelle, 'Die Faktoreien der sudetendeutschen Glashändler in Spanien und Portugal', *Ibero-Amerikanisches Archiv*, 11 (1937–8), 387–91, at 388.

⁶⁹ Arthur Salz, *Geschichte der Böhmisches Industrie in der Neuzeit* (Munich, 1913), 253; Schebek, *Böhmens Glasindustrie*, p. lxii. A company contract dated 1782 has been preserved at the Archivo Foral, Bilbao, Sección Municipal, Fondo Corregimiento, sign. 1549/014.

religion posed no obstacle to the creation of matrimonial ties with Spanish families, the five Bohemian–Spanish marriages known in Cadiz took place only after 1800, unlike other cases among foreign traders (both Protestant and Catholic) in Spain. One reason for this endogamous behaviour was certainly Bohemian feudal law, which until 1781 prevented marriage with partners from outside the estate of their overlord. Merchants from this area usually chose wives from their home villages, and frequently travelled back and forth between Bohemia and their places of work. At home, they saw their family and settled their accounts with their partners in the glass manufactories, in which they themselves held shares. Augustin Rautenstrauch, for example, after establishing a trading house in Cadiz, returned to Haida, from where he directed an international enterprise. In the 1790s his sons ran branches in Cadiz, Seville, and Lisbon, one having previously founded a branch in Lima. With assistance from Spanish and Mexican frontmen who helped to circumvent regulations prohibiting foreigners from engaging in direct trade with the colonies, another branch was opened in Mexico City in 1787. This branch continued to exist at least until the 1830s.⁷⁰ Bohemian glass traders are an example of a group that was much more concerned with vertical integration of the business than with social integration into the host societies. Given the vast expansion of their commercial family networks covering key cities in Europe, the Americas, and the Ottoman world, this strategy may be regarded as extremely successful.

Similar distribution networks were achieved by the Black Forest clock industry and by wood carvers from the Alpine valleys, though in these cases there were no legal restrictions on marital options.⁷¹

⁷⁰ Simona Binková, 'La independencia de México vista desde Bohemia: La correspondencia comercial de Hiecke, Rautenstrauch, Zincke y Cía. en los años 1820–1825', *Ibero-Americana Pragensia*, 29 (1995), 189–99, at 190; Bohumil Badura, 'Apuntes sobre los orígenes del comercio vidriero entre Bohemia y México (1787–1839)', *Historica*, 9 (1964), 69–134.

⁷¹ Rolf Walter, 'Träger und Formen des südwestdeutschen Wanderhandels in historischer Perspektive', in Wilfried Reininghaus (ed.), *Wanderhandel in Europa: Beiträge zur wissenschaftlichen Tagung in Ibbenbüren, Mettingen, Recke und Hopsten vom 9.–11. Oktober 1992* (Dortmund, 1993), 101–16; Mark Häberlein, 'Transatlantische Beziehungen im 18. Jahrhundert: Die Kontakte südwestdeutscher und schweizer Einwanderer in Pennsylvania zu ihren Heimatregionen', in Walter G. Rödel and Helmut Schmahl (eds.), *Menschen zwischen zwei Welten: Auswanderung, Ansiedlung, Akkulturation* (Trier, 2002), 45–60.

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There was another reason for developing thorough vertical integration. As in the case of the Bohemian glass industry, these businesses produced highly fragile and precious items which could not be entrusted to general haulage and shipping companies. From packing to long distance transport, unpacking, and sale, these products needed to be in skilled hands. The increase in long-distance distribution of such items made the establishment of long-distance networks inevitable.

Only the commercially most successful families survived Cadiz's steep decline as a major Atlantic seaport caused by the loss of the Spanish mainland colonies. Among them was the Böhl family, originally from Stralsund and present in Cadiz from the mid-eighteenth century. Stralsund, a small port city on Germany's Baltic coast, exported linen produced in the hinterland of Mecklenburg and Pomerania.⁷² Like the Ellermans, the Böhl family had also established themselves in Hamburg. During the 1810s and 1820s they had acquired vineyards and formed a matrimonial alliance with the British merchant Thomas Osborne, thus laying the foundation for the company that to the present day is still a major player in the production and marketing of Spanish wines, spirits, olive oil, and other foodstuffs.⁷³ In addition to these leading merchants, the networks of the Bohemian traders proved to be surprisingly robust during the difficult period of the Atlantic revolutions. One reason may have been their close-knit familial networks and independence of outside capital, which had become risky during the Revolutionary and Napoleonic Wars.⁷⁴ Most of the other German traders left the area between 1790 and 1830, some returning to Hamburg, others seeking new opportunities in London. Both places attracted much of the hitherto illegal direct trade with the newly independent Latin American states.⁷⁵

⁷² David Ormrod, *The Rise of Commercial Empires: England and the Netherlands in the Age of Mercantilism, 1650–1770* (Cambridge, 2003), 150; Weber, *Deutsche Kaufleute*, 151–3.

⁷³ Javier Maldonado Rosso, *La formación del capitalismo en el Marco de Jerez: De la vitivinicultura tradicional a la agroindustria vinatera moderna (siglos XVIII y XIX)* (Madrid, 2000), 269–70.

⁷⁴ Salz, *Geschichte der Böhmisches Industrie*, 239.

⁷⁵ Also see Walther L. Bernecker, *Die Handelskonquistadoren: Europäische Interessen und mexikanischer Staat im 19. Jahrhundert* (Stuttgart, 1988).

MARGRIT SCHULTE BEERBÜHL and KLAUS WEBER

Wine-Growing and Slave-Trading: Germans in Bordeaux

In the process of European expansion, France had been a late-comer by comparison with the Iberian countries, the Netherlands, and Britain. It made its first acquisitions in the Caribbean only from the 1650s onwards. But these acquisitions, internationally acknowledged in the Treaty of Rijswijk (1697), proved to be most lucrative. The islands of Martinique and Guadeloupe, and especially Saint-Domingue (the western part of the Spanish possession of Hispaniola), became the world's major producers of raw sugar. Because of its extremely fertile soils, Saint-Domingue produced up to three quarters of the sugar consumed in the western world in the late eighteenth century. The island was also 'quickly becoming the world's largest producer of coffee, which had only been introduced [there] in 1723'. The exports of this island alone were 'greater than the combined exports of the Spanish and British Antilles'.⁷⁶ While most of the sugar from British islands was consumed by British domestic markets, France could afford to re-export vast quantities to countries in central and eastern Europe, which lacked their own sources of production. While France was catching up in the process of European expansion, the French shipping industry also joined the rank-and-file of the slave-trading nations, and French Atlantic seaports increasingly adapted to the plantation and slave-trading economy. Nantes became the major domestic port for the French slave trade, and Bordeaux was by far the largest port for receiving and re-exporting colonial goods from the French Caribbean. For a long time, merchants from Bordeaux had developed efficient distribution networks for their wine trade and were therefore in an advantageous position to supplement their stock with products coming in from overseas. In 1717, the port city on the Gironde had handled 20 per cent of the entire French colonial trade, while by the second half of the eighteenth century it was 40 per cent. During the 1780s, more than half of all French re-exports of colonial produce were sent from Bordeaux, which also became France's second most important slaving port. The

⁷⁶ Jean Meyer, Jean Tarrade, Annie Rey-Goldzeiguer, and Jacques Tobie, *Histoire de la France coloniale*, i. *Des origines à 1914* (Paris, 1991), 241–3; Herbert S. Klein, *African Slavery in Latin America and the Caribbean* (Oxford, 1986), 56–8, at 57.

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slave trade was an extremely capital-intensive business and attracted money not only from France.⁷⁷

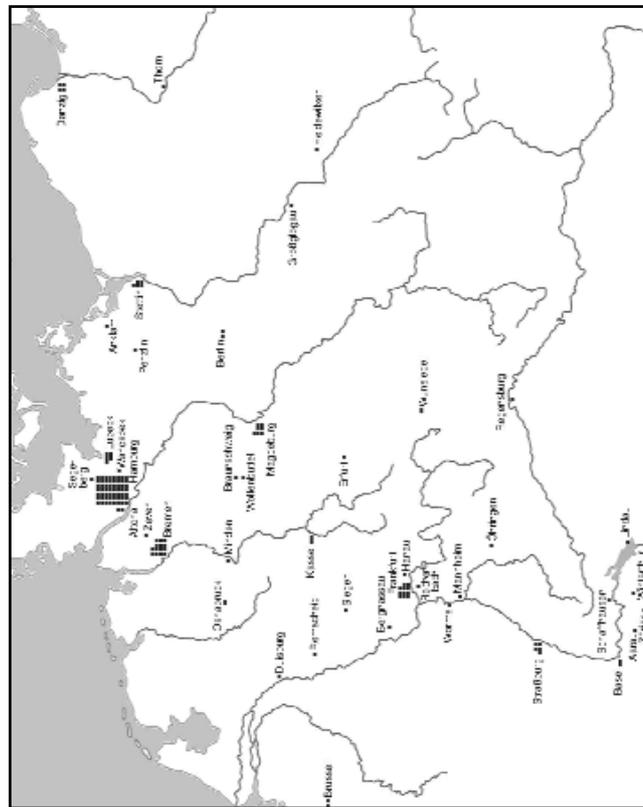
The French colonial economy also had an impact on the profile of the German trading community in Bordeaux. Two hundred and twenty-five shareholding partners or sole owners of trading houses have been identified in Bordeaux for the period 1680 to 1830. Its size, therefore, was similar to that of the community in Cadiz, but unlike in that city, the sources available for Bordeaux do not allow an almost complete identification of their places of origin. However, the German home towns of 181 of these 225 individuals have been established. Seventy-five came from the three Hanseatic cities, and about 50 from places such as Frankfurt, Magdeburg, Strasbourg, and Stettin, buying up French sugar, coffee, indigo, wine, brandy, and so on, to be re-exported to Germany. In contrast to London and Cadiz, German merchants in Bordeaux more commonly came from Hanseatic ports and centres of trading and finance in the German hinterlands (see Figure 3.4). German manufacturing regions were far less represented in Bordeaux than in Cadiz or London. Given the surplus of French sugar production, the neutral city-state of Hamburg almost naturally became one of France's major trading partners, and one of the principal places in the north for processing and re-distributing French sugar and other plantation products. In 1727, about 200 sugar refineries were operative in the Hanseatic city, and by 1805 there were more than 400. In Amsterdam, there were a mere 90 around 1750, in Rotterdam, many fewer.⁷⁸ According to an 1807 report, in 1788 Hamburg had received from Bordeaux alone far more merchandise (worth 35.6 million *mark banco*) than from all English ports taken together (a total of 11.9 million *mark banco*), and most of it consisted of sugar and coffee.⁷⁹

⁷⁷ Paul Butel, *Les négociants bordelais: l'Europe et les îles au 18e siècle* (Paris, 1974), 20-1; Eric Saugera, *Bordeaux port négrier: Chronologie, économie, idéologie, XVIIIe-XIXe siècles* (Biarritz, 1995).

⁷⁸ Astrid Petersson, 'Zuckersiedergewerbe und Zuckerhandel in Hamburg: Von den Anfängen bis zum Ende der Kontinentalsperre', *Hamburger Wirtschafts-Chronik*, NS 1 (2001), 53-81, at 55-8; Weber, *Deutsche Kaufleute*, 387, 392; Jonathan Israel, *Dutch Primacy in World Trade, 1585-1740* (Oxford, 1989), 265. Soetbeer claims as many as 450 for the year 1805; see Adolf Soetbeer, *Über Hamburgs Handel* (Hamburg, 1840), i. 18.

⁷⁹ Archives Nationales, Paris, F¹² 566-95 (Commerce et industrie, départe-

Figure 3.4 Places of birth of German merchants established in Bordeaux, 1680–1830



Source: Klaus Weber, *Deutsche Kaufleute im Atlantikhandel: Unternehmen und Familien in Hamburg, Cadix und Bordeaux (1680–1830)* (Munich, 2004), 403. Reprinted by permission of C. H. Beck Verlag.

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This dense flow of goods from France to the Elbe estuary was managed by the Germans in Bordeaux and by the small but economically extremely successful community of Huguenot merchants settled in Hamburg.⁸⁰ The most successful Germans in Bordeaux had also established matrimonial ties with families from the city's economic elite, mostly sugar planters, wine growers, and shipowners. The high proportion of Protestants among these French-born businessmen increased the chances of smooth integration for the Lutherans from Hansa towns. Some of them succeeded in extending their own business into the French plantation empire. Among them was Johann Christoph Harmensen, who had arrived in Bordeaux in 1708, and soon married a French woman. By the 1740s, when tax registers listed his trading house as pre-eminent among the Germans established there, the family had already acquired a major plantation on Saint-Domingue. It was probably registered in his wife's name. Johann Christoph's son Michael lived there for many years. Thus the Harmensens were certainly slave owners. In 1763, the father Harmensen was granted a noble title by August III, King of Poland and Prince Elector of Saxony, in acknowledgement of the services he had rendered to Saxon textile manufacturing, most likely by deliveries of cotton and tropical dyes such as indigo. The title was recognized by the French king in 1768. The Harmensens were also among Bordeaux's leading wine merchants, at least into the 1830s. When the French Caribbean was lost, the wine business remained the region's only lucrative sector of any scale and was enthusiastically developed. Hanseatic families such as the Schylers, Harmensens, and Cruses, newcomers in 1814, were major players in this field. They owned wine estates and explored new markets in eastern Europe and the United States.⁸¹ The Schyler family's wine-trading business is still one of the leading firms in this sector.

ments hanséatiques). The figures are taken from a Hamburg report, dated 30 June 1807 and directed to France, on the devastating commercial consequences of the blockade. In this context, the figures for trade with France may have been deliberately exaggerated, but certainly reflect the importance of this sector of Hanseatic trade.

⁸⁰ Klaus Weber, 'La migration huguenote dans le contexte de l'économie atlantique: l'exemple de Hambourg', in Guido Braun and Susanne Lachenicht (eds.), *Les états allemands et les huguenots* (Munich, 2007), 125–36.

⁸¹ Pierre Jeannin, 'La clientèle étrangère de la maison Schröder et Schyler, de

German entrepreneurs not only employed slaves on their plantations; a number of them also became slave traders. At least six of their trading houses in Bordeaux, among them Dravemann (from Bremen), van Döhren (from Hamburg), and Overmann & Meyer (from Hamburg), sent their own ships to African coasts, flying the French flag. In total, German companies directed about thirty Bordeaux-based slaving expeditions, which account for about 7 per cent of the 411 slavers that left from the Gironde between 1700 and 1793.⁸² German capital was certainly involved in expeditions directed by French shipowners, but far more significant was a less obvious economic link with the slave trade. The total volume of German-made manufactures used as barter goods to buy slaves on the coasts of Africa, including by merchants of other nationalities, is unknown, but it must have been significant. Sources rarely offer information on the origin of such goods, but where such information is available, the proportion of German manufactures is surprisingly high. One of these rare examples is provided by the slave ship *Amiral*, which left Bordeaux for the Guinea coast in 1744. As with most slavers, the bulk of its cargo consisted of textiles. Of the total of 5,095 bales of cotton and linen it had on board, 1,440 came from Nantes, only 675 from Rouen, and 260 from Amsterdam, but as many as 2,720 from Hamburg. The German economist Johann Georg Büsch (1728–1800) highlighted the importance of German linen on African markets, providing the example of a slaver leaving the French port of Lorient in 1720 with its cargo made up entirely of textiles imported from Hamburg.⁸³ These isolated observations confirm Herbert Klein's more general statement concerning German linen increasingly competing with Indian cottons on African markets (quoted above). The African di-

la Guerre de Sept ans à la Guerre d'Indépendance', *Bulletin du Centre d'Histoire des Espaces Atlantiques*, ns 3 (1987), 21–83; Paul Butel, 'Des négociants allemands de Bordeaux aux XVIIIe et XIXe siècles: les Schröder & Schyler et les Cruse', in Alain Ruiz (ed.), *Présence de l'Allemagne à Bordeaux du siècle de Montaigne à la veille de la Seconde Guerre mondiale* (Bordeaux, 1997), 57–64.

⁸² Weber, *Deutsche Kaufleute*, 198.

⁸³ Saugera, *Bordeaux port négrier*, 246, 352. Eric Saugera notes that the load carried by the *Amiral* was a typical cargo destined for West African markets. Johann G. Büsch, *Versuch einer Geschichte der Hamburgischen Handlung nebst zwei kleineren Schriften verwandten Inhalts* (Hamburg, 1797), 88–9. Büsch took this information from a report by the French voyager Desmarchais.

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mension of German trade in Bordeaux and its links with the French plantation economy are probably best personified in the merchants Friedrich Romberg and Johann Jakob Bethmann.

Born in 1729 in a small village close to the iron-manufacturing city of Iserlohn, Friedrich Romberg learned his logistical skills as head and founder of a Brussels-based long-distance haulage enterprise linking Flanders with Italy. Another important aspect of his business was provisioning the French navy ports of Brest and Cherbourg with naval supplies such as ropes, masts, hemp, and tar. During the American War, which was a boom period for the neutral flag of the Austrian Netherlands, he also became an important shipowner. Within a few years he had established the shipping company Frédéric Romberg fils & Ricour in Ostend, a maritime insurance company in Bruges, the slave-trading company Romberg & Cie in Ghent dealing mainly with Cuba, and a calico factory in Brussels. In 1783 he also set up the Bordeaux slave-trading company Romberg, Bapst & Cie. Minor shareholding partners in this firm were Georg Christoph Bapst, who came from a family of financiers originating in the Palatinate, and the Brussels banking brothers Walckiers. All these business ventures were supplemented by shares in the textile and ironware production of the Iserlohn area. In 1784 Romberg was knighted by Emperor Joseph II.⁸⁴

Within a few years, Romberg, Bapst & Cie became the major slave-trading and plantation company in Bordeaux, its expeditions extending as far as Mozambique. During this feverish boom period in the plantation economy rising slave prices had made many planters debtors of the slave traders. The latter increasingly took over indebted plantations, or at least their management, in order to satisfy their claims with the produce of these estates. Romberg, Bapst & Cie acted in the same way. On the outbreak of the revolution, the company owned or managed some twenty plantations on Saint-Domingue, producing predominantly cotton and indigo. It permanently had five or six ships in service, representing a capital of around 400,000 *livres tournois*. The pay for the 200 seamen employed on them represented running costs of 100,000 *livres* per annum (excluding

⁸⁴ Françoise Thésée, *Négociants bordelais et colons de Saint-Domingue. Liaisons d'habitation: La maison Henry Romberg, Babst & Cie 1783-1793* (Paris, 1972), 23-6; Weber, *Deutsche Kaufleute*, 195-8.

officers).⁸⁵ The enormous turnover of capital and its customers' unreliability meant that the shipping company ran into crisis. By 1788, the total sum owed by the planters was 4.72 million *livres*. In the following year, a consortium of twelve Bordeaux trading houses—seven of them led by Germans, prominent among them Johann Jacob Bethmann—raised 4.15 million *livres* to prevent the collapse of Romberg's firm. But its downfall was accelerated by the slave revolt on Saint-Domingue, which started in 1791 and ultimately led to the Haitian Revolution. Further efforts were made, but they only increased total financial losses. When the final settlement of accounts was made in 1807, losses amounted to the impressive sum of 34.24 million *livres*. The company's bankruptcy had repercussions on important European financiers, and almost ruined Bethmann, the most reputable member of the German community in Bordeaux.⁸⁶

Johann Jakob Bethmann (1717–92) was established in France as early as 1740 and, through his marriage to the daughter of the wealthy Bordeaux shipowner Pierre Desclaux, soon became one of the city's major shipping magnates. His marriage into this elite family also gained him a licence for direct trade with Canada and the French Caribbean. During the Seven Years War he served the French navy by supplying the overseas colonies. This proof of loyalty cost him some of his vessels, but he was rewarded after the war by lucrative shipping contracts. In the course of his business life, he sent ships to the colonies on least 53 occasions (mostly with the participation of other shareholders), and he commissioned the building of at least five new vessels. Bethmann also owned shares in an unknown number of ships registered in Lorient, Dunkerque, and Bayonne. His cosmopolitanism is reflected in his Frankfurt citizenship, which he never gave up, and his citizenship of the town of Grandson, near Neuchâtel. When travelling in Europe, he always used his Swiss passport. Although he enjoyed privileges that were usually granted only to Frenchmen, he never became a French subject. In 1766, he successfully applied for the post of Imperial consul in Bordeaux, and in 1776 was granted an Imperial knighthood. During the 1780s, when the *Droit de l'Exclusif*, the legislation excluding foreigners from direct

⁸⁵ Jean Tarrade, *Le commerce colonial de la France à la fin de l'ancien régime: l'évolution du régime de l'Exclusif de 1763 à 1789* (Paris, 1972), 46; Thésée, *Négociants bordelais*, 51–72, 38–9.

⁸⁶ *Ibid.* 195–7, 200.

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trade with the colonies, was gradually dismantled, he wound down his shipping to the Caribbean. As early as 1765, ironically, he had signed a petition organized by the *Chambre de Commerce* arguing against early attempts to introduce a liberal policy of this sort on the grounds that the admission of 'foreigners' would ruin the business.⁸⁷

Johann Jakob Bethmann was a brother of Johann Philipp and Simon Moritz Bethmann, who ran the Frankfurt banking house *Gebrüder Bethmann*. At that time, their bank and that run by the Metzler family were the dominant banking houses in the German financial capital. The Metzler family, too, was present in Bordeaux, where Wilhelm Peter Metzler (1711–61) was married to Marie Pauline Boyer, from a Huguenot family with branches in the Caribbean and in Hamburg. Their son, Peter Heinrich (1744–1800), was to marry Johann Jakob Bethmann's daughter, Katharina Elisabeth, who would eventually become the sole heir to the Bethmann fortune in Bordeaux. The younger sons Jean Albert (1742–67) and Peter Metzler (1748–1823) would represent the family business on Saint-Domingue, Guadeloupe, and Martinique. Given the considerable capital demands of the Atlantic slaving and plantation economies, Atlantic ports such as Nantes and Bordeaux maintained close links with merchant bankers in the financial capitals of Germany and Switzerland,⁸⁸ who in turn maintained close relations with central European cotton and linen processing industries. On the Continent, the Frankfurt bank *Gebrüder Bethmann* acted as the primary capital lender to rural proto-industries all over Germany. It ran large Saxon copper mines on leasehold, copper being one of the crucial raw materials in Atlantic shipbuilding. The Bethmann bank had developed its own particular commercial profile which distinguished it from major banking houses in Atlantic port cities. It made almost 90 per cent of its profits in rural manufacturing areas like the Rhineland and Saxony, with not one of its major clients established in places with

⁸⁷ Wolfgang Henninger, *Johann Jakob von Bethmann 1717–1792: Kaufmann, Reeder und kaiserlicher Konsul in Bordeaux*, 2 vols. (Bochum, 1993).

⁸⁸ For the Swiss aspects of the slave trade and plantation complex see Thomas David, Bouda Etemad, and Janick Marina Schaufelbuehl, *Schwarze Geschäfte: Die Beteiligung von Schweizern an Sklaverei und Sklavenhandel im 18. und 19. Jahrhundert* (Zurich, 2005); French-language edition, *La Suisse et l'esclavage des noirs* (Lausanne, 2005).

more than 50,000 inhabitants.⁸⁹ Of course, this does not mean that Gebrüder Bethmann was only a Continental enterprise. On the contrary, it financially linked rural manufactures with the Atlantic markets on which these depended.

Even though the French textile industries were far more competitive than those in Spain, large quantities of German-made textiles and metal products arrived in French ports, most of them destined for re-shipping to Hispanic and African markets. In 1753, about 75 per cent of the linen registered in Hamburg duty registers for export to France was destined for Bayonne, where an important community of Basque merchants channelled it to Spain and its American colonies through both legal and illegal channels. But far larger quantities of textiles were traded to Spain directly.⁹⁰ Given the huge amounts of colonial produce purchased by German traders in Bordeaux and other French ports, Hamburg's balance of trade with France (which roughly reflected that of the Holy Empire) was negative, while that with Spain was positive. The German manufactures sold to the Hispanic world were largely paid for by American silver, which in return allowed the import of consumer goods such as coffee and sugar, and of raw materials such as cotton and indigo, from France. In short: 'Germany paid for its consumption of colonial goods with linen,'⁹¹ and most of them came from France. Banking houses such as those of Bethmann and Metzler were key organizers of the financial transactions necessary to keep these exchanges running smoothly.

Given the region's wine-growing sector, which was far better developed than the one in the hinterland of Cadiz, quite a number of the most successful German maritime merchants in Bordeaux also invested part of their profits in vineyards. Given the orientation towards markets in northern Europe, investors of British, Dutch, and German background were in a good position to compete with French-born wine growers and exporters. In the French context, the pattern of acquiring estates and titles was far more evident than in Spain.

⁸⁹ Friedrich Zellfelder, *Das Kundennetz des Bankhauses Gebrüder Bethmann, Frankfurt am Main, im Spiegel der Hauptbücher (1738–1816)* (Stuttgart, 1994).

⁹⁰ Klaus Weber, 'Les livres douaniers de l'Amirauté de Hambourg au XVIIIe siècle, une source de grande valeur encore inexploitée', *Bulletin du Centre d'Histoire des espaces atlantiques*, NS 9 (1999), 93–126, at 107–9.

⁹¹ Josef Kulischer, *Allgemeine Wirtschaftsgeschichte des Mittelalters und der Neuzeit*, 2 vols. (Darmstadt, 1958), ii. 231.

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A striking example is the Luetkens family, which had been established in Bordeaux since 1685. In the early seventeenth century, their ancestors had been very active in Hamburg's trade with Spain, and some of them had established themselves in Seville and San Lucar.⁹² Shifting their focus from Seville to Bordeaux may be regarded as an adjustment of their business to the political and economic decline of Spain and the rise of France. Once settled in Bordeaux, they started to export wines to Hamburg and into the Baltic basin, and soon also traded sugar, indigo, and other colonial goods coming in from the French Caribbean. As early as 1686, they began to grow wine in the south of Bordeaux, and by 1728 possessed their own vineyards in Vertheuil, in the far more prestigious Médoc region. Charles de Luetkens, born in 1744 into the third generation, was the first French-born Luetkens to acquire nobility, as Seigneur de La Tour-Carnet. By the time the French Revolution broke out, he had accumulated the titles of Conseiller du roi, Contrôleur de guerre, Écuyer, and Contrôleur ordinaire du roi. Nevertheless, the family survived. During the period of the Directory, Charles's son Jean-Jacque Luetkens figured at number ten on Bordeaux's rich list, based on the tax registers. Since the mid-eighteenth century, family members had always married into families from the elite of the local Calvinist minority. Jean-Jacque's son Charles Oscar, who died in 1875, was the mayor of the small wine-growing town of Saint-Laurent du Médoc, and later became Conseiller general of the Département Gironde, a function then inherited by his son Henri-Michel. The Luetkens had thus advanced from merchant to *ancien régime* nobleman, and from nobleman to *notable de la République*.

Conclusions

Investigation of the spatial-temporal development of commercial networks has shown that the German merchants connected the proto-industrial regions of their home country with leading Atlantic port cities of the European Continent and with the British capital. These networks took a long time to develop and many were extremely long-lived, lasting more than a hundred years and including three

⁹² *Hamburgisches Geschlechterbuch* (Limburg, 1966), 201–22.

generations and more. Adding to Mark Casson's description of commercial networks, two fundamental types have been identified here, distinguished by composition of membership and configuration: on the one hand, merchant networks created by members of well-established merchant families from the Hanseatic port cities and their hinterland; and on the other hand, pedlars' networks created by tradesmen from Bohemia, the Black Forest, and a few other remote rural areas. The inner core of both was based on family and kin.

The trading networks directed exclusively towards London belonged to the first type. They can be subdivided according to the place of birth of their protagonists: either port city or rural hinterland. Those merchants from the proto-industrial hinterland linked their home town to London via the north German port cities. They also developed networks incorporating other textile areas of Germany, partly via London, and partly by the direct migration of close relatives, for example, from Westphalia and Remscheid to Silesian and Saxon towns. The overland network thus created between the German textile regions of Westphalia, Saxony, and Silesia was both cause and consequence of the high demand for linen in the British Empire from the late seventeenth century. From London, the German merchant houses distributed their produce to the most distant places of the empire and beyond. Those merchants from port cities created seaborne networks connecting the Hanseatic towns with London and other European ports. Yet the distinction between these two sub-types is to some extent an analytical one. In everyday business merchants linked both sub-types of networks and, in all, created a European trade which spread beyond the European context. In addition to business, they were also variously interlinked through friendships, clubs and societies, and intermarriage. As their family and kinship links went beyond national borders, they formed what may be called a European commercial and cosmopolitan elite. The enlightenment philosophers, at any rate, derived their image of cosmopolitanism from groups of merchants like the ones described here.

German merchants in London, Cadiz, and Bordeaux used these port cities as *entrepôts*, both to export German goods, mainly linen, across the Atlantic, and to import colonial produce into Germany and other central European countries. Among the Germans in Cadiz, too, both sub-types of networks of textile merchants existed. Since the late seventeenth century merchants had been coming from the Hanseatic

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cities and the proto-industrial areas where the fabrics were produced. A clearly distinct type of network emerged from the early eighteenth century, with pedlars from specific, highly specialized German manufacturing regions going to Cadiz to distribute the sophisticated products of their respective home villages, namely, glassware, carved wooden artwork, and clocks. The textile merchants of the first type of network sought social integration into the Spanish merchant community, while the highly specialized peddling traders mostly avoided family and business alliances. One reason for this was the fragility of their commodities, which demanded special skills from packaging and haulage to ultimate sale to the customer. This requirement also meant that they developed a far-reaching peddling trade on the Iberian Peninsula. It seems that the Bohemians developed the geographically most extended networks, with branches in places as remote as Lima and Mexico City. The German peddling networks were remarkably resilient in the face of the financial turbulence of the period from about 1800 to 1820. Their businesses survived far into the nineteenth century, while most of the smaller and medium-sized German merchant houses in Cadiz were either bankrupted or retreated from Spain during those years.

In contrast to London and Cadiz, Bordeaux attracted few protagonists from rural areas. This port city was not so much a market for central European manufactures, but rather exported colonial produce from the French Antilles and wine from its own hinterland. Most of the Germans on the Gironde estuary therefore belonged to the above-mentioned type of well-established merchant families from Hamburg and lesser trading cities such as Magdeburg, Stettin, and Strasbourg, where their business partners or family members organized the distribution of consumer goods such as sugar and coffee. Some of the most successful Germans were also closely involved with the plantation economy in the French Caribbean. Bordeaux's role as Europe's major entrepôt for colonial commodities and Hamburg's unique position as a place for processing and redistributing these products in the north were the key reasons why the transactions of the Germans established there, and hence the spatial dimensions of their commercial networks, tended to be bilateral, while those of the Germans in London and Cadiz were multilateral, linking various cities and regions in Germany and the Atlantic world.

A comparison of the three places examined here demonstrates

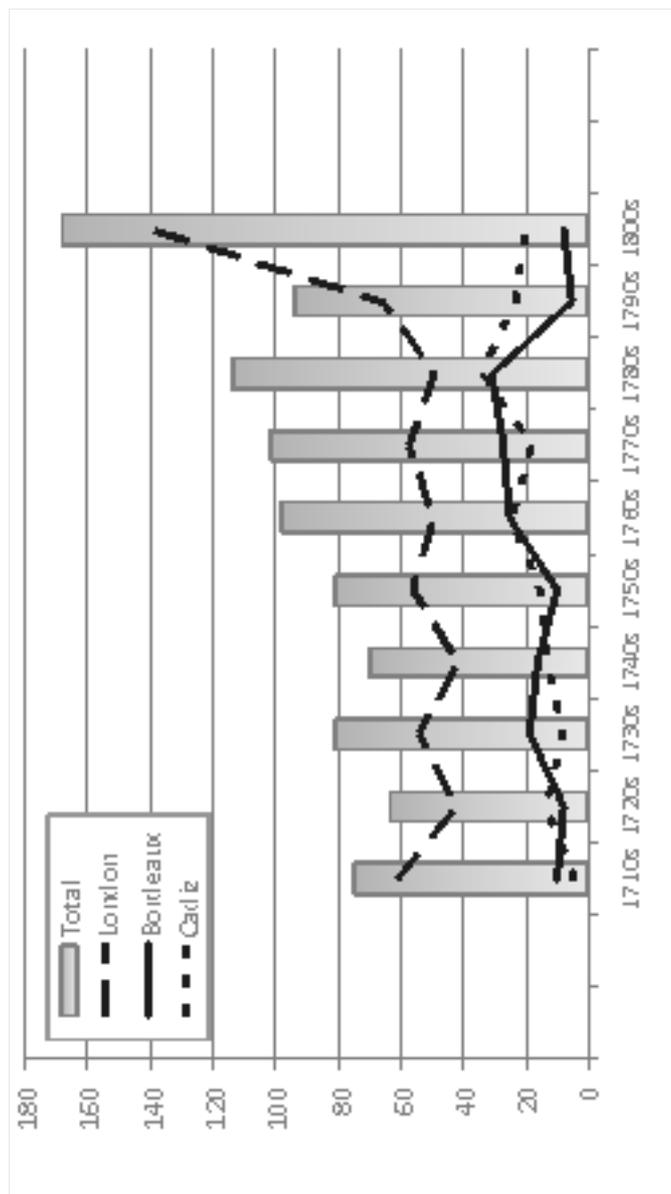
how swiftly the spatial patterns of the commercial networks adapted to economic and macro-political changes. A graph showing rising immigration rates for German merchants in Cadiz and Bordeaux from the late seventeenth century and throughout the eighteenth indicates dynamic growth of German trade in these places, in particular during the 1770s and 1780s. During this period, the communities in Cadiz and Bordeaux grew considerably (see Figure 3.5). The situation changed dramatically when the Atlantic revolutions struck both port cities. The Spanish and the French networks of German trading families were doomed with the loss of Spanish and French Atlantic colonies. With Spanish American countries becoming independent and Saint-Domingue lost as a result of the Haitian Revolution, places such as Bordeaux and Cadiz immediately lost their role as springboards to overseas colonies. In Bordeaux, the outbreak of the French Revolution caused a sharp demographic decline in all communities of foreigners. Only those German merchants who had invested in rural and urban property, probably no more than a dozen, survived the crisis. In Cadiz, the decline was somewhat delayed, but because of a lack of alternative investment opportunities such as were available in Bordeaux, for example, the ultimate impact was even harsher. By around 1815, apart from the above-mentioned Bohemian firms, only three of the larger German textile trading houses were still there.⁹³

Migration to Britain also increased during the last quarter of the eighteenth century. Given the lack of any immigration controls before the outbreak of the French Revolution, no estimates are possible. With reference to London, Figure 3.5 reflects only the wealthy elite of migrants who could afford the cost of naturalization by private act of Parliament.⁹⁴ Their numbers remained fairly constant throughout the eighteenth century, except for a sharp rise during the last decade.

⁹³ Weber, *Deutsche Kaufleute*, 151–2.

⁹⁴ On the history of naturalization and denization see Schulte Beerbühl, *Deutsche Kaufleute*, ch. 1 and ead., 'British Nationality Policy as a Counter-Revolutionary Strategy during the Napoleonic Wars: The Emergence of Modern Naturalization Regulations', in Andreas Fahrmeir, Oliver Faron, and Patrick Weil (eds.), *Migration Control in the North Atlantic World* (Oxford, 2003), 55–70.

Figure 3.5 Migration of German merchants to Cadiz, London, and Bordeaux, 1710-1810 (number of individuals arrived and settled per decade)



During the Revolutionary and Napoleonic Wars, a number of merchant families shifted their networks from the French and Spanish seaports to London, to benefit from its rise into Europe's leading commercial and financial centre. Britain became a refuge not only of the French nobility. Many Continentals, among them well-known bankers such as Hope & Co from Amsterdam, fled the approaching French armies and crossed the Channel, despite the restrictive immigration laws of 1793. Although no reliable quantitative data is available on the numbers that sought refuge in Britain, the surviving Home Office records suggest a steep increase. The number of naturalizations and denizations jumped in the 1790s. Among the merchants who fled to Britain from the German states were not only Protestants but also a very considerable number of Jews and Catholics. Even German merchants from Portugal and Spain applied for British nationality. James Henry Mislner, for example, a Hamburg merchant from Cadiz, explained in 1811 that he had applied for refuge because he did not wish to return to his home town of Hamburg while it was occupied by Napoleon.⁹⁵

Unlike the German merchants in Cadiz and Bordeaux, most of the Germans in London remained in trade. The dynamic growth of British trade and industry from the 1770s encouraged merchants to invest in the new industries or turn to insurance and finance. However, after the Atlantic revolutions and the end of the Napoleonic era, much of the German trade with the Americas was managed directly via Hamburg, Bremen, and Rotterdam, given the free trade policy adopted by the now independent states of the Americas. In all, the networking migration strategy of the German merchant families contributed to the emergence in the early modern period of a European and a global trade upon which the expansion of German export trade and shipping after the foundation of the nation-state in 1871 was built.

⁹⁵ TNA, Home Office Papers, HO 1/6 James Henry Mislner; see also HO 1/4 Hans Gottlieb Cropp's application.

4

Between Cosmopolitanism and German Colonialism: Nineteenth-Century Hanseatic Networks in Emerging Tropical Markets

BRADLEY D. NARANCH

Introduction

They were telegrams that no one would ever wish to receive, even in an age when such electronic communications were still something of a novelty.¹ Both messages, bound for Hamburg, were nearly identical in content and had travelled a long distance to reach their final destination. They began their trans-Atlantic journey as hand-written messages originating in the heart of Brazilian sugar country. Upon arrival in the Bahian city of São Salvador, they were then transcribed into short telegrams of fewer than twenty words each and dispatched on separate sailing vessels bound for Lisbon and Bordeaux. This was a precautionary measure to ensure their swiftest possible delivery to locations on the Atlantic coast where there were direct telegraph connections to northern Germany. The first arrived in Lisbon on the afternoon of 17 April 1863. Two days later, the message finally made it to Hamburg. The second later reached the French mainland at 7 a.m. on 21 April and was wired by 9 a.m. that same morning. It was a costly but effective method of sending the Schramm and the Jencquel families, two prominent merchant clans who resided in the Hanseatic port city, the sobering news that their relative, Adolphine, was dead.

¹ Dwayne R. Winseck and Robert M. Pike, *Communications and Empire: Media, Markets, and Globalization, 1860–1930* (Durham, NC, 2007). For accounts that stress the competitive dynamics of the growth of global communications networks, see Jill Hills, *The Struggle for Control of Global Communication: The Formative Century* (Urbana, Ill., 2002); Daniel R. Headrick, *The Invisible Weapon: Telecommunications and International Politics 1851–1945* (New York, 1991).

Like so many residents of her home town during the nineteenth century, Adolphine Schramm had contracted cholera. The disease struck the small town of Maroim, where Adolphine and her husband, Ernst, ran a sugar export business, with particular virulence that spring. Extreme heat coupled with an extended drought had worsened the town's rudimentary public health conditions, so that when the cholera outbreak struck, it rapidly reached epidemic proportions, particularly among the large black slave population who harvested the bulk of the sugar produced in the region. For weeks, Adolphine and her two German domestics had been monitoring their household slaves carefully, warning them not to sleep on damp floors or eat the dwindling food supplies that were rotting in the brutal heat. When the cholera epidemic struck, the couple took all possible measures to protect Adolphine from harm, but such measures proved to be in vain.

The first signs of the disease appeared on 8 April. Adolphine, beset by high fever, diarrhoea, and extreme dehydration, delivered a stillborn baby girl the following day. Two days later, at 5 a.m. in the morning, after protracted bouts of delirium made worse by the heat, she died with her doctor and husband at her side. Eight days later, her family in Hamburg read the news: 'Adolphine died of cholera 11 April. Prepare her poor mother for this terrible blow.'² It would be several months before Ernst was able to write a more detailed version of the events, confiding in letter form to his brother-in-law how terrible and tragic his wife's last days and hours had been.³ 'You cannot even imagine just how terrible those six weeks were for all of us here at the time', her doctor later wrote, noting that he had not slept for twenty-eight days out of forty-two when the cholera outbreak struck. 'An epidemic in a small place like Maroim is horrible beyond words.'⁴

The tragic series of events that ended Adolphine Schramm's life at the age of 37, while unexpected, had not come without warning signs. Following near-fatal complications from her first miscarriage and an arduous pregnancy the following year, Adolphine confided

² Percy Ernst Schramm, *Kaufleute zu Haus und Übersee: Hamburgische Zeugnisse des 17., 18., und 19. Jahrhunderts* (Hamburg, 1949), 472.

³ E. Schramm to Gustav Jencquel, 15 July 1863, quoted *ibid.* 472-4.

⁴ Letter to Gustav Jenquel, 1 Aug. 1863, quoted *ibid.* 227.

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in a letter to her sister in 1862 that she would scarcely recognize her, that she had gained weight, and that her complexion had turned yellowish and sickly. Despite her declining physical condition, she wrote several months later of her desire to travel to India and, were her husband fifteen years younger, to invest in the cotton trade.⁵ Ernst Schramm and his only surviving son, Max (1861–1928), returned to Hamburg in 1866, a momentous year in German history that would see Prussian armies defeat an Austrian-led coalition of southern German states, setting the stage for the North German Confederation.⁶ In accordance with his wife's wishes, Ernst released their slaves from bondage before liquidating the company's assets, which amounted to some 600,000 Marks, before returning to northern Germany. Combined with the profits that his older brother, Adolph, had also made in the Brazilian sugar trade, the Schramm family business was on a solid footing, despite sustaining serious losses during the 1857 global recession, which had struck the merchant investors in Hamburg particularly hard.⁷ Brazil may have cost Ernst Schramm his wife and their young son a mother, but her overseas sacrifices helped to secure their family's fortunes among the mercantile elite of her home city.

In time, Ernst would travel to the United States as well as the Middle East, Mediterranean, and Persia, further enhancing his reputation as a well-travelled, cosmopolitan citizen of the world, while his son would marry into another globally active merchant clan, the O'Swalds, who ran a profitable overseas trading company in Zanzibar and on the East African coast, in a region that would later become the site of German colonial ambitions in the 1880s and early 1890s. Such influential family connections, which included a future Hamburg mayor, William O'Swald (1832–1923), enabled Max Schramm to rise quickly through the political ranks. He became a city

⁵ A. Schramm to Mina Schramm, 25 July 1862; A. Schramm to Emma Jencquel, quoted *ibid.* 470–1.

⁶ David Blackbourn, *The Long Nineteenth Century: A History of Germany, 1790–1918* (New York, 1998), 243–59. For a Prussian perspective on the war see Christopher Clark, *Iron Kingdom: The Rise and Downfall of Prussia 1600–1947* (Cambridge, Mass., 2006), 531–46.

⁷ Percy Ernst Schramm, *Hamburg, Deutschland, und die Welt: Leistung und Grenzen hanseatischen Bürgertums in der Zeit zwischen Napoleon I und Bismarck* (Munich, 1943), 545–81.

senator in 1912 and was elected mayor in 1925, completing the transnational cycle of upward mobility that his parents had begun half a century earlier. When he died, the Brazilian consul-general attended the funeral, laying a wreath at the grave of the Hamburg statesman whom the diplomat regarded as a fellow citizen of the South American republic whose interests he represented. Among the books that Adolphine's grandson, Percy Ernst Schramm (1894–1970), would later publish about Hamburg's entangled global histories was a collection of documents on Hanseatic overseas merchants in which her personal letters were made available to a wider public for the first time.⁸

The changing roles of Hanseatic cities in German history have often been told through the lenses of their merchant families like the Schramms. Such accounts usually stress that the local autonomy which these microstates enjoyed for much of the nineteenth century declined in the face of growing nationalist pressures to modernize the social, economic, and political order and resulted in their integration into the larger German Empire that came into existence in 1871.⁹ The focus on local identity versus national unity, however, has come at the expense of a more detailed appreciation of the cosmopolitan networks and colonial projects in which Hanseatic mercantile elites participated. Inspired in part by the growth of new publications on British cosmopolitanism during the early modern period, in particular regarding the city of London, historians of Germany have begun to explore the scientific, commercial, and religious networks in which Hanseats and other Germans were embedded.¹⁰

⁸ Schramm, *Kaufleute zu Haus und Übersee*, 471–6. The correspondence was later reprinted by Schramm in *Neun Generationen: Dreihundert Jahre deutscher 'Kulturgeschichte' im Lichte der Schicksale einer Hamburger Bürgerfamilie 1648–1948*, 2 vols. (Göttingen, 1964), ii. 197–234.

⁹ Maiken Umbach, 'A Tale of Second Cities: Autonomy, Culture, and the Law in Hamburg and Barcelona in the Long Nineteenth Century', *American Historical Review*, 110/3 (2005), 659–92.

¹⁰ Alison Games, *The Web of Empire: English Cosmopolitanism in an Age of Expansion 1560–1660* (New York, 2008); Margrit Schulte Beerbühl, *Deutsche Kaufleute in London: Welthandel und Einbürgerung (1660–1818)* (Munich, 2007); Margaret Jacobs, *Strangers Nowhere in the World: The Rise of Cosmopolitanism in Early Modern Europe* (Philadelphia, 2006); Margrit Schulte Beerbühl and Jörg Vögele (eds.), *Spinning the Commercial Web: International Trade, Merchants, and*

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This essay offers an alternative account of German commercial and colonial expansion into equatorial areas of the globe during the middle half of the nineteenth century. It begins by discussing the merits of a networked approach to Hanseatic overseas history and its relevance for future periods of German colonialism in Africa and Asia. A second section looks more deeply at the daily life of the Schramm family in Brazil, particularly as it relates to larger debates in the German public sphere concerning race and slavery. The third section then surveys the global range of North German commercial interests in marginal economies in the tropics and explores their links to the emerging colonial movement in the 1880s. A concluding section returns to the subject of cosmopolitanism and the nostalgia that scholars since the Second World War have sometime attached to earlier forms of Hanseatic expansion from the nineteenth century.

Commercial Networks and German Colonial History

Networked approaches to German history as part of larger transnational transformations have thus far focused primarily on Europe, the United States, and the British Empire. They have, for example, hardly reached the field of German colonial history, which has witnessed a dramatic resurgence of scholarly interest in the past decade.¹¹ One important insight emerging from this new wave of research is that the impact of colonialism on German culture began

Commercial Cities, c.1640–1939 (New York, 2004); David Hancock, *Citizens of the World: London Merchants and the Integration of the British Atlantic Community, 1735–1785* (Cambridge, 1995); Charles A. Jones, *International Business in the Nineteenth Century: The Rise and Fall of a Cosmopolitan Bourgeoisie* (Brighton, 1987).

¹¹ Sebastian Conrad, *Deutsche Kolonialgeschichte* (Munich, 2008); Eric Ames, Marcia Klotz, and Lora Wildenthal (eds.), *Germany's Colonial Pasts* (Lincoln, Nebr., 2005); Gisela Graichen and Horst Gründer, *Deutsche Kolonien: Traum und Trauma* (Berlin, 2005); Birthe Kundrus (ed.), *Phantasiereiche: Zur Kulturgeschichte des Deutschen Kolonialismus* (New York, 2003); Alexander Honold and Klaus R. Scherpe (eds.), *Mit Deutschland um die Welt: Eine Kulturgeschichte des Fremden in der Kolonialzeit* (Stuttgart, 2004); Sara Friedrichsmeyer, Sara Lennox, and Susanne Zantop (eds.), *The Imperialist Imagination: German Colonialism and its Legacy* (Ann Arbor, 1998).

much earlier than the establishment of its overseas empire in 1884 and lasted well after its demise in the wake of the First World War.¹² For generations, German views on colonialism were shaped by cross-cultural exchanges involving merchants, migrants, missionaries, naval officers, diplomats, political exiles, writers, and intellectuals. Such global travellers appeared frequently in the loose coalitions of German liberals that formed in 1848 and in the post-revolutionary decades to call for greater state protection for 'national interests' overseas. The colonial movement that coalesced in the late 1870s drew explicitly on these earlier efforts to expand German influence into overseas regions of prior commercial, religious, and scientific penetration.¹³

Hanseatic trading houses and shipping companies which conducted business in emerging tropical markets in Africa, East Asia, and the Pacific benefited directly from their government's cautious embrace of colonial protectionism. Leaders of the colonial movement actively recruited among the Hanseatic merchant elite, encouraging them to assume the roles of pioneers in a national project of overseas conquest.¹⁴ Due in no small part to the propaganda efforts at the time to represent Hanseatic merchants as trail-blazers for German empire, historians have struggled over how best to explain the role that they played in the larger history of German imperialism.¹⁵ With the

¹² George Steinmetz, *The Devil's Handwriting: Precoloniality and the German Colonial State in Qingdao, Samoa, and Southwest Africa* (Chicago, 2008); Daniel J. Walthers, *Creating Germans Abroad: Cultural Policies and National Identity in Namibia* (Athens, OH, 2002); Lora Wildenthal, *German Women for Empire, 1884–1945* (Durham, NC, 2001); Russell A. Berman, *Enlightenment or Empire? Colonial Discourse in German Culture* (Lincoln, Nebr., 1998); Susanne Zantop, *Colonial Fantasies: Conquest, Family, and the Nation in Precolonial Germany, 1770–1870* (Durham, NC, 1997).

¹³ Matthew P. Fitzpatrick, *Liberal Imperialism in Germany: Expansionism and Nationalism 1848–1884* (New York, 2008).

¹⁴ Klaus Bade, *Friedrich Fabri und der Imperialismus in der Bismarckzeit: Revolution – Depression – Expansion* (Freiburg im Breisgau, 1975); Hans-Ulrich Wehler, *Bismarck und der Imperialismus* (Frankfurt am Main, 1984).

¹⁵ Jan Rüter, *The Great Naval Game: Britain and Germany in the Age of Empire* (Cambridge, 2007), 154–9. A strong tendency to treat Hanseatic merchants as colonial pioneers can clearly be detected in Percy Ernst Schramm, *Deutschland und Übersee: Der deutsche Handel mit den anderen Kontinenten, insbesondere*

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notable exception of Ulrike Kirchberger's innovative transnational study of Anglo-German overseas expansion in the mid-nineteenth century, little of this new research has revisited the questions of how Hanseatic communities came to back the colonial movement and what the historical implications of this convergence may have been.¹⁶

Dirk van Laak suggests that Hanseatic merchants 'slowly pulled Germany into imperial practice', citing in particular the role of trading companies such as Woermann, O'Swald, Godeffroy, and others.¹⁷ Horst Gründer acknowledges the role of such merchant houses, but he presents them as minority voices in Hanseatic communities committed to the economic principles of free trade.¹⁸ This ambivalent image of a merchant elite largely sceptical about colonialism, save for a committed minority of traders and ship owners, goes back to works by Helmut Washausen and Ekkehard Böhm published more than thirty five years ago.¹⁹ For both, the eventual capitulation to the colonial movement was part of the nationalization of Hanseatic political and commercial culture, which eroded the regional distinctiveness of the Hanseatic cities and drew them more tightly into the affairs of the German Empire. New research paradigms drawn from the emerging field of global history promise to reframe the debate about German overseas expansion. They enable scholars to replace the dichotomous logic of pro-colonial and anti-colonial factions with a multidimensional approach to the overlapping commercial and social networks that connected German communities to the global marketplace.²⁰

dere Afrika, von Karl V. bis zu Bismarck. Ein Beitrag zur Geschichte der Rivalität im Wirtschaftsleben (Brunswick, 1950), esp. 413–60.

¹⁶ Ulrike Kirchberger, *Aspekte deutsch-britischer Expansion: Die Überseeinteressen der deutschen Migranten in Grossbritannien in der Mitte des 19. Jahrhunderts* (Stuttgart, 1999).

¹⁷ Dirk van Laak, *Über alles in der Welt: Deutscher Imperialismus im 19. und 20. Jahrhundert* (Munich, 2005), 64.

¹⁸ Horst Gründer, *Geschichte der deutschen Kolonien* (5th edn., Paderborn, 2004), 43–8.

¹⁹ Helmut Washausen, *Hamburg und die Kolonialpolitik des Deutschen Reiches 1880 bis 1890* (Hamburg, 1968); Ekkehard Böhm, *Überseehandel und Flottenbau: Hanseatische Kaufmannschaft und deutsche Seerüstung 1879–1902* (Düsseldorf, 1972).

²⁰ David Ciarlo, 'Globalizing German Colonialism', *German History*, 26/2 (2008), 285–98; Reinhard Wendt, *Kolonialismus, Imperialismus, Globalisierung:*

A networked approach to German overseas history emphasizes the importance of the Hanseatic port cities as nodal and transfer points through which people, commodities, and knowledge circulated.²¹ These channels allowed ideas about overseas trade and empire to flow into the German public sphere, out of which a political movement committed to colonial expansion would later coalesce. As transshipment points for exchanging globally traded and produced commodities as well as locations for acquiring detailed knowledge about world markets, cultures, and politics, Hanseatic cities like Hamburg helped to render topics like colonialism, race, and slavery increasingly normal aspects of German domestic life. At the same time as their home towns were being fused into the global circuitries of transoceanic commerce and migration, Hanseats also saw the German Customs Union and railway networks press up against their communal boundaries. As gateways to the world as well as endpoints of the nation, their city-states were potent meeting points between two overlapping commercial networks: a cosmopolitan web made up of duty-free storage depots, telegraph interchanges, emigration points, commodity distribution centres, and cultural transfer sites; and a developing national web of politicians, business interests, intellectuals, and government reformers who sought to remake the German Federation into a more powerful imperial state capable of supporting large-scale projects of economic expansion.²²

Between both cosmopolitan and national networks, however, were the tightly-knit local networks of patrician families whose

Von 1500 bis zur Gegenwart (Paderborn, 2007); Sebastian Conrad, Andreas Eckert, and Ulrike Freitag (eds.), *Globalgeschichte: Theorien, Ansätze, Themen* (Frankfurt am Main, 2007); Sebastian Conrad, *Globalisierung und Nation im Deutschen Kaiserreich* (Munich, 2006); Anthony G. Hopkins, *Global History: Interaction Between the Universal and the Local* (New York, 2006).

²¹ Manuel Castells' theory of network societies is an important foundation for such an approach. See Manuel Castells, *The Rise of the Network Society* (2nd edn., Oxford, 2000); Felix Stalder, *Manuel Castells: The Theory of Network Society* (Cambridge, 2006); Daniel Chernilo, *A Social Theory of the Nation-State: The Political Forms of Modernity Beyond Methodological Nationalism* (New York, 2007).

²² Andreas Schulz, 'Weltbürger und Geldaristokraten: Hanseatisches Bürgertum im 19. Jahrhundert', *Historische Zeitschrift*, 259 (1994), 637-70; Dieter K. Buse, 'Urban and National Identity: Bremen, 1860-1920', *Journal of Social History*, 26/3 (1993), 521-38.

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livelihoods depended on business transactions with both Germany and the wider world. Men and women from this commercial elite sought to make names for themselves abroad by providing valuable information about trends in world commerce and local conditions overseas, which could then be used to solidify economic and political influence for their business partners and relatives at home. The result, as Lars Maischak suggests for Bremen merchants in nineteenth-century Baltimore, was a 'conservative cosmopolitan' ethos capable of reproducing traditional values and fostering a modern awareness of foreign markets, technological advancements, and trans-Atlantic capital flows.²³ Their cosmopolitan communities came under threat during the wars of national unification of the 1860s, forcing the opposite ends of their network to integrate more fully into the American and German state systems in which they respectively resided.²⁴

A Hanseatic business model combining trade neutrality with cosmopolitan networking proved to be a cost-effective means of exploiting economic opportunities in a wide variety of global markets for three main reasons. First, it relied on small-scale businesses whose members were willing to travel far and wide in search of specialized market opportunities and who bought and sold goods based on global trends, not national economic priorities. Hanseatic firms and private vessels preferred to operate in regional economies where the costs of security and local infrastructure were borne by a combination of outside and indigenous powers. They cemented their status as efficient intermediaries who channelled goods and services from one economic region to another, such as the trans-African cowrie shell trade or the inter-coastal rice trade in the South China Sea. In some cases, these transactions led to direct transfers of German-manufactured goods—textiles from Bielefeld or Brönn, harmonicas from Thuringia, grain alcohol from East Prussia, metal ware from the

²³ Lars Maischak, 'A Cosmopolitan Community: Hanseatic Merchants in the German-American Atlantic of the Nineteenth Century' (Ph.D. thesis, Johns Hopkins University, 2005). The case of Hanseatic merchants in New York has been studied by Sven Beckert, *The Monied Metropolis: New York City and the Consolidation of the American Bourgeoisie 1850–1896* (Cambridge, 2001).

²⁴ Charles Bright and Michael Geyer, 'Global Violence and Nationalizing Wars in Eurasia and America: The Geopolitics of War in the Mid-Nineteenth Century', *Comparative Studies in Society and History*, 38/4 (1996), 619–67.

Rhineland—to distant buyers in Brazil, China, Hawaii, Cameroon, Australia, or the Fijian islands.²⁵ In most instances, however, Hanseatic ships plied the waters of distant overseas markets in search of foreign cargo to move from one regional location to another, regardless of national provenance.

A second reason for the success of the cosmopolitan business model was that Hanseatic envoys succeeded in negotiating their own trade treaties with postcolonial states in Latin America and African states such as Liberia and Zanzibar, which provided them with basic legal and personal protection. Hanseatic merchants quickly negotiated commercial treaties with the newly formed states of Latin America, whose diplomats were eager to line up Western European recognition of their fledgling governments.²⁶ Beginning with a trade arrangement with Brazil in 1827, Hanseatic delegations representing Hamburg, Bremen, and Lübeck signed additional treaties with Mexico, Venezuela, Ecuador, and other Latin American republics.²⁷ By 1845, more than forty Hanseatic firms operated in Mexico, twenty-eight in Central America and the Caribbean, and sixty-seven in South America.²⁸ In contrast to North American cities like Baltimore, Hanseatic commercial networks in Latin America, Africa, Asia, and the Pacific were initially less susceptible to nationalist pressures. By cultivating cosmopolitan connections with both Western and non-Western merchants, suppliers, and purchasers, Hanseats succeeded

²⁵ Karl Andree, 'Das Erwachen der Südsee', in *Geographische Wanderungen* (Dresden, 1859), ii. 318–20. On the role of German-manufactured harmonicas in the world economy of the nineteenth century, see Hartmut Berghoff, 'Harmonicas for the World: The Creation and Marketing of a Global Product', in Martin H. Geyer and Johannes Paulmann (eds.), *The Mechanics of Internationalism: Culture, Society, and Politics from the 1840s to the First World War* (Oxford, 2001), 321–56.

²⁶ Albrecht von Gleich, 'Die Hansestädte und Lateinamerika', in Volker Plagemann (ed.), *Übersee: Seefahrt und Seemacht im deutschen Kaiserreich* (Munich, 1988), 22–5.

²⁷ J. Prüser, *Die Handelsverträge der Hansestädte Lübeck, Bremen, und Hamburg mit überseeischen Staaten im 19. Jahrhundert* (Bremen, 1962); Herbert Minne- mann (ed.), *Handels- und Schifffahrtsvertrag zwischen den Senaten der freien und Hansestädte Lübeck, Bremen, und Hamburg und Sr. Majestät dem Kaiser von Brasilien, unterzeichnet zu Rio de Janeiro am 17. November 1827: Eine Dokumentation* (Hamburg, 1977).

²⁸ Schramm, *Deutschland und Übersee*, 55.

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in protecting their local autonomy while pursuing low-cost techniques for global expansion into desirable commodities markets. While they never attained the magnitude of the trans-Atlantic trade, such initiatives were clear signals of the expanded commercial opportunities that German businessmen in the second half of the nineteenth century enjoyed, whether the location was a Brazilian sugar plantation, a South Seas island, a Hong Kong tea exchange, or a Liberian trading post.

By 1866, before Hamburg's overseas consulates were absorbed into the North German Confederation, the city maintained a global network of 279 consular outposts, including sixty-nine in European colonies and sixty-six in states outside Europe.²⁹ Unable to compete head-to-head with better capitalized Western European firms that enjoyed state subsidies and gunboat diplomacy, small, family-run firms thrived in regional and niche markets around the world. Hanseatic traders and commercial sailing ships operated throughout Latin America, in India, Australia, New Zealand, Japan, China, and in the Spanish and Dutch colonies in the Pacific. Increasingly, some merchants with commercial networks in South America began branching out into high-risk emerging tropical markets in the Pacific and along the West African coast, locations which would play major roles in the creation of Germany's colonial empire several decades later.³⁰

A third reason for the success of the Hanseatic cosmopolitan model was that it relied heavily on British imperial infrastructure and liberal trade policies to expand globally at relatively low cost. The British Empire, with its extensive network of coaling stations, colonies, commodities markets, communications hubs, and overseas outposts, offered an ideal business platform upon which Hanseatic firms could operate. Hamburg firms, in particular, took advantage of the phasing out of British mercantile laws in order to access markets in Africa, Asia, and the Pacific. By working within a British imperial order, they drew upon existing patterns of Anglo-German cultural exchange that resulted in a wide variety of political, scientific, and

²⁹ Washausen, *Hamburg und die Kolonialpolitik*, 54.

³⁰ Dirk Bauendamm, *Wagnis Westafrika: 150 Jahre C. Woermann. Die Geschichte eines Hamburger Handelshauses, 1837-1987* (Hamburg, 1987); Renate Hücking and Ekkehard Launer, *Aus Menschen Neger machen: Wie sich das Handelshaus Woermann in Afrika entwickelt hat* (Hamburg, 1986).

commercial partnerships and that were sustained by continued migration of Germans to Britain during the nineteenth century.³¹

German Cosmopolitans and the Question of Slavery

While commercial partnerships with their British counterparts remained a popular option for many Hanseatic trading houses throughout the nineteenth century, the decline of the Spanish and Portuguese empires, combined with the rapid economic growth of the United States, created a range of new possible markets in the Americas for enterprising merchants to explore. Like a growing number of nineteenth-century Europeans, Adolphine and Ernst Schramm crossed the Atlantic in search of personal fortune.³² Unlike the majority of German travellers bound for the United States, however, they and a small number of German merchants and migrants chose Brazil as an attractive alternative, one that the Schramms felt held great potential as an emerging tropical market.³³ In the 1830s Ernst had worked with his brother in Pernambuco, Brazil, in the sugar export business. He returned home at the age of 46 to marry the 32-year-old Adolphine Jencquel, who, like her husband, came from a well-connected and worldly merchant family. Following shopping trips in Paris and London, the newlyweds left Europe in 1858 for the north-eastern

³¹ Stefan Manz, Margrit Schulte Beerbühl, and John R. Davis (eds.), *Migration and Transfer from Germany to Britain, 1660–1914* (Munich, 2007); John R. Davis, *The Victorians and Germany* (Berne, 2007); Panikos Panayi, *German Immigrants in Britain during the Nineteenth Century, 1815–1914* (Oxford, 1995); Ulrike Kirchberger, 'Deutsche Naturwissenschaftler im britischen Empire: Die Erforschung der aussereuropäischen Welt im Spannungsfeld zwischen deutschem und britischem Imperialismus', *Historische Zeitschrift*, 271 (2000), 621–60.

³² Klaus Bade, *Migration in European History*, trans. Allison Brown (Oxford, 2003), provides an excellent introduction to this topic. For a global overview, see Dirk Hoerder, *Cultures in Contact: World Migrations in the Second Millennium* (Durham, NC, 2002).

³³ For German migration to North and South America during this period, see the individual chapters in Klaus Bade (ed.), *Deutsche im Ausland – Fremde in Deutschland: Migration in Geschichte und Gegenwart* (3rd edn., Munich, 1993).

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Brazilian state of Sergipe, where they soon built a modest but comfortable home in Maroim.³⁴

Life in a remote tropical location was not without risk, but it was precisely such family-based enterprises upon which the reputation of Hamburg as a continental European emporium for globally traded commodities such as sugar depended. Acquiring personal experience in the rapidly changing world marketplace was an important rite of passage for many Hanseatic mercantile elites. Aided by Britain's embrace of free trade, Hamburg's merchants and sailors extended their city's commercial networks further and wider than ever before. Latin America, with its expanding economic ties to Europe and North America and its relatively open trading conditions, offered an ideal base of operations for the Schramms and other Hanseatic merchants.

Hamburg's commercial ties with Latin America predated the arrival of the Schramms by several generations.³⁵ By the 1850s, however, Brazil had become the centre of a controversy in Germany over its suitability as a place for emigrants to relocate where they could maintain their ethnic identities more effectively than in North America.³⁶ Concerns that German farmers were being exploited as cheap sources of replacement labour for African slaves led Prussian authorities to ban Brazilian migration agents in 1859, casting a dark shadow over private plans to establish German settlement colonies.³⁷

³⁴ For background on Brazilian slavery in Bahia, see B. J. Barickman, *A Bahian Counterpoint: Sugar, Tobacco, Cassava, and Slavery in the Reconcavo, 1780–1860* (Stanford, Calif., 1998); Stuart B. Schwarz, *Sugar Plantations in the Formation of Brazilian Society: Bahia, 1550–1830* (Cambridge, 1986); Kit Sims Taylor, *Sugar and the Underdevelopment of Northeast Brazil, 1500–1970* (Gainesville, Fla., 1978); Peter L. Eisenberg, *The Sugar Industry in Pernambuco: Modernization without Change* (Berkeley, 1974).

³⁵ Albrecht von Gleich, 'Die Hansestädte und Lateinamerika', in Plagemann (ed.), *Übersee*, 22–5; Prüser, *Die Handelsverträge der Hansestädte*; Minnemann (ed.), *Handels- und Schiffsverträge*.

³⁶ Fitzpatrick, *Liberal Imperialism*, 75–100; Mack Walker, *Germany and the Emigration 1816–1885* (Cambridge, Mass., 1964), 120–1; Walther L. Bernecker and Thomas Fischer, 'Deutsche in Lateinamerika', in Bade (ed.), *Deutsche im Ausland*, 197–214.

³⁷ Frederick C. Luebke, *Germans in the New World: Essays in the History of Immigration* (Urbana, Ill., 1990), 93–109. For a broader account of German settle-

The Brazilian export economy was undergoing a massive reorientation away from slave-produced sugar in the north east to coffee cultivation in the southern states, using a mixture of free and slave labour.³⁸ The profitability of coffee cultivation and the difficulty of recruiting immigrants from Europe to perform the work-intensive cultivation prolonged the widespread use of slave labour in Brazil until its legal abolition in 1888, making it the last state in the western hemisphere to do so.

The long-running Brazilian struggle over slavery marked Adolphine Schramm's unfolding narrative of Hanseatic tropical domesticity in indelible ways. To pass the long hours of solitude, Schramm maintained a steady stream of correspondences with friends and family, in which she provided them with a detailed portrait of plantation life. When asked why her letters contained relatively few criticisms, Schramm replied: 'when you have to wait three months for someone to learn of your complaints and offer comfort, you just forget about it. For it only makes that person depressed to read of such things.'³⁹

Unlike her husband, who conducted business in four languages (German, English, Portuguese, and French) and who could travel at will in and around town, Adolphine found it hard to leave the house or access the wider variety of reading materials that were at his disposal. Heavy rains in the winter season made outdoor riding and walking 'impossible', and the combination of heat, dust, and poor roads during the parched summer months of drought and tropical heat made such excursions unpleasant. Even a visit to her nearest neighbour was a formidable obstacle, as the evening walk home required her to enlist the services of two torch-bearers and two male escorts, who needed to be paid a high gratuity for their services.⁴⁰

ment interest in Brazil as it relates to the history of globalization in the nineteenth century, see Conrad, *Globalisierung und Nation*, 229–78.

³⁸ Barickman, *A Bahian Counterpoint*, 17–43; Steven C. Topik, 'Coffee', in id. and Allen Wells (eds.), *The Second Conquest of Latin America: Coffee, Henequen, and Oil during the Export Boom, 1859–1930* (Austin, Tex., 1998), 43–6; Steven C. Topik, *The Political Economy of the Brazilian State, 1889–1930* (Austin, Tex., 1987), 59–92.

³⁹ A. Schramm to Mina Schramm, 20 July 1860, 463.

⁴⁰ A. Schramm to Mina Schramm, 29 Nov. 1859, 461.

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Beyond the daily tribulations of domestic living, Schramm was also exposed to some of the larger economic struggles and public health hazards that impacted on Brazilian society during the 1850s and early 1860s. Slavery and the gradual transition to wage-labour work relations in the country were inescapable issues of public and private debate in the sugar-growing region, where much of the harvesting and processing of sugar cane was performed by slave labourers. The Schramm business in town relied on slaves, and in their household the Schramms employed both slaves and emancipated servants, as well as female servants from Germany. Several serious cholera outbreaks had depleted the labour supply in the region, leading to a growing demand for replacement wage-labourers in the sugar fields and production facilities. The start of the US Civil War in April 1861 intensified the debate within the country about the moral and economic costs of tolerating slave labour and prompted Schramm herself to share her own contorted views on the subject in letters to friends in Germany. 'Theoretically no one is for slavery, naturally', she wrote to a friend from Hamburg. 'For practical reasons, however, almost everyone regards it as a necessary evil and feels that a sudden emancipation of all slaves without a transitional period would be unmanageable. I wish that all idealists like [Harriet Beecher] Stowe and the like were themselves slave owners or completely dependent on slave labour, as is the case with those in the tropics.'⁴¹

In order to counter the impression that she was an advocate of slavery, Schramm added that she and her husband hoped to free their own 'house slaves' after their planned return to Germany, but she expressed strong negative opinions about the working habits of freed slaves in the country and voiced doubts about their value as reliable replacement labourers in the household. In particular, she shared the concern of others in the town about the loss of bargaining power that would result from the creation of an independent labour force of wage workers and domestics.

Writing to her network of female correspondents back home, Adolphine transmitted a rich array of impressions about slave-owning society intimately connected with the family business and

⁴¹ A. Schramm to Frau Doop, 26 July 1861, 466. On the reception of Stowe's novel in Germany during the 1850s and 1860s, see Paul, *Kulturkontakt und Racial Presences*, 127-85.

Hamburg's commercial standing in Central Europe. She passed on stories of slaves receiving Christmas gifts of money and clothing, of the Maroim marketplace filled with diverse products and purchasers, and of local celebrations with riotous dancing, fireworks, and singing. She described the clothing and hairstyles of the Brazilian women she encountered, noting, for example, that freed blacks in the market could be identified by the fact that they wore shoes, while slaves went barefoot.⁴² She explained how white Brazilians sought to maintain their blood purity by avoiding interracial unions and remarked on the stares that she received on the street because of her pale features and hair colour. In one letter Schramm outlined an encounter she had with a runaway female slave from a nearby plantation. The woman begged to be purchased to escape punishment by her master. Unsure of how to react, Schramm left the woman alone on the veranda, allowing her to escape into the forest when an overseer came to the door to take the escapee into custody.⁴³

Although Adolphine's stories of Brazilian plantation life do not appear to have circulated publicly beyond her personal readership, similar accounts proliferated in liberal print culture during the 1860s. Such journals included Ernst Keil's *Die Gartenlaube*, Oscar Peschel's *Das Ausland*, August Petermann's *Mitteilungen aus Justus Perthes' Geographischer Anstalt*, Otto Ule's *Die Natur*, and Karl Andree's *Globus: Illustrierte Zeitschrift für Länder- und Völkerkunde*. As contributors to newspapers, magazines, and popular science journals, German travellers provided domestic audiences with continually updated images of the new global age.⁴⁴ Many of these stories sought to educate their readers on such issues as slavery, emigration, colonialism, and the world economy. As editor of *Globus*, Andree published numerous articles about emancipation and race relations around the world, and he was quite critical of German readers who sympathized with the anti-slavery movement in the United States. Lacking the knowledge

⁴² A. Schramm to Mina Schramm, 1 Apr. 1859, 456–7.

⁴³ A. Schramm to Mina Schramm, 29 May 1861, 466; undated letter from A. Schramm to Ana Jencquel, 467–8.

⁴⁴ Andreas Daum, *Wissenschaftspopularisierung im 19. Jahrhundert: Bürgerliche Kultur, naturwissenschaftliche Bildung, und die deutsche Öffentlichkeit 1848–1914* (2nd edn., Munich, 2000); Matthew Fitzpatrick, 'Narrating Empire: *Die Gartenlaube* and Germany's Nineteenth-Century Liberal Expansionism', *German Studies Review*, 30/1 (2007), 97–120.

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of modern racial science, citizens of 'average education', he argued, were unable to grasp the dangers that such ideas posed for global economic growth and social stability.⁴⁵

Andree also applauded the creation in 1863 of the London Anthropological Society, founded in part to counter the influence of British anti-slavery and aboriginal rights groups.⁴⁶ New scientific research had proved the basic falseness of humanist principles of equality, he wrote: 'Nature has organized humanity hierarchically, not democratically. The principle of equality cannot stand up to the notion of racial stratification. It is one of those inane ideas that have no foundation but hot air; it is not in the least "liberal", but quite simply absurd.'⁴⁷ In seeking to emancipate slaves from their conditions of bondage and human degradation, he argued, philanthropists failed to appreciate the need for Africans transplanted from their homelands to be compelled to work, lest they return to a state of indolence and savagery.⁴⁸

The prominence of race in the first decade of *Globus* resulted from the growth of new intellectual theories in the natural and cultural sciences, and the growing awareness in Germany of the changing patterns of global commerce and labour migration that the new technologies of the mid-nineteenth century had made possible. Race was a dynamic category for Andree, not an ancient or unchanging one,

⁴⁵ Mischa Honeck, 'In Pursuit of "Freedom": African-, Anglo-, and German-American Alliances in the Abolition Movement', *Bulletin of the German Historical Institute* (Washington, DC), 38 (2006), 99-117; Harmut Keil, 'Das Verhältnis deutscher Immigranten zu Sklaverei und Abolition in der Mitte des 19. Jahrhunderts', in Christiane Harzig (ed.), *Migration und Erinnerung: Reflexionen über Wanderungserfahrungen in Europa und Nordamerika* (Göttingen, 2006), 105-22.

⁴⁶ Karl Andree, 'Anthropologische Beiträge I', *Globus*, 10 (1866), 57. For background on the London Anthropological Society see J. W. Burrow, 'Evolution and Anthropology in the 1860s: The Anthropological Society of London, 1863-71', *Victorian Studies*, 7 (1963), 137-54; R. Rainger, 'Race, Politics, and Science: The Anthropological Society of London', *Victorian Studies*, 22 (1978), 51-70; George W. Stocking Jr., *Victorian Anthropology* (New York, 1987).

⁴⁷ Karl Andree, 'Die Veränderung in der gegenseitigen Stellung der Menschenrassen und die wirtschaftlichen Verhältnisse', *Globus*, 14 (1868), 19. See also id., 'Raceneigenthümlichkeiten und Charakteranlagen', *Globus*, 11 (1867), 19-21.

⁴⁸ Id., 'Die Veränderungen', 18.

and it was directly relevant to the political and economic concerns of the modern world. The decline of the 'savages and half-savages of the world' was, in some senses, part of the past history of Andree's globalization narrative, while the rise of a new, pan-Asian labour force was viewed as part of the future of the world economy. The most primitive of the world's populations, like the aboriginal peoples of Australia, New Zealand, and Tasmania, were destined for extinction, Andree believed.⁴⁹ Race relations between white and coloured residents of a given colony or former colony were, above all, part of the global present. Outside the United States, *Globus* reported on the status of mixed race populations in a variety of colonial settings: the Dutch East Indies, South America, the Caribbean, and the Cape Colony of South Africa.⁵⁰ Such descriptions of colonial life portray a world in motion characterized by changing racial configurations and cultural influences. Racial mixing is a sign of danger, particularly if it occurs between black and white, but also a secondary effect of the process of European global expansion.

Along with the writings of scientific popularizers such as Andree, Hanseatic communities also helped to shape the image and reality of a racialized global labour force upon whose backs the burdens of empire and of worldwide economic stability rested.⁵¹ By making effective use of transnational networks and multi-generational knowledge of world markets, they facilitated cross-cultural exchanges between Germans and the wider world. They supplied the German public with consumer goods that helped to define middle-class respectability.⁵² In addition to material goods, Hanseatic networks generated other, less tangible commodities demanded by a modernizing civil society. As amateur ethnographers and local experts on foreign lifestyles and market trends, they disseminated an array of information about the benefits and hazards of overseas expansion. It was through transnational networks like those connecting the Hanseatic merchant diaspora that competing viewpoints on the desirability of compulsory labour, the validity of race as an intellec-

⁴⁹ Id., 'Das Erwachen der Südsee', in *Geographische Wanderungen*, ii. 318-20.

⁵⁰ Andree, 'Die "Malaien" der Kapstadt', *Globus*, 3 (1863).

⁵¹ Geoff Eley, 'Historicizing the Global, Politicizing Capital: Giving the Present a Name', *History Workshop Journal*, 63 (2007), 154-88, esp. 164-6.

⁵² Woodruff D. Smith, *Consumption and the Making of Respectability, 1600-1800* (New York, 2002).

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tual category, and the value of Western 'civilizing missions' abroad were aired for public and private consideration.

Hanseatic Families and Global Networks of Trade

For many merchants in Latin America, experience in overseas firms was a prelude to desirable positions back home in a leading merchant house. This was the case with Justus Ruperti, a business partner in the successful banking and trading conglomerate, H. J. Merck & Co. Following several training periods in London, Ruperti travelled to Mexico in 1822 and managed a trading house in Mexico City for the next five years. At the age of 36 he returned to Hamburg to marry and establish himself as a businessman, managing a moderately sized firm that conducted trade with Mexico before receiving an invitation from his brother-in-law, Ernst Merck, to join the family firm in 1836.⁵³ Two of Ruperti's four sons later worked in the cotton trade in New Orleans and New York in the 1850s before returning to Hamburg to marry, and his two sons-in-law, Albrecht Percy and William Henry O'Swald, came from merchant families who pioneered Hamburg's trade in East Africa.⁵⁴

Multi-generational family histories, like the ones linking the Rupertis, O'Swalds, and Schramms to Britain, the United States, South America, and Africa, provide further evidence of the extent to which local traditions and personal friendships continued to determine the expanding commercial networks of Hamburg business and shipping. Joint-stock companies, such as those created to finance the construction of larger steamships for the North German Lloyd and Hamburg–America Lines, preferred to concentrate on high-volume, profitable routes to Britain and North America, leaving family-run businesses to operate in riskier markets. German merchants soon spread to the western coast of Chile in the 1840s, in part driven by the rising demand for guano as an agricultural fertilizer and for metals such as copper and tin. These enclaves then served as a jumping off point for smaller ventures into the Southern Pacific island economies. Johann Caesar Godeffroy & Son, a well-connected Hamburg firm

⁵³ Schramm, *Hamburg, Deutschland, und die Welt*, 55–131.

⁵⁴ *Ibid.* 615–33.

begun by French Huguenots who settled in Brandenburg in the seventeenth century, first began operating in Australia in the early 1850s and in Samoa in 1857. The company gradually developed a wide-ranging network of trading posts and plantations throughout the surrounding Pacific region, becoming the dominant economic interest in the harvesting of copra, from which palm oil was extracted for use in Europe.⁵⁵

Beginning with a large family fortune earned through business dealings in French Guiana, successive generations who had settled in Hamburg began to expand the company's reach into Central America, California, and Australia, following the economic boom markets set off by the gold discoveries of the late 1840s. The firm's extensive Pacific trading network, begun under the initiative of J. C. Godeffroy VI, had its headquarters in Apia, Samoa. Agents and ships' captains working for the firm circulated goods between central Polynesia and Hamburg via Sydney, Australia, and Valparaiso, Chile, importing copra, tortoiseshell, mother-of-pearl, and other locally produced commodities to Europe in exchange for cotton fabrics, nails, metal tools, and European manufactures.⁵⁶ The firm also gained a reputation for collecting ethnographic objects from the islands of Tonga, New Guinea, and Samoa, which were housed in a Hamburg-based company museum before eventually being sold to Leipzig's ethnographic museum in 1885.⁵⁷

During the same decade that Godeffroy & Son created a private network of commercial, plantation, and ethnographic suppliers in the South Pacific, other Hamburg firms expanded their operations in the newly opened harbours of South-East Asia and China. Trade between East Asia and Europe dwarfed the developing Pacific economic zone, even with the European migration to Australia and New Zealand in the 1850s. The prospect of improved trade relations with Japan after 1858 further enhanced the degree of connectivity between

⁵⁵ Schramm, *Deutschland und Übersee*, 81–6.

⁵⁶ Stewart G. Firth, 'German Firms in the Pacific Islands, 1857–1914', in John A. Moses and Paul M. Kennedy (eds.), *Germany in the Pacific and Far East, 1870–1914* (St Lucia, Qld., Australia, 1977), 4–8; Washausen, *Hamburg und die Kolonialpolitik*, 55–9.

⁵⁷ H. Glenn Penny, *Objects of Culture: Ethnology and Ethnographic Museums in Imperial Germany* (Chapel Hill, NC, 2002), 54–8.

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Hamburg and these promising overseas markets.⁵⁸ Direct contact with East Asian harbours allowed some Hamburg shippers to avoid British middlemen in London by exchanging Central European manufactures for supplies of tea, silk, spices, cotton, and other high-value commodities, some of which were in the form of raw materials destined for Germany's growing industrial sector.

In 1855, fifty-one German ships visited the Chinese port of Canton, thirty-nine from Hamburg and ten from Bremen. This represented an increase of almost 90 per cent over and above the twenty-seven German ships that had docked in the port three years earlier.⁵⁹ By the end of the decade, the volume of Hamburg trade with China ranked third, behind that of Britain and the United States. Despite this growth, the bulk of the east-west trade, however, continued to be the domain of British shipping, where well-connected firms could obtain government subsidies to finance the construction of large-capacity steamship lines. British merchants in East Asia also could draw on the expanding colonial presence of their state in South and South-East Asia in order to solidify their share of the market. Control of the lucrative inter-Asian trade in Indian opium, for example, allowed the British East India Company to purchase large volumes of Chinese tea without further draining European financial markets of silver currency.⁶⁰

By seeking out niche markets and exploiting small-scale economic opportunities in a wide variety of locations, members of the Hamburg merchant community established a small but growing presence in the nexus of local, regional, and international economies in South and East Asia. According to Helmuth Stoecker, British consuls regarded Hanseatic traders as 'friendly aliens' who occupied lower-ranking, junior partner positions within the multinational imperial infrastructure.⁶¹ As was the case in Latin America, Hanseatic firms

⁵⁸ Michael R. Auslin, *Negotiating with Imperialism: The Unequal Treaties and the Culture of Japanese Diplomacy* (Cambridge, Mass., 2004).

⁵⁹ Schramm, *Hamburg, Deutschland, und die Welt*, 95.

⁶⁰ James H. Mills, *Cannabis Britannica: Empire, Trade, and Prohibition* (Oxford, 2002); Jürgen Osterhammel, *China und die Weltgesellschaft vom 18. Jahrhundert bis in unsere Zeit* (Munich, 1989), 139–52; Eric Wolf, *Europe and the People without History* (Berkeley, 1997), 255–8.

⁶¹ Helmuth Stoecker, 'Germany and China, 1861–94', in Moses and Kennedy (eds.), *Germany in the Pacific*, 26–7.

prospered in areas of the world that offered liberal trading arrangements for foreign shippers and businessmen. They kept their operating costs low by relying on European colonial powers—the Netherlands, Britain, Spain, and France—for naval protection and administrative infrastructure. The desire of the British to establish Hong Kong and Singapore as new trading centres to rival the more established locations such as Canton, Manila, and Batavia, created ideal conditions for smaller Hamburg and Bremen firms such as Behn, Meyer, & Co. to establish headquarters and branch offices throughout a South-East Asian trading zone extending from British India, the Dutch East Indies, China, and the Philippines to Australia. Between 1842 and 1856, one year before the financial crash that temporarily crippled Hamburg's overseas commercial networks, the number of Hamburg ships visiting Singapore rose from six to forty-five, an annual growth rate of more than 45 per cent.⁶²

The total number of Hanseatic ships visiting Hong Kong harbour was even more impressive, rising from 113 in 1860 to 416 in 1864.⁶³ As neutral shippers flying the flags of the Hanseatic free cities, such companies operated successfully during times of military unrest, delivering American cotton to Canton harbour during the First Opium War, for example. Hamburg shippers operated a lucrative coastal business in trans-shipping goods to various East Asian harbours, offering ready cargo space to European as well as Asian merchants, and they participated in the movement of Chinese and other wage labourers to plantations in the Dutch East Indies, the Philippines, and the South Pacific. As much as three-quarters of Chinese coastal trade in the early 1860s, according to one source, was transported on German vessels, primarily on small, locally made vessels that were suited for coastal and medium distance trade. One hundred such ships regularly sailed between Hong Kong, Canton, and Shanghai on regular coastal circuits, leaving the bulk of the oceanic commerce between East Asia, North America, and Europe in the hands of larger, state-subsidized steamship lines.⁶⁴

⁶² Schramm, *Deutschland und Übersee*, 89.

⁶³ Andree, 'Deutsche Seefahrt in Ostasien', *Globus*, 9 (1866), 256; id., 'Deutschlands Interessen in Ostasien', *Globus*, 18 (1870), 377–9.

⁶⁴ *Ibid.* 377.

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The utility of the Hanseatic model of trade neutrality as a cost-effective and flexible means of exploiting economic opportunities in developing global markets also provided dividends in sub-Saharan Africa, where merchant houses from both Hamburg and Bremen achieved modest successes in the 1850s and early 1860s. As was the case in the free trading zones of East Asia and the indeterminate political climate of Polynesia, small Hanseatic firms and private vessels thrived in regional economies that provided a safe, accessible location for conducting commercial transactions where the costs of security and local infrastructure were borne by a combination of outside and indigenous powers.

In East Africa, the Hamburg firms Hansing & Co. and William O'Swald & Co. relied upon both the regional authority of the Sultan of Zanzibar and the imperial infrastructure of the British Crown in order to create private trading networks of their own.⁶⁵ Their regional networks of trading houses eventually radiated outwards from Zanzibar to reach parts of the Swahili coast at Mombasa, Entebbe, Dar-es-Salaam, and Bagamoyo as well as Mozambique and Madagascar. Both firms relied on British naval and diplomatic influence in the Mediterranean, Red Sea, and Indian Ocean to keep lines of communication and transport open between Europe and colonial India. They imported British goods for sale to Zanzibar and exported ivory, copra, rubber, and spices directly into British markets. Hansing & Co. also conducted business with Bombay, shipped items on British postal steamers, and was involved with British banking interests on the island. In addition, the firm provided extensive financial and commercial services to the Zanzibari government, underwrote state-run business enterprises, provisioned the sultan's household with imported goods, purchased ships from Europe, and procured German captains and engineers for service in the sultan's royal navy.⁶⁶

In one prominent example of personal networking between Hamburg firms and Zanzibari royal society, an agent for Hansing & Co. named Heinrich Ruete married a daughter of the late Sultan Seyyid Said and returned with her to Germany, where he died several years later. The widowed princess, Emily Said-Ruete, would later publish a popular memoir of her experiences in Zanzibar and in

⁶⁵ Washausen, *Hamburg und die Kolonialpolitik*, 83–91.

⁶⁶ *Ibid.* 84–8.

Germany in 1886, to widespread public acclaim.⁶⁷ Despite the political complications of the 'Ruete affair', relations between the two Hamburg firms and the Zanzibari government remained strong. In the 1880s, members of both Hansing and O'Swald families would be honoured by the sultan, Said Bargash, for their three decades of service on the island, securing their companies' prominent positions in a regional economic centre that was well connected to the Middle East and South Asia.

While contact with the Zanzibari government and sultan's royal family provided Hamburg firms valued access to interior markets in ivory, spices, and other tropical commodities, it was the trans-African trade in cowrie shells that had initially driven their interest in the region. Cowries, spiral-shaped mollusc shells found in the waters of the Indian Ocean, had long served as a type of currency in some parts of equatorial West Africa, and British companies made a considerable profit by trans-shipping the shells from the Maldives via Liverpool and London to West Africa. Following the early lead of a Hamburg entrepreneur and shipper, Adolph Jakob Hertz (1800–60), who began shipping similar, blue-tinged cowrie shells directly from Zanzibar to West Africa in 1844, the O'Swald firm soon established a rival business in 1847, leading to the establishment in the early 1850s of company trading posts in and around Lagos, the capital of present-day Nigeria.

Hansing & Co., which had experimented in the West African trade in the 1840s and began operating a regular shipping line between Hamburg, Rio de Janeiro, and Pernambuco in 1852, also sought to take advantage of the growing cowrie trade when the firm began operating in Zanzibar in 1853. For nearly two decades, O'Swald & Co. conducted a profitable triangular trade between Zanzibar, Hamburg, and Lagos, fuelled by the rising demand for cowrie shells as a means of exchange in West African regional markets. Ships left Hamburg with a variety of European manufactured goods for sale in Zanzibar, where company agents would then reload vessels with cowrie shells bound for East Africa. Once there, other company agents would exchange the shells for ivory, palm kernels, palm

⁶⁷ Emily Ruete and Salme Sayyida, *An Arabian Princess between Two Worlds: Memoirs, Letters Home, Sequels to the Memoirs, Syrian Customs and Usages*, ed. E. van Donsel (Leiden, 1993); Wildenthal, *German Women for Empire*, 110–11.

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oil, and other goods before returning to Europe to complete the three stage cycle.⁶⁸

Such transactions were part of a longer term transformation of the relationship between Europe and West Africa in the nineteenth century, following the abolition of the trans-Atlantic slave trade by the British government in 1806.⁶⁹ Long a source of slave labour for American and Caribbean plantations and white households, the peoples of Western Africa had extensive ties to European markets. European businessmen, however, remained heavily dependent on African middlemen and regional authorities along the coast to facilitate the exchanges of people and other commercial goods that were subsequently shipped overseas. Lying at a point of convergence between two major arteries of world commerce—the trans-Atlantic trade between western Europe and South America, and the long-distance route to India, China, and Australia via the Cape of Good Hope—the West African market offered overseas shippers en route to other destinations the opportunity to exchange goods from Europe or the Americas.

During the 1850s, merchant ships sailing the West African coast served as floating marketplaces for commercial exchanges to take place in regions lacking safe harbours. Hanseatic merchants were active in this trade beginning in 1832, often as part of a longer voyage to or from South American destinations.⁷⁰ The main harbour of Sierra Leone, Freetown, was the first location in West Africa where a few Hamburg merchants, Johann Daniel Eppfhausen, Johann Gottfried Nagel, and Ernst Ceasar Hartung, took steps to establish a fixed trading post in the early 1840s.⁷¹ Conflicts with the British colonial administrators over alleged violations of the Navigation Acts, which had not yet been abolished, led to a series of accusations in Hamburg and Britain about unfair business practices on both sides.

⁶⁸ Washausen, *Hamburg und die Kolonialpolitik*, 90; Willi A. Boelcke, *So kam das Meer zu uns: Die preussisch-deutsche Kriegsmarine in Übersee 1822 bis 1914* (Frankfurt am Main, 1981), 197–8; Schramm, *Deutschland*, 273–5, 330–2.

⁶⁹ Adam Hochschild, *Bury the Chains: Prophets and Rebels in the Fight to Free an Empire's Slaves* (Boston, 2005), provides an up-to-date and compelling account of this process.

⁷⁰ Schramm, *Deutschland und Übersee*, 171–7.

⁷¹ *Ibid.* 203–16.

One such businessman, Carl Woermann (1813–80), began a trading operation in Monrovia, Liberia, in 1849 in conjunction with Carl Godelt, who had begun a small but unsuccessful business in the republic several years earlier. Woermann, a member of a prominent Bielefeld linen merchant family, operated several ships and overseas firms with connections to South-East Asia, Australia, the Pacific, and Latin America.⁷² Well connected to Hamburg's political, economic, and financial elites and with Prussian textile interests, he became a major force in forging closer commercial links between the city and West Africa. Following the negotiation of a trade treaty between the Hanseatic cities and the Liberian government, agents for the Woermann firm set up a string of trading posts along the coast. They became the dominant outside commercial interest in the country, importing tobacco, alcohol, guns, gunpowder, salt, and manufactured goods in exchange for palm oil, palm kernels, and ivory.⁷³

In 1862, the firm expanded its operations into the French colonial sphere of influence in Gabon and, in 1868, began trading with Duala merchants in the area around the mouth of the Cameroon River.⁷⁴ In the wake of the financial crisis of 1857, the firm had gradually scaled back its other overseas operations to concentrate exclusively on its West African trade and shipping business. This increasing level of specialization made Woermann a recognized expert on the economic growth prospects of the region in Hamburg and in the German Confederation, preparing the political foundation for his son and later head of the firm, Adolph Woermann (1847–1911), to become a dominant figure in the establishment of a German colonial protectorate in Cameroon in the 1880s.

In other areas of West Africa, several Bremen trading companies had also begun to establish permanent bases of operation in the 1850s. Unlike the larger Hamburg firms operating in the region, the firms Friedrich M. Vietor & Sons and Bagelmann & Vietor were more closely connected with the activities of Protestant missionaries in

⁷² Günther Jantzen, 'Adolph Woermann: Ein politischer Kaufmann in den Wandlungen und den Spannungen der imperialistischen Epoche des Reiches', in Otto Brünner and Dietrich Gerhard (eds.), *Europa und Übersee: Festschrift für Egmont Zechlin* (Hamburg, 1961), 171–96.

⁷³ These transactions are discussed in detail by A. G. Hopkins, *An Economic History of West Africa* (London, 1973).

⁷⁴ Schramm, *Deutschland und Übersee*, 298–303.

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West Africa. The Bremen-based North German Missionary Society, in conjunction with the Swiss Basel Missionary Society, had made attempts in the late 1840s to set up a religious outpost in the interior of the Volta River watershed.⁷⁵

In search of less expensive transportation and shipping arrangements than they could negotiate with a British steamship line, the society entered into a business partnership with F. M. Vietor & Sons, who had family ties with the North German mission, to provision their African stations.⁷⁶ In exchange, the firm established its own trading post in Keta, using African clerks who had been educated by the missionary schools. Beginning with the dispatch of a company ship, the *Dahomey*, in 1859, the coordination between missionaries and merchants proved to be successful in allowing both groups to expand their presence to other locations in the region, although persistent personal disputes between the two groups led to the eventual separation of mission stations and trading posts in 1868.

Because of the continuing ties between Bremen firms and religious missions, however, company agents were instructed not to sell alcohol, tobacco, or firearms, all of which were highly profitable commodities for European and African traders in the region. German-made spirits, such as rum, gin, and brandy, were staples of Hamburg's West African trade, and they made up almost two-thirds of the city's exports to the region by 1884.⁷⁷ Like Hamburg merchants, Bremen traders operated successfully in areas of West Africa that were nominally free of European colonial rule. This quest for tax-free trading environments, where neither local rulers nor European colonial officials would levy high rents, bribes, or customs costs on Hanseatic commercial transactions, led companies to expand their trading networks from established market centres to more peripheral trading zones between competing spheres of interest.

⁷⁵ Arthur J. Knoll, *Togo under Imperial Germany 1884–1914* (Stanford, Calif., 1978), 15–16; id., 'Die Nordeutsche Missionsgesellschaft in Togo 1890–1914', in Klaus J. Bade (ed.), *Imperialismus und Kolonialmission: Kaiserliches Deutschland und koloniales Imperium* (2nd edn., Wiesbaden, 1984), 165–88.

⁷⁶ Hartmut Müller, 'Bremen und Westafrika: Wirtschafts- und Handelsbeziehungen im Zeitalter des Früh- und Hochkolonialismus 1841–1914, Teil I', *Jahrbuch der Witttheit zu Bremen*, 15 (1971), 55–9.

⁷⁷ Ibid. 76–7.

For the larger merchant and shipping communities in both Hamburg and Bremen, however, their long-standing connections with Britain and the United States remained paramount, and the largest volumes of trade and overseas investment continued to flow across the waters of the North Atlantic. Bremen merchants, in particular, became leaders in the cotton, tobacco, and rice markets by maintaining strong commercial ties with the United States before and after the American Civil War, and they continued to consolidate the city's position as a major player in the transportation of Central European and Eastern European emigrants in the 1850s and 1860s. Bremen was also an early importer of American petroleum into Central Europe during the 1860s.⁷⁸

Neither of the major North German shipping lines, the North German Lloyd or the Hamburg-America Line, proved willing to experiment with steamship traffic to the cities' regional networks of African, Asian, or Pacific trade. Both Hamburg and Bremen continued to re-export colonial products from Britain and the Netherlands, given that the cities' own merchants could not cover the growing demand for such commodities by relying exclusively on their own overseas operations.⁷⁹ As a result, both the larger German economy and the Hanseatic commercial sector depended heavily on cooperation and coordination with more established colonial powers in order to supply the region with overseas raw materials and consumer products.

The Hanseatic model of commercial cosmopolitanism was not the only option that existed for German overseas expansion, however. At the same time as Hamburg and Bremen merchant houses expanded their presence globally, so too did many German migrants, scientists, traders, diplomats, and naval officers. In the eyes of liberal publicists, politicians, and interest groups at home, consolidating these overseas activities constituted a vital 'national interest' for any future unified state that emerged to replace the German Federation. One early sign that the Prussian government might be willing to assume this lead-

⁷⁸ Walter Kresse, 'Die deutsche Handelsschiffahrt', in Plagemann (ed.), *Übersee*, 144; Friedrich Rauter, *Bremer Handelsgeschichte im 19. Jahrhundert: Bremer Handelsstatistik vor dem Beginn der öffentlichen administrativen Statistik in der ersten Hälfte des 19. Jahrhunderts* (Bremen, 1913), 13–14.

⁷⁹ *Ibid.* 15–16.

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ership role came in 1859, when it dispatched three warships to East Asia to secure trade treaties with Japan and China on behalf of the German Customs Union. Unwilling to be left out of the new commercial opportunities, the governments of all three Hanseatic cities delegated to the Prussian envoy, Count Eulenberg, the authority to negotiate on their behalf.⁸⁰

In the years that followed the establishment of the North German Confederation in 1867, a small but influential group of merchants began to speak out in favour of a Prussian-led national navy capable of defending German commercial interests overseas. Hanseatic merchants operating in West Africa and the Pacific stressed the need for a more permanent government presence in parts of the world that lacked a basic sense of Western law and order or respect for international treaties. In September 1872, the Hamburg Senate petitioned Bismarck for additional naval patrols along the West African coast in support of the their citizens' commercial investments. Because of the lack of a central political authority in the Cameroon River basin, the petitioners wrote, 'German trade and security of German property is fully dependent on the good graces of the native kings and their power to restrain the thieving lusts of their subjects'.⁸¹ At least one German ship that had been beached to repair a serious leak had been plundered by natives, despite the friendly relationship that the merchants enjoyed with the local king. The only long-term solution, the Senate argued, was to follow the model of other European states and dispatch warships to the area to punish local communities for attacks on their citizens' lives and property:

⁸⁰ Bradley Naranch, 'Made in China: Austro-Prussian Overseas Rivalry and the Global Unification of the German Nation', *Australian Journal of Politics and History*, 56/3 (2010), 366–80; Anton Berg (ed.), *Die Preussische Expedition nach Ost-Asien: Nach Amtlichen Quellen*, 4 vols. (Berlin, 1864–73); Bernd Martin, *Japan and Germany in the Modern World* (Providence, RI, 1995), 3–16; Michael Salewski, 'Die Preussische Expedition nach Japan 1859–1861', *Revue Internationale D'histoire Militaire*, 70 (1988), 39–58; Frank Suffa-Friedel, 'Die Preussische Expedition nach Ostasien: Verhandlungen, Verzögerungen und Vertragsabschluss', in Kuo Heng-Yü (ed.), *Berlin und China: Dreihundert Jahre wechselvolle Beziehungen* (Berlin, 1987), 57–70; Stoecker, *Deutschland und China*, 49–61; Holmer Stahncke, *Die diplomatischen Beziehungen zwischen Deutschland und Japan 1854–1868* (Stuttgart, 1987).

⁸¹ Senate of the Free City of Hamburg to Bismarck, 30 Sept. 1872, Bundesarchiv Freiburg (hereafter BAF) RM 1/2403, 3–4.

Only those nations that dispatch warships along the coast, like the English or French, or that have permanent naval stations, like the Dutch and Spanish, enjoy sufficient protection, while Germans go without. Moreover, they are mocked by the other Europeans, who derisively inquire about the protective powers of the 'mighty German Empire', which in turn has an effect on the attitude of the natives.⁸²

A similar combination of national vulnerability and racial anxiety characterized requests by the Godeffroy trading company operating in the South Pacific for the dispatch of German warships to the region.⁸³ Only the permanent presence of naval power would establish a credible threat of retribution amongst the natives, the company wrote in 1873, 'to afford the German flag the necessary attention, not momentarily but for the long run'.⁸⁴ Less than a decade after these petitions were filed, Hanseatic merchants with personal investments in tropical markets formed a coalition. A key member of this coalition was the merchant and shipping magnate, Adolf Woermann. Woermann became the head of his family's business in 1880, the same year that he entered the Hamburg Chamber of Commerce. As a young man, he had travelled widely in East Asia, the United States, and West Africa, but he also displayed a pronounced inclination towards national politics, later serving as a National Liberal Reichstag deputy from 1884 to 1890, when he was defeated by a Social Democratic challenger.⁸⁵ Woermann soon gained Bismarck's confidence as a leading expert on German commercial influence in the region.

With the support of H. H. Meier, the Bremen director of the North German Lloyd, Woermann and his allies helped to shift the balance of power among the various factions of the colonial movement towards limited government intervention in selected tropical locations and away from the ambitious colonial settlement schemes of empire-building favoured by many members, but which had long

⁸² Ibid. 4.

⁸³ Schramm, *Deutschland und Übersee*, 81–6.

⁸⁴ Godeffroy & Son to the Imperial Admiralty, 1 Aug. 1873, BAF RM 1/2403, 7–8.

⁸⁵ Washausen, *Hamburg und die Kolonialpolitik*, 69, 164.

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met with the disapproval of government decision-makers. This pragmatic strategy succeeded in winning Bismarck over to the goals of the colonial lobby.⁸⁶ As was the case with the Bremen tobacco merchant, Adolf Lüderitz, in South-West Africa, Woermann's lobbying paid dividends in the summer of 1884, when his holdings in Cameroon, along with other German investments in Togo, were placed under government protection.⁸⁷

The German turn towards colonial empire in the 1880s could not have taken place without the willing participation of Hanseatic merchants and shippers who drew upon their ties to nationalist networks in order to secure state protection for their private assets in emerging tropical markets. But commercial cosmopolitanism was not an immediate casualty of this decision-making process. Colonialism was never intended to supplant the globe-spanning commercial networks that already existed. Its supporters regarded colonialism as a supplementary business model to be applied only in overseas markets where cosmopolitanism had reached its limits. Hamburg and Bremen continued to be gateways to the world, shuttling people and commodities to their desired destinations, while also serving as critical enablers of colonial conquest.

Over the longer term, German colonial activism always had the potential to disrupt the cosmopolitan networks that Hanseatic economic elites had carefully cultivated for generations. Radical nationalists with jingoistic and Anglophobic attitudes were also key players in the colonial network, and they fiercely resisted attempts to limit the scope of German imperial expansion.⁸⁸ Maintaining a world

⁸⁶ Hartmut Pogge von Strandmann, 'Domestic Origins of Germany's Colonial Expansion under Bismarck', *Past and Present*, 42 (1969), 140–59.

⁸⁷ Wehler, *Bismarck und der Imperialismus*, 298–327; Harry R. Rudin, *Germans in the Cameroons 1884–1914: A Case Study in Modern Imperialism* (London, 1938); Karin Hausen, *Deutsche Kolonialherrschaft in Afrika: Wirtschaftsinteressen und Kolonialverwaltung in Kamerun vor 1914* (Zurich, 1970); Helmut Stoecker (ed.), *Kamerun under deutscher Kolonialherrschaft*, 2 vols. (Berlin, 1968); Albert Wirz, *Vom Sklavenhandel zum kolonialen Handel: Wirtschaftsräume und Wirtschaftsformen in Kamerun vor 1914* (Freiburg im Breisgau, 1972).

⁸⁸ Woodruff D. Smith, *The Ideological Origins of Nazi Imperialism* (New York, 1986); Roger Chickering, *We Men Who Feel Most German: A Cultural Study of the Pan-German League, 1886–1914* (Boston, 1984); Geoff Eley, *Reshaping the German Right: Radical Nationalism and Political Change after Bismarck* (new edn., Ann Arbor, 1991).

empire fostered deeply chauvinistic rivalries at the expense of international understanding.⁸⁹ One challenge for scholars interested in the history of cosmopolitan networks, then, would be to determine with greater precision their compatibility or incompatibility with alternative webs of influence. In supporting a colonial model of expansion, Hanseatic elites felt confident in their ability to maintain a dual identity as citizens of the world and citizens of empire. But as the Frankfurt mayor and colonial activist, Johannes von Miquel, noted in 1882, the colonial movement served the collective interests of the nation, not the exclusive desires of its 'coastal cities'.⁹⁰ It would take several decades and the outbreak of a devastating global war in 1914, however, for the precarious vulnerability of these overlapping commercial networks to come fully into view.

Rebuilding Cosmopolitan Memories in Post-War Germany

In one of the many tragic ironies of modern German history, it fell to one of the country's most renowned liberal historians, Friedrich Meinecke (1862–1954), to hammer one more nail into the coffin of Germany's long cosmopolitan tradition. In 1908, Meinecke published *Cosmopolitanism and the National State*, a massive work of scholarship that distilled many of the historian's thoughts on the intellectual and political foundations of Imperial Germany.⁹¹ For Meinecke, the unification of Germany in 1871 was a moment of profound historical significance that signalled a triumph of German nationalism over both the fragmentary forces of German particularism and the potentially desirable, but eminently impractical, philosophical tradition of German universalism. He viewed the cosmopolitan strands of Germany's complex cultural heritage as more burden than boon in light

⁸⁹ R ger, *The Great Naval Game*; Paul M. Kennedy, *The Rise of the Anglo-German Antagonism 1860–1914* (London, 1981).

⁹⁰ Johannes von Miquel, as quoted in *Frankfurter Journal und Frankfurter Presse*, 'Deutscher Colonial-Verein', 7 Dec. 1882, Bundesarchiv Berlin R8023/253, fo. 47. On Miquel's support for German overseas expansion, see Fitzpatrick, *Liberal Imperialism*, 106–8.

⁹¹ Friedrich Meinecke, *Cosmopolitanism and the National State*, trans. Robert M. Kimber (Princeton, 1970).

of the triumph of the nation-state.⁹² Meinecke, who survived the perils of two world wars, the dark years of Nazi rule, and the division of his beloved fatherland before passing away at the age of 92, later expressed remorse for his words and actions of the early twentieth century.⁹³ Having witnessed the unimaginable devastation wrought by the fateful development of German nationalism, he devoted his final years of life to affirming his faith in the enduring value and timelessness of universal human rights, and in the hope of some form of world citizenship in the future.⁹⁴

As for Meinecke, the years following Germany's defeat in the Second World War were momentous ones for Percy Schramm.⁹⁵ Because of his connections to the Nazi Party and service as a secretary to the Germany Army's General Staff, Schramm lost his academic position as Professor of Medieval History at the University of Göttingen. While undergoing de-Nazification, and surrounded by the devastation that his beloved city of Hamburg had suffered during British and American bombing raids, Schramm began to reconstruct the cosmopolitan and colonial histories of his family and the merchant elite of which they had been a part. Even before the war had ended, in 1943, Schramm dedicated his book, *Hamburg, Germany, and the World*, to 'the old Hamburg, which for me is embodied by my father, the mayor, Dr Max Schramm and my mother, Olga Schramm, born O'Swald . . . Let it be the case that once the new Hamburg is rebuilt, it will preserve the memory of the old!'⁹⁶

In the years that followed, Schramm worked tirelessly to rebuild the memory of a liberal, worldly city whose political and economic elites had spread their city's influence around the globe. The cosmo-

⁹² George G. Iggers, *The German Conception of History: The National Tradition of Historical Thought from Herder to the Present* (Middletown, Conn., 1968), 195–228.

⁹³ Friedrich Meinecke, *The German Catastrophe: Reflections and Recollections*, trans. Sidney B. Fay (Cambridge, Mass., 1950).

⁹⁴ Gerhard A. Ritter (ed.), *Friedrich Meinecke: Akademischer Lehrer und emigrierte Schüler. Briefe und Aufzeichnungen 1910–1977* (Munich, 2006); Robert A. Pois, *Friedrich Meinecke and German Politics in the Twentieth Century* (Berkeley, 1972); Richard Sterling, *Ethics in a World of Power: The Political Ideas of Friedrich Meinecke* (Princeton, 1958).

⁹⁵ David Thimme, *Percy Ernst Schramm und das Mittelalter: Wandlungen eines Geschichtsbildes* (Göttingen, 2006).

⁹⁶ Schramm, *Hamburg, Deutschland, und die Welt*, 5.

politan traditions that he celebrated were not the philosophical ones that Meinecke had in mind, however, but those of a highly mobile commercial elite who travelled the world in search of quick profits and lasting family fortunes. The Hanseats whose lives he chronicled had been part of intricate global networks of trade and communication from remote plantations and trading posts in Latin America, Africa, and the Pacific to the metropolitan centres of world commerce. German imperial ambitions during the reign of Wilhelm II had shattered most of these networks by the time Schramm reached adulthood, while the Third German Empire that emerged under Adolf Hitler in 1933 further erased whatever linkages the Weimar years had been able to re-attach. Hamburg did rebuild, as Schramm himself chronicled,⁹⁷ but part of its cosmopolitan history had been lost forever, and a new generation of social historians later undermined the liberal mythology that he had worked so hard to construct.⁹⁸

German colonial historians are but the latest wave of scholars to subject the history of north German merchant communities like Hamburg's to renewed scrutiny.⁹⁹ Cosmopolitan networks, as much as colonial ones, were key to the successes of Hanseatic families and trading houses, although the evidence of their generations-long history has faded from public attention until quite recently.¹⁰⁰ As for the existence of a vast network of overseas outposts in which Hanseats once resided, the Brazilian graves of Adolphine Schramm and her two dead children, restored by her son, Max, and preserved in written and photographic form half a century later by her grandson, Percy, stand as silent sentinels to anyone who cares to remember their stories of fortunes made and loved ones lost during a time and a place of cholera.¹⁰¹

⁹⁷ Schramm, *Neun Generationen*, ii. 544–86.

⁹⁸ See esp. Richard J. Evans, *Death in Hamburg: Society and Politics in the Cholera Years 1830–1910* (Oxford, 1987).

⁹⁹ Heike Möhle (ed.), *Bibeln, Branntwein und Bananan: Der deutsche Kolonialismus in Afrika: Eine Spurensuche in Hamburg* (Hamburg, 1999).

¹⁰⁰ Joachim Zeller, *Kolonialdenkmäler und Geschichtsbewusstsein: Eine Untersuchung der kolonialdeutschen Erinnerungskultur* (Frankfurt am Main, 2000); Winfried Speitkamp, *Deutsche Kolonialgeschichte* (Stuttgart, 2005), 173–87.

¹⁰¹ Schramm, *Neun Generationen*, ii. 230. Because the Schramms were Lutheran, they were not allowed to bury Adolphine or her children in the town's Catholic cemetery, so they created a private plot for their remains.

The Long Reach of the Small Port:
Influences and Connections in Small English Ports
in the Nineteenth Century

HELEN DOE

The nineteenth century saw considerable growth in British merchant shipping and widespread investment. The English merchant fleet expanded from 9,360 ships with a combined tonnage of 1.05 million tons in 1788 to 16,000 ships totalling 8.9 million tons by 1913.¹ This trade surge had its own reflection in the shipping registered in ports of all sizes as much of it was carried in the wooden sailing vessels that were built and owned in ports around the coast. Despite the advance of steam, iron, and the large new shipping companies, locally owned wooden sailing vessels remained a major factor until the 1880s and these provided opportunities for local communities of investors and businesses. In 1879 sail still accounted for 63 per cent of the tonnage in the United Kingdom, 82 per cent of the number of ships registered, and 60 per cent of the men employed in merchant shipping.² Cornwall was to benefit from the increase in trade and its merchant shipping fleet grew at a rapid rate and brought prosperity to the fortunate investors in the mid-century boom. This essay examines the networking that was required to sustain contacts inside and outside the coastal communities as shipowners and related businesses sought to gain from the trade growth of the nineteenth century.

Business contacts and knowledge was the life blood of the shipping industry. Formal and informal networks were created and nur-

¹ David J. Starkey, 'The Ports, Seaborne Trade and Shipping Industry of South Devon, 1786-1914', in Michael Duffy *et al.* (eds.), *The New Maritime History of Devon*, ii. *From the Late Eighteenth Century to the Present Day* (London, 1994), 32-47, at 33.

² *British Parliamentary Papers* (hereafter BPP) 1880 LXV, Tables of Number of Sailing and Steam Vessels belonging to United Kingdom and on Register 1869-79.

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tured on an international scale. Charters depended on the right knowledge and brokers, agents, owners, and masters worked within the system to keep their ships employed. This involved considerable contact with other countries and cultures. The large ports such as London and Liverpool were major international entrepôts and as such had wide contact with foreign ships and their crews. For centuries such ports have attracted other nationalities to settle there as local agents for their countries and many took up permanent residence. The smaller ports around the coast of England also had similar contact and exposure to other cultures, albeit it on a different scale. A port did not have to be a major trading port to experience this, as this essay will show. Historians have rarely considered the situation of those people who remained within the port community. While the mariners and master mariners travelled the world, their families, colleagues, and neighbours remained in the port. These people were the shore-side support systems for the shipping industry and were closely involved in maintaining the international networks. Those left behind in even the smallest of port communities had an international perspective through their exposure to foreign influences. Diaries, letters, and a range of other sources are brought together to examine the ways in which the port community was exposed to non-British cultures through these network contacts.

The importance of networks and information flow in the shipping industry is not a new topic. Yrjö Kaukiainen explored the role of the nineteenth-century Finnish master mariners who were the crucial interface between the Finnish-speaking owners and the mainly English-speaking world of merchant shipping. Their business relied heavily on foreign contacts, shipping agents, brokers, insurance firms, and bankers, from Hamburg to London and beyond.³ The Finnish involvement in the timber trade emphasized the importance to them of the British ports, and relationships with shipping agents and local consuls were established not just in London and Liverpool, but in many other smaller ports. The role of the shipbroker was an important one in matching buyers and sellers of shipping services. Personal contacts and shipping knowledge were essential to match

³ Yrjö Kaukiainen, 'Owners and Masters: Management and Managerial Skills in the Finnish Ocean-Going Merchant Fleet, c.1840-1889', *Research in Maritime History*, 6 (1994), 51-66, at 54-7.

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the needs of the shippers and shipowners with suitable transport and prices.⁴ Good contacts became increasingly important in a world of extended shipping routes with a growing variety and volume of cargoes handled and the expansion of passenger traffic. Such complexity required a greater need for commercial links and for networks of information. The Post Office packets had played an important role in the transit of commercial information. Later the transatlantic packets, then the arrival of the telegraph and the laying of underwater cables enabled business information to travel faster than the goods.⁵ Yet speed of communication cannot replace personal contact, and a lifetime of personal knowledge of business colleagues was an essential element.

It is these personal contacts that are explored here across three Cornish ports, each with a different need and scale of business networks. Ports such as these in the nineteenth century were at the centre of a worldwide communication web based on personal contact. Falmouth is an obvious example of international networking as one of the packet ports. Fowey may seem less so, as it is mainly considered as a mineral port with its exports of copper and china clay. Finally, the Isles of Scilly, which for ship registration purposes was considered as one port, is not an example that springs readily to mind as an international hub. None of these were considered to be major ports in terms of the shipping statistics that registered the flow of exports or imports. Their significance lies in what Kaukieinen called cross trading. By the 1860s, 60 per cent of Finnish shipping income originated from 'carrying goods other than Finnish exports and imports'. Such cross trading, carrying British trade to and from other ports, was a boom activity in many smaller British ports.

Falmouth: An International Port

In 1688 the Post Office recognized the westerly position of Falmouth as the base for its packet service. The natural deep-water harbour

⁴ Lewis R. Fischer and Helge W. Nordvik, 'Economic Theory, Information and Management in Shipbroking: Fearnley and Eger as a Case Study, 1869–1972', *Research in Maritime History*, 6 (1994), 1–29, at 4–5.

⁵ David M. Williams (ed.), *The World of Shipping* (Aldershot, 1997), p. xi.

guaranteed scheduled departure at any state of tide and it was also the first base on returning from the Atlantic. Set up with just two hired vessels, the Post Office selected, appointed, and paid for the crew. By 1808, thirty-nine packets were based in Falmouth, together with all their officers and men. That year saw more than 3,000 passengers, so coach services and hostelries boomed.⁶ Mail was dispatched and received from America, the West Indies, Spain, Portugal, and the whole of the Mediterranean, and the town was connected by fast coaches with London. The passengers who passed through Falmouth were from a wide variety of nationalities and had a wide range of reasons for taking the packets. Travellers might stay a brief time or for a lengthy duration in the town depending on the timing of connections between coach and packet, the availability of cabins, and the vagaries of wind and weather. This made Falmouth a very international port.

A brief look at just three of the passports issued in April 1813 by the Colonial Office shows some examples. Pedra and Sons of New Broad Street, London requested a passport for 'Mr Vincente Foze da Silvera, a Portuguese subject known to us who wishes to proceed to Falmouth there to embark on the first Packet for Gibraltar. The above Gentleman proposes to establish himself at Gibraltar as an agent for his father who now resides at Lisbon as a merchant and who consigns sundry articles at Gibraltar the produce of Brazil such a Tobacco etc.', while Mr Nicholas Perse who 'has resided four years in the Vicinity of London for the purpose of learning the English language wishes to return to Gibraltar to resume his mercantile pursuits'. There was also Mrs Barent of Holland, her four children, and a maid servant together with Mr Solomon Jacobs de la Meuse who wished to rejoin her husband in Gibraltar, a merchant in the firm of Barent & Soloman.⁷

In the small port town of Falmouth, such people would be more obvious and local companies used these connections to their advantage. Barclay Fox was a member of the wealthy Fox family of Falmouth, which had wide business interests in both mining and shipping. Barclay worked in the family firm of G. C. Fox & Co., a

⁶ David Mudd, *The Falmouth Packets* (Bodmin, 1978), 6.

⁷ The National Archives (hereafter TNA), PRO CO 323/111, Applications for Passports for Gibraltar, Malta, Ionian Islands.

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shipping business which also had mining interests. Some extracts from his diary show just how well connected such firms were and the opportunities that came from being based in Falmouth.

In November 1838 heavy gales from the south-west were reported in Fox's diary and an East India ship, *Larkins*, took refuge, having run onto rocks. The ship needed unloading and her cargo consisted of 'saltpetre, jute, indigo, sugar, silk, rice, turmeric etc worth from 50 to 60, 000 £s. It is a fine thing for the place.' Such an unexpected cargo intended for the London market was now unloaded in Falmouth and Fox worked with the consignees to ship it onwards, probably overland. Dining with the Fox family was a part of the business process: 'Called on young Powell, son of the consignee of part of the *Larkins*' cargo. He escorted here the Captain's wife to dine.'⁸

The weather continued to drive ships into Falmouth: 'all people, nations and languages appear to be flocking here, Americans, Swedes, Dutchman, Bremener etc.' The dinner table was busy with Captain Ingram and his wife, Captain Wethan, and the British Consul-General in Mexico. At other times, significant visitors who passed through the hands of the Fox family included the Duchess of Palmella, bound for Lisbon, who was escorted by her daughter's suite and luggage on board the *Tagus* steamer. The Fox family had links with the Queen of Portugal who had been deposed by her uncle, but with the help of the Royal Navy under Napier had been returned to the throne. In 1833 Fox called on Monsignor di Silvera, Dom Pedro's minister of finance. Other calls for business and pleasure included the three 'principals of Gribble, Hughes & Co. gentlemen on their way to Canton to establish a House', and A. Tsiolkowsky of the Russian Royal School of Engineers, 'an agreeable and intelligent fellow as they all are, he dined here'. Another good friendship developed with a Turkish prince, Nadir Bey.⁹

On another occasion in December 1841 he was the hero of the hour. Captain Said of the Egyptian ship *Ashereen* had complained of being assaulted by three sailors at night. Fox acted speedily to find a witness and to discover the names of the assailants. He was angry and called it an 'infamous shame that a foreigner cannot quietly pass through the streets without a wanton and brutal attack as this appears to have been'. His description of the procession to court in

⁸ R. L. Brett (ed.), *Barclay Fox's Journal* (London, 1979), 137-8.

⁹ *Ibid.* 141, 151, 175.

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Falmouth is a lively one: 'Lawyer Tilly and myself taking the lead, then the actor [witness], the constable, then the 2 Egyptians, then 2 Maltese and lastly a Jewess, Mrs Moses followed by a promiscuous multitude.' The ringleader was imprisoned and the whole matter was favourably reported to the Pasha.¹⁰ Such were the multinational aspects of a small Cornish town.

International business connections required a good command of languages. Barclay Fox spoke French and he also started to learn German. As the Swedish and Norwegian vice-consul in Falmouth, his linguistic abilities may have been of use when the damaged Swedish ship, *Minerva*, put into port in ballast. He sent surveyors and master tradesmen on board to estimate the cost of repairs, and then wrote to Hamburg where she was insured. As he described so well in his diary in February 1840: 'Ours is varied scene. I paid devoirs to a Hungarian prince in the morning and was concerned in the evening in smuggling a Greek outlaw out of the clutches of the bailiffs.' Captain Inglissi of the *Polpone* had a writ taken out against him, with which the Quaker Fox clearly did not agree, to the extent of helping him to evade the law. All these connections, social and business, were the threads of a highly successful international business.¹¹ Throughout the nineteenth century, even after Falmouth's loss of the packet ships, it was major port of call for ships proceeding up the English Channel. Well into the twentieth century the Fox family were very well placed to make the most of their contacts as the number of vessels calling at Falmouth shows (see Table 5.1).

Fowey Shipping Investors and their Contacts

Falmouth demonstrates the obvious connections of a packet port and refuge, but there were also other important aspects in other ports. Many of the Cornish ports are casually referred to as mineral ports, with the assumption of one-way export traffic largely sent along the coast.¹² If the port is measured only by its import or export activity,

¹⁰ Ibid. 252-3.

¹¹ Ibid. 144, 177-8.

¹² Gordon Jackson, 'The Significance of Unimportant Ports', *International Journal of Maritime History*, 13 (2001).

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Table 5.1 Fox Register of arrivals in Falmouth

Year	Sailing Vessels					Powered Vessels				
	No.	%	Tonnage	%	Mean	No.	%	Tonnage	%	Mean
1881	1,822	82	846,391	77	478	397	18	262,731	23	691
1899	553	59	493,604	58	892	391	41	353,522	42	904
1910	360	33	435,859	46	1,210	736	67	503,488	54	684
1920	59	10	88,715	9	1,504	593	90	888,093	91	1,498
1935	14	3	29,619	2	2,116	466	97	1,517,323	98	3,320

Source: A. Kennerley, 'The Decline of Commercial Sail', in Helen Doe, A. Kennerley, and P. Payton (eds.), *A Maritime History of Cornwall* (forthcoming).

this is justified, but it does overlook the wider aspects of shipowning in ports such as Fowey. Throughout the nineteenth century, statistics on ship registration and trade, taken from the returns made by the Customs authorities, were regularly reported to Parliament, and these show that from 1829 to 1870 Cornwall expanded at a rapid rate in terms of sailing ships. In 1829 the number of vessels of more than 50 tons registered in the Cornish ports was 270, with a total tonnage of 22,291. By 1870 there were 535 ships with a total tonnage of 66,770. The number of ships nearly doubled and the tonnage trebled. This was a faster growth rate than that seen in Devon or the registration figures for England. The Cornish maritime industry embraced the new opportunities with enthusiasm, and the profile of the ports changed between 1829 and 1870 as more ships over 50 tons were registered, reflecting a local demand for larger ocean-going vessels.¹³ Ownership of such vessels was within the local community and the decision to invest required knowledge and contacts.

Information was important to business dealings at a distance but it was also important in a more local context, when buying shares in ships. Investigation of the risks of buying shares in railways and canals emphasized the importance of information for decision-mak-

¹³ BPP, 1871 LXI, Return of Number of Sailing and Steam Vessels Registered at each Port of Great Britain and Ireland, 1870.

ing and risk-reduction in share purchase. In addition, word of mouth information (or social learning) is regarded as a better medium than others for transmitting information and forming collective opinion.¹⁴ In shipping, shares were transferred locally, there was no such institution as a stock exchange, and few professional brokers. Furthermore, there was no publicly available information on the profitability of ships. Each ship was a separate commercial enterprise and details on trading performance were known only to the owners of the 64ths in that vessel. It should be noted that before 1908 even private limited companies had a strong dislike of sharing financial information.¹⁵

'Three major decisions; the purchase of the right ship, the determination of what to do with it, the choice of a master' determined the success or failure of an enterprise.¹⁶ While fractional shareholders were not closely involved in the initial purchase decision, as this was often made by the major shareowner who then sought the other investors, they were involved in the other decisions. A fourth category should also be added, namely, management decisions that include cost management, reaction to competitive pressures, and the critical decision of when to sell the ship. Making the wrong decisions had serious implications and could negatively impact profitability or lead to the loss of the ship and cargo. The owners of the *Thetis* of Fowey, Cornwall, decided not to insure the vessel, a not unusual decision in some areas, but a high-risk one. By saving on the cost of insurance, they hoped to gain from higher dividends. They lost the gamble when the vessel was wrecked at an early stage in her career. The investors, including several women, realized 59 per cent of their overall initial capital investment.¹⁷

¹⁴ Sarah J. Hudson, 'Attitudes to Investment Risk Amongst West Midland Canal and Railway Company Investors, 1700–1850' (Ph.D. thesis, University of Warwick, 2001), 151.

¹⁵ Josephine Maltby and Janette Rutterford, 'She Possessed Her Own Fortune: Women Investors from the Late Nineteenth Century to the Early Twentieth Century', *Business History*, 48 (2006), 220–53, at 225.

¹⁶ Ralph Davis, *The Rise of the English Shipping Industry in the Seventeenth and Eighteenth Centuries* (Newton Abbot, 1962), 174.

¹⁷ Alan Platt, 'Straws in the Winds of Change: A Business Study of Two Barques in the Earlier Years of Sail's Decline', *Mariner's Mirror*, 92 (2006), 148–67, at 175.

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Shipowners looked for the markets where the best freight rates could be achieved. Early entrants to new markets took higher risks and gained greater rewards, as gains could be made before increased competition caused freight rates to fall.¹⁸ Even in established markets, earnings were only guaranteed where a charter was obtained before the start of a voyage, and this would rarely cover both the voyage out and home. Specializing in a trade reduced uncertainty, as owners and masters built up knowledge and, most importantly, good, reliable contacts. Some trades were more lucrative than others. The carrying of bulk commodities such as coal and grain were steady trades but not high margin. On the other hand, specialization in the fruit trade enabled many shipowners in Cornwall to compete profitably against steamers until the 1880s.

A good master was important, as the 'authority of a master is very large, and extends to all acts that are usual and necessary for the use and employment of a ship'.¹⁹ He was a particular asset in specialized trades, where his build-up of knowledge on navigational problems and good contacts ensured regular cargoes.²⁰ Knowing the reputation of the master of a vessel was an essential piece of information. Correspondents to the *Shipping and Mercantile Gazette's* Notes and Queries column often wrote with problems relating to the boundary between the shipowner's and the master's responsibilities.²¹ Masters, however, changed ships, and the only point of continuity was the managing owner.

Bad decisions had dramatic effects: poor maintenance, a bad master pushed to take risks with overloading, or poor stowage caused the loss of ships. Lost opportunities were often the result of poor market intelligence and lack of contacts. Ships could be lured to an area seeking a profitable cargo, but find the opportunity had disappeared by the time they reached it.²² With a high percentage of the

¹⁸ Ronald Hope, *A New History of British Shipping* (London, 1990), 227.

¹⁹ Case of Grant v. Norway 1851, quoted in H. Holman, *A Handy Book for Shipowners and Masters* (London, 1915), 16.

²⁰ Simon Ville, 'The Deployment of English Merchant Shipping: Michael and Joseph Henley of Wapping, Ship Owners, 1775-1830', *Journal of Transport History*, 5 (1984), 16-33, at 22.

²¹ W. Mitchell (ed.), *Maritime Notes and Queries* (London, 1881).

²² John Killick, 'An Early Nineteenth-Century Shipping Line: The Cope Line

voyage cost going on wages, a wasted passage was expensive. 'Examples exist of pioneer shipowners and passive shipping investors bankrupted by their insufficient knowledge.'²³ As we have seen, a lack of insurance could be disastrous and many shipowners took this risk, although what percentage this was of the total number of trading vessels is not known, as insufficient records remain. The experienced and larger shipowners could take advantage of more volatile markets to achieve large profits, and deployment flexibility and specialist knowledge were vital factors.²⁴ While careful accounting was essential, the major decisions by committed and well informed shipowners, such as where and when to employ the vessels, determined their profitability. One good voyage with high freight rates could wipe out previous losses, but the reverse was also possible.

Sailing ships were owned under the 64th system and a maximum of 32 people could hold a total of 64 shares. Each ship was a business entity on its own and the owners met annually on a formal basis to decide on the resolutions that would affect future earning for the shareholders. The shareholders were paid in relation to their holdings in the vessel. With a rather closer relationship to the main business than an investor in a limited company, shipowners acted in the same way as a board of directors, with the managing owner or agent as the chief executive and chief financial officer.²⁵

Men and women were appointed as managing owners of ships. In Polruan, Mary Hicks Hayes, the widow of a shipbroker owned shares in thirty-six shares in sixteen ships. She not only bought and sold shares in ships in her own right, but also became the managing owner of the *Perseverance*, the *Gem* and the *Koh I Noor*.²⁶ She later became managing owner of the *Rippling Wave*. Additionally she held

of Philadelphia and Liverpool Packets, 1822-1872', *International Journal of Maritime History*, 12 (2000), 61-87, at 70.

²³ Simon Ville, 'The Growth of Specialisation in English Shipowning, 1750-1850', *Economic History Review*, 46 (1993), 702-22, at 713.

²⁴ Id., 'Wages, Prices and Profitability in the Shipping Industry during the Napoleonic Wars: A Case Study', *Journal of Transport History*, 2 (1981), 39-52, at 48.

²⁵ H. R. Doe, 'Enterprising Women: Maritime Businesswomen, 1780-1880' (Ph.D. thesis, University of Exeter, 2006), 300.

²⁶ Cornwall Record Office (hereafter CRO), MSR/FOW 1-9, Fowey Shipping Registers; *Lloyd's Register of British and Foreign Shipping 1881*.

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shares in a further sixteen Polruan ships.²⁷ Like the *Jane Slade*, these vessels travelled across the Atlantic and the *Koh I Noor* was eventually lost off the coast of Venezuela. The managing owner was the business controller of the ship and answerable to the other investors. They appointed the master and worked with him to maximize earnings for the shareholders by holding down costs and finding cargoes. They handled the increasing bureaucracy and managed the accounts.

During the nineteenth century, as the management role was recognized and trades became more regularized, shipping agents became increasingly specialized. Large ports especially developed these new functions.²⁸ The many bureaucratic demands on the masters and owners made by the customs and port authorities are described as 'a succession of certificates and signatures'.²⁹ Some owners used the specialized shipping agents who employed clerks to do the legwork. This was a boon for the overstretched managing owner or master, but it came at a cost and many preferred to keep it in house.

Once the vessel went to sea, the managing owner received correspondence from the agents in the various ports to which the vessel traded. This kept him or her fully informed of progress, cargoes agreed, and other aspects of the trade. Along with regular letters from the master, the managing owner was kept well informed. 'The customs authorities at every port in the country demand that within 6 days of a vessel's departure, the owners will forward to them a detailed account of all the goods shipped. In the same way a manifest, which is the name given to this detailed list, must be included among the ship's papers as it is required for delivery to the Custom Authorities at the port of destination.'³⁰ The agents then sent the owners an account after the departure of each vessel, detailing in it all charges incurred and credits collected, such as freight charges. These disbursements were compiled as soon as a vessel left port and sent to the shipowner.³¹ As for any additional expenses: 'The owner

²⁷ Doe, 'Enterprising Women', 178-80.

²⁸ Simon Ville, 'James Kirton, Shipping Agent', *Mariner's Mirror*, 67 (1981), 149-62.

²⁹ Graeme Milne, *Trade and Traders in Mid-Victorian Liverpool: Mercantile Business and the Making of a World Port* (Liverpool, 2000), 106.

³⁰ R. B. Paul, *Shipping Simplified: A Book for the Shipping Clerk* (Liverpool, 1918), 21.

³¹ *Ibid.* 22.

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Table 5.2 Ports of call of the schooner *Thetis*, 1873–7

Port	Country
Madeira	
New York	USA
Hamburg	Germany
Ostend	Belgium
Buenos Ayres	Brazil
Paysandu	Brazil
Almeria	Spain
Barcelona	Spain
Cagliari	Sardinia
Cephalonia	Greece
Ceto	Italy
Naples	Italy
Palermo	Italy
Piraeus	Greece
Salonika	Greece
Smyrna	Turkey
Volos	Greece
Kingston	Jamaica
Tarpam Bay	Eleuthera, Bahamas

Source: Basil Greenhill, *The Merchant Schooners* (London, 1988), 273–81.

is liable for the various expenses in connection with any of the crew who are put into hospital abroad, and it may be some considerable time after the termination of the voyage before these expenses can be ascertained.’³²

Such men and women had very direct need of a range of international knowledge and had a wide set of contacts, even if they did not visit any of the countries in person. The managing owner of the *Thetis* was Thomas Pearce and in the short career of that ship he handled business in many ports, as Table 5.2 shows. In only one instance was the *Thetis* involved in carrying trade from her port of registration, Fowey.

³² C. D. Macmurray and M. Cree, *Shipping and Shipbroking: A Guide to all Branches of Shipbroking and Shipmanagement* (London, 1934), 322.

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Such distant contacts were normal and managing owners were at the centre of several communications strands, from agents and masters. In the north-west port of Whitehaven in January 1850. William Dixon wrote to his agents in London:

To Messrs Marshall

Gentlemen

I am in receipt of your kind favour of the 21st respecting the *Warlock*.

I am happy to say that I have letters from Captain Pagen advising his safe arrival at Batavia on the 8th November having had to leave Adelaide in ballast.

He had chartered the *Warlock* to go to Sasnarang to board a cargo of sugar for Bombay and the Persian Gulf. To load a cargo there and at Bombay and return back to Batavia which will make a long voyage too much so I fear for the amount she receives to pay much more than keep her going.

I will be much obliged if you would present the enclosed Bill for £120 on Messrs Row Prescott & Co. London for acceptance and return it afterwards

I remain

Gentleman

Your most obedient servant

Wm Dixon

His ship, while owned in Whitehaven, traded in the Far East and brought its goods back into Liverpool.³³ Earlier in the century, in 1816 from the tiny seaside village of Shaldon in south Devon, William Fox wrote a series of letters to brokers and agents in ports in Liverpool, Ireland, Newfoundland, and Lisbon as he managed the progress of his ships, *Three Williams*, *Neptune*, *Cognac*, *Good Intent*, and *Commerce*. His relationships with Bulley & Co. in Liverpool, Richard Fogarty in Newfoundland, and John Leigh in Lisbon were well established and warm. At the same time he wrote a constant stream of letters to the masters of the three ships giving them clear

³³ Whitehaven Record Office, D/BH/24/22/43, Papers relating to barque *Warlock*.

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instructions on where to go, who to trust, and with which agent they should deal.³⁴

An emphasis on the shipowners should not overlook the other businessmen in the port who needed business networks. Sailmakers such as John Edward Hocken of Polruan across from Fowey were kept busy with work from visiting ships. Among Hocken's customers was Captain Ortmusser with his vessel *Hugo* and several Russian and Norwegian schooners. Over 50 per cent of the vessels in his account book were non-local vessels. Many of these were also in connection with the local shipbrokers, Toyne Carter and the ship chandler, Bennett.³⁵ Shipbrokers had a particular need for wide contacts, as the previously quoted Norwegian firm of Fearnley and Eger, and the earlier example of the Fox shipping company of Falmouth show.

The Long Reach of a Small Place: The Isles of Scilly

The Isles of Scilly had little in the way of trade and no mineral resources on the islands, and much of the employment came from subsistence farming and fishing. There had briefly been a good trade in kelp, a seaweed used in the manufacture of glass and soap, but when this trade collapsed, alternatives had to be found. Scilly embraced long-distance trade with enthusiasm. A contemporary recalled the impact on the islands after the end of the kelp trade.

It was thought that after the kilping was done away with people would not get any employment, but about that time ship-building began to go ahead on the islands. Small schooners were built for the fruit trade to St. Michael's and other ports and it was found to pay so well that they could not get men to build them fast enough; they had to get ship-wrights from wherever they could. There were four master builders and all the young men were learning the shipwright business, which increased very fast; and shortly after that they began to build larger vessels for the Mediterranean and different parts of the

³⁴ Devon Record Office, 2386M/C1, Fox correspondence.

³⁵ Hocken Sailmaker's Ledger. Private Collection, courtesy of Mr A. Samuels.

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world, and this trade was carried on for a great number of years. The shipowners had got some very fine vessels—large schooners, brigs and barques—trading in most parts of the world.³⁶

With no alteration to the imports and exports of the islands there was a major boom in shipping investment and local shipbuilding. In 1829 the Isles of Scilly only had five vessels over 50 tons, but by 1870 it had thirty-two vessels with a total tonnage of 7,038, some of which were over 500 tons.³⁷ The Banfield family was a major player in this expansion. In 1861 Francis Banfield, aged 38, was noted as a shipowner and Lloyd's agent.³⁸ He was the managing owner of a fleet of twelve ships, all of which were sizeable. They ranged in size from the 48-ton coastal vessel *Star* to the 528-ton *John Banfield*, built in 1859. They traded to the Mediterranean, South America, Bermuda, Mauritius, and China.³⁹ His father's vessel, the *Chieftain* of 300 tons, won the tea race to London in 1847.⁴⁰ Mumford, a local shipbuilder, was the managing owner of three vessels ranging from 109 tons to 215 tons that traded to South America and Madeira. James Phillips, a local draper and grocer, owned four vessels also trading to the West Indies and South America. It was a new fleet, as in 1865, 75 per cent had been built in the last twenty years. Fifty per cent were locally built and the rest had been purchased from places such as Yarmouth, Sunderland, Bideford, Dartmouth, Ramsgate, and Quebec.⁴¹

Ann Banfield, widow of Francis senior, inherited many shares from her husband on his death in 1851, but the shipping registers show how she continued to invest (see Table 5.3). This shareholding was in addition to the shares held by her two sons, Francis and John.

³⁶ Robert Maybee, *Sixty Eight Years Experience on the Scilly Islands* (1884), quoted in E. L. Bowley, *The Fortunate Islands: The Story of the Isles of Scilly* (St Mary's, 1945), 104–11.

³⁷ BPP, 1871 LXI, Return of Number of Sailing and Steam Vessels Registered at each Port of Great Britain and Ireland, 1870.

³⁸ TNA, PRO RG 1600, 1861 Census, Isles of Scilly.

³⁹ *Clayton's Directory; Lloyd's Register of Shipping 1866*.

⁴⁰ R. M. Barton, *Life in Cornwall in the Mid-Nineteenth Century* (Truro, 1971), 133.

⁴¹ *Clayton's Directory; Lloyd's Register 1866*; TNA, PRO RG 1600, 1861 Census, Isles of Scilly.

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Table 5.3 Shares owned by Mrs Ann Banfield

Registered	Ship Name	Tonnage	Built	No. of Shares
1851	<i>Silura</i>	71	1833	64
1851	<i>Vivid</i>	131	1851	16
1852	<i>Gazelle</i>	109	1839	32
1852	<i>Jessie Banfield</i>	122	1852	46
1853	<i>Emerald</i>	264	1855	16
1854	<i>Mary Banfield</i>	116	1854	30
1854	<i>Presto</i>	123		24
1855	<i>Ann Banfield</i>	218	1855	20
1855	<i>Jane Lakey</i>	264	1855	16

Source: Cornwall Record Office, MSR/SCI, Shipping Registers of the Isles of Scilly.

All of the larger vessels were involved in international trade. The *Ann Banfield*, under the command of Henry Edwards of Liverpool, set out in August 1864 with a prospective list of ports of call including Mauritius, Adelaide, Melbourne, Sydney, Hobart Town, Launceston, Auckland, Hong Kong, Shanghai, and Singapore.⁴²

Conclusion

All of this distance trading underlines the importance of business networks and shows that 'networks are an integral part of economic activity'. Even in markets where there were systems such as contracts and customary practice to deter malfeasance, individuals still preferred to deal with known contacts of repute or good connections. Networking is a relationship 'rooted in social and cultural practice,

⁴² CRO, MSR/SCI, Shipping Registers of the Isles of Scilly.

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and in power'.⁴³ Good business networks with trusted associates were also part and parcel of local business. If a shareowner was unable to attend regular meetings, he or she had to be able to rely on the integrity and ability of their fellow shareowners. Owning even one share was significant as the 64th system gave the individual shareholder title to the ship. They were tenants-in-common with similar rights to those of landholders.⁴⁴ Majority shareowners needed to know and respect their fellow shareowners, as disputes between them could lead to costly problems. When co-owners disagreed seriously, the matter could be taken to the Admiralty Court, a potentially expensive process.⁴⁵ The registers show that the sale and purchase of shares was mainly a local matter, with share dealing kept very much within local communities, or with those who were closely related to the main investors. Funds raised for new sailing ventures came from 'networks bound by personal reputation, family ties and exchanges of financial and operating data'.⁴⁶ In the interconnected maritime communities, information was easily exchanged between extended families and business connections, as the hard-working Fox family demonstrates.

The diaries of Barclay Fox highlight the amount of social activity that occurred in ports between visiting masters and their wives and local business people. Such socializing with business contacts and fellow captains was all the more important for men who spent many months at sea with limited social contact, in an industry that relied heavily on the regular interchange of business information. It occurred in all ports as a way of binding networks more closely and was a part of the life of the port as business and social circles overlapped.

The managing owner had a particularly important role in maintaining international contacts on behalf of the other owners. While a well-connected master was essential, he did not necessarily remain

⁴³ Robin Pearson and David Richardson, 'Business Networking in the Industrial Revolution', *Economic History Review*, 54 (2001), 657-79, at 657-8.

⁴⁴ Robin Craig, 'Millionaires and Enterprising Nobodies', *International Journal of Maritime History*, 16 (2004), 1-15, at 2.

⁴⁵ Mitchell (ed.), *Maritime Notes and Queries*, 214-15.

⁴⁶ Gordon Boyce, '64thers, Syndicates and Stock Promotions: Information Flows and Fund Raising Techniques of British Shipowners before 1914', *Journal of Economic History*, 52 (1992), at 187.

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with same ship during his career. Nor was he able to arrange future cargoes while at sea. Only the managing owner could maintain the contacts for his or her enterprise. Each managing owner sat at the centre of a web of contacts with shipping agents, brokers, and authorities.

The surge in British trade and the locally owned wooden sailing ship provided wide opportunities for international trade to even the smallest of places. In Falmouth, Fowey, and the Isles of Scilly networks of local and foreign connections were essential to the success of shipowners, managers, and shipping companies. The men and women in these small ports had a different perspective on distance. For an inland farming community, travelling to a nearby town on market days could be a cause for celebration. In a port such as those described here, the flow of international information and contacts was an everyday occurrence. The sea was an enabler in business and not a dividing boundary. Even a small cluster of islands with no exports could become a multi-national trading community with contacts across the world.

PART II

Transnational Religious and Consular Networks

6

The Jewish Consuls in the Mediterranean and the Holy Roman Empire during the Early Modern Period: A Study in Economic and Diplomatic Networks (1500–1800)

DANIEL JÜTTE

On the way to a Grand Prix race in 1896, a curious idea occurred to Theodor Herzl. The Jewish state, whose foundation the Viennese journalist had made his life's goal at that time, should be headed by a Jewish Doge. In his diary, the founder of modern Zionism had already outlined the solemn ceremony:

The officials of all ministries, deputations from the cities, the clergy, finally the High Priest of the capital city. The flag with a guard of honor composed of generals. The Doge! And here the procession attains its symbolic splendor. For, while all are marching in gold-studded gala dress, the high priests under canopies, the Doge will wear the garb of shame of a medieval Jew, the pointed Jew's hat and the yellow badge! (The procession might move through the Ghetto, which will in any case be constructed as a reminder and a memorial).¹

Nothing came of this vision, of course. The Jewish state was never to have a Jewish Doge modelled on the Venetian one, even though Herzl returned to the idea again and again.

Trans. Jonathan Uhlener.

¹ Theodor Herzl, *The Complete Diaries of Theodor Herzl*, ed. Raphael Patai, trans. Harry Zohn, 5 vols. (New York, 1960), i. 57, entry for 9 June 1895: ' . . . während alle in goldblitzenden Staatsgewändern, die Hohen Priester unter Baldachinen gehen, hat der Doge die Schandtracht eines mittelalterlichen Juden, den spitzen Judenhut und den gelben Fleck! (Der Zug geht vielleicht

Yet the idea of adopting offices of the Venetian state for Jewish purposes was not quite as odd as it might seem at first glance, at least within the context of early modern Jewry. Although there was never a Jewish Doge, recent historical studies have shown that other offices of Jewish self-government, especially of the Venetian Jews in the age of the Ghetto, were largely modelled on the institutions of the Serenissima.² A further interesting but hardly studied chapter in this connection is the emergence, development, and demise of the office of consul among Jews in the Mediterranean area and beyond during the early modern period. The impetus for the creation of this office also came from the Christian world, and again from the Republic of Venice, but not only from there. Although the development of the consular office in the Christian world was not peculiar to Venice, it was closely bound up with the history of the Republic and its enterprises in the Levant.³

Benjamin Arbel has recently pointed out that 'the appearance in the sixteenth century of Jews bearing titles . . . previously held exclusively by Christians, and especially the official recognition of these titles by Venice and Ragusa, is worthy of attention'.⁴ Prosopographical and systematic research on the entire spectrum of professional Jewish consuls in the early modern period is therefore all the more necessary.⁵ There is much to suggest that completely unknown biographies may be brought to light. A recent detailed survey article on the political and diplomatic activities of Sephardic Jews in the

auch durch die Ghettogasse, die jedenfalls zur Erinnerung und zur Mahnung gebaut werden wird.)'

² David Joshua Malkiel, *A Separate Republic: The Mechanics and Dynamics of Venetian Jewish Self-Government 1607-1624* (Jerusalem, 1991), 12. Malkiel notes that the Serenissima 'served as a political model for its Jewish community'.

³ See Ugo Tucci, 'Le colonie mercantili italiane e il commercio internazionale nel medioevo', *Ateneo veneto*, 31 (1993), 7-28, at 11.

⁴ Benjamin Arbel, *Trading Nations: Jews and Venetians in the Early Modern Eastern Mediterranean* (Leiden, 1995), 163.

⁵ It should be noted that the common Italian Jewish family name, 'Consolo', is not an indication of having held the office of consul. The name is actually derived from the Hebrew 'na'im' (pleasant). See Elena Lea Rossi Artom and Giovanna Camis Barouch, 'Alla ricerca della storia di un cognome: Consolo', *Rassegna mensile di Israel*, 72 (2006), 159-74.

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early modern period fails even to mention the office of consul.⁶ Conversely, an important volume published in 2006 that investigates the development of the consular office from a general perspective makes no reference to the group of Jewish consuls.⁷

Since previous research on Jewish consuls may at most be said to be sketchy, this essay will outline the phenomenon and provide material for future research without, of course, making any claim to completeness. It will particularly focus on possible network structures among Jewish consuls. A further aim will be to provide a historical outline of the institution. To vary a well-known French saying, there were 'consuls and consuls' in early modern Jewry. The final section of the essay will look at the difficulty of constructing or reconstructing continuities in a 'history of Jewish diplomacy'.

The Office of Consul and the Economic Challenges of the Sixteenth Century

The office of Jewish consul in the early modern Mediterranean should not be confused with references to Jewish consuls found occasionally in medieval sources. In the medieval context, such references obviously refer to delegates or representatives of local Jewish communities, and probably arise out of a misunderstanding on the part of the non-Jewish side. There is no evidence that the Jews themselves claimed this title during the period. By contrast, Jewish administrators in the medieval Midi were occasionally called consuls, 'but in fact they were only the delegates of the city's non-Jewish consuls'.⁸

This is the place to outline what the office of consul in the Christian world and in the Mediterranean area signified. Here, too, various traditions can be adduced. For instance, in the early modern period 'representatives of the interests of foreign states in Islamic

⁶ Leah Bornstein-Makovetsky, 'L'activité diplomatique de l'élite sépharade après l'expulsion', in Shmuel Trigano (ed.), *La société juive à travers l'histoire*, 4 vols. (Paris, 1993), iii. 433–62.

⁷ Jörg Ulbert and Gérard Le Bouëdec (eds.), *La fonction consulaire à l'époque moderne: L'affirmation d'une institution économique et politique (1500–1700)* (Rennes, 2006).

⁸ Esther Benbassa, *The Jews of France: A History from Antiquity to the Present*, trans. M. B. DeBevoise (Princeton, 1999), 28.

countries' were called consuls.⁹ These offices had developed in the twelfth and thirteenth centuries in the trading colonies of the Italian mercantile republics of Venice and Genoa.¹⁰ It was customary to give the Venetian consul in Constantinople (and, until the fifteenth century, in Cyprus) the special title of *bailo*. The principal duties of European consuls in the Levant was to protect the merchants of their 'nation', to negotiate with foreign authorities if necessary (first those of the Byzantine Empire and later of the Ottoman Empire), and to provide logistical support in the broadest sense for traders. With the advent in the sixteenth century of 'capitulations' that codified the trading privileges of European states in the Ottoman Empire, consuls in the Levant and Asia Minor also gained increased legal authority over their countrymen dwelling in the region.¹¹

Consuls in Islamic countries must be distinguished from those consuls who carried out their functions in Europe. For instance, Venetian consuls were active in trading centres such as London. Conversely, there had been German consuls in the Venetian *Fondaco dei Tedeschi* since the late fifteenth century.¹² Thus the Serenissima, which was probably the most important dispatcher of consuls to all Europe, also experienced the office at home. The consulship as an office within a group of foreign merchants had been known in Italy since the High Middle Ages, and not only in Venice.¹³ Inhabitants of the host country or host city could act as consuls for such groups.¹⁴ Finally, we may mention another tradition, though it is less relevant

⁹ For this and additional bibliographical references pertaining to the present section, see B. Spuler, 'Consul', in *Encyclopaedia of Islam* (Leiden, 1954), ii. 60.

¹⁰ See also Garrett Mattingly, *Renaissance Diplomacy* (London, 1973; 1st edn. 1955), 63.

¹¹ On this phase, see esp. Niels Steensgaard, 'Consuls and Nations in the Levant from 1570 to 1650', *Scandinavian Economic History Review*, 15 (1967), 13–55.

¹² Henry Simonsfeld, *Der Fondaco dei Tedeschi in Venedig und die deutsch-venetianischen Handelsbeziehungen*, 2 vols. (Stuttgart, 1887; reprint Aalen, 1968), ii. 90, 205.

¹³ See also Maria Franca Baroni, 'Il consolato dei mercanti a Milano nel periodo comunale', *Nuova rivista storica*, 59 (1975), 257–87.

¹⁴ For an interesting case from fourteenth-century Genoa, where a Genovese served as a consul for the Greeks from the Byzantine Empire, see Catherine Otten-Froux, 'Deux consuls des grecs à Gênes à la fin du 14e siècle', *Revue des Études Byzantines*, 50 (1992), 241–8.

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in this context, namely, that of city-republics and major cities (above all in Italy and the south of France) that also used the designation 'consul' for offices within the municipal administration.¹⁵

In order to understand why a class of Jewish consuls developed in the Mediterranean between 1500 and 1650, it will be necessary to outline the overall economic and historical context. It is well known that the discovery of the East India route in the sixteenth century transformed the Levantine trade and precipitated a crisis in the hitherto unchallenged Mediterranean maritime republic of Venice.¹⁶ Yet the effects of this change were far less grave for Jewish merchants in the Mediterranean area. The trade between Jewish merchants and the Ottoman Empire not only did not collapse; on the contrary, it flourished. In fact, the most recent study of the eastern Mediterranean in the sixteenth century speaks of the 'spectacular rise' of Jewish merchants,¹⁷ many of whom also maintained trade relations with Italy. This development was undoubtedly connected with the Ottoman Empire's comparatively pragmatic policy on minorities, which allowed Jewish traders (and especially Sephardic Jews, who had been expelled in several waves since 1492) to pursue economic development relatively unhindered, and thus to mount a flexible response.¹⁸ Like Greek and Armenian traders, they profited from their versatility and knowledge of languages. Jews in the Ottoman Empire also enjoyed the relative advantage of developed supraregional and intercommunal networks. The Jews' economic success has been seen as 'in a significant measure an outcome of their shared language and commercial ethics'.¹⁹

¹⁵ Jörg Ulbert, 'La fonction consulaire à l'époque moderne: Définition, état des connaissances et perspectives de recherche', in id. and Le Bouëdec (eds.), *La fonction consulaire*, 9-20, at 9.

¹⁶ See e.g. Richard T. Rapp, 'The Unmaking of the Mediterranean Trade Hegemony: International Trade Rivalry and the Commercial Revolution', *Journal of Economic History*, 35 (1975), 499-525.

¹⁷ Arbel, *Trading Nations*, 193.

¹⁸ However, historians have ascribed different significance to this factor. Comparatively cautious e.g. is Bernard Dov Cooperman's 'Trade and Settlement: The Establishment and Early Development of the Jewish Communities in Leghorn and Pisa (1591- 1626)', (Ph.D. thesis, Harvard University, 1976), 5, 27.

¹⁹ Moises Orfali, 'Doña Gracia Mendes and the Ragusan Republic: The Successful Use of Economic Institutions in Sixteenth-Century Commerce', in

Sephardic merchants (known as *Levantini*), who often presented themselves as subjects of the sultans and thus as enjoying his protection, explored the full range of commercial activities in Italy during the second half of the sixteenth century, especially in the Venetian territories.²⁰ It was nothing unusual for Jewish merchants to acquire ships, or shares in them.²¹ For example, a Livornese source dating from the 1590s explicitly refers to ships belonging to Jewish merchants.²²

Thus the Venetians as well as the European nations that had recently entered the Levantine trade had to 'deal with and through the Sephardim of the Balkans, Greece and Aegean'.²³ Some Italian territories and cities took up this challenge.²⁴ Since the sixteenth century, there had been no way round the Sephardic Jews in the Levantine trade. They had become indispensable cross-cultural brokers, as Jonathan Israel puts it.

From the Jewish point of view, Salonika may serve as a paradigm of this development. But the rise of Jewish merchants in Istanbul was also striking. The proportion of transactions carried out or brokered by Jewish merchants there rose from two-thirds in 1595 to nearly three-quarters in 1604.²⁵ Only the trade with Syria and Egypt remain-

Elliott Horowitz and Moises Orfali (eds.), *The Mediterranean and the Jews* (Jerusalem, 2002), 175–202, at 198.

²⁰ Renata Segre, 'Sephardic Settlements in Sixteenth-Century Italy: A Historical and Geographical Survey', *Mediterranean Historical Review*, 6 (1991), 112–37.

²¹ Gino Luzzatto, 'Armatori ebrei a Venezia negli ultimi 250 anni della Repubblica', *Rassegna mensile di Israel*, 28 (1962), 160–8. See also Arbel, *Trading Nations*, ch. 8 and id., 'Shipping and Toleration: The Emergence of Jewish Shipowners in the Early Modern Period', *Mediterranean Historical Review*, 15 (2000), 56–71.

²² '[H]ebrei mercanti venuti ad habitare in Livorno, in le persone de quali si può considerare se per havere vasselli, o sopra vasselli di mercantie interessi, et far venire mercantie di barberia.' Quoted in Fernand Braudel and Ruggiero Romano, *Navires et marchandises à l'entrée du port de Livourne (1547–1611)* (Paris, 1951), 26.

²³ Jonathan I. Israel, *Diasporas within a Diaspora: Jews, Crypto-Jews and the World Maritime Empires (1540–1740)*, (Leiden, 2002), 9.

²⁴ Benjamin Ravid, 'A Tale of Three Cities and Their Raison d'Etat: Ancona, Venice and Livorno, and the Competition for Jewish Merchants in the Sixteenth Century', *Mediterranean Historical Review*, 6 (1991), 138–62.

²⁵ Israel, *Diasporas within a Diaspora*, 62.

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ed dominated by mainly Christian merchants,²⁶ while in the Balkans, Jewish merchants assumed key positions in the course of the sixteenth century. Cities such as Spalato, Alessio, and the Republic of Ragusa, which was connected to Istanbul by an overland route, rose to become important trading centres which essentially owed their prosperity to the activities of Jewish merchants and consuls.²⁷

Jews thus played an indispensable role as brokers between the Christian and Muslim spheres in the Mediterranean trade of the sixteenth century.²⁸ The success of Jewish merchants, however, cannot be attributed merely to favourable political factors in the Ottoman Empire, or to relative advantages over competing ethnic or religious groups.²⁹ Rather, decisive processes of transformation and innovation within the economic sphere of Mediterranean Jewry itself contributed to its competitive edge. Here we can see genuine responses by Jews to those challenges that resulted from the changes in global trade, and especially that in the Mediterranean. For example, we may observe a rabbinical interest in, and sensitivity to, contemporary questions of economic life and, sometimes, a readiness to find pragmatic answers to them.³⁰

This essay, however, will focus on processes of transformation on the part of the Jewish merchants themselves. In the second half of the sixteenth century, Jewish trading was consolidated in the Mediterranean area and essentially developed four forms of organization. In these, of course, we cannot fail to recognize an orientation towards the economic life of their non-Jewish surroundings, especially as all four forms were also present, *mutatis mutandis*, in Christian economic life. Nevertheless, we can also discern differences.

²⁶ Ibid.

²⁷ Aron di Leone Leoni, 'Una *teshuvà* del Ma'haRaShdaM di Salonicco su una vertenza tra due *consoli ebrei* e il ruolo economico dei mercanti ebrei nella Venezia del Cinquecento', *Zakhor: Rivista di storia degli ebrei d'Italia*, 7 (2004), 143–92, 156–8.

²⁸ Robert Mantran, 'Les origines des compagnies', in Michel Mollat (ed.), *Sociétés et compagnies de commerce en Orient et dans l'océan Indien: Actes du huitième colloque international d'histoire maritime 1966* (Paris, 1970), 397–413, at 403.

²⁹ Israel, *Diasporas within a Diaspora*, 3.

³⁰ Laurence Rabinovitch, 'Hidden Interest and Risk Management in Sixteenth-Century Mediterranean Commerce', *Jewish Law Association Studies*, 9 (1997), 199–211.

Here I in essence adopt Aryeh Shmuelevitz's classification and definition of the following organizational forms.³¹

(1) *Partnerships*. This refers to partnerships between a number of merchants who each invested proportionately in start-up capital and shared the workload equally.³² This kind of organization was widespread in the trade between the Ottoman Empire and Venice, and generally assumed the form of one partner taking up residence in the Serenissima while his colleague remained in the Ottoman Empire. Financial investment and profits varied according to the economic importance of each partner. Sometimes 'managerial skills' could be accepted as a substitute for a capital investment. Equal shares in the capital were common, however, especially in partnerships between 'established families', 'in order to guarantee the continuity of their wealth'.³³

(2) *Fattoria*. In this form a merchant or company engaged one or more factors (*fattori*) in one or more places.³⁴ The factors were bound by the instructions of their employer. The *fattoria* system also existed in the surrounding Christian world.³⁵ The pay of factors was linked to services rendered, with profit-sharing ranging from 2 to 9 per cent.³⁶ This success-driven wage policy, whose advantages need hardly be discussed, is believed by some historians to have been introduced into the Ottoman Empire in a significant form by Jews.³⁷ For example, Moses Orfali sees the introduction of an efficiency-related wage as

³¹ Aryeh Shmuelevitz, *The Jews of the Ottoman Empire in the Late Fifteenth and Sixteenth Centuries: Administrative, Economic, Legal and Social Relations* (Leiden, 1984).

³² *Ibid.* 142.

³³ Moises Orfali, 'Doña Gracia Mendes and the Ragusan Republic', 185.

³⁴ See also Minna Rozen, 'The Fattoria: A Chapter in the History of Mediterranean Trade in the Sixteenth and Seventeenth Centuries' (in Hebrew), *Miqqedem umiyyam*, 1 (1981), 100–31; and ead, 'La vie économique des Juifs du bassin méditerranéen de l'expulsion d'Espagne (1492) à la fin du XVIIIe siècle', in Shmuel Trigano, *La société juive à travers l'histoire*, 4 vols. (Paris, 1993), iii. 296–352, at 336. See also Shmuelevitz, *Jews of the Ottoman Empire*, 143.

³⁵ On Christian factors see Robert S. Lopez and Irving W. Raymond, *Medieval Trade in the Mediterranean World: Illustrative Documents* (New York, 1955), 213. See also Tucci, 'Le colonie mercantili', 17.

³⁶ Rozen, 'The Fattoria', 129.

³⁷ Shmuelevitz, *Jews of the Ottoman Empire*, 143

the 'specific contribution' of the Jews.³⁸ Benjamin Arbel, on the other hand, considers this assumption unfounded.³⁹ Thus it is clear that there is a need for further research in this area. In the meantime, agreement may be more easily reached on the significance of the *fattore* system. For instance, it can be shown that 'the *fattore* system may be considered to have been the structural cornerstone' of the success of the famous Sephardic Mendes family.⁴⁰ It was the *fattori* of the Mendes family who enabled Doña Gracia Mendes to make contact with Turkish business circles and the Republic of Ragusa before settling in the Ottoman Empire in 1552. There are also cases in which the factor's range of tasks expanded to include money lending.⁴¹

(3) A variant of the *fattoria* system was the engagement of *temporary agents*. A merchant would conclude a contract with such agents and send them on a limited-term trading expedition; they thus differed from the *fattori* in having no permanent base at their destination. Upon their return, the contracted agents then delivered the proceeds from the sale of goods to the merchants.⁴²

(4) *Consuls*. This system of organizing trade must be considered the most complex and, for the historian, the most difficult to reconstruct. Arbel sees the duties of the Jewish consuls as corresponding to those of their Christian colleagues in the Levant, in particular, 'receiv[ing] the merchandise, provid[ing] for its storage in warehouses, [and] handl[ing] letters of credit and instructions from merchants abroad relating to commercial and financial transactions'.⁴³ According to Shmuelevitz, merchandise was stored at one or more stations that were under the supervision of a permanent consul. Such trading hubs were often harbours. Normally, the consul was paid 2 per cent of the value of the merchandise for interim storage and distribution, and an additional 2 per cent for accepting further instructions.⁴⁴ In

³⁸ Orfali, 'Doña Gracia Mendes and the Ragusan Republic', 187.

³⁹ Benjamin Arbel, letter to the author, 29 Sept. 2008.

⁴⁰ Orfali, 'Doña Gracia Mendes and the Ragusan Republic', 187.

⁴¹ Jehudit Wimmer, 'Jewish Merchants in Ragusa as Mediators between East and West in the Sixteenth and Seventeenth Centuries' (in Hebrew), in Minna Rozen (ed.), *The Days of the Crescent: Chapters in the History of the Jews in the Ottoman Empire* (Tel Aviv, 1996), 73–150, at 99.

⁴² Shmuelevitz, *Jews of the Ottoman Empire*, 145.

⁴³ Arbel, *Trading Nations*, 162.

⁴⁴ This indicates an orientation by the tariffs common among Christian con-

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most cases he also received a basic salary. The consul had greater scope to make decisions than the *fattori*, so that he could conclude sales at the most favourable time. The common practice in older research of not distinguishing between *fattori* and consuls is untenable.⁴⁵ The following remarks will concentrate on the consuls.

Forms of Consulship among Jews

The type of consul described in the fourth category above may be regarded as the conventional manifestation of the Jewish consul in the sixteenth century. The defining characteristic of this sort of consul was the restriction to the duties of a broker, in the broadest sense, in the handling of trade transactions, and they tended to be concentrated in the trade centres of the Balkans. These Jewish consuls thus correspond to the Christian consuls who were chosen (*electi*) from among the ranks of the mercantile community (to be distinguished from the *missi*, those who were sent abroad to serve their home governments).⁴⁶ Jewish consuls could also be engaged on a fee-paying basis for the transfer of letters of credit. The exercise of this type of consular function did not necessarily require recognition by government authorities.

The network of Jewish consuls, however, was vulnerable to crisis because individuals bore a high responsibility.⁴⁷ The occasional discussion in the sixteenth-century responsa literature of transactions carried out by consuls demonstrates that this particular organizational form of Levantine trade repeatedly needed intervention. It has also been pointed out that the responsa literature shows that the trade conducted by consuls was strictly regulated.⁴⁸ This was possi-

sible. For example, when foreign merchants in Egypt in the late sixteenth century placed themselves under the protection of France, they had to pay a fee of 2 per cent on all imported goods to the French consul in Alexandria. See Arthur Leon Horniker, 'Anglo-French Rivalry in the Levant from 1583 to 1612', *Journal of Modern History*, 18 (1946), 289-305, at 293. On consular fees of 2 per cent, see also Steensgaard, 'Consuls and Nations in the Levant', 29, 36.

⁴⁵ Joseph Nehama, *Histoire des Israélites de Salonique*, 5 vols. (Paris, 1935-59).

⁴⁶ On this distinction in general, see Ulbert, 'La fonction consulaire', 16.

⁴⁷ Shmuelevitz, *Jews of the Ottoman Empire*, 147.

⁴⁸ *Ibid.* 148.

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bly intended to promote the trust required by this form of trade. The success of a Jewish consul depended crucially upon his being able to build trust in the stability of his office amongst his clients. Just how important this was, especially when the consul entertained political ambitions, may be illustrated by the example of the Jewish consul Maggino di Gabrielli, who was active in the Holy Roman Empire shortly before 1600 (and to whom I shall later devote detailed consideration). Because of his highly unstable situation in the Duchy of Württemberg, as he noted himself in a letter to the ruling duke, 'the rich Jews [were] offended and frightened, and did not want to come'.⁴⁹

The earliest mention of a 'consul of the Jews' that I am aware of dates from 1493. According to this, a certain 'maestro Salomone console degli ebrei siciliani' was active in Naples.⁵⁰ What exactly his duties were (he was also a physician), and to what extent his activity was more than an isolated case before 1500, remains unclear. If Jews were active as consuls in Sicily in the late fifteenth century, privately or on behalf of Sicilian Jewish communities, then this tradition must have come to an end after 1493, the year in which the Jews were expelled from the island. In any case, there is much to indicate that the wider development of a class of Jewish consuls in the Mediterranean dates only from the period after 1500. The emergence of the office of consul in Jewry is inseparable, in my opinion, from the establishment of the Iberian diaspora in the Mediterranean area in the decades after the expulsion in 1492. Significantly, a concentration of Jewish consuls in the sixteenth century is first recorded in places where stable Sephardic settlements are documented.

There is also much to suggest that the settlement of Sephardic Jews in the Mediterranean spread the Jewish consular office on a geographical scale previously unknown. For example, the Jews of Valona (contemporary Albanian Vlorë), among whom Sephardic refugees are

⁴⁹ 'die reiche[n] Juden offendiertt und erschrocken und nitt haben khommen wollen'. Undated report, 'Bericht den Consul Jud . . . betr.', by Councillor Buwinckhausen for Duke Friedrich of Württemberg (n.d., probably July 1598). Hauptstaatsarchiv Stuttgart A 47 Bü 3 Fasz. 12.

⁵⁰ Stefano Arieti, 'La cultura medica', in Cosimo Damiano Fonseca, Michele Luzzati, Giuliano Tamani, and Cesare Colafemmina (eds.), *L'ebraismo dell'Italia meridionale peninsulare dalle origini al 1541: Società, economia, cultura* (Galatina, 1996), 177–84, at 177.

documented, produced a series of consuls who were active in the Adriatic region in the sixteenth century.⁵¹ Their multilingualism predestined the Sephardic Jews of Valona (and of other settlements of the Iberian diaspora in the Balkans) to exercise the office of consul.⁵² This development came to an end only with the city's decline round 1600 as a result of plundering and plague.⁵³

In the Republic of Ragusa (contemporary Dubrovnik), both Christian and Jewish consuls were already active in the early sixteenth century.⁵⁴ A document from 1602 concerning agreements about the transport of merchandise belonging to Jewish merchants from Ragusa by Christians was signed by no fewer than four Jewish consuls active in the Republic in the name of the local Jewish mercantile community.⁵⁵ Interestingly, there were Jewish consuls in Ragusa who had semi-official status. For instance, they were assigned to collect taxes from fellow Jews on behalf of the Ragusan Republic and 'were part of the official administration of the Ragusan Republic'.⁵⁶ This allowed them to store goods in state-owned, protected warehouses.⁵⁷ It should also be mentioned that Jews served as representatives of Ragusa's economic interests in the Balkans.⁵⁸ Thus in the first half of the sixteenth century a Jewish consul acting on behalf of Ragusa was charged with the duty of organizing the delivery of major grain shipments to the Republic. A document of the Christian authorities of Ragusa, dating from 1527, names this broker as 'Isach Trinch Judeo in la velona con-

⁵¹ Nehama, *Histoire des Israélites de Salonique*, v. 174.

⁵² Gilles Veinstein, 'Une communauté ottomane: Les juifs d'Avlonya (Valona) dans la deuxième moitié du XVI^e siècle', in Gaetano Cozzi (ed.), *Gli ebrei a Venezia (secoli XIV-XVIII): Atti del convegno internazionale organizzato dall'Istituto di storia della società e dello stato veneziano della Fondazione Giorgio Cini* (Milan, 1987), 781-828, at 811.

⁵³ Nehama, *Histoire des Israélites de Salonique*, 174; Veinstein, 'Une communauté ottomane', 787.

⁵⁴ Wimmer, 'Jewish Merchants'.

⁵⁵ Ibid. 91 gives the names of Salomo Oef, Moses Maestro, Daniel Evatar, and Abraham Kusi.

⁵⁶ Orfali, 'Doña Gracia Mendes and the Ragusan Republic', 183.

⁵⁷ Ibid.

⁵⁸ Yakir Eventov, *A History of Yugoslav Jews* (in Hebrew) (Tel Aviv, 1971), 78, 104.

sule della nostra nazione'.⁵⁹ In the later sixteenth century and the first half of the seventeenth century, a total of at least seven Jews were engaged as consuls in Ragusa.⁶⁰ The city of Uskub, which was important as a hub of trade with Buda and Belgrade, is said to have recruited Sephardic consuls from among the Jews of Salonika.⁶¹ The flourishing Jewish community of Salonika, moreover, provided a considerable proportion of the clientele of the Ragusan Jewish consuls. From a responsum of the Rabbi Abraham ben Moses de Boton (died after 1592) we may infer, for example, that in Ragusa, Jewish consuls were entrusted with receiving the goods of Jewish merchants from Salonika and delivering them on to Ancona.⁶²

Jewish consuls were also active in the harbour city of Alessio in Dalmatia, where the presence of a Jewish consul named Juda Cohen is documented.⁶³ Cohen's preserved bills of lading show that the merchandise he transferred also went from the Balkans to Italy. His activity stands out in the sources because it was documented in connection with his notarially recorded declaration concerning the consignment of goods on a ship belonging to Turkish clients that was plundered by pirates. As the sources demonstrate, Cohen offered his services not only to Jews but also to Christians and Turks.

Cohen was acting on a private and commission basis, as most of the other Jewish consuls in the Balkans mentioned here most probably also did. As has been said, the clientele of these consuls was not necessarily Jewish. Nothing indicates that Cohen, for example, was commissioned by the local Jewish community ('nation') in Alessio, acted as its representative, or was furnished with any political authority within a Jewish context.

This distinguishes this type of consul from all those office-holders who can be found in the sources under designations such as *consoli degli ebrei, della nazione ebrea*, or variants of the construction *degli ebrei*

⁵⁹ See the source in the appendix to Wimmer's study, 'Jewish Merchants', 135-6.

⁶⁰ See Bariša Krekič, 'Gli ebrei a Ragusa nel Cinquecento', in Gaetano Cozzi (ed.), *Gli ebrei a Venezia (secoli XIV-XVIII): Atti del convegno internazionale organizzato dall'Istituto di storia della società e dello stato veneziano della Fondazione Giorgio Cini* (Milan, 1987), 835-44, at 841.

⁶¹ Nehama, *Histoire des Israélites*, v. 169.

⁶² Wimmer, 'Jewish Merchants', 126.

⁶³ Leoni, 'Ruolo economico dei mercanti', 173.

levantini. Before looking more closely at this group, which for the sake of clarity I shall call 'economic-political consuls', it should be noted that the development of the Jewish consulates in the Mediterranean was not always as smooth and linear as might be supposed.

For example, some Sephardic trade settlements were established without the creation of a consulate. This was the case when, in 1551, Cosimo I invited a number of Levantine (mainly Jewish) merchants to settle in Tuscany. The organizational coordination of this venture was placed in the hands of a Jew from Damascus called Servadio (Obadja), and extant documents show that he never held the title of consul. Indeed, the sources call him *sensale* (broker) and *capo di tutti*.⁶⁴ They are silent on how far his powers extended in non-mercantile affairs. Another interesting example of an experiment with the office of Jewish consul is provided by Ancona. Sponsored by the Pope, this harbour city within the Papal State developed into a serious competitor for Venice after 1534, thanks to the settlement of Sephardic Jews. The situation, however, was politically highly complex. Even if the Jews were obviously the driving force behind the economic rise of Ancona in the Levantine trade, it was important not to create the impression that the Christian authorities, especially the Pope, had lost control of commerce. It was presumably such considerations that in 1535 led to the appointment of a Christian merchant as consul for all the city's merchants engaged in the Levantine trade, most of whom were, of course, Jews.⁶⁵ Although the Christian consuls of Ancona, whose duties were mainly of a legal nature, were said to be fluent in several languages,⁶⁶ the office was not, at first, successful.

⁶⁴ See the copy of the charter in the appendix of Umberto Cassuto's book, *Gli ebrei a Firenze nell'età del Rinascimento* (Florence, 1918), doc. 54, at 412. See also Cassuto's summary of events, 173–80. It remains unclear to me why Cooperman, 'Trade and Settlement', 304, calls Servadio a consul.

⁶⁵ On the consulate in Ancona see esp. Bernard Dov Cooperman, 'Portuguese Conversos in Ancona: Jewish Political Activity in Early Modern Italy', in id. (ed.), *In Iberia and Beyond: Hispanic Jews Between Cultures. Proceedings of a Symposium to Mark the 500th Anniversary of the Expulsion of Spanish Jewry* (Newark, NJ, 1998), 297–352, at 307.

⁶⁶ Thus, for example, it was said of a Christian consul that he was 'multasque linguas, etiam turcicam, callentem'. Quoted by Segre, 'Sephardic Settlements in Sixteenth-Century Italy', 118.

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The burning of the Jews at the stake in Ancona in 1555 did not strengthen the trust of Sephardic merchants in Christian middlemen acting as consuls. The dramatic events of 1555 likewise show that the political influence of the Jews was rather limited. Well-known efforts by the Ottoman Empire's Sephardic elite to boycott Ancona failed. 'The failure of the boycott clearly reveals to us the institutional limitations of Jewish political activity in this period. Divided from within, and lacking the means to enforce any central decision on a more than local level, the Jewish community was simply unable to carry out such an ambitious project which required virtually unanimous consent on the part of all of its members.'⁶⁷

The conjecture that the aftermath of this failure fostered the development of economic-political consulates in the years that followed cannot, in my opinion, be dismissed. The establishment of economic-political Jewish consulates in the Mediterranean could not provide a guarantee against official arbitrariness or expulsions, but it could be seen as a way of ensuring a more coordinated course of action towards the authorities in future. The creation of a consulate whose duties comprised more than merely the brokering of business transactions promised, at least in theory, to provide a centralized representation of the interests of polycentric groups of Jewish merchants. This criterion in particular is what I mean when I refer to 'political' consuls.

It is my thesis that the far-reaching events in Ancona and the increasing importance of Levantine Jews in the Mediterranean trade after the middle of the century were probably the main factors leading to the development of Jewish economic-political consulates. The activity of previous Jewish consuls in the traditional sense outlined above, it is true, constituted an important springboard for this development. This fluid transition between mercantile and the economic-political consuls could hardly be better illustrated than by the career of the famous Daniel Rodriga (died 1603), as I shall now show in greater detail.

⁶⁷ Cooperman, 'Trade and Settlement', 77.

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The Emergence of Economic–Political Consuls among Jews

In the following sections I shall focus on Jewish consuls such as Rodriga, who emphatically claimed to speak for the 'nation' of the Jews, or one of the 'nations' within Jewry. This never, of course, meant the entire Jewish 'nation', but always only the Jewish community of one place or territory, or a consortium of Jewish merchants in one territory. One of the oldest documents known to me that assigns a concrete title to such a claim (except for the Sicilian 'consolo degli ebrei siciliani' of 1493 mentioned above) dates from 1571. Here we meet a certain 'Ser Jacoda hebreo' in the year of his death, described as 'consolo degli hebrei' in Corfu. Nothing else is known about him. There is much to suggest that he was already exercising his office as consul 'degli ebrei' in the 1560s. His appointed successor (and this is possibly an important point distinguishing the office from one conducted on a private basis), Moise Massa, assumed the consulship in the year of his predecessor's death. Henceforth Venetian notarial documents consistently refer to him as 'console degli Ebrei di Corfù'.⁶⁸

Starting no later than 1573, the Portuguese-born Sephardic Jew Daniel Rodriga mentioned above held a comparable position in Narenta, not far from the contemporary city of Split.⁶⁹ In a Venetian notarial document of 1569 we meet a Rodriga described as 'hebreo consule in Narenta' and 'consul in oppido Narente', but *not* as 'console degli hebrei'. The tiny difference in choice of words is important. It presumably marks the threshold between a private individual exercising the consular office in the broadest sense (who, as we know from Rodriga's early activity, transferred the merchandise of individual Sephardic merchants from a depot in the Balkans to Venice on a contractual basis) and someone acting as an officially appointed representative of a group of merchants and their families as a 'nation' (in the early modern sense of the word), with its associated political implications.⁷⁰ While it should be emphasized that the 'nation' which

⁶⁸ Leoni, 'Ruolo economico dei mercanti', 173.

⁶⁹ This may be gathered from the Ottoman documents compiled by Paci. See Renzo Paci, *La 'scala' di Spalato e il commercio veneziano nei balcani fra Cinque e Seicento* (Venice, 1971), 50.

⁷⁰ Eventov, *History of Yugoslav Jews*, 63 sees Rodriga's early work as consul as the actions of a 'head of the community'.

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Rodrigo represented was numerically modest in size, the same was often true of similar Christian groups. Thus in Antwerp, for example, twenty merchants were enough to be considered a Christian 'nation' that could appoint a consul.⁷¹

The fact that the title 'consul of the Jews' was considered political regardless of the actual size of the nation may be seen from the fact that in 1573 Rodrigo conducted negotiations with the Venetian authorities in order to obtain this title there. The endeavour to have this office recognized by Christian authorities is a further distinctive mark of the new type of Jewish economic-political consul. Significantly, in 1573 Rodrigo secured the Doge's pledge that he could use the title 'Console della Nazione Hebrea in questa città di Venezia', but only on condition that the Jewish merchants of Venice elected him to the office. As it turned out, Rodrigo was not elected, and we do not know precisely why. In the following years he worked as a prominent mediator between Jewish merchants and the authorities, though still without the official title of consul for the Levantine and Ponentine Jews. This he obtained only in 1589.

Rodrigo was evidently not the only contemporary who attempted to bring about a partially political reinterpretation of the consular office. The same may also be true of a Balkan Jewish consul named Avner Halperin who is documented as having been the patient of a famous Sephardic doctor, Amatus Lusitanus (1511–68).⁷² If Eventov's assumption that, in addition to his consulship, Halperin held the function of a *rosch hakahal* or head of community (a claim that Eventov, regrettably, does not develop) is accurate, then Halperin may be regarded as an early example of efforts to accumulate competences beyond the mere economic function of brokering.⁷³ This would presumably also apply to the Jewish merchant Salomo Oef, mainly

⁷¹ Tucci, 'Le colonie mercantili', 15.

⁷² Eventov, *History of Yugoslav Jews*, 90.

⁷³ Further research is needed to establish whether there was any connection between this case and the office of Consul Hebreorum that is supposed to have existed in Ragusa in the 1540s. The particular duty of these consuls is said to have been the collection of taxes and dues from members of the community. See Krekič, 'Gli ebrei a Ragusa', 840. Given the relatively traditional duties of these consuls known so far, I would not exclude the possibility that the title in this case is merely the Christian designation for an office which already existed in this local community. It is also possible that the introduc-

active in Ragusa and who, according to Eventov, appears in a source dated 1577 as a consul for 'eastern Jews'. Interestingly, Oef is also documented as having been a rabbi (1586). If Oef represented his group of merchants abroad and in dealings with the authorities, then it would be reasonable to see the basis for this activity as lying mainly in his strong economic position as a merchant in the trade between Italy (Ancona) and the Ragusan Republic. He already owned a ship in the 1570s, and sources from as late as 1606 mention that he was still active.⁷⁴

The oldest evidence known to me for the use of the title 'Consul of the Levantine Jews', as Rodriga and the first consul of Livorno and Pisa, Maggino di Gabrielli (1591), were later to style themselves, can be traced to Venice in 1579. The name of the office-holder is not explicitly mentioned in the extant sources, but it was evidently the merchant Hayyim Saruq, originally resident in Salonika, who had regularly resided in the Serenissima as a subject of the Ottoman sultan since the 1560s.⁷⁵ Saruq, whose entrepreneurial talent is not easy to judge, and who appears from time to time in Venetian documents because of bankruptcy, described himself, as a witness in a trial of the Inquisition in Venice in 1580, as 'consul of the Levantine nation'.⁷⁶

The question of whether Saruq used this title with the approval of the authorities and the backing of the majority of Levantine Jews in Venice has not been answered. It is possible that his publicly asserted claim to the office of consul was just a stratagem in his internal and well-documented power struggle with Daniel Rodriga, who had the same ambitions.⁷⁷ At one time or another, Saruq could, it seems, rely on the support of most of the *Levantini*. Nevertheless, in a memorandum of 1590 from the Levantine Jews to the Venetian authorities he also appears merely as 'Rabi Cain Saruc nostro agente et p[ro]curato]re'.⁷⁸

This may be connected with the events of 1590. In the previous year Saruq's rival, Rodriga, had won important partial victories.

tion of the term is connected with the new position of the local Jewish community, which was ordered to live in a ghetto in 1546.

⁷⁴ Eventov, *History of Yugoslav Jews*, 101.

⁷⁵ Arbel, *Trading Nations*, 96–100.

⁷⁶ Ibid. 159.

⁷⁷ Leoni, 'Ruolo economico dei mercanti', *passim*.

⁷⁸ Ibid. 189.

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After years of advocacy, he persuaded Venice to build a *scala* in the Dalmatian city of Spalato (today Split), linked with Salonika and Istanbul by the land route.⁷⁹ Far more important within the total Jewish context, of course, was that in the same year Rodriga was able to persuade the Venetian authorities to approve official toleration for the *Ponentini* or Pontentine Jews in the city. Although they had resided in Venice for several decades, they lived in a precarious grey zone. The official opening of the city to the *Ponentini*, who could now permanently settle there, marked a momentous turn in the history of the Sephardic Jews. Henceforth they were no longer regarded as foreigners who were only temporarily tolerated in Venice. Now they were subjects. They could not be arrested in case of war and were permitted to engage in all forms of foreign trade that were otherwise allowed only to Venetians.⁸⁰ Their future settlement was established on the basis of an authorized, renewable ten-year mandate.⁸¹

Rodriga's victory against his rival Saruq set the course for a more political interpretation of the consular office within the Jewish context. Saruq seems to have been something of a loner. The range of his abilities and activities was unquestionably impressive. He spoke several languages, was active as a financier, insurer, and international merchant, owned a ship, patronized Hebrew printing, and spied for the Serenissima.⁸² Saruq appears to have seen the duties of a consul as consisting of ad hoc, problem-oriented action in the broadest sense. There is an abundance of documentation to show that he repeatedly concerned himself with the practical affairs of the *Levantini*, but he does not appear to have been a daring visionary like Rodriga. It is probably for this reason that historians have bestowed considerably more attention on the activities of Rodriga. What is more, many historians have not shied away from piling superlatives on him. Benjamin Ravid, for instance, sees in him 'one of the leading – if not the leading – and most successful Jewish entrepreneurs of his century'.⁸³

⁷⁹ See Paci's fundamental work, *La 'scala' di Spalato*.

⁸⁰ Cooperman, 'Trade and Settlement', 97.

⁸¹ Benjamin Ravid, 'An Introduction to the Charters of the Jewish Merchants of Venice', in Horowitz and Orfali (eds.), *The Mediterranean and the Jews*, 203–46, at 207.

⁸² Leoni, 'Ruolo economico dei mercanti', 156–8.

⁸³ Ravid, 'A Tale of Three Cities', 148.

Naturally, we should not overlook that after 1589 Rodriga, too, had considerable obstacles to surmount. The consulate understood politically required advocacy, for the mercantile community was highly individualistic. It is significant that Saruq, in his role as agent and de facto consul for the *Levantini*, took the wise precaution of having his duties confirmed on oath by the Sephardic merchants who approached him.⁸⁴ Yet Saruq was in principle willing to tolerate this form of what Cooperman calls 'contractual politics'. He was satisfied if his power 'derived from a specific contractual agreement drawn up among individuals for mutual profit' and his missions were 'limited to the specific and immediate goal'.⁸⁵

The claims of Rodriga and his Tuscan colleague, Maggino di Gabrielli, on the consular office went far beyond this. Rodriga, for example, procured important positions for members of his family in the network he created through his consulship. Maggino anchored the heritability of the office in his family. It is no wonder that both Maggino and Rodriga repeatedly encountered mistrust and resistance from the Jewish side. In the case of Maggino, this led to an open revolt by the Jews of Pisa and Livorno in 1593, and the abolition of the office of consul in these Tuscan cities. And round the turn of the century, during negotiations for the extension of the charter pertaining to Levantine and Pontine Jews, Rodriga also had to accept a clause which specified that the consul was authorized 'to have recourse to the government to secure the payment of the communal taxes' only jointly with other, not specifically named, representatives of the Jewish merchants.⁸⁶

These examples reveal the field of tension within which any representative of Sephardic interests had to operate at the political level. Although the memory of events in Ancona was still alive and served as a reminder of the need for coordinated representation, the Jewish merchants eyed any restriction of individual mercantile freedom with suspicion, and especially the concentration of authority in the hands of a single, high-ranking, political representative.

It is indisputable that Rodriga was an important organizer of economic-political projects that were recognized not only by Christians

⁸⁴ Cooperman, 'Trade and Settlement', 78.

⁸⁵ Ibid. 79.

⁸⁶ Ravid, 'An Introduction to the Charters', 212.

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but also by Jews. In 1589 Rodriga himself maintained that he received a fixed annual salary of 500 ducats from the merchants whom he represented, and payment of a *grosso* for every bale of merchandise.⁸⁷ The Venetian ruling class in turn respected him as ‘fedelissimo nostro Daniel Rodriga’.⁸⁸ We should not overlook, however, that Rodriga’s advocacy of a *scala* in Spalato also benefited his own commercial interests. The beneficiaries of the *scala* were mainly Jewish merchants in Spalato and the nearby town of Narenta, including the local consul there, namely, Rodriga. Nor do we need to stress that Rodriga or his brother—the sources here do not permit an exact identification—soon rose to become ‘Console della Nazione Ebraica in Spalato’. The project of the *scala*, which Rodriga had pushed for decades, certainly cannot be separated from his vital business interests. It is this specific blurring of commercial and political interests that we shall encounter again and again in the office of the consul ‘degli ebrei’. For instance, it is also apparent in the life of Maggino, and far more unluckily, although in the long term by no means accidentally, as I shall now show.

The Case of Maggino di Gabrielli

I will now present Maggino’s biography in greater detail, as it is still known only to a few specialists.⁸⁹ During his lifetime, the *Italiano* Jew Maggino (born 1561) ventured on a number of different undertakings, including the production of cloth, an invention for the improvement of the silk industry, trading in spices, moneylending, and glass-making. In the 1580s a decree was issued granting Maggino the privilege of producing crystal glass and mirrors by a new method for fifteen years in all the Papal States. There is evidence from papal sources that the glass produced by the Jewish businessman was used

⁸⁷ Leoni, ‘Ruolo economico dei mercanti’, 156.

⁸⁸ Thus the Senate in a document of 20 July 1590; printed in Leoni, ‘Ruolo economico dei mercanti’, 189.

⁸⁹ For his biography and additional bibliographical references see Daniel Jütte, ‘Handel, Wissenstransfer und Netzwerke: Eine Fallstudie zu Grenzen und Möglichkeiten unternehmerischen Handelns unter Juden zwischen Reich, Italien und Levante um 1600’, *Vierteljahrschrift für Sozial- und Wirtschaftsgeschichte*, 95 (2008), 263–90.

in Roman palazzi and, interestingly, even in some of the most prestigious buildings of the Counter-Reformation, such as the Lateran Palace and the Vatican Library. Pope Sixtus V went on to grant Maggino a special privilege for the production and distribution of standardized glass vessels. Sixtus's death in 1590 and the subsequent succession of less pragmatic popes brought these privileges to an end.⁹⁰

Maggino found a secure haven at the Medici court in Florence, where he was appointed consul of the Levantine and Ponentine Jews in Livorno and Pisa in 1591. Maggino evidently enjoyed the full support of the Tuscan Grand Duke. He had the impressive amount of 100,000 scudi at his disposal in order to boost the Jewish settlement and thus the economic development of Livorno. Nevertheless, in 1593 an open revolt against Maggino among the Jews of Pisa and Livorno led to the demission of the powerful consul. In 1597 he suddenly appeared north of the Alps, in Lorraine. This Duchy had expelled the Jews in the 1470s. Maggino's attempt to convince the Duke of Lorraine to reconsider Jewish settlement was crowned with success. He was subsequently allowed to establish an Oriental Trade Company. Soon afterwards Maggino turned up in Kurtrier and Württemberg where, again as a consul, he received charters for himself and his merchants.⁹¹ In the end, however, anti-Jewish agitation contributed significantly to the failure of these projects. A powerful coalition between the Church, the Estates, and the magistrates managed to corner the Duke of Württemberg, who had tried to promote the Jewish settlement over a period of several months. The Jewish merchants were even confronted with accusations of blood libel. Maggino witnessed his privileges, including the concession to establish a branch in the capital of Stuttgart, eroding. After 1598, this Jewish consul disappears from the pages of history.

⁹⁰ Ibid. In Tuscany, Maggino later began producing 'perle de paternostri' for Catholics. On this episode, see Lucia Frattarelli Fischer, *Vivere fuori dal Ghetto: Ebrei a Pisa e Livorno (secoli XVI-XVIII)* (Turin, 2008), 98.

⁹¹ On the events in Württemberg, see Daniel Jütte, 'Abramo Colorni, jüdischer Hofalchemist Herzog Friedrichs I., und die hebräische Handelskompanie des Maggino Gabrielli in Württemberg am Ende des 16. Jahrhunderts: Ein biographischer und methodologischer Beitrag zur jüdischen Wissenschaftsgeschichte', *Aschkenas: Zeitschrift für Geschichte und Kultur der Juden*, 15 (2005), 435-98.

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Rodrigo / Maggino: A Network? The Geographical Expansion of the Consular Office round 1600 and its Further Development

I have explained elsewhere that Rodrigo and Maggino probably met in Rome in the 1580s.⁹² Here I shall summarize the chronology of events. Rodrigo operated in Rome in the late 1570s, working on commission for Levantine merchants in Venice and Ancona. Possibly in connection with the new regime in the Curia under Sixtus V, Rodrigo temporarily transferred the mandate for his political mission in Rome to a certain Ventura Finzi in 1585. Rodrigo hoped that Finzi would set up 'a trade centre run by Levantine Jews' in the neighbouring Kingdom of Naples.⁹³ The notarial documents that sealed the collaboration between Rodrigo and Finzi include a list of twenty-eight members of the Levantine nation, twenty from Venice and eight from Ancona. These *Levantini* entrusted the acting consul Finzi with the ambitious project of negotiating privileges and patents for the Levantine trade with all temporal rulers in Christendom and the Pope.⁹⁴

Who was this Ventura Finzi? The historian Renata Segre has remarked that in the sources he appears to be quite 'closely connected' to Rodrigo. The few sources we are aware of at present do not allow us to make any well-founded statements about Finzi. According to Segre, he left almost no biographical traces. Yet the few documents discovered so far point to noteworthy connections. This man, who enjoyed the trust of both Rodrigo and the Levantine Jews to such a high degree and apparently had important contacts in Spanish political circles,⁹⁵ was none other than the cousin of Maggino di Gabrielli. Their kinship, moreover, is documented by more than pieces of paper. In the Roman years it had already led to a close commercial collaboration between Maggino and Finzi. In 1588, on his cousin's commission, Finzi undertook to obtain recognition of Maggino's

⁹² Jütte, 'Handel, Wissenstransfer und Netzwerke', 282.

⁹³ Segre, 'Sephardic Settlements in Sixteenth-Century Italy', 134.

⁹⁴ *Ibid.*

⁹⁵ Although his efforts to avert the expulsion of the Jews from the Spanish viceroyalty of Milan in the 1590s failed, Finzi's advocacy attests, as Segre notes, to his 'indubbio prestigio' within and probably also outside the contemporary Jewish community. See Renate Segre, *Gli ebrei lombardi nell'età spagnola: Storia di un'espulsione*, Memorie dell'accademia delle scienze di Torino, ser. IV/28 (Turin, 1973), 124.

papal privileges (related to his invention in the silk industry) in the Kingdom of Naples. Documents showing that Finzi was Maggino's authorized agent in 1594 in connection with real estate dealings also support the hypothesis that there was close cooperation between the cousins.⁹⁶

The relation between Finzi and Maggino appears to have been shaped by mutual trust. It is therefore conceivable that Finzi included his ambitious young cousin in his mission to negotiate papal privileges for the Levantine trade on behalf of the previously mentioned twenty-eight Sephardic Jews. The death of Sixtus V presumably thwarted these plans. On the other hand, Maggino's evidently frictionless move to the position of consul in Tuscany after Sixtus's death and the establishment a few years later of a Jewish Levantine company in the Holy Roman Empire may possibly be seen in connection with Finzi's and Rodriga's background activity. The striking lack of archival sources on the early history and drafting of the Tuscan charter of 1591 (the original version of the famous *Livornina*) has already led to the assumption that Maggino must have circumvented the authorities and negotiated the conditions for the settlement of the Levantine Jews with the Grand Duke himself.⁹⁷ This would once again indicate Maggino's strong negotiating position, which a loner could hardly have enjoyed.

Independently of this hypothesis, it can hardly be doubted that Maggino's plan to settle a Levantine company in the Holy Roman Empire, a plan that historians have hitherto neglected in this connection, marks the greatest geographical extension of the idea of Jewish consulship. However historians judge Maggino's activities in detail, his biography makes plain that, on the threshold of the seventeenth century, Maggino hoped to extend the Jewish consulate even beyond the Mediterranean area. This plan for the Holy Roman Empire failed in about 1600, and we know of no imitators; but late transcripts of Maggino's mandate in Lorraine suggest that the memory of his attempt persisted well into the eighteenth century.⁹⁸ The Jewish consul can be seen, and perhaps already was seen by contemporaries in

⁹⁶ Ircas Nicola Jacopetti, *Ebrei a Massa e Carrara: Banche, commerci, industrie dal XVI al XIX secolo* (Florence, 1996), 39.

⁹⁷ Cooperman, 'Trade and Settlement', 210–11.

⁹⁸ Jütte, 'Handel, Wissenstransfer und Netzwerke', 289.

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the Holy Roman Empire, as a precursor of the class of 'court Jews' that was to form a few decades later.

In Italy, on the other hand, the recent tradition of the economic-political consul by no means ended with the death of Rodriga (1603) and the disappearance of Maggino (1598). The title of consul in the tradition of Rodriga was common in Venice until at least 1607.⁹⁹ Thus, for example, we possess a petition of 1607 from the 'console degli ebrei ponentini e levantini' by the name of Josua Ferro addressed to the Venetian authorities, in which the consul attempts to improve the position of his nation, including the *Tedeschi* Jews.¹⁰⁰

We should also mention the case of Livorno, where the local Jews wanted to rename their *massari* as consuls.¹⁰¹ (Ironically, Livorno is the city where a revolt in 1593 had led to the abolition of consulship and with it the office held by Maggino.) Finally, we should note that among the Portuguese nation in Venice, which consisted mainly of baptized (but sometimes still practising) Jews and whose contacts with the Sephardic Jews in the Ghetto were complex, a consulate also developed round 1600. This office was recognized by the Spanish government in 1621, and for the next three generations its holder was drawn from the ranks of the *nuovi cristiani*.¹⁰² Further investigation is needed to determine whether this development, especially the wish for a common representation of interests, was furthered by the Venetian consular career of the Sephardic Jew Rodriga (1589), of which the *nuovi cristiani* were surely aware, and by Maggino's appointment as consul of Livorno and Pisa (1591).

Benjamin Arbel has rightly noted that 'the function of "Consul of the *Levantini*" in Venice' and 'the phenomenon of the appearance in the sixteenth century of Jewish consuls [have] not yet been sufficiently studied'.¹⁰³ Rodriga and Maggino represent a development that has still not been satisfactorily investigated, and their biographies require more research. In this connection, Maggino's career, in my opinion, is of special significance for various reasons. He is an in-

⁹⁹ Arbel, *Trading Nations*, 163.

¹⁰⁰ Gaetano Cozzi, *Giustizia 'contaminata': Vicende giudiziarie di nobili ed ebrei nella Venezia del Seicento* (Venice, 1996), 73.

¹⁰¹ Cooperman, 'Trade and Settlement', 393.

¹⁰² Federica Ruspio, *La nazione portoghese: Ebrei ponentini e nuovi cristiani a Venezia* (Turin, 2007), 70, 194–213.

¹⁰³ Arbel, *Trading Nations*, 162.

teresting case because his biography shows that an *Italiano* Jew could also lay claim to the title of consul of the Levantine nation, north of the Alps as well as in Italy. Maggino's main advantage (at the time of his appointment as consul of Livorno and Pisa he was barely 30 years old) was undoubtedly, in addition to his extensive family network, his considerable contacts with the Christian authorities.

The primary purpose of appointing consuls who operated in the name of the Ponentine or Levantine nation was to create economic synergy for Sephardic merchants and to obtain guarantees from the authorities. In the cases both of Rodriga and Maggino, it was directly linked with the project of creating a permanent settlement for this Jewish 'nation' and making a claim to political leadership. This claim went far beyond the competence of the merely mercantile type of consulship still encountered in the first half of the sixteenth century. It should be emphasized, in my opinion, that it was not so much quantity (consuls represented a relatively small number of merchants or families) as the quality of the political claim that was decisive for the assessment and evaluation of the phenomenon.

Rodriga and especially Maggino represent the most pronounced and systematic attempt among Jews to fuse economic and political power in the office of the consul around 1600, and not only in connection with the settlement of Levantine Jews in Italy. In 1595 Maggino received another privilege from the Grand Duke of Tuscany, this time pertaining to the settlement of Italian and Ashkenazi Jews who had been expelled from Lombardy. Although these settlement plans did not materialize on a large scale, it is significant that Maggino succeeded once again, as in 1591, in being appointed consul (although now, of course, not for the Levantine Jews).¹⁰⁴ This suggests that Maggino continued to believe in the importance of the consulate, and that he attempted to develop the office systematically. In 1591, the idea of a consulate in Livorno and Pisa was undoubtedly Maggino's original contribution to the negotiations, possibly directly suggested by Rodriga.¹⁰⁵ As studies have shown, the famous charter of

¹⁰⁴ Possibly in order to signal Maggino's increased readiness to strike a compromise, the appointment of a consul by election was written into the charter of 1595. See the edition of this 'Privilegio, et Esentioni à diversi mercanti hebrei' [1595] in Cooperman, 'Trade and Settlement', 472-88, at 476.

¹⁰⁵ Cooperman, 'Trade and Settlement'.

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Livorno of 1591 is highly dependent on the text of the 1572 invitation by the Duke of Savoy to the Sephardic Jews (which was never to advance beyond its early stages).¹⁰⁶ Precisely what is lacking in this document is anchored in detail in the Livorno charter, namely, the office of the consul. The adoption of the consulate in the charter bears the 'signature' of Maggino and perhaps Rodriga.

It is conspicuous that Maggino's Tuscan negotiations were oriented by the model of the Christian consul in the Levant, and the same is undoubtedly true of Rodriga's activities in previous decades. For instance, a prominent passage in the edict that Ferdinando I promulgated in Livorno in 1591 expressly states that the office and privileges of the Jewish consul Maggino do not differ from those of his Christian colleagues.¹⁰⁷ Yet in reality, the extent of legal power in relation to settlement policy claimed by Maggino in Livorno, and granted to him by the Grand Duke, far exceeded the official duties and privileges of most Christian consuls, as was probably the case with appointment for life.¹⁰⁸ In the Christian mercantile world, it was customary that the consul was not himself involved in business,¹⁰⁹ a rule to which neither Maggino nor Rodriga adhered.

Consulship and Jewish Diplomacy

The attempt to establish the office of consul within a Jewish context in Italy (Rodriga) and in the Holy Roman Empire (Maggino) was, in my opinion, neither arbitrary nor accidental. It must be regarded as a genuine attempt to find an answer to the sensitive question of an appropriate title for representatives of Jewish elites in Italy and the Holy Roman Empire in the sixteenth century.¹¹⁰ A salient example of

¹⁰⁶ Salvatore Foa, *La politica economica della casa savoia verso gli ebrei dal sec. XVI fino alla rivoluzione francese* (Rome, 1962), 21.

¹⁰⁷ 'con tutte quelle autorità honori et gratie che hanno li consoli christiani di Levante.' *Privilegi de' mercanti levantini et ponentini* (Florence, 1591), quoted in Lucia Frattarelli Fischer and Paolo Castignoli (eds.), *Le 'livornine' del 1591 e del 1593* (Livorno, 1987), 17.

¹⁰⁸ Cooperman, 'Trade and Settlement', 217-19.

¹⁰⁹ Ibid. 149; Steensgaard, 'Consuls and Nations in the Levant', 25.

¹¹⁰ The title *Shtadlan* implied a 'top commercial position', to which Maggino could not realistically lay claim. See Rotraud Ries, 'Alte Herausforderungen

the explosive power of words, well-remembered in the sixteenth century, was the 1536 controversy over Josel von Rosheim's claim to the title of 'governor' (*Regierer*) of the Jewish community, which was taken as far as the Imperial High Court.¹¹¹ Conversely, to avoid specifying a title was likewise unpromising, since this ensured confusion in the non-Jewish world.¹¹² How careful Maggino was about the choice of words with respect to his business in the Holy Roman Empire is apparent in his insistence on calling the trading company 'Hebraic'. This was connected with a desire to avoid harming the company's chances by a false designation, in this case the provocative word 'Jewish'. There can thus be little doubt that his decision concerning the title of consul was thoroughly deliberated.

What has here been said about the situation in the Holy Roman Empire also applies *mutatis mutandis* to Italy. Rodriga knew that in a century which had witnessed so many different plans and attempts concerning Sephardic settlements,¹¹³ it was important for Christian contemporaries to know who they were dealing with. The title of consul enabled a classification in the categories of the Christian commercial world and, in particular, of the Levantine trade. That the title, as used by Maggino and Rodriga, was bound up with the claim to political representation of the Jewish nation (of whatever sort) did not escape the Christian side. This can clearly be seen, for example, in the correspondence of the English government, which closely observed the activities of Jewish merchants from the Levant in Rome in the late 1580s – and hence those of Rodriga,¹¹⁴ though he is not men-

unter neuen Bedingungen? Zur politischen Rolle der Elite in der Judenschaft des 16. und beginnenden 17. Jahrhunderts', in Sabine Hödl, Peter Rauscher, and Barbara Staudinger (eds.), *Hoffjuden und Landjuden: Jüdische Leben in der Frühen Neuzeit* (Berlin, 2004), 91–141, at 107.

¹¹¹ Friedrich Battenberg, 'Von der Kammerknechtschaft zum Judenregal: Reflexionen zur Rechtsstellung der Judenschaft im Heiligen Römischen Reich am Beispiel Johannes Reuchlins', *ibid.* 65–90.

¹¹² Ries, 'Alte Herausforderungen unter neuen Bedingungen', 123.

¹¹³ Segre, 'Sephardic Settlements in Sixteenth-Century Italy'.

¹¹⁴ Rodriga's stay in Rome at this time is documented. See Benjamin Ravid, 'An Autobiographical Memorandum by Daniel Rodriga, *Inventore* of the *Scala* of *Spalato*', in Ariel Toaff and Simon Schwarzfuchs (eds.), *The Mediterranean and the Jews: Banking, Finance and International Trade (XVI–XVIII Centuries)* (Ramat-Gan, 1989), 189–213, at 210.

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tioned by name: 'The Jewish *ambassadors* have obtained from his Holiness exhortatory letters to all the Catholic potentates who have forces at sea not to molest vessels of the Jews.'¹¹⁵

Leah Bornstein-Makovetsky has pointed out the difficulties of applying the term 'Jewish diplomacy' in the nineteenth-century sense to the political activities of Sephardic Jews in the early modern period. She sees the informal *Shtadlanut*, that is, the actions of prominent individuals from the Jewish commercial elite during crises, as the dominant form of Jewish diplomatic activity in this period. In principle, I share this view. I believe, however, that efforts such as those by Rodriga and Maggino to establish a consulate went beyond this traditional form of representing Jewish interests. Rodriga's agenda, as Bornstein-Makovetsky has noted, can hardly be called ad hoc. His attempts to establish a consulate were, like those by Maggino, prudent and systematically planned. The conjecture previously raised, namely, that there had been contact between Rodriga, the Jewish consul of Venice, and Maggino, his colleague in Tuscany (and later in the Holy Roman Empire) since the 1580s would further suggest that in this special case the particular type of inter-personal network had developed whose existence Bornstein-Makovetsky sees as evidence that Jewish diplomacy of the sixteenth and seventeenth centuries was more than ad hoc in nature.¹¹⁶

Conclusion and Outlook

The emergence of the economic-political consular office in Mediterranean Jewry will now be summarized. In terms of the number of consuls and members of the Jewish community that they represented, economic-political consulship in early modern Jewry was never a large-scale phenomenon. But this is not the decisive fact for historians. This form of consular office merits their attention because of its quality as a genuine response to economic-political challenges at a time of huge upheavals in international trade and in the situation of the Mediterranean Jews, in particular, the Iberian Jews.

¹¹⁵ Sophie Crawford Lomas (ed.), *Calendar of State Papers, Foreign Series*, vol. 21, pt. 1 (London, 1927; reprint Nendeln, 1969), 512. Stephen Powle to Sir Francis Walsingham, message from Rome, 13 Feb. 1588. Emphasis added.

¹¹⁶ Bornstein-Makovetsky, 'L'activité diplomatique', 461.

The birth of the economic-political consular office in this context by no means directly coincides with the early formation of the Iberian diaspora. In the first half of the sixteenth century, we note various Jewish experiments to adapt the originally Christian, and specifically Venetian, office and title of consul. In the Balkans, for example, we can document Jews as consuls in the service of the Republic of Ragusa. Most Jewish consuls in the Balkans, however, were active in a private capacity, offering their services to Christian as well as Jewish clients. In Ancona, on the other hand, the office of consul of the *Levantini* was held by a Christian.

It was not for this reason, however, that Ancona was to represent a turning-point in Sephardic history and thus also for the further development of the consular office among Mediterranean Jewry. Rather, it was the death of Jewish martyrs in Ancona that gave an important impetus to the emergence of a class of consuls that claimed to represent the Jewish nation in one place, or a local Jewish nation and, if the situation arose, its political interests. This process took place, as I have tried to show, in a geographical space extending from the periphery of the area under Venetian economic influence to the very heart of the Serenissima itself. I have indicated the separate stages of this development, in whose first decades the claim to representation was largely visible only in the designation 'consoli degli ebrei' and during which little is known about the exercise of the office. Thus in the 1560s consuls designated 'degli ebrei' appeared on the scene in Corfu. In the 1570s we find Jewish consuls laying claim to a comparable function on the Dalmatian coast and in the Balkans. Sources grow more numerous in 1573, when the Venetian Doge in principle allowed the merchant Daniel Rodriga to use the title 'Console della Nazione Hebraea in questa città'. Rodriga's assumption of the office was delayed by the power struggle with his mercantile colleague and rival Hayyim Saruq. In the 1580s Saruq appeared to have been active as the de facto consul of the Levantine Jews,¹¹⁷ but in 1589 Rodriga gained the upper hand. Borne up by his success in connection with the construction of a *scala* in Spalato, he seized the opportunity to be appointed 'Console degli Hebrei Levantini e Ponentini' by the Venetian Jewish community, an appointment that, as Aron di Leone Leoni tells us, the senate accepted 'enthusiastically'. The settlement of

¹¹⁷ Leoni, 'Ruolo economico dei mercanti', 145.

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Sephardic merchants in Tuscany somewhat later (1591) under the aegis of a strong Jewish consulate was undoubtedly influenced by this development. As I have noted, the tradition of the economic-political consulate founded by Rodriga by no means stopped after 1600 in Italy. In Dalmatia, too, and specifically in Spalato, this tradition continued into the first half of the seventeenth century. Consuls known by name, for example, were Rodriga's successors Yacob Abenun (c.1610),¹¹⁸ and Yoseph Penso (c.1630).¹¹⁹ Penso also operated as a spy for the Serenissima.¹²⁰ In 1638, a Venetian source mentioned that Spalato officially had four well-to-do Jewish merchants who acted as 'consoli ordinarij', and two others who claimed the title and whose claim was tolerated.¹²¹ That the activity of these consuls went beyond purely commercial duties can be gathered from the same source. Thus the anti-Jewish Christian author complained about the alleged meddling of the consuls in all branches of urban economic life and appealed to the Venetian authorities to reduce the Jewish consulate to a 'simple consulate' ('solo e semplice consolato').¹²²

It is striking, however, that the model shaped by Rodriga and Maggino, with a consul at the top, was weakening. There are many indications that the idea of economic-political consulship was on the wane after 1650. Although Jews were active as consuls in, for exam-

¹¹⁸ Ibid. 174.

¹¹⁹ On Penso, see Paci, *La 'scala' di Spalato*, 140, and Melita Švob, *Židovi u Hrvatskoj: židovske zajednice* (Jews in Croatia: Jewish Communities), 2 vols. (Zagreb, 2004), i. 65.

¹²⁰ See Paolo Preto, *I servizi segreti di Venezia* (Milan, 1994), 484; Paci, *La 'scala' di Spalato*, 140. This, incidentally, broaches a subject that needs more detailed research. The activity of Jewish consuls in Venice as spies and informants in the service of the Serenissima has already been documented in the cases of Saruq and Rodriga. In Florence in 1592, the Grand Duke gave Maggino the mission of freeing Tuscan sailors captured in the Levant. All this indicates that collaboration and contacts with the Christian authorities (if required, even in the area of espionage) was of great importance for 'economic-political consuls' like Rodriga.

¹²¹ 'Relation aus Spalato des Conte und Capitano Bassadona' (1638), quoted in Paci, *La 'scala' di Spalato*, 138. Four regular consuls are named: Sentob Samaja, Jacob Lucena, Joseph Penso, and Jacopo Abraff. The 'irregular' consuls were Abraam Pap and Abraam Abraff.

¹²² Ibid. 138-9.

ple, Dalmatia after this time, they were, crucially, less consuls of the Jews. In the late 1650s and 1660s we have reports of a certain Salvator Lima who operated as a consul of the Jews in Spalato but, interestingly, his efforts to have his title officially recognized by Venice came to nought in 1670.¹²³

Erosion of the economic–political consulship among the Jews can, in my opinion, be dated to the mid-seventeenth century, although perhaps future research will be able to differentiate more clearly between the various factors than it is possible to do here. At present, there is much in favour of linking the decline of the Jewish economic–political consulship with resistance and mistrust that were never completely surmounted, and the pronounced individualism of Jewish merchants. But these are not likely to be the only reasons for the erosion. Possibly, and this is only a working hypothesis, we must also take into account factors arising from transformations in the Levantine trade and international diplomacy on the Christian side.

In this context, we need to bear in mind the creeping national identification of the consular office in the Mediterranean and in the Christian economic sphere.¹²⁴ I refer here to the transition in the Christian world from the type of consul who was selected from among the ranks of merchants on the strength of his respectability and economic power, and then, as the situation dictated, recognized by the home government and local authorities of the host country,¹²⁵ to the figure of the consul who was recognized by the state from the outset. It must be stressed that this process by no means took place without exceptions and deadlocks.¹²⁶ Nevertheless, these could do nothing to change the inexorable trend towards an ever stronger

¹²³ Ibid. 141. On Lima see also Švob, *Židovi u Hrvatskoj*, i. 65.

¹²⁴ This development and interesting exceptions to it are described by Ludwig Beutin, 'Zur Entstehung des deutschen Konsulatswesens im 16. und 17. Jahrhundert', *Vierteljahrschrift für Sozial- und Wirtschaftsgeschichte*, 21 (1928), 438–48.

¹²⁵ Ruspio, *La nazione portoghese*, 189.

¹²⁶ e.g. the English consul in the Levant in the seventeenth century was appointed not by the Crown or the government, but by the Levant Company. In France, on the other hand, where the Crown had already seized the power to appoint consuls in the sixteenth century, we can discern a crisis concerning the consular system in the seventeenth century. On this see esp. Steensgaard, 'Consuls and Nations in the Levant'.

Jewish Consuls in the Mediterranean

national identification of the consulate.¹²⁷ In the late eighteenth century the convergence of the office of the consul and that of the state-recognized diplomat had progressed so far that one could speak *mutatis mutandis* of the professional image today associated with the office.¹²⁸

It is not difficult to see what this development must have meant for a people without a state such as the Jews. In the epoch of dawning nationalism, the office of consul of the Jewish nation was undoubtedly more difficult to legitimize than ever before. This does not mean, it should be noted, that the activity of Jews *as* consuls stopped with the rise of nationalism, but it continued under changed conditions. Where Jews henceforth held the office, they did so above all in the service of Christian states. For instance, the governments of those European nations that had negotiated capitulations with the Ottoman Empire appointed successful Jewish merchants from Italy as consuls in the Levant.

Jews who assumed this office under these auspices naturally no longer acted as representatives of the interests of their co-religionists, or even as their political representatives. Particularly in the aftermath of the capitulations negotiated by France under Louis XIV (1673) and by the Hapsburgs (1718), Jewish merchants, especially from Livorno but also from Genoa and Ancona, increasingly settled in the Levant under European protection.¹²⁹ Aleppo was a concentration of settlement. The year 1784 marks an important stage in this development, when the Jewish merchant Rafael Picciotto rose to the position of vice-consul of the Hapsburgs in the Levant.¹³⁰ Russia evidently also appointed Picciotto in a similar function.¹³¹

This process in turn led to the formation of Jewish consular families, though it should be made clear that local Jews were often not the beneficiaries of this development. The European Jews who gained

¹²⁷ Maria Grazia Biagi, 'I Consoli delle Nazioni a Livorno', in *Atti del convegno 'Livorno e il mediterraneo nell'età medicea'* (Livorno, 1978), 361–8, esp. 363; also Tucci, 'Le colonie mercantili', 21.

¹²⁸ Biagi, 'I Consoli delle Nazioni', 365; Ulbert, 'La fonction consulaire', 15.

¹²⁹ Attilio Milano, *Storia degli ebrei italiani nel Levante* (Florence, 1949), 170–4.

¹³⁰ Yaron Harel, 'The Rise and Fall of the Jewish Consuls in Aleppo', *Turcica*, 38 (2006), 233–50.

¹³¹ See also Simon Schwarzfuchs, 'La "Nazione ebrea" livournaise au Levant', *Rassegna mensile di Israel*, 50 (1984), 706–24, at 717.

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office and honour in the Levant stressed their distinction from local Jews and had little connection with local communities. This group of Jewish consuls felt themselves to be 'protected guests' enjoying a special status.¹³²

With the advent of nationalism at the latest, the tradition of the economic-political consul founded by Rodriga and Maggino finally came to an end. Under changed conditions, it made increasingly less sense for a people without a state to have its own 'ambassadors', as the English government had called a Jewish consul such as Rodriga in 1600. Yet as the dawning age of nationalism put an end once and for all to the economic-political consulship of early modern Jewry based on a Christian-Venetian model, it was only at the end of this period, around 1900, that a Viennese journalist named Theodor Herzl could dream of a Jewish state, with a Doge borrowed from the Serene Republic at its head.

¹³² Milano, *Storia degli ebrei italiani*, 170-4.

Meeting Friends and Doing Business:
Quaker Missionary and Commercial Activities in
Europe, 1655–1720

SÜNNE JUTERCZENKA

The Religious Society of Friends (Quakers) originated mainly from ‘the middling sort of people’.¹ Historians have observed that it subsequently moved up the social scale, in William C. Braithwaite’s words, ‘from lower-middle-class obscurity into upper-middle-class respectability’,² at the same time as it developed from a loose movement of persecuted Nonconformists into a highly organized and reputable Society. Recent studies of the social history of the Society have focused on individual regions; they have highlighted a degree of geographical variation in both occupation and social status during the first few decades,³ and have thus offered a more differentiated picture. Through the first two and a half centuries however, the overall pattern remains one of upward social mobility and simultaneous internal consolidation.⁴ When the famous confectionery manufactur-

¹ Barry Reay, *The Quakers and the English Revolution* (London, 1985), 20. Also see James Walvin, *The Quakers: Money and Morals* (London, 1997), 30.

² Quoted in Arthur Raistrick, *Quakers in Science and Industry: Being an Account of the Quaker Contributions to Science and Industry During the Seventeenth and Eighteenth Centuries* (2nd edn. Newton Abbot, 1968), 49.

³ See David Scott, *Quakerism in York, 1650–1720* (York, 1991) and Nicholas Morgan, *Lancashire Quakers and the Establishment, 1660–1730* (Halifax, 1993).

⁴ Cf., however, Vann, who arrives at the conclusion that ‘in the beginnings of Quakerism the gentry and wholesale traders were especially drawn to it, and that the tendency was for the social standing of Friends to decline during the first century’. Richard T. Vann, *The Social Development of English Quakerism 1655–1755* (Cambridge, Mass., 1969), 50. There has also been some disagreement regarding occupational patterns. While Raistrick claims that Quakers gradually ‘moved from predominantly craftsman–artisan in the seventeenth century, to middle-class traders in the late eighteenth century’ (Raistrick,

er and social reformer George Cadbury died in 1922, he left a fortune of more than a million pounds.⁵ Some nineteenth and early twentieth-century Quakers accumulated such stunning riches that the owners of chocolate factories (such as the Cadburys and Rowntrees), iron forges (such as the Darbys and Rawlinsons), and banks (such as the Barclays and Lloyds) immediately come to mind when thinking of Quaker business activity.⁶ Considering that the Society never constituted more than 1 per cent of the English population, Quaker business ventures certainly led to 'outstanding successes from a limited number of people'.⁷

Most of the well-known Quaker companies were founded or began to expand seriously at the beginning of the industrial age,⁸ when a wide variety of commodities became available to more and more of the population and caused a boom in start-ups. However, in attempting to account for the remarkable concurrence of religious affiliation and economic success, historians often look back to the early years of the Quaker community. Its initial precarious status as a religious minority is generally thought to have encouraged the

Quakers in Science and Industry, 32), Cole and Reay stress that many first-generation Quakers were connected with agriculture and the military. See Reay, *The Quakers and the English Revolution*, 9–10, and Alan Cole, 'The Quakers and the English Revolution', in Geoffrey Parker and Lesley M. Smith (eds.), *The General Crisis of the Seventeenth Century* (2nd edn. London, 1997), 341–58. The various positions are summarized and discussed in Reay, *The Quakers and the English Revolution*, 20–6.

⁵ See I. A. Williams and Robert Fitzgerald, 'Cadbury, George (1839–1922)', in Henry Colin Gray Matthew (ed.), *Oxford Dictionary of National Biography*, 60 vols. (Oxford, 2004), ix. 389–90.

⁶ A growing number of biographical studies of these Quaker entrepreneurs are being published. For the example of the chocolate factory owners, see John F. Crossfield, *A History of the Cadbury Family* (Cambridge, 1985), and Robert Fitzgerald, *Rowntree and the Marketing Revolution: 1862–1969* (Cambridge, 1995).

⁷ Walvin, *The Quakers*, 3. See also Ann Prior and Maurice Kirby, 'The Society of Friends and Business Culture, 1700–1830', in David J. Jeremy (ed.), *Religion, Business and Wealth in Modern Britain* (London, 1998), 115–36.

⁸ There were, of course, also many successful Quaker businesses which did not develop brands that are still recognizable today. See e.g. Richard L. Greaves, *Dublin's Merchant-Quaker: Anthony Sharp and the Community of Friends, 1643–1707* (Stanford, Calif., 1998).

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Quakers to pay special attention to their occupational situation, and certain Quaker characteristics are regarded as favourable to both community life and commercial activity.⁹

Seventeenth and early eighteenth-century Quakers, however, were a community of converts, and do not fit easily into a neat pattern. Many of the typical traits of Quaker business culture (for example, the proverbial system of 'Quaker cousins' resulting from strict endogamy, and the Quaker apprenticeship system) only developed from the middle of the eighteenth century. While the differences between early Quakers and those of the eighteenth and nineteenth centuries do not challenge the assumption that the foundations for later success were laid during the seventeenth century, they highlight the need to investigate more closely the period before industrialization.

By extending our geographical knowledge of Quaker business activity in the seventeenth and early eighteenth centuries, this essay aims to assess critically the assumptions made in explaining Quaker business success. It calls into question the seamless success story unfolding from the vantage point of later developments in Britain and the transatlantic context. Attention has focused almost exclusively on Quaker business connections within these geographical regions, while those that linked Britain with the European Continent have hardly been studied. This is not surprising, since Quaker meetings were established much more successfully in Britain and North America than in Europe, and many Quakers were engaged in the transatlantic trade (which rapidly intensified during the period under consideration) as merchants or shipowners. On the other hand, there was a time-honoured tradition of trade relations between Britain and Europe, and from the 1650s onwards, Quakers began to participate in these. And as soon as Quaker meetings began to exist on the Continent, there were also European Quaker business people.

The first decades of Continental Quaker business activity coincide with the first wave of Continental missions between 1655 and around 1720. How were they related? Most obviously, geographical mobility was crucial to both Quaker missionary and commercial activities. In Britain, the spread of Quakerism has been found to have partly depended on business relationships, since these constituted an

⁹ See below for a detailed discussion.

important interface between Quakers and non-Quakers (or, from a missionary point of view, potential converts).¹⁰ The widespread notion that religious groups such as Quakers lived separated from their social surroundings agrees so well with their own ideal of turning away from the (morally corrupt) 'world' that it may even have derived from this ideal. Their contemporary relevance for society as a whole, however, can be considered by looking more closely at connections between the different spheres of their lives, such as the religious and the occupational. This is overdue, especially with regard to seventeenth-century Europe where the Quakers were only one of a large number of similar groups that had emerged at more or less the same time, leading to unprecedented religious plurality. Social historians have introduced the concept of the network as a useful tool that accommodates both geographical and social mobility.¹¹ In this essay, I shall use this concept to consider connections between Quaker religious and business spheres.

Explanations of Quaker Business Success

To some scholars, the stereotypical Quaker asceticism (exceptional industriousness and thrift) has seemed to confirm the Weber (or Weber-Troeltsch) thesis of the close connection between the Protestant work ethic and the rise of capitalism,¹² although Max Weber himself made only a few scattered and often passing references to the

¹⁰ Reay especially emphasizes the connection between wholesale trade and the spreading of Quakerism. See Reay, *The Quakers and the English Revolution*, 24.

¹¹ With a specific focus on the Quakers, see Prior and Kirby, 'Society of Friends'. Walvin dedicates a whole chapter to 'Networks' in his *The Quakers*, 81-90.

¹² See Frederick Tolles, *Meeting House and Counting House: The Quaker Merchants of Colonial Philadelphia 1682-1763* (2nd edn., New York, 1963), 45-62. Expanding on some of Weber's and Troeltsch's more general claims, see David H. Pratt, *English Quakers and the First Industrial Revolution: A Study of the Quaker Community in Four Industrial Counties - Lancashire, York, Warwick, and Gloucester, 1750-1830* (New York, 1985); Douglas Gwyn, *The Covenant Crucified: Quakers and the Rise of Capitalism* (Wallingford, Pa., 1995).

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Quakers, and did not consider them specifically.¹³ Nor did Ernst Troeltsch, who adopted Weber's concept of the Protestant ethic and modified his typology of churches and sects, adding a third category (mysticism) in which he included the Quakers.¹⁴

Most historians of Quakerism have dismissed this explanation,¹⁵ which correlates specific theological tenets, thought to have been held by all Protestants but by Calvinists and those denominations derived from Calvinism in particular, with their motivation to achieve commercial success. Instead, they have concentrated on individual criteria of success: the narrowing down of occupational choice for Quakers by their exclusion from service in public offices;¹⁶ the early preparation of the younger generations for professional life (even seventeenth-century Quakers were highly literate, valued careful tuition and training, and subsequently founded a number of private schools that developed a favourable reputation beyond Quaker circles);¹⁷ and a high degree of social cohesion within the Quaker community.¹⁸ Social cohesion is thought to have been brought about by persecution during the early years in England.¹⁹ Before the Act of Tolerance (1689), Quakers suffered serious oppression, especially imprisonment and distraint of property, because of their insistence on holding meetings (Conventicle Acts, 1664 and 1670) and their refusal to swear oaths (Quaker Act, 1662) or to pay tithes and fines. They developed a specific culture of Quaker 'sufferings', recording cases of persecution centrally, publicizing them, and trying to alleviate the hardship of co-religionists by providing financial relief. This was ini-

¹³ Max Weber, *Gesammelte Aufsätze zur Religionssoziologie*, ed. Marianne Weber, 3 vols. (Tübingen, 1920), and Max Weber, *Wirtschaft und Gesellschaft: Grundriß der Verstehenden Soziologie* (Tübingen, 1922).

¹⁴ Ernst Troeltsch, *Die Soziallehren der Christlichen Kirchen und Gruppen* (Tübingen, 1912).

¹⁵ Jeremy regards the Weber thesis as 'least helpful in exploring the frontier between business and religion in the modern period'. David J. Jeremy (ed.), *Business and Religion in Britain* (Aldershot, 1988), 1.

¹⁶ Raistrick, *Quakers in Science and Industry*, 36-7, 42.

¹⁷ *Ibid.* 48-50.

¹⁸ Walvin claims that 'the crucial link is not that between Quaker business and a particular theology, so much as Quaker membership of a powerful organisation and the culture it created'. Walvin, *The Quakers*, 3.

¹⁹ See e.g. *ibid.* 29; Raistrick, *Quakers in Science and Industry*, 22.

tially the responsibility of local meetings for worship and Monthly Meetings. In 1675, the London Meeting for Sufferings was introduced as a permanent institution dealing with such matters, and solidarity and mutual support within the Quaker community were thus institutionalized.

In addition to support, however, the emerging organizational system of local, regional, and national meetings also came to include mechanisms of internal control. If, for example, a member planned to set up a business (and especially if he or she required help with start-up financing), such plans would be discussed by the Monthly Meeting concerned, and compulsory advice given if it was considered necessary. Such internal control became most powerful in the late eighteenth and early nineteenth centuries, when members who invested in risky business transactions or went bankrupt were frequently excluded from the Society. But in the early years, too, Quaker committees occasionally disowned members who failed to live up to the community's strict moral standards. Quakers who decided to embark on new business ventures became subject to the Society's internal discipline.²⁰ Trades that were not consistent with the Society's 'testimonies' did not qualify as approved occupational options. The criteria for such restriction changed with time. While many prominent first-generation Quakers came from the ranks of Oliver Cromwell's army, this did not agree with the Quaker 'peace testimony' formulated on the accession of Charles II (1660).

Quakers 'did not regard the collective responsibility towards their members and the Society as being limited by locality',²¹ and migration plans required members to obtain certificates from their respective Monthly Meetings confirming that they were clear of debt. For the Quaker community to grow and consolidate, such internal mechanisms of support and control were highly necessary, especially on the periphery, where it continued to be threatened as a minority even after the Act of Tolerance had somewhat relaxed the situation in Britain. They aimed to reduce potential points of attack against Quakers by maximizing conformity to Quaker principles, but simultaneously restricted their choice of profession even further, channelling their economic acumen into certain lines of business, especially trade.

²⁰ For examples see Prior and Kirby, 'Society of Friends', 117-18.

²¹ *Ibid.* 127.

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In addition to such mutual support and control, some other Quaker habits are also thought to have benefited Quaker economic activity. 'Regular travelling, not only through the meetings in this country [England], but over the whole world' and an institutionalized system of correspondence drew 'the Society together into a coherent whole', but also helped to stabilize Quaker business connections.²² In this respect especially, continuity has been noticed between the early years and the later 'golden age' of Quaker business ventures: 'such networks had been vital since the pioneering days, when, like George Fox, itinerant preachers had wandered the country, and had been dependent on Friends and sympathisers for shelter and comfort.'²³ From the beginning, meetings for worship were social events and provided their members with opportunities for exchange on many aspects of life: meeting other Friends and doing business could often be conveniently combined. This phenomenon became more apparent as Quaker entrepreneurship increasingly concentrated on certain lines of business. It has even been compared to early trade associations.²⁴ Moreover, an internal system of loans ensured that Quaker capital was most often invested in Quaker undertakings in a 'web of credit'.²⁵ Finally, Quakers were believed to have carried their 'spiritual standards into the affairs of everyday life' and 'established a new commercial standard of truth and honesty'²⁶ that guaranteed their creditworthiness to the extent that Quaker business people acquired a reputation for sobriety and reliability, even in the eyes of those outside the Society.

In short, all current explanations suggest that the conspicuous concurrence between Quaker religious affiliation and economic success was the result of the highly consistent impact of the religious sphere on the world of business, and that the Quakers' religious principles directly guided their business activities. Yet there are good reasons to be sceptical about this conclusion. It is well known, for example, that business success later presented serious challenges to these principles, culminating in the dilemma of choosing between ad-

²² Raistrick, *Quakers in Science and Industry*, 46; Walvin, *The Quakers*, 82.

²³ *Ibid.* 82.

²⁴ Raistrick, *Quakers in Science and Industry*, 27.

²⁵ Prior and Kirby, 'Society of Friends', 116.

²⁶ Raistrick, *Quakers in Science and Industry*, 44.

vanced social status and the 'testimony of simplicity' (the Quaker vow to abstain from unnecessary luxury). Ultimately, this caused a rift between 'plain' and 'gay' Quakers.²⁷

This essay will now go on to provide a brief summary of Continental missions, starting by pointing out some connections between missionary and commercial activities in Europe, and analysing the occupational situation of German and Dutch Quaker converts between 1655 and 1720. It will be shown how the community sought to influence their business activities and, although many findings from Britain can be confirmed for Europe, the differences challenge the idea that the Quaker religious sphere had a consistent impact on their commercial activities.

The European Missions

Although the first wave of Quaker missionary ventures to Europe eventually turned out to be of very limited success, it lasted for approximately seventy years.²⁸ It originated around the middle of the 1650s, when George Fox (the founding father of Quakerism) began to announce the arrival of Quaker missionaries, as heralds of the Kingdom of Christ, to many rulers all over the world.²⁹ This global

²⁷ This dilemma is best summarized in William C. Braithwaite, *The Second Period of Quakerism* (London, 1919), 499–523; see also Tolles, *Meeting House*, 123–32. The Mennonites, in many respects an interesting subject for comparison with the Quakers, faced the same dilemma much earlier. See e.g. Piet Visser, 'Aspects of Social Criticism and Cultural Assimilation: The Mennonite Image in Literature and Self-Criticism of Literary Mennonites', in Alistair Hamilton et al. (eds.), *From Martyr to Muppy (Mennonite Urban Professionals): A Historical Introduction to Cultural Assimilation of a Religious Minority in the Netherlands, the Mennonites* (Amsterdam, 1994), 67–82, at 77–8.

²⁸ For fuller accounts of the European missions, see Sünne Juterczenka, *Über Gott und die Welt: Endzeitvisionen, Reformdebatten und die Europäische Quäkermission in der Frühen Neuzeit* (Göttingen, 2008), and the Swarthmore College Monographs on Quaker History series by William I. Hull. For Germany see also Wilhelm Hubben, *Die Quäker in der Deutschen Vergangenheit* (Leipzig, 1929); for the Dutch Republic Jan Z. Kannegieter, *Geschiedenis van de Vroegere Quakergemeenschap te Amsterdam: 1656 tot Begin Negentiende Eeuw* (Amsterdam, 1971).

²⁹ Many of these visionary 'epistles' were printed and are listed in Joseph

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and universal project of religious renewal proceeded from a peculiar form of realizing eschatology. The Quakers expected a spiritual revolution to come about inwardly in each individual who turned to the 'inward light' for guidance, and they regarded themselves as instruments in bringing this about through their missionary endeavours. Between 1654 and about 1720, more than eighty Quaker men and women, who had no formal training in theology but regarded themselves as missionaries, travelled to the Continent in what has been called 'one of the most dramatic outbreaks of missionary enthusiasm in the history of the Christian church'.³⁰

By the mid-1670s, however, the millenarian hopes of the Quakers were disappointed when it became clear that the Kingdom of Christ had not arrived as soon as they had expected. They abandoned the idea of a universal mission and instead adopted a more practical approach, downsizing the missionary project to more manageable proportions. Disillusioned reports from missionaries who stayed on the Continent for longer periods of time (for example, William Ames and William Caton) contributed to this shift, which was accompanied by changes in missionary method. Instead of addressing spontaneously assembled and often unsympathetic audiences by preaching in public spaces such as market places, missionaries began systematically to acquire the linguistic skills and local knowledge that enabled them to target specific groups and individuals, and they increasingly relied on a limited number of personal contacts.

Most notably, they deliberately sought out other Nonconformists who appeared to be in a similar situation. In the Dutch Republic, Quakers came into contact with the Mennonites, Collegiants, Remonstrants, the adherents of Jean de Labadie, and followers of the mystic visionary Antoinette Bourignon. In the German territories, they encountered Mennonites, Silesian Schwenckfelders, Pietists, and various spiritualists on the fringes of Pietism.³¹ Relations between these

Smith, *A Descriptive Catalogue of Friends' Books: Or Books Written by Members of the Society of Friends . . .*, 2 vols. (London, 1867, repr. 1970) i. 644–97.

³⁰ Michael Watts, *The Dissenters*, 2 vols. (Oxford, 1978–95), i. 198.

³¹ In recent years, all these groups and individuals have attracted increasing interest, and connections between them have been highlighted. For examples of groups and individuals who came into contact with the Quakers, see Hans Schneider, 'Der radikale Pietismus im 17. Jahrhundert', in Martin Brecht (ed.), *Der Pietismus vom siebzehnten bis zum frühen achtzehnten Jahrhundert*

groups were ambivalent. On the one hand, they were competing for adherents; on the other, they interacted and sometimes even cooperated with each other. Apart from the more general aim of driving on religious reform where, in their eyes, the Reformation had fallen short, they shared a number of spiritual principles and practical concerns. The former included an emphasis on individual revelation (either through Bible studies or direct inspiration); the latter the holding of regular meetings for worship and the production and distribution of non-mainstream religious literature despite opposition from the authorities. Quaker missionaries profited not only from direct contact with other religious reformers, but also from the activities of broker figures who could put them in touch with, or mediate between, reformers and rulers or local authorities. Such brokers opened up channels of communication that were crucial to delivering the missionary message. Elisabeth, sister of the Elector Palatine, was a typical example. She maintained a prolonged correspondence with William Penn and other prominent Quakers, drew their attention to other religious groups (such as the Labadists), wrote them letters of recommendation, and tried to intercede with her brother on their behalf.

The personal contacts that missionaries came to rely on also stemmed from non-religious contexts. Often transcending confessional boundaries, they served to maintain and stabilize the new Continental Quaker groups at local level. Connections of this sort included neighbourhood, family, and business ties. First generation Quakers often engaged in relationships that predated their 'convincement'. In fact, this kind of local inter-confessional networking is not peculiar to Quakers on the Continent. Other groups, such as the Mennonites, practised tolerance (including intermarriage) at local

(Göttingen, 1993), 391–437; Michael Driedger, *Obedient Heretics: Mennonite Identities in Lutheran Hamburg and Altona During the Confessional Age* (Aldershot, 2002); Mirjam de Baar, *'Ik Moet Spreken': Het Spirituell Leiderschap van Antoinette Bourignon, 1616–1680* (Zutphen, 2004); Trevor John Saxby, *The Quest for the New Jerusalem: Jean de Labadie and the Labadists, 1610–1744* (Dordrecht, 1987); Andrew Fix, *Prophecy and Reason: The Dutch Collegiants in the Early Enlightenment* (Princeton, 1991); Markus Matthias, *Johann Wilhelm Petersen und Johanna Eleonora Petersen: Eine Biographie bis zur Amtsenthebung Petersens im Jahre 1692* (Göttingen, 1993); Ruth Albrecht, *Johanna Eleonora Petersen: Theologische Schriftstellerin des Frühen Pietismus* (Göttingen, 2005).

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level, so long as it did not undermine the cohesion of the community as a whole.³² Similar cases have been pointed out in England, both in the Quaker and other dissenting communities.³³

The missionaries succeeded in founding various small Quaker communities in northern Germany and the Dutch Republic, together making up an estimated 430 converts.³⁴ When the first wave of Quaker missions to Europe subsided round 1720, Quaker membership in Britain itself had already begun to dwindle. The first generation of missionaries had died and the Society's priorities had shifted, so that from now on, outreach was no longer the primary objective. Most Continental meetings founded during this first wave of missionary activity ceased to exist within the next decade, and only that in Amsterdam survived to the middle of the century. Given the moderate success of the first wave of European missions and the short lifespan of the Continental meetings, their historical significance lies in the established churches' agitated and broadly communicated reactions to the new arrival, and in the missionaries' interactions with other religious reformers active at the same time.

Business and the European Missions

Non-Quaker English tradesmen were, of course, already present on the Continent when the first missionaries arrived. Indeed, as long as the missionaries lacked the linguistic skills necessary to preach in Dutch, English-speaking exile or merchant communities (for example, in Amsterdam, Rotterdam, Vlissingen, and Middelburg), were their favoured audience.³⁵ William Caton, one of the first Quaker missionaries who travelled to the Continent, specifically targeted Anglicans, English Baptists, Brownists, and exiled supporters of the

³² See Benjamin J. Kaplan, *Divided by Faith: Religious Conflict and the Practice of Toleration in Early Modern Europe* (Cambridge, Mass., 2007).

³³ Bill Stevenson, 'The Social Integration of Post-Restoration Dissenters, 1660-1725', in Margaret Spufford (ed.), *The World of Rural Dissenters, 1520-1725* (Cambridge, 1995), 300-87.

³⁴ Juterzenka, *Gott und die Welt*, 120-6.

³⁵ See e.g. William Caton, *A Journal of the Life of that Faithful Servant and Minister of the Gospel of Jesus Christ, William Caton, Written by his Own Hand* (London, 1689), 23, 24.

Commonwealth.³⁶ As the missionaries succeeded in winning some converts, a few English, Dutch, and German business people (especially in the urban centres) came to sympathize with the Quakers and hosted meetings for worship in their homes.³⁷ In Rotterdam, Caton and his companion John Stubbs arranged the first Quaker meeting 'at an English Merchants-House [Benjamin Furly?], unto which many Merchants (especially) came, both Dutch and English',³⁸ and in Amsterdam, too, the Quakers initially held their meetings in a street called the Engelsche Gang after its residents.³⁹

Quakers attending to Continental business affairs routinely took part in the religious gatherings initiated by missionaries active locally, such as the Irishman Joseph Pike, who mentions in a letter to the missionary Roger Longworth that he had met William Penn and his company on his first journey in the Rhine valley (1686): 'I went several times to England, and twice to Holland, on account of trade. On one of these occasions, I accompanied our beloved Friend W. Penn, who went to the Yearly Meeting at Amsterdam, where we met Roger Haydock, George Watts of London, and other Friends in the ministry.'⁴⁰

Some missionaries pursued their own business interests. William Penn is often thought to have used his missionary trip to the Rhine valley (1677), probably the best known and most amply documented campaign in the history of the missions,⁴¹ to promote his Holy Ex-

³⁶ See William I. Hull, *Benjamin Furly, 1636-1714, and the Rise of Quakerism in Rotterdam* (Swarthmore, 1941), 220-6.

³⁷ For Amsterdam, see Kannegieter, *Geschiedenis* and William I. Hull, *The Rise of Quakerism in Amsterdam, 1655-1665* (Swarthmore, 1938). The Rotterdam Meeting and its members are best described in Hull, *Benjamin Furly*.

³⁸ Caton, *Journal*, 24. See also Hull, *Benjamin Furly*, 201.

³⁹ Hull, *Amsterdam*, 286, 293-4.

⁴⁰ Quoted in Swarthmore College Library (hereafter SCL), Hull MSS, box 19, folder 2E, 291.

⁴¹ Fox and Penn both wrote travel accounts. See George Fox, 'A short journal of G. F. Travells in the service of the Lord . . . [= Haistwell Diary]', in Norman Penney (ed.), *The Short Journal and Itinerary Journals of George Fox: In Commemoration of the Tercentenary of his Birth (1624-1691). Now First Published for Friends' Historical Association Philadelphia, Pennsylvania* (Cambridge, 1925), 223-382; and William Penn, 'An Account of my Journey into Holland and Germany', in Mary Maples Dunn and Richard S. Dunn (eds.), *The Papers of William Penn*, 5 vols. (Philadelphia, 1981-7), i. 428-500.

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periment in Pennsylvania⁴² (which was, after all, a major business enterprise).⁴³ Some commentators even dismissed his sermons as mere enticement to potential immigrants: 'Some seriously look'd upon the Preacher to come to propagate the Gospel that was here planted among that odd sort of Christians [the Quakers]: Other Waggs more witty, thought his coming was only to get some more Proselytes or Planters for his large Plantations in America.'⁴⁴

Penn travelled with a large number of prominent Quakers (George Fox, Robert Barclay, George and Elizabeth Keith, George Watts, John Furly, William Tallcott, Isabel Yeoman, and Edward Haistwell are known to have taken part in his mission), and he was not the only member of this delegation to recognize the potential synergy between business and missionary ventures. This is revealed by a source not often consulted in connection either with Quaker missionary activity or Continental business affairs: Sarah Fell's household account book.⁴⁵ Sarah was George Fox's stepdaughter and lived at Swarthmoor Hall near Kendal, the birthplace of Quakerism and a Quaker *lieu de memoire*. In 1652, Fox had first succeeded in attracting diverse groups of religious seekers to the area, and his wife-to-be Margaret Fell had converted to Quakerism. Fell inherited the hall on the death of her first husband, Judge Thomas Fell, in 1658. Even before she married Fox in 1669, Swarthmoor had functioned as a base for numerous ministers travelling throughout England and also farther afield, including Europe. Fell managed the Kendal Fund which provided financially for the missionaries, and many letters written by missionaries in Europe were addressed to her at Swarthmoor Hall. In her account book, which covers the years from 1673 to 1678, Sarah Fell recorded all the money spent and received by the Swarthmoor household. Business transactions included trade with coal, grain, and dairy products. Sarah had run Swarthmoor's affairs during her moth-

⁴² See e.g. Marianne S. Wokeck, 'Promoters and Passengers: The German Immigrant Trade, 1683-1775', in Richard S. Dunn and Mary Maples Dunn (eds.), *The World of William Penn* (Philadelphia, 1986) 259-78, at 259.

⁴³ See Richard S. Dunn, 'Penny Wise and Pound Foolish: Penn as Businessman', *ibid.* 37-54.

⁴⁴ Quoted in SCL, Hull MSS, box 19, folder 2E, 291.

⁴⁵ Norman Penney (ed.), *The Household Account Book of Sarah Fell of Swarthmoor Hall* (Cambridge, 1920).

er's imprisonment in Lancaster Castle (1664–8) and continued to do so during her long absences. This included managing an iron forge in nearby Furness which Sarah and three of her sisters owned (it was subsequently sold to Thomas Rawlinson and, among other assets, formed the economic basis of the Rawlinson concern).⁴⁶ On 16 August 1677, Sarah recorded that samples of iron ore from Furness had been sent to George Fox.⁴⁷ While there is no indication of where and when Fox received them, or of any specific customers he may have had in mind, it is evident from Sarah's entry in the book that she sent the samples to Fox while he was on a missionary visit to Europe with Penn. He was clearly expecting business opportunities to present themselves during that trip.

The connection between business and the European missions is especially obvious with regard to religious sanctuaries, where otherwise marginalized dissenters were deliberately encouraged to settle by rulers who regarded them as especially useful subjects, appreciating their diligence and hoping to profit from their technological expertise. In places such as Altona and Friedrichstadt, the Mennonites and Remonstrants paved the way for the Quakers. In Emden, where the authorities initially persecuted Quakers vigorously (one of them even died in prison), they soon became aware of the economic benefit that a thriving Quaker community might bring to a town already engaged in trade with England. On the accession of James II (1685), a number of well-to-do business people left England for fear of re-Catholicization and were given a friendly reception in Emden. The Meeting for Sufferings recorded that two of Emden's magistrates had visited the Quaker Magdalena van Laer, informing her

that the Council had sent them to acquaint her & ye rest of ye Q.[ake]rs in the City or any other of that way that would come to live there, that they had Decreed, that they shall hence forth

⁴⁶ See Raistrick, *Quakers in Science and Industry*, 95–107. The information on Sarah is from Craig Horle, 'Fell (or Fox), Margaret (1614–1702)', in Richard L. Greaves and Robert Zaller (eds.), *Biographical Dictionary of British Radicals in the Seventeenth Century*, 3 vols. (Brighton, 1982–4), i. 272–5; M. J. Galgano, 'Fell, Sarah (c.1642–1714)', *ibid.* i. 275; see also Bonnelyn Young Kunze, 'Fell, Margaret (1614–1702)', in *Oxford Dictionary of National Biography*, xix. 265–9.

⁴⁷ See Penney (ed.), *Household Account Book*, entry for 16 Aug. 1677, at 413.

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live in ye City without molestation and Enjoy any encouragements that other burghers Injoy, or that they may hold their meetings publick, & if they please shall build them a Meeting house in ye City & that ye Council would Confirm this under ye Seal of ye City, when Desired.⁴⁸

Lengthy communications between the Quakers and the authorities ended with the publication of a toleration edict in Emden.⁴⁹ The Swedish king even offered to give 'ye ground to build a Meeting house etc. in his Territories',⁵⁰ presumably referring to the north German territories that fell under Swedish rule after the Thirty Years War, rather than Sweden itself. The Quakers recognized the potential of such interests for their missionary project. Sanctuaries attracted their attention, and they became hotspots of missionary activity. In the early 1680s, Penn hoped to establish such a sanctuary in the territory of the Elector Palatine. Although this plan did not gain the Elector's approval, the Quakers' commercial activities were mostly welcome. They even saved two missionaries from being expelled by unsympathetic authorities. In 1680 Roger Longworth and Roger Haydock were arrested on a charge of proselytizing near Kriegsheim, but were discharged when they identified themselves as merchants and claimed that their visit was on business.⁵¹ As late as 1748, when the Quakers offered copies of Robert Barclay's *Apology* (the most systematic contemporary explanation of Quaker theology) to foreign delegates at the congress preparing the Peace of Aix-la-Chapelle (which ended the War of the Austrian Succession), the Prussian ambassador, according to an account by Jan van der Werff from Amsterdam, invited the Quakers to 'come into Prussia where we might Enjoy all Freedom'.⁵² In connection with this conversation, it was even suggested that Quakers from Britain might already 'have

⁴⁸ See the minutes of the Meeting for Sufferings, Library of the Religious Society of Friends (hereafter LSF), London, MS 4, 18 Oct. 1685, 224.

⁴⁹ 26 Feb. 1686, printed in Ernst Kochs, 'Die Quäker in Emden', *Upstalsboomsblätter für ostfriesische Geschichte, Heimatschutz und Heimatkunde*, 10/1 (1921-3), 60-79, at 79.

⁵⁰ LSF, MS 4, 25 Oct. 1685, 229-30.

⁵¹ Juterzenka, *Gott und die Welt*, 109.

⁵² SCL, Hull MSS, box 19, folder 2G, 387-1.

intentions of Removing, to settle in Eastfriesland, or elsewhere, in Germany'.⁵³

Successful local business people who associated or sympathized with the Quakers not only hosted Quaker meetings for worship, but were also sometimes willing to help the Quakers gain acceptance in the eyes of rulers. Thus the influential Rotterdam linen merchant Benjamin Furly, who acted as a land agent for Pennsylvania in the 1680s, helped to secure the legitimacy of Quaker marriages in the Dutch Republic (an issue of special importance with regard to legacy concerns) by appealing directly to the Grand Pensionary at the Hague, using connections which he had been able to establish only because of his standing as a wealthy and highly esteemed citizen. As a result, Dutch Quaker marriages were recorded by notice even if they had not been contracted before a magistrate.⁵⁴

At local level, individual business connections could be extremely useful with regard to one of the missionaries' main activities, the distribution of religious literature. With few exceptions, it was not common for Quaker publications to be sold profitably by regular booksellers. In 1680, the Meeting for Sufferings decided that 'the way of exposing of bookes to shale, bee for the future by sending them to Market Townes to such ffreinds and Shopkeepers as will expose the same to Sale in their Shopps and houses'.⁵⁵ This seems merely to have confirmed an already common practice. During the 1677 tour, George Fox had instructed Quaker converts at Danzig: 'where ye hear of any, or have any correspondence in trading with any sober people, far or near, send them books.'⁵⁶ This practice was still in use towards the end of the century. When the Quaker clockmaker Daniel Quare, for example, returned from a business trip to Flanders in 1689, he reported to the Second Day Morning Meeting, which supervised the publication of Quaker books, that he had distributed copies of Barclay's *Apology* there. He had found that 'they were acceptable but much more desired in French' and so 'proposed to this Meeting that

⁵³ Ibid. 398-1.

⁵⁴ Hull, *Benjamin Furly*, 60-7. See also SCL, Hull MSS, box 19, folder 2E, 264.

⁵⁵ LSF, MS 10, Apr. 1680, 165.

⁵⁶ Fox to the Quaker Meeting in Danzig, dated Amsterdam, 18 June 1677, quoted in LSF, Hull MSS, 321.

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it might be of service to Truth to have that Book Printed in French'.⁵⁷ The meeting agreed and in due course, Barclay's book was translated. French copies were taken to all major trading ports along the English coast, some explicitly to be handed to shipmasters who would take them abroad.⁵⁸ Similarly, when Willem Sewel's sympathetic history of Quakerism was published in Dutch in 1717 and translated into English in 1722, the London Meeting for Sufferings, which oversaw the production and distribution of translations into English, instructed its members to find out 'what Trading Cities Near or Remote friends do know of to place a few for sale'.⁵⁹

Occasionally, business relationships also proved helpful to missionaries in trouble with the authorities. When Thomas Rudd was imprisoned in France 'for giving away abo.[u]t 5 books',⁶⁰ and 'for going into their place of worship [a church] with his hat on' in 1680,⁶¹ the Meeting for Sufferings contacted a local English merchant. John Phillips was willing to report on the state of affairs, advance Rudd some money, and pass his correspondence on to a member of the Meeting. After his release, Rudd reported to the Meeting that Phillips had 'been kind to him',⁶² although he was not a Quaker himself.

Continental Quaker Business Life

Regarding the business activities of Continental Quaker converts, Dutch and German sources contain little compared with the records left by early modern Quakers in Britain. While British registers of birth, marriage, and death and other records have yielded ample data

⁵⁷ See minutes of the Morning Meeting, 14 Nov. 1698, LSF, MM 2, 126.

⁵⁸ See LSF, MS 16, 9 May 1703, 235.

⁵⁹ See the minutes of the Meeting for Sufferings, 19 June 1720, LSF, MS 23, 69. In the eighteenth century, the Society re-wrote its history in line with the pacifist principles it had by then adopted, contradicting its public image as riotous and enthusiastic. Sewel's *History* was subjected to such modifications. See Erin Bell, 'Eighteenth-Century Quakerism and the Rehabilitation of James Nayler, Seventeenth-Century Radical', *Journal of Ecclesiastical History*, 59 (2008), 420–46, esp. 441–6.

⁶⁰ LSF, MS 4, 31 May 1685, 94.

⁶¹ *Ibid.* 4 June 1685, 130.

⁶² *Ibid.* 18 July 1685, 137.

on social status and occupational patterns, the only surviving Continental Quaker register is that in Friedrichstadt.⁶³ Most available information therefore comes from correspondences, and from source material external to the Society (for example, notarial records kept in municipal archives). Economically successful Quakers are over-represented in these kinds of sources. Nevertheless, they reveal that, as in Britain, those who joined the Quakers on the Continent were also mostly 'of the middling sort of people'.⁶⁴ A number of 'unruly' or 'half-baked' troublemakers were excluded by missionaries during the early years (especially in Rotterdam),⁶⁵ but too little is known about them to decide whether this also brought about an improvement in the overall social status of Dutch Quakers. Undoubtedly, however, some Dutch and North German Quakers acquired considerable fortunes.

A number of Dutch Quakers ran their own businesses. In Amsterdam, these included the sisters Geertruyd, Niesje and Annetje Dirricks's dairy shop, the button-making companies of Pieter Hendricksz Deen and Jan Claus and of Isaack Jacobsz van Buylaert, Jacob Claus's printing press and bookshop, and two distilleries for essential oils, one run jointly by Eelke Auckes de Vries, Cornelis Jacobsz Kuyper, Dorothea Walthuysen, Grietje Pieters, and Volkje Willems and the other by Jansz de Witt and Duyfje Jans Jongkint. Willem Roosen traded in cereals (leaving a considerable fortune on his death); Michiel Laars with silk. A few Quaker converts lived in nearby Haarlem. Among these, Pieter Leendertsz and his wife were also active in the textile trade.⁶⁶ In addition to Benjamin Furlly, the Rotterdam meeting was attended by the merchant families Welch, Sonnemans, and Hope.⁶⁷ Other members may not have been quite so well-to-do, but were also successful in business: Jacob Eppens and his wife Catharina van den Ende, Harman Hendricksz van der Pals

⁶³ LSF, MS vol. 123.

⁶⁴ Kannegieter comes to a similar conclusion in *Geschiedenis*, 9. For a list of Amsterdam Quaker converts whose occupations are known (based on Kannegieter), see Appendix.

⁶⁵ Hull, *Benjamin Furlly*, 183–201.

⁶⁶ For all information on the Amsterdam Quakers, see Kannegieter, *Geschiedenis*.

⁶⁷ Hull, *Benjamin Furlly*, 131–6; Kannegieter, *Geschiedenis*, 285.

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and his wife Grietje Hessels Heyns, and Simon Jansz Vettekeuken with his wife Maria Weyts (who left a considerable legacy, including a building used as Quaker meeting house) cooperated in running a vinegar brewery.⁶⁸ The smaller Quaker groups in rural areas that were collectively organized in monthly meetings, such as Harlingen Monthly Meeting in Friesland, seem to fit best into the category 'craftsman-artisan' within the Dutch context. Those whose occupations are mentioned in the records included the lace maker and book printer Reyner Jansz, the button maker Willem Koenes and (from 1694) his wife Annetje Joosten, who continued to run his business after his death. Another Frisian Quaker, Eelke Aukes de Vries, kept bees (although the records do not clearly state that apiculture was the occupation by which he earned his living), but later moved to Amsterdam, where he became engaged in the oil-distilling business mentioned above.

Little is known about the occupations of Quaker converts in the German lands. They seem to have been considerably less well-off than their Dutch co-religionists. Of the Krefeld Quakers, who emigrated to Pennsylvania in 1683-4, all but one were linen weavers;⁶⁹ the occupations of the few Kriegsheim converts remain unknown, and none seem to have been particularly wealthy.⁷⁰ The small group in Danzig suffered especially severe persecution, so that its members (all artisans except for Gergen Wunderlich, who had been trained in the medical profession) were frequently inhibited in earning a living, and membership constantly dwindled, until the last Quaker there died in 1721.⁷¹ Most converts in Hamburg, notably members of the Mennonite family Roosen, early migrated to Amsterdam, where they joined the local Quaker meeting. However, one Quaker businessman stayed in Hamburg: Jacob Hagen, one of whose sons (Jacob Junior) immigrated to London,⁷² and subsequently cooperated with his father in a transnational business partnership in the stave trade.⁷³ Of

⁶⁸ Kannegieter, *Geschiedenis*, 209.

⁶⁹ See minutes for the London Yearly Meeting, LSF, YM 1, 9 Apr. 1682, 128-9.

⁷⁰ See Hubben, *Quäker*, 61-73.

⁷¹ See LSF, Hull MSS, 329.

⁷² See LSF, MS vol. 123.

⁷³ See Dictionary of Quaker Biography, unpublished loose-leaf collection in LSF. The Hagen family frequently appear in the epistles sent to the London Yearly Meeting. LSF, Epistles Received.

the twelve families forming the small Quaker meeting in the East Frisian town of Emden, most were artisans, except for the medical doctor Johann Wilhelm Haesbaert. Only the Friedrichstadt meeting included a number of wealthy citizens, as indicated in the tax records. They were able to build their own meeting house and owned many buildings in the town's most favourable locations (in fact, their landed property exceeded the average ownership of Friedrichstadt families from other denominations).⁷⁴ In 1698, the value of the majority of Quaker-owned houses exceeded 1,000 Marks.⁷⁵ Among the Friedrichstadt Quakers were different kinds of weavers, a carder, rope maker, tanner, cobbler, brewer, and one building contractor,⁷⁶ while several kept their own shops.⁷⁷

As mentioned above, Dutch Quaker converts frequently engaged in joint ventures, and these are well documented in Amsterdam's notarial records.⁷⁸ Occasionally, but not always, they coincided with family ties, as is the case with both the Quaker oil distilleries.⁷⁹ Frequently, unmarried female relatives worked together running shops, such as Maria and Neeltje van der Werff, Anna Maria and Magdalena Claus, and Annetje, Niesje, and Geertruyd Niesen Dircks (for a while, the latter also cooperated with Pieter Hendricksz in running her shop). Continental Quakers often engaged in business transactions with other Quakers, although by no means exclusively. They even operated internationally in partnerships which included Quaker acquaintances in London, such as the above-mentioned stave mer-

⁷⁴ See Sem Christian Sutter, 'Friedrichstadt an der Eider: An Early Experience in Religious Toleration, 1621-1727' (Ph.D. thesis, University of Chicago, 1982), 178. The Meeting House in Friedrichstadt is marked in old maps. See e.g. Heinz Stoob (ed.), *Deutscher Städteatlas*, Acta Collegii Historiae Societatis Historicum Internationalis, C: 2,3 (Dortmund, 1979). One especially stately building, originally the town hall and subsequently acquired by the Quaker family Outerloo, is still standing on the market square (no. 21).

⁷⁵ Karl Michelson, 'Der Grundbesitz der Quäker', *Mitteilungsblatt der Gesellschaft für Friedrichstädter Stadtgeschichte*, 10 (1976-7), 75-8; online edition at <www.stadtgeschichte-friedrichstadt.de/pdf/HEFT10.pdf>, accessed 8 Sept. 2008.

⁷⁶ See *ibid.* 75.

⁷⁷ See the records of the Monthly Meeting, LSF, MS vol. 124, *passim*.

⁷⁸ See Appendix.

⁷⁹ See Kannegieter, *Geschiedenis*, 79, 86-7, 106-7.

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chants Jacob Hagen and his son, and the Amsterdam button makers Deen and Claus, who sold their product to the textile merchant William Crouch.⁸⁰ Dutch Quaker business people borrowed money from each other,⁸¹ and occasionally from their monthly meeting,⁸² but also from non-Quakers. Jan Claus repeatedly called on his friend, the Haarlem silk merchant Simon Bevel, who sympathized with the Quakers for a while, but in the end preferred to stay with the Mennonites. Nevertheless, Bevel advanced a large sum towards the setting up of the Assurantie, Commercie en Navigatie Compagnie by one of Claus's sons, the coffee merchant Jan Willem Claus van Laer. Jan Willem invested heavily in shares and convinced several Dutch Quakers (including Archibald Hope) to do the same, but was ruined during the 1720 stock bubble;⁸³ when he later took over a brewery in Middelburg, his parents once again solicited Bevel's financial support.⁸⁴

Did persecution on the Continent promote the community's coherence and stimulate it to develop mechanisms for mutual support and control which benefited Quaker business activities, as in Britain? During their visit in 1677 Fox, Penn, and other missionaries convened the first Continental Yearly Meeting and began to introduce the organizational structure that already existed in England to the Continent.⁸⁵ Another Yearly Meeting was set up in Danzig (1683), and Monthly Meetings were established in Hamburg, Friedrichstadt, Harlingen, Rotterdam, and Krefeld. Despite the favourable religious

⁸⁰ Ibid. 69, 73.

⁸¹ e.g. Dorothea Walthuysen lent money to several Dutch Quakers (Kannegieter, *Geschiedenis*, 93); Walthuysen, Hope, and other Quakers lent money to Maria and Neeltje van der Werff (ibid. 150); and Archibald Hope lent money to Herman van der Pals (ibid. 151).

⁸² Jacob Kuyper borrowed 1,000 guilders from the Amsterdam Monthly Meeting (see Kannegieter, *Geschiedenis*, 88). The Meeting also sold Dorothea Walthuysen a life annuity worth 300 guilders in 1712 (ibid. 87).

⁸³ Kannegieter, *Geschiedenis*, 162–76.

⁸⁴ Ibid. 178.

⁸⁵ This structure has remained largely the same since it was first set up in the 1670s. Local meetings are grouped in organizational units, the Monthly Meetings, so called because they convene once every month. These refer all important matters to Quarterly Meetings. Each country also has a Yearly Meeting, which is the highest decision-making body.

climate in the Netherlands, mechanisms regulating business activities, which had developed in England under the pressure of persecution, were introduced there also. The correspondence system which connected Quakers in London with the remoter regions of the Kingdom now expanded across the Channel. The names of European correspondents (for example, that of Jan Claus in Amsterdam) entered the same lists as those of English county correspondents, and the Continental Quakers regularly appeared in the records of the London Meeting for Sufferings.⁸⁶ British and Continental Quakers began to visit each other's Yearly Meetings, and the Continental Yearly Meetings sent an annual 'epistle' to London, reporting on the well-being of the local communities and on important events in Germany and the Dutch Republic. The records in London only rarely contain instances of oppression in the Netherlands, but in Friesland and the German territories, persecution was rife. As soon as the meeting structure had been transferred to the Continent, therefore, the Monthly Meetings acted in the same way as in England, extending support and sometimes soliciting financial help from London, and the Meeting for Sufferings recorded instances of persecution on the Continent in the same way as those within Britain.⁸⁷ Thus in 1692 Nicholas Rust, a cobbler who lived in Danzig, applied to the Meeting for Sufferings because he was no longer able 'to get his Bread by reason of ye Customes of the Company of y.t Trade there, And an Offer being made to him by some P[er]sons of Note att Dantzick, to Joyn in a New Imploye in Buying and Selling by Commission, and stands in Need of Some Assistance in order thereto'.⁸⁸ The meeting approved of Rust's change in occupation and advanced twenty Pounds 'towards Settleing him in the said Imploye'.⁸⁹ As long as regular meetings existed on the Continent, the Meeting for Sufferings continued to support co-religionists in need of help with their professional training or unable to earn a living. As late as 1727 it recorded a request for contributions towards paying '800 florins for the board-

⁸⁶ LSF, YM 1, 121.

⁸⁷ See Joseph Besse, *Collection of the Sufferings of the People called Quakers*, 2 vols. (London, 1753), which has separate chapters on Europe and Asia, Hungary and Austria, the German territories, and the Dutch provinces.

⁸⁸ LSF, MS 8, 20 Mar. 1692, 91.

⁸⁹ *Ibid.*

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ing of a young lass who is learning a trade—the youngest daughter of Philip de Veer of Friedrickstad'.⁹⁰

Similarly, the Dutch Quakers in several instances assisted co-religionists who had run into financial trouble or lost their jobs in order to help them save their businesses or at least make a living for themselves. Thus when Brught Takes of De Woude in Friesland became unemployed, he was commissioned to make beehives for the Harlingen Quakers, who promised to buy them even 'at a loss'.⁹¹ Jan Jansen, another member of the Harlingen Monthly Meeting was sent wooden wares that he would be able to sell at a profit; he was carefully instructed to pay the money back as soon as possible.⁹² Jansen either received financial support from the Monthly Meeting or acted in a similar function to Eelke Aukes, who had undertaken to market the beehives for Takes on behalf of the Meeting.⁹³

But support was not unconditional. Just as in England, members who did not fulfil expectations of sound business practice were subject to disciplinary measures. The Rotterdam banker Henry Hope was found by the General Meeting at Amsterdam to have rashly speculated with borrowed money in 1676. The Meeting duly published a lengthy 'testimony', in which it distanced itself from his 'burdening himself with debts, and encumbering himself with the means of other people without having sufficient opportunity of giving satisfaction to them; giving his word, and not living up to it'.⁹⁴ Although Henry was publicly disowned, the Hope family continued to be associated with the Dutch Quakers. Henry's son Archibald helped to achieve the legalizing of Quaker marriages, and family members later acted as trustees when the Rotterdam meeting house was sold. They also sometimes acted as interpreters for Quaker missionaries.⁹⁵ In 1677 Joannes Clasen of Deinum in Friesland was accused of hav-

⁹⁰ Quoted in SCL, Hull MSS, box 19, folder 2B, 371.

⁹¹ See LSF, Temp MSS 749/2, minutes of the Monthly Meeting, 6 Aug. 1678, 5v., see minutes for 6 Dec. 1682, 15r.-v.

⁹² Ibid. 10 June 1679, 7r.

⁹³ See *ibid.* minutes for 8 Nov. 1677, 4v. and 7 Jan. 1679, 6v. (Takes is reported to have delivered thirty-two beehives), 11 Mar. 1679, 6v. (he has made another forty-eight), 8 July 1679, 7r. (all the beehives have been sold, and if Takes is still without employment, he is asked to make more).

⁹⁴ Translated in Hull, *Benjamin Furly*, 245-7.

⁹⁵ See *ibid.* 251-2. Continuity with later periods is especially clear in the case

ing 'sunk himself in many debts', all the while pretending 'that he did not owe much', and also 'through deception' borrowing money and goods from the Quakers.⁹⁶ Brught Takes, despite the support he had initially received, was disowned for irregular conduct in 1680,⁹⁷ although two of his children fell to the care of Harlingen Monthly Meeting after their parents' death.⁹⁸ The brandy distiller Jacob Feyt from Danzig, whose family took refuge in Friesland in 1700 was advised by the meeting to find a new occupation, as it did not see any opportunity for employment for him in his old one. But all further assistance was withdrawn as soon as the meeting became aware of his unwillingness to accept 'any honest Employment of which divers sorts were offered him'.⁹⁹

Another prominent case, for which, however, no official certificate of disownment exists, is that of Benjamin Furly. Furly was most likely not formally disowned because he had never formally joined the Society, but the reasons for his eventual estrangement from the Society pertain to the question of internal social control. In the 1660s and early 1670s he had taken sides with John Perrot in a controversy that had ended with Perrot's disownment, but Furly was reconciled with the Quakers through the intervention of several influential members.¹⁰⁰ Unlike Henry Hope, Furly was extremely successful in his business life. His estrangement was thus not the result of unsound business practices. On the contrary, it was a reaction to the Quakers' accusation of 'vanity' and 'worldly pomp'.¹⁰¹ Even after

of the Hope family. See Marten G. Buist, *At Spes Non Fracta: Hope & Co., 1770-1815. Merchant Bankers and Diplomats* (The Hague, 1974).

⁹⁶ SCL, Hull MSS, box 20, TS 300-52, at 330.

⁹⁷ See LSF, Temp MSS 749/2, minutes for 6 July 1680, 11r.-v.

⁹⁸ In 1684 the Meeting considered sending Sjoertje Bruchts to Amsterdam in order to find employment for her there; see 7 Oct. 1684, 18v. To judge by her name, she might well have been one of De Woude's two children who enjoyed Quaker support, but the records of Harlingen Monthly Meeting do not explicitly state this. The minutes later record a complaint made about one Take Bruchts, possibly the second child under Quaker care. See *ibid.* 7 Aug. 1686, 23r.-v. and 2 Oct. 1686, 23v.

⁹⁹ LSF, Epistles Received, 3 Feb. 1701, 338.

¹⁰⁰ See Hull, *Benjamin Furly*, 16-20.

¹⁰¹ See the letter written by Furly to his friend John Locke on 7 and 17 Nov. 1692, printed in Esmond Samuel de Beer (ed.), *The Correspondence of John Locke*, 8 vols. (Oxford, 1978-89), iv. 572-3 (no. 1,562).

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this estrangement, however, Furly continued in his key position as a land agent for Pennsylvania, and he was also willing to store and distribute books for the Quakers.¹⁰² Instances of disciplinary action on the Continent are too few to permit generalizations, but many disownments or admonitions occurred in connection with business.

Regarding control over members' choice of residence, the same restrictions as in England began to apply as soon as the meeting structure had been set up in the Low Countries and the German territories. Quakers actively seeking the advice of the community are repeatedly mentioned in the records. Thus when three converts living in Emden took refuge from persecution in Delfzijl in 1679, the Friesland Monthly Meeting decided to support them, without, however, encouraging them to stay permanently. It arranged 'that some yarn be purchased for Harmen Bogarts, with which to knit stockings, so that in his wandering exile he may have as much opportunity as possible to eat his own bread'. At the same time, Bogarts agreed to 'seek no fixed residence outside of Emden, but rather to betake himself to a suitable lodging in Delfzijl, and watch for some opening for him in Emden'.¹⁰³ In December 1687 Reyner Jansz presented the Monthly Meeting at Harlingen with his wish to retire as a merchant and move to the countryside, where he hoped to spend more time with his family. He proposed Sneek as a new place of residence, but the Meeting advised him to go to Harlingen instead.¹⁰⁴ Similarly, in 1700 Nicholas Rust decided that despite the support he had received from London, he could not thrive in Danzig, and along with a group of other Quakers (the Feyt family among them) temporarily migrated to the Netherlands.¹⁰⁵ The Dutch Quakers, who had been informed of the plans beforehand and had consulted with the London Meeting for Sufferings, managed to place two of the refugee families in Harlingen and one in Amsterdam, and they made efforts to find employment for them. After consulting with the Meeting for

¹⁰² See Juterczenka, *Gott und die Welt*, 161.

¹⁰³ SCL, Hull MSS, box 20, TS 300-52, at 339.

¹⁰⁴ LSF, Temp MSS 749/2.

¹⁰⁵ For the full story of the Danzig group's flight and return, see my article 'Von Amsterdam bis Danzig: Kommunikative Netze der europäischen Quäkermission im 17. und frühen 18. Jahrhundert', in Claudia Schnurmann and Hartmut Lehmann (eds.), *Atlantic Unterstandings: Essays on European and American History in Honor of Hermann Wellenreuther* (Hamburg, 2006), 139-57.

Sufferings, however, the Monthly Meeting persuaded the emigrants to return to Danzig. Since their occupational situation did not significantly improve after their return, they henceforth received regular financial support from London and the Netherlands.¹⁰⁶ The Continental network of meetings even worked to prevent Feyt, who had decided to ignore the advice given, from escaping disciplinary measures. After he and his family had left Harlingen for Königsberg, the Frisian Meeting sent a warning to the only remaining Quaker in Danzig to acquaint him with its decision in case Feyt made any attempt to solicit support from him or the local Mennonites.¹⁰⁷ To members wishing to migrate to Pennsylvania, however, the same Monthly Meeting granted certificates of removal, for example, to the Haarlem cooper Jan Willems Boekenoogen and Jan Reyers from Harlingen, both prominent members of their local Quaker meetings.¹⁰⁸ In one case, the London Meeting for Sufferings even granted such a certificate for emigration after it had been denied by Amsterdam Monthly Meeting.¹⁰⁹

In the specific situation of Quaker converts on the Continent, the policy of controlling members' choice of residence reflects both the wish to protect against scandal, which was likely to aggravate an already precarious situation, and ambitions to establish a stable body of members, even if this restricted their professional scope. Thus to dismiss from the community's control a member who had previously been subject to disciplinary measures would have been undesirable. Similarly, the loss of one eminent Friend by a local meeting in which he fulfilled a key role could seriously endanger the functioning of that meeting, and since meetings on the Continent were scattered and scarce, it would also affect the Society's opportunities for further outreach there. Only in the case of Continental Quaker converts intending to migrate to Pennsylvania were such deliberations overruled.

¹⁰⁶ Between 1678 and 1706, London Yearly Meeting sent a total of £565 to Danzig. See the records of the Meeting for Sufferings, in LSF, vols. 1–18.

¹⁰⁷ See LSF, Epistles Received, 3 Feb. 1701, 338.

¹⁰⁸ SCL, Hull MSS, box 19, folder 2E, 282.

¹⁰⁹ Kannegieter, *Geschiedenis*, 246.

Quaker Missionary and Commercial Activities

Conclusions

External circumstances, the setting up of internal structures, and Quaker characteristics that developed during the early years brought out the strengths in Quaker networks in the British Isles, otherwise, the Cadburys might have remained humble shopkeepers, and the Quaker movement might never have developed into the Religious Society of Friends. On the other hand, their growing acceptance and economic success heralded an age of ever more tightly knit Quaker networks, yet ironically also a dramatic decline in membership figures. The disownment of members who failed economically increased the network's homogeneity and the number of successful Quaker business ventures in proportion to overall membership figures. But the more it was perfected by the exclusion of non-members (by way of intermarriage, internal business partnerships, and specifically Quaker institutions of education and training), relying on a small number of 'strong ties', the weaker the network as a whole became.

On the Continent as in Britain, commercial and religious activities were often conveniently combined, so that both Quaker business people and missionaries profited from geographic mobility. Moreover, most of the early factors usually held responsible for Quaker business success and internal consolidation (except literacy, for which no representative data is available) were also present in Quaker communities on the Continent: the narrowing down of occupational choice by exclusion from public office and 'un-Quakerly' occupations applied equally; the 'spiritual standards' of Dutch and German Quaker converts do not seem to have differed from those in Britain; they engaged in joint ventures with each other and lent each other money; and European meetings were integrated into a transnational network of internal support and control as soon as an effective system of Monthly and Yearly Meetings had been established. The latter remained in place for as long as missionaries were active on the Continent, and only collapsed when the missionaries failed to come. In a few places with large and relatively stable communities, such as Amsterdam, elements of this system continued to exist even after the first wave of Quaker missions had ceased. All this helped to nurture business activities in some respects, but also regulated them in others. However, since a decision not to join the Quakers by sympathizers such as Furly or the disownment of members such as Hope did

not end all contact with the community (non-Quakers and disowned members were not in principle barred from attending meetings for worship), these people continued to support the missions—something they were only able to do because of their social status as successful business people and respected citizens.

While Quaker meetings and businesses remained relatively unmolested in the large Dutch cities and in Friedrichstadt, in most places in Germany and in Danzig they were subjected to much greater external pressure and could not survive despite functioning networks. Rather than promoting cohesion and spurring business ambitions, this often led to emigration (from Danzig to the Netherlands and from Krefeld and Kriegsheim to Pennsylvania). Although Quakers were gradually socially more accepted in the Dutch Republic and even welcomed as immigrants to some German territories, Quakerism on the Continent was never consolidated in the early modern era to the extent that it became a lasting presence.

The Continental evidence reveals the limits of the beneficial effects which outward pressure can have on religious minorities like the Quakers. But while the internal cohesion of the British network enabled it temporarily to stabilize, exclusivity eventually also affected its ability to function. Contrary to the idea that the consistent impact of the religious on the commercial sphere was a recipe for success, the evidence presented here suggests that this alone was not enough, and that a certain degree of inclusiveness or compromise with the 'world' (which Quakers were still willing to accept during the seventeenth and early eighteenth centuries) helps to ensure the proliferation of such networks.

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Appendix

Table 7.1A Amsterdam Quaker business people and joint ventures

Name	Occupation	Joint ventures
Aken, Willem van (b. 1689)	tailor	
Arentsz, Jacob (fl. 1680)	'coorenfactor'	
Boekenoogen, Jan Willemsz (†1692)	weaver (velvet)	
Borsum, Jan Jansen van (†c.1681)	goldsmith	
Buylaert, Isaack Jacobsz van (†1672)	button maker, trader (hosiery)	with Geertruyd Niesen Dircks
Carton, Jacob (fl. 1680)	shoemaker	
Claus, Anna Maria (c.1689–1746)	trader (printed cotton)	with Magdalena Claus
Claus, Jacob (1642–1727)	printer, publisher, bookseller, merchant	
Claus, Jan (1641–1729)	button maker, merchant	with Pieter Hendricksz Deen
Claus, Jan de Jonge (†1747)	button maker	with Jan Claus and Pieter Hendricksz
Claus, Magdalena (c.1683–1733)	trader (printed cotton)	with Anna Maria Claus
Cocham, Robbert (fl. 1658)	bucket maker	
de Vos, Arnoldus (1668–1718)	apothecary	
Deen, Pieter Hendricksz (†1704)	button maker	with Jan Claus
Eppens, Jacob van den Dam (†1717)	'hairkooper'	
Haesbaert, Immetie (fl. 1726)	maid	
Hendricksz, Adriaen, also Adriaen Gerritsz († before 1702)	barber	
Hendricksz, Pieter (c.1634–1704)	baker, trader (dairy products), button maker	with Annetje Niesen Dircks, Jan Claus
Jans, Geertruy (†1726)	engaged in textile manufacture or trade	
Jongkint, Duyfje Jans (†1713)	distiller (essential oils)	with Jan Jansz de Witt

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<i>Name</i>	<i>Occupation</i>	<i>Joint ventures</i>
Kuyper, Cornelis Jacobsz (†1726)	merchant, distiller (essential oils)	with Dorothea Walthuysen, Grietje Pieters
Laars, Michiel de Jonge (1678–1763)	merchant (silk)	
Loosvelt, Adriaen (†1670)	merchant	
Markon, Jan Rochusse (fl. 1671–88)	‘sijdegrijnwerker’	
Mom, Jan (†1730)	distiller (essential oils)	
Niesen, Annetje Dircks (1618–65)	trader (dairy products)	with her sisters Niesje and Geertruyd, later with Pieter Hendricksz
Niesen, Geertruyd Dircks (†1687)	trader (dairy products, buttons)	with her sisters Niesje and Annetje
Niesen, Niesje Dircks (†1661)		with her sisters Annetje and Geertruyd
Pieters, Grietje (†1715)	distiller (essential oils)	with Dorothea Walthuysen and Cornelis Jacobsz Kuyper
Pietersz, Hendrick (fl. 1661)	shoemaker, ‘doch hem ernerende met perspapier te maecken, voor de verwers’	
Roelofs, Cornelis (c.1635–80)	wholesale trader (hosiery)	
Roelofs, Pieter (fl. 1660)	merchant	
Roosen (Stockvleet), Magdalena (1706–74)	merchant (cereals) after death of her husband, Willem Roosen	
Roosen, Willem (c.1687–1762)	brushmaker, merchant (cereals)	
Sewel, Jacob Willemsz (1630–60)	surgeon	
Sewel, Willem (1653–1720)	schoolmaster, trader (printed cotton)	
Stockvleet, Cornelis (1707–81)	trader (cotton fabric)	
Stockvleet, Lourens (†1743)	trader (yarn)	
Telner/Tellenaer, Jacob (b. c.1637)	‘grijnwerker’, merchant	
Tongeren, Barent van (1632–1701)	accountant	
Triponet, J.F. (n.d.)	jeweller	
Vries, Eelke Auckes de (†1709)	distiller (essential oils)	

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<i>Name</i>	<i>Occupation</i>	<i>Joint ventures</i>
Walthuysen, Dorothea (†1714)	distiller (essential oils)	with Cornelis Jacobsz Kuyper and Grietje Pieters
Werff (Laars), Maria van der (†1740)	trader	with Neeltje van der Werff
Werff, Jan Roelofs van der (1642-97)	merchant	
Werff, Jan van der (the younger) (1695-1780)	silversmith, merchant	
Werff, Neeltje van der (†1748)	trader	with Maria van der Werff
Willems, Annetje (†1712)	trader (tea, coffee, haberdashery)	
Willems, Volkje (1677-1739)	distiller (essential oils)	with Cornelis Jacobsz Kuyper, Dorothea Walthuysen and Grietje Pieters
Witt, Jan Jansz de († before 1702)	distiller (essential oils)	with Duyfje Jans Jongkint

Source: Based on Jan Z. Kannegieter, *Geschiedenis van de Vroegere Quakergemeenschap te Amsterdam: 1656 tot Begin Negentiende Eeuw* (Amsterdam, 1971).

Religion and Trade: The Van der Smissen Networks
from the Late Seventeenth to the Early Nineteenth
Century

FRANK HATJE

Networks: Religious, Commercial, Cosmopolitan

‘The Bearers Mess. Henry & Jacob Gilbert van der Smissen Persons of great Reputation at Altona who are travelling in order to see their Correspondents, in the Way of Trade, I earnestly recommand [*sic*] as Fellow travellers & Pilgrims towards the heavenly Zion to all my Christian friends, Every Favour and Civility shewn or done to them, I shall look upon as done for the sake of our common Lord.’¹ This letter of recommendation was signed by George Whitefield, one of the pivotal figures in English evangelicalism and, alongside John Wesley, a prominent Methodist. Hinrich III and Jacob Gysbert van

This essay has grown out of a larger research project on the networks of what Hartmut Lehmann once called ‘the Pietist international’, created between the late seventeenth and early nineteenth centuries by migration and transfers, in which Protestant minorities and their networks played a predominant part. Neither the project as a whole nor the case study of the van der Smissen family on which it is based are yet complete. This may account for any shortcomings. However, I am indebted to numerous scholars for their practical support and many stimulating conversations. In particular, I should like express my gratitude to Margrit Schulte Beerbühl, Andreas Gestrich, Klaus Weber, Stefan Manz, Ulrike Kirchberger, and John R. Davis.

¹ Staatsarchiv Hamburg (hereafter StAHH), 424–88/50, no. 4, ‘Reisetagebuch Hinrich van der Smissen’, 5 July 1767. The letter is dated 15 Apr. 1767. Extracts from the diaries have been translated from the original Dutch into German and published in Matthias H. Rauert and Annelie Kämpers-Greve, *Van der Smissen: Eine mennonitische Familie vor dem Hintergrund der Geschichte Altonas und Schleswig-Holsteins, Texte und Dokumente* (Hamburg, 1992), 207.

der Smissen, on whose behalf it was written, had paid their first visit to Whitefield on 24 September 1766, shortly after their arrival in London. They met him subsequently and he frequently introduced or directed them to like-minded religious people in London and wherever they chose to travel in England.² The letter correctly mentions the purpose of the two and a half year long journey through the coastal provinces of the Low Countries, England, and large parts of Germany undertaken by the two van der Smissen cousins as junior partners and heirs to a merchant and shipowning house in Altona near Hamburg. But business was not their only concern. In the diaries the two Mennonites kept during their journey, meeting co-religionists, attending sermons, and conversing on religious matters with like-minded people play an equal or even more important part. Both Whitefield's words and the van der Smissens' diaries raise a number of questions about the relationship between religion and trade. Were the two spheres kept apart or were they linked? If they were linked, to what extent? And how did the mercantile and religious networks benefit?

Letters of recommendation or introduction were a common means of early modern networking. Person A at place X writes a letter to person C in place Y on behalf of person B who wants to go from X to Y, but does not know C and needs a door-opener to a relevant network in Y. In his letter A states that B is a person known to him or acquainted with him, or at least a reputable person whose acquaintance might be of interest to C and his networks in Y. Thus A, as a mediator, prepares the ground for an extension of B's and C's networks to their mutual benefit, as A assumes. And if A's assumptions prove correct, A enhances his position in his own relations with B and C as a person of sound and reliable judgement, an assessment which might be passed on among the members of B's and C's networks as well. In any case, the success of the operation depends on A's good reputation and on C acknowledging it, which is the underlying pattern of Whitefield's more general letter. It leaves to the van der Smissen cousins the decision as to whether a person and his networks might be useful to them and whether this person might recognize Whitefield's warrant. It is uncertain whether Whitefield's letter

² StAHH, 424-88/50, no. 5, 'Reisetagebuch Jacob Gysbert van der Smissen', 24 Sept. 1766; Rauert and Kümpers-Greve, *Van der Smissen*, 176.

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of recommendation was ever used in practice. Nevertheless, with its obvious reference to John Bunyan's *A Pilgrim's Progress*,³ it was of high symbolic value to the van der Smisens, for it acknowledged their membership in the networks of evangelicalism.

Networking mechanisms like this were ubiquitous,⁴ whether personal contact was involved or not, as has been shown with regard to the correspondence networks of the early modern 'republic of letters'.⁵ The same patterns also operate in economic networks for the

³ The plot of *A Pilgrim's Progress* metaphorically tells the story of 'Christian' travelling from the City of Destruction (this world) to the Celestial City on Mount Zion (the world to come). At the Place of Deliverance (from evil) Christian receives a scroll as a passport to the Celestial City, which signifies baptismal rebirth and is subsequently referred to in the narrative, for example, when Christian wants to enter the House Beautiful, which stands for the Christian congregation. The first part of *A Pilgrim's Progress* was published in 1678. The first German translation (from an edition in Dutch) was published in Hamburg in 1694: *Eines Christen Reise Nach der seeligen Ewigkeit, Welche in unterschiedlichen artigen Sinnen-Bildern den gantzen Zustand Einer bußfertigen und Gott-suchenden Seelen vorstellet* (Hamburg, 1694; further edns. 1696, 1699, 1711, 1716, 1718, 1732, 1733, 1739, 1742, 1752, 1764, 1776).

⁴ The diaries and correspondance of Ferdinand Beneke (1774–1848), which are currently being prepared for publication, will provide ample evidence. Cf. Frank Hatje, 'Kommunikation und Netzwerke in den Tagebüchern Ferdinand Benekes', in Dirk Brietzke, Norbert Fischer, and Arno Herzig (eds.), *Hamburg und sein norddeutsches Umland: Aspekte des Wandels seit der Frühen Neuzeit* (Hamburg, 2007), 234–53.

⁵ Cf. Regina Dauser, Stefan Hächler, Michael Kempe, Franz Mauelshagen, and Martin Stuber (eds.), *Wissen im Netz: Botanik und Pflanzentransfer in europäischen Korrespondenznetzen des 18. Jahrhunderts* (Berlin, 2008), esp. the contributions by Hans Bots, Hubert Steinle, Stefan Hächler, Martin Stuber, Michael Kempe, Mark Häberlein, and the final essay. On the instructive example of Albrecht von Haller, see Martin Stuber, 'Binnenverkehr in der europäischen Gelehrtenrepublik: Zum wissenschaftlichen Austausch zwischen "Deutschland" und der "Schweiz" im Korrespondenznetz Albrecht von Hallers', in *Deutsch-schweizerischer Kulturtransfer im 18. Jahrhundert* (Wolfenbüttel, 2002), 193–207; Martin Stuber and Stefan Hächler, 'Ancien Régime vernetzt: Albrecht von Hallers bernische Korrespondenz', *Berner Zeitschrift für Geschichte und Heimatkunde*, 62 (2000), 125–90. Cf. also Jürgen Herres and Manfred Neuhaus (eds.), *Politische Netzwerke durch Briefkommunikation: Briefkultur der politischen Oppositionsbewegungen und frühen Arbeiterbewegungen im 19. Jahrhundert* (Berlin, 2002).

simple reason that 'the exchange of information is a crucial network function', as Mark Casson has pointed out.⁶ From an economic point of view, networks structure not only the material flow of goods and services but, more importantly, also the flow of information that is indispensable for coordinating the material flows. In fact, there are two categories of information, 'factual' and 'moral', and the latter is needed for evaluating whether the former is accurate, relevant, and reliable, and its source competent and honest.⁷ In a network structure these flows are based on social relations, including mutual obligations, which reduces the cost of gathering information and assuring its quality. Business networks are socially embedded and hence can 'free-ride' on social norms and values, common knowledge, and modes of behaviour that are generated by other, generally public institutions such as schools and universities, professional associations and clubs, church, and family.⁸ These institutions also provide us with patterns of knowledge, stereotypes, generalized experiences, and so on, that shape and facilitate judgement and decision-making. With regard to the early modern period we may assume that religion had a considerable impact on economics, since the effect of the Bible and basic Christian doctrine on the interpretation of the world beyond the scope of strictly religious matters cannot be overestimated.⁹

⁶ Mark Casson, *Information and Organization: A New Perspective on the Theory of the Firm* (Oxford, 1997), 117.

⁷ *Ibid.* ch. 6.

⁸ *Ibid.* 135–9.

⁹ This is obvious, for example, in seventeenth and eighteenth-century medical discourse which draws widely on biblical language. Cf. Martin Dinges and Vincent Barras (eds.), *Krankheit in Briefen im deutschen und französischen Sprachraum, 17.–21. Jahrhundert* (Stuttgart, 2007); Barbara Duden, 'Medicine and the History of the Body: The Lady of the Court', in Jens Lachmund and Gunnar Stollberg (eds.), *The Social Construction of Illness* (Stuttgart, 1992), 39–51; Roy Porter, *Disease, Medicine and Society in England, 1550–1860* (2nd edn. Cambridge, 1993), esp. 17–26. In addition, access to healthcare depended very much on network structures in the early modern period. Cf. Marjorie K. McIntosh, 'Networks of Care in Elizabethan English Towns: The Example of Hadleigh, Suffolk', in Peregrine Horden and Richard Smith (eds.), *The Locus of Care: Families, Communities, Institutions, and the Provision of Welfare since Antiquity* (London, 1998), 71–90; Sandra Cavallo, 'Family Obligations and Inequalities in Access to Care in Northern Italy, Seventeenth to Eight-

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On the other hand, the more pluralistic and liberal a society, the more 'moral' information is needed to minimize the risks of inadequate decision-making in business and misled coordination of market activities.¹⁰ This also applies to early modern transnational relations and overseas trade, for a merchant had not only to follow the formal and informal social and economic rules which he was accustomed to, but also to familiarize himself with the different rules, customs, and conventions in the places which he travelled to and traded with. Short-term and long-term migration was common among overseas merchants, and in transport and communication hubs such as London, Amsterdam, and Hamburg, in particular, foreign and local overseas merchants formed a community sharing the experience of adapting to different sets of economic rules and social conventions. In other words, they shared the experience of dealing with a degree of pluralism uncommon elsewhere.

It is tempting to call this acquired disposition 'cosmopolitanism'. Georg Simmel had something similar in mind when writing about the merchant as a typical example of the sociological phenomenon of an 'alien' (*Fremder*) who, as he put it, 'is not an itinerant coming and going, but a migrant coming and staying, yet still a potential traveller in the sense that he has not overcome the independence (*Gelöstheit*) of coming and going'. He is integrated into the local community yet keeps at a distance from it at the same time. He displays a specific 'flexibility and adaptability', and neither his perceptions nor his deliberations are bound by specific local traditions, notions, or interests. For Simmel, the 'alien's' economic activities are, not coincidentally, directed towards money and markets, and it is worth noting that Simmel refers to two particular religious groups in this context, namely, European Jews and Quakers.¹¹ However, networks of merchants committed to long-distance trade would tend to be cosmopol-

eenth Centuries', *ibid.* 90-110; Martin Dinges, 'Self-Help and Reciprocity in Parish Assistance: Bordeaux in the Sixteenth and Seventeenth Centuries', *ibid.* 111-25.

¹⁰ Casson, *Information and Organization*, 146-55, 166-7, 172-7, 191-3. Cf. Francis Fukuyama, *Trust: The Social Value and the Creation of Prosperity* (New York, 1996).

¹¹ Georg Simmel, *Soziologie: Untersuchungen über die Formen der Vergesellschaftung* (5th edn. Berlin, 1968), 509-12; cf. *id.*, *Philosophie des Geldes* (3rd edn. Munich, 1920), 219-28.

itan, and if cosmopolitan networks had to face a pluralism of 'languages', they also had to counterbalance the inherent insecurities and instabilities.

Hence one characteristic of networks was (and is) of crucial importance, namely, trust. Mark Casson has called this the 'essence of a network' and defines trust as 'a warranted belief that someone else will honour their obligations, not merely because of material incentives, but out of moral commitment too'.¹² The family can be regarded as a model of a high-trust network, at least historically. Family ties were crucial in every sector of early modern society up to the nineteenth century. Even merchant houses that operated globally relied primarily on family-based networks. Often, important non-familial links in their mercantile network were stabilized by marriage.¹³ Even if kinship ties are not involved, networks are sustained by social bonds. Long-term relationships based on the experience of a series of successful reciprocal transactions tend to be less vulnerable to minor infractions because it seems more costly to break off such a relationship than to sustain it.

Trust cannot replace 'moral' information altogether, but it can, and does, compensate for the inevitable lack of sufficiently comprehensive information susceptible of proof.¹⁴ Trust can be generated by

¹² Casson, *Information and Organization*, 118.

¹³ Many examples are given by Margrit Schulte Beerbühl, *Deutsche Kaufleute in London: Welthandel und Einbürgerung (1600–1818)* (Munich, 2007); ead., 'Die frühen Hamburger merchant empires in London und deren internationale Handelsnetze (1660–1815)', *Hamburger Wirtschafts-Chronik*, NS 5 (2005), 7–34; Klaus Weber, *Deutsche Kaufleute im Atlantikhandel, 1680–1830* (Munich, 2004); id., 'La Migration huguenote dans le contexte de l'économie atlantique: l'exemple de Hambourg', in Guido Braun and Susanne Lachenicht (eds.), *Les États allemands et les huguenots* (Munich, 2007), 125–36; Klaus Weber and Margrit Schulte Beerbühl, 'Europäische Zentren deutscher "Commercial Empires": London, Cadiz und Bordeaux (1660–1830)', in Frank Hatje and Klaus Weber (eds.), *Überseehandel und Handelsmetropolen in Europa und Asien, 17.–19. Jahrhundert* (Hamburg, 2008), 18–60. This was also the case with the business networks of the British cotton industry in the nineteenth century. Mary B. Rose, *Firms, Networks and Business Values: The British and American Cotton Industries since 1750* (Cambridge, 2000), ch. 3, esp. 58–9, 74–9. Cf. also James Casey, *Family and Community in Early Modern Spain: The Citizens of Granada, 1570–1739* (Cambridge, 2007), chs. 4 and 5.

¹⁴ Simmel, *Philosophie des Geldes*, 164–5; Niklas Luhmann, *Vertrauen: Ein Me-*

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a wide array of indicators: conduct and lifestyle, dress and household objects, social status and reputation, philanthropic commitment, membership in certain clubs and associations, family, ethnicity, religion, and so on. Such features generate trust partly because they display a shared educational and cultural background, and partly because they are based on a pre-existing faith in the trust of others, especially in the case of reputation and honour, memberships, and religious affiliations.¹⁵ It goes without saying that trust is more easily achieved in local communities with constant face-to-face contact than in long-distance networks, where generating sustainable trust is costlier.

Whatever it is that makes one member of a network trust another, it is generally compatible with the standards and conventions of that particular network.¹⁶ Religious commitment might be appreciated in general because it will be assumed that it is aligned with moral commitment. Membership in a religious network might per se generate trust within a social or economic network. During the confessional age, however, affiliation with a particular confession, denomination, or sect might have the opposite effect. Among the leading industrial

chanismus der Reduktion sozialer Komplexität (3rd edn. Stuttgart, 1989); Hartmut Berghoff, 'Vertrauen als ökonomische Schlüsselvariable: Zur Theorie des Vertrauens und der Geschichte seiner privatwirtschaftlichen Produktion', in Karl-Peter Ellerbrock and Clemens Wischermann (eds.), *Die Wirtschaftsgeschichte vor der Herausforderung durch die New Institutional Economics* (Dortmund, 2004), 58–71; Stefan Gorißen, 'Der Preis des Vertrauens: Unsicherheit, Institutionen und Rationalität im vorindustriellen Fernhandel', in Ute Frevert (ed.), *Vertrauen: Historische Annäherungen* (Göttingen, 2003), 90–118; Franz Mauelshagen, 'Netzwerke des Vertrauens: Gelehrtenkorrespondenzen und wissenschaftlicher Austausch in der Frühen Neuzeit', *ibid.* 119–51.

¹⁵ David Sunderland, *Social Capital, Trust, and the Industrial Revolution, 1780–1880* (London, 2007), esp. 6–12, 15–30, 68–84. Cf. also Paul McLean, *The Art of the Network: Strategic Interaction and Patronage in Renaissance Florence* (Durham, NC, 2007); Gunilla-Friederike Budde, 'Familienvertrauen – Selbstvertrauen – Gesellschaftsvertrauen: Pädagogische Ideale und Praxis im 19. Jahrhundert', in Ute Frevert (ed.), *Vertrauen: Historische Annäherungen* (Göttingen, 2003), 152–85.

¹⁶ The use of the term 'standard' is inspired by David Singh Grewal, *Network Power: The Social Dynamics of Globalization* (New Haven, 2008), esp. 20–43, 58–62, 172–9.

families in Lancashire, for example, kinship-based networks and intermarriage patterns could be grouped according to denominational divides, even in the nineteenth century.¹⁷ On the other hand, while travelling through the USA in 1905, Max Weber noticed that being a member of a particular denomination such as the Baptists or Quakers was beneficial to establishing business relations not only with other members, but with non-members as well,¹⁸ since the standards of the denominational networks induced trust in general. Even though business networks 'free-ride' on other social institutions, as Mark Casson has put it, further investigation is required to determine whether belonging to a religious network supported membership of a mercantile one, irrespective of any legal frameworks that might limit the economic activities of the members of one religious group while giving full rights to the members of another.

Religious Groups and their Network Character

While it is true that networks can be detected everywhere and that eighteenth-century Protestantism had a 'sense of collective solidarity',¹⁹ it is also true that the religious groups and movements which tried more radically to intensify personal piety and collaboration in order to build the 'kingdom of God' in the light of vivid chiliastic expectations were likely to organize and institutionalize their community as a network.²⁰ These networks were designed to be ever-

¹⁷ Rose, *Firms, Networks and Business Values*, 75.

¹⁸ Max Weber, 'Die protestantischen Sekten und der Geist des Kapitalismus', in id., *Gesammelte Aufsätze zur Religionssoziologie* (Tübingen, 1920), 207-36.

¹⁹ John Walsh, ' "Methodism" and the Origins of English-Speaking Evangelicalism', in Mark A. Noll, David W. Bebbington, and George A. Rawly (eds.), *Evangelicalism: Comparative Studies of Popular Protestantism in North America, the British Isles, and Beyond, 1700-1990* (New York, 1994), 19-37, esp. 20; William Reginald Ward, *The Protestant Evangelical Awakening* (Cambridge, 1992), 1-10.

²⁰ Much of the following draws on Frank Hatje, 'Revivalists Abroad: Encounters and Transfers between German Pietism and English Evangelicalism in the Eighteenth and Early Nineteenth Centuries', in Stefan Manz, Margrit Schulte Beerbühl, and John R. Davis (eds.), *Migration and Transfer from Germany to Britain, 1660-1914* (Munich, 2007), 65-80.

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growing in terms of internal and external mission and by linking up with other networks.²¹ The Quakers are a good case in point.²² The rise of German Pietism owed much to the correspondence of August Hermann Francke, who incessantly gathered and distributed information by communicating with a total of some 5,000 partners, and to the Pietist printing press at the Halle orphanage which published periodicals, tracts, and Bibles.²³ Evangelicalism operated on similar lines on both sides of the Atlantic.²⁴ Methodism was built on a network structure that linked local (sub)networks, and even a cursory reading of John Wesley's diaries reveals an enormous flow of information within and between the sub-networks. The Moravian Church (Brüder-Unität) provides another striking example. It was based at Herrnhut in Silesia, and on their mission to set up bonds of fellowship with other 'children of God' the Moravian brothers not only spread over Germany and Switzerland, but also extended their network to Britain and its north American colonies. Again, there was a constant flow of information across the Atlantic—on religious and missionary matters, on the extension of the network itself, and on social, moral, and very material aspects of congregational life.²⁵ And,

²¹ Cf. Hartmut Lehmann, 'Pietistic Millenarianism in Late Eighteenth-Century Germany: The Transformation of Political Culture', in Eckhart Hellmut (ed.), *The Transformation of Political Culture: England and Germany in the Late Eighteenth Century* (Oxford, 1990), 327–38.

²² Sünne Juteretzenka, *Über Gott und die Welt: Endzeitvisionen, Reformdebatten und die europäische Quäkermission in der Frühen Neuzeit* (Göttingen, 2008); Hermann Wellenreuther, *Glaube und Politik in Pennsylvania 1681–1776: Die Wandlungen der Obrigkeitsdoktrin und des Peace Testimony der Quäker* (Cologne, 1972); Frederick B. Tolles, *Quakers and the Atlantic Culture* (New York, 1960).

²³ For an extensive introduction see the contributions by Martin Brecht in id. (ed.), *Geschichte des Pietismus*, 4 vols. (Göttingen, 1990–2004), i.

²⁴ Susan O'Brien, 'Eighteenth-Century Publishing Networks in the First Years of Transatlantic Evangelicalism', in Mark A. Noll, David W. Bebbington, and George A. Rawly (eds.), *Evangelicalism: Comparative Studies of Popular Protestantism in North America, the British Isles, and Beyond, 1700–1990* (New York, 1994), 38–57; Walsh, "'Methodism' and the Origins of English-Speaking Evangelicalism'; David W. Bebbington, *Evangelicalism in Modern Britain: A History from the 1730s to the 1980s* (London, 1989).

²⁵ Colin Podmore, *The Moravian Church in England, 1728–1760* (Oxford, 1998); Carola Wessel, *Delaware-Indianer und Herrnhuter Mission im Upper Ohio Valley, 1772–1781* (Tübingen, 1999).

finally, the Deutsche Christentumsgesellschaft (German Christian Fellowship) should be mentioned. Founded in 1779–80 as a network designed to promote ‘true faith’, it was partly inspired by the English Society for Promoting Christian Knowledge. Its network structure consisted of a Select Committee in Basel and various sub-societies, including a number of individual corresponding members. Their network standard was essentially their opposition to rationalism and the influence of the Enlightenment on Protestant theology. Soon after 1800 the Christentumsgesellschaft, the Religious Tract Society, the London Missionary Society, and the British and Foreign Bible Society were linked by the activities of Carl Friedrich Adolph Steinkopf, former secretary of the Christentumsgesellschaft, who was appointed pastor of the German Lutheran Savoy Church in London. This fusion of networks subsequently resulted in the foundation of a number of German Bible and tract societies which, in the first half of the nineteenth century, were supported and subsidized by their English counterparts.²⁶

How do the Mennonites fit into this picture? Mennonite doctrine focused less on the sacraments than on the notion of the congregation as the ‘holy body of Christ’. It radically emphasized the general priesthood of all the faithful.²⁷ This gave Mennonism a vital network character. Membership, which was voluntary, was conferred by the individual’s confession of faith sealed by adult baptism. It was sustained by conduct that constantly complied with ‘true faith’, which was believed to lead to a rejection of sin and the embrace of a godly life led ‘in this world’ yet apart from it. There was neither a church hierarchy nor a body of professional, specially trained clergy or teachers that might have provided an institutional structure or doctrinal homogeneity. Preachers, who also administered baptism, communion, weddings, and so on, were usually laymen who had proved

²⁶ See Hatje, ‘Revivalists Abroad’, 76–9 with further references.

²⁷ T. Alberda-Van der Zijpp, ‘“Het Offer des Heeren”: Geloof en getuigenis van de martelaren’, in S. Groenveld, J. P. Jacobszoon, and S. L. Verheus (eds.), *Wederdopers, Menisten, Doopsgezinden in Nederland 1530–1980* (Zutphen, 1981), 46–61, esp. 54–7. For the practical consequences, see Michael D. Driedger, *Obedient Heretics: Mennonite Identities in Lutheran Hamburg and Altona during the Confessional Age* (Aldershot, 2002); Richard K. MacMaster, *Land, Piety, Peoplehood: The Establishment of Mennonite Communities in America 1683–1790* (Scottsdale, Pa., 1985), esp. 183–205.

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themselves to be spiritually gifted. They were generally recruited from the congregation's well-to-do strata, as were the elders who formed the congregational council, which was elected by the local congregation.

The belief that the congregation represented the 'holy body of Christ' required that every local Mennonite community had to be pure and unsullied by sin. The conduct of its members was therefore subject not only to social control, but also to church discipline. Its strongest instrument was the ban, which involved breaking off all social contact with a culprit until he or she publicly repented. To discipline misconduct such as drunkenness or quarrelling and to ban economic misbehaviour such as deception, refusing payment, or fraudulent bankruptcy (in some congregations bankruptcy in general),²⁸ not only seemed indispensable from a doctrinal point of view, but was also a device for fending off interference by the public authorities and upholding the reputation of the congregation's members. This included the congregational council settling conflicts, administering poor relief,²⁹ and keeping a check on immigrants. All migrants who wanted to join the congregation had to produce a certificate from their former congregation attesting their baptism and good conduct.³⁰ This kind of self-regulation averted public attention and can be regarded as a survival strategy in the face of the persecutions of the sixteenth and seventeenth centuries. At the same time, it enforced moral values such as honesty, sobriety, and frugality in personal matters and lifestyle, as well as diligence and reliability in business – virtues that generate trust.

Although baptism was voluntary in principle, a family was expected to baptize its children in their late teens or early twenties, often shortly before marriage. Unsurprisingly, but importantly from a network point of view, Mennonites chose their marriage partners

²⁸ J. A. Oosterhuis, 'Vlekken en rimpels: Over verdeeldheid en hereniging', in Groenveld, Jacopszoon, and Verheus (eds.), *Wederdopers, Menisten*, 62–83, esp. 66–71. Instructive examples of the practice of church discipline at Altona are given by Driedger, *Obedient Heretics*, *passim*.

²⁹ Little research has been done on Mennonite poor relief. Cf. for the Dutch congregations S. Groenveld, "'Sy laeten geen en Beedelaer onder haer zyn": Diaconale zorg vóór 1900', in ead., Jacopszoon, and Verheus (eds.), *Wederdopers, Menisten*, 119–45.

³⁰ Driedger, *Obedient Heretics*, 28.

almost exclusively from within their religious group, although not always from among the families of their own local congregation. Throughout the seventeenth century endogamy produced strong familial ties enforced by church discipline because the congregation had to approve of marriages. In the course of the eighteenth century, however, mixed marriages became increasingly frequent. In Krefeld, the most important of Mennonite congregations of the Lower Rhineland, both partners were Mennonites in only 17 per cent of all marriages by the end of the century. In Altona, on the other hand, the marriage registers reveal two competing trends. While mixed marriages were more and more common among middle-class and lower-class Mennonites, the leading wealthy families clung to endogamy even more strictly.³¹

In addition to church discipline and family tradition, there were other features that maintained the coherence of Mennonite network standards. Although seventeenth and eighteenth-century Mennonites did not have much in common with Anabaptists who, in the early sixteenth century, were among the radical wing of the Reformation movements,³² they were suspected of being religious radicals and politically unreliable, especially in Germany and Switzerland. They therefore suffered from hostility and persecution until the eighteenth century, while in the Dutch Republic they were tolerated and regarded as respected members of society much earlier. Even though the intensity of intolerance and persecution experienced by the Mennonites diminished during the seventeenth century, the memory of martyrdom largely shaped their identity,³³ both in religious terms, because they believed that they were among those elected to eternal salvation, and in social terms, because to survive under hostile conditions they needed to develop a high degree of congregational self-organization, including networking. At the end of the seventeenth century, when some congregations in the Lower Rhineland were

³¹ Ibid. 28, 155–75; Peter Kriedte, *Taufgesinnte und großes Kapital: Die nieder-rheinisch-bergischen Mennoniten und der Aufstieg des Krefelder Seidengewerbes (Mitte des 17. Jahrhunderts bis 1815)* (Göttingen, 2007), 128–9.

³² Driedger, *Obedient Heretics*, 10–14; Sjouke Volstra, 'De roerige jaren dertig: Het begin van de doperse beweging', in Groenveld, Jacopszoon, and Verheus (eds.), *Wederdopers, Menisten*, 10–24; I. B. Horst, 'De strijd om het fundament des geloofs: Van melchiorieten tot menisten', *ibid.* 25–45.

³³ Driedger, *Obedient Heretics*, 30; MacMaster, *Land, Piety, Peoplehood*, 25–7, 33.

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under pressure and their members were being imprisoned, Dutch congregations raised money and mobilized their political connections on behalf of their brethren.³⁴

Another way to maintain a sense of identity was by travelling and migration. Numerous Mennonites from the Baltic and North Sea coastal regions temporarily joined the congregation at Altona, and it was common practice for preachers from one place to assist a preacher in another, to help out in the case of a vacancy, or to be invited to hold a series of sermons when stopping over on a journey.³⁵ Finally, the extensive use of printed sermons, hymn books, and devotional literature should be mentioned.³⁶

The networks of Mennonism shaped by religion seem to have generated trust, both among members and business partners beyond the confines of membership. Apart from their Anabaptist legacy, however, there were other inhibiting factors. First, numerous quarrels within Dutch congregations about the extent of leadership exercised by the elders and the rigours of church discipline led to a number of schisms. By 1600 Mennonism had split into eight factions, which meant that several separate Mennonite congregations existed in many Dutch towns. By 1650 most of them had re-united, yet shortly afterwards a division among the Amsterdam Mennonites resulted in a long-lasting split between the more confessional Zonists and the doctrinally more liberal Lamists, who had a more spiritualistic piety, and did not shrink from contact with Remonstrants and Moravians.³⁷ The van der SmisSENS, incidentally, were Lamists. In Amsterdam the two cousins visited the family of the famous, but by then deceased, Joannes Deknatel (1698–1759) on several occasions.³⁸ Deknatel was a

³⁴ Kriedte, *Taufgesinnte und großes Kapital*, 112–20.

³⁵ Driedger, *Obedient Heretics*, 27–9.

³⁶ J. P. Jacobszoon, ‘“Geloven met het hart en belijden met de mond”: Gemeenteleven’, in Groenveld, Jacobszoon, and Verheus (eds.), *Wederdopers, Menisten*, 101–18; MacMaster, *Land, Piety, Peoplehood*.

³⁷ Oosterhuis, ‘Vlekken en rimpels’, 68–80; Driedger, *Obedient Heretics*, 14–15, 31–48 (Dompelaars); Sjouke Voolstra, ‘The Path to Conversion: The Controversy between Hans de Ries and Nittert Obbes’, in Walter Klaassen (ed.), *Anabaptism Revisited: Essays on Anabaptist / Mennonite Studies in Honor of C. J. Dyck* (Scottsdale, Pa., 1992), 98–114.

³⁸ ‘Reisetagebuch Jacob Gysbert van der SmisSENS’, 23–4 June 1766, 11 July 1766, etc.

preacher from the Lamist congregation, influenced by the teachings of Count Zinzendorf, and very much attached to the Moravians,³⁹ like Gysbert III van der Smissen, father of Jacob Gysbert. After the death of his first wife, Jacob Gysbert married Joannes Deknatel's daughter Hillegonda Jacoba (1750–1817) in 1796.⁴⁰

Secondly, although Mennonites strove for the kingdom of God, they refrained from pursuing it actively after the disastrous experience of setting up a chiliastic regime by force. Until the nineteenth century they did not develop any missionary activities, unlike the Quakers or the Moravians. Therefore religious networking beyond their own confines was not a prime issue for them.⁴¹ However, many migrated, either because their congregations were persecuted or expelled, or because economic and living conditions were unfavourable. Some went from Flanders or Brabant to Holland or Friesland, and from there to the German North Sea and Baltic coasts up to Danzig and Prussia. Others went from Zurich or Berne to the Palatinate or the Lower Rhineland, and from there via England to North America.⁴² Crossing the Atlantic in particular was often a response to contacts with Quaker missionaries.⁴³ Notwithstanding the internal divisions among the Mennonite factions, these moves meant that Mennonite networks were geographically extended and gave them a character of displacement that resembles the notion of 'cosmopolitanism' developed above.

Thirdly, wherever Mennonites settled they needed protection and authorities that tolerated them, and they had to persuade them to accept the three basic principles of their faith: (1) non-resistance, which included not bearing arms and consequently not doing military service or joining militias; (2) the refusal to swear any oath that

³⁹ Jacobszoon, "'Geloven'", 106–7, 111, 116; MacMaster, *Land, Piety, Peoplehood*, 141, 170–1.

⁴⁰ Heinz Münte, *Das Altonaer Handelshaus van der Smissen 1682–1824: Ein Beitrag zur Wirtschaftsgeschichte der Stadt Altona* (Altona, 1932), 15, 18–20.

⁴¹ Horst, 'De strijd om het fundament'; L. Laurensse, 'Totaan de uiteinden der aarde: De zending van het doperdom', in Groenveld, Jacopszoon, and Verheus (eds.), *Wederdopers, Menisten*, 146–61.

⁴² MacMaster, *Land, Piety, Peoplehood*, 27, 33–46, 50, 54, 57–9. Cf. C. J. Dyck, *An Introduction to Mennonite History* (Scottsdale, Pa., 1967); Calvin Redekop, *Mennonite Society* (Baltimore, 1989), esp. 32–3 (chart 3.1).

⁴³ Juterzenka, *Über Gott und die Welt*, 76–124, 187–9.

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contained an invocation of the Holy Trinity, which, of course, was a problem in any legal matter, so that the authorities had to warrant the validity of the formula Mennonites used instead; and (3) the refusal to accept any public office, which was a consequence of the former two principles. Toleration was less of a problem in the Dutch Republic. In Germany, the best way to obtain the privileges they needed in order to settle in a non-Mennonite environment was to become economically so important that the establishment of a congregation appeared desirable to the authorities for fiscal reasons. This was achieved in Altona under Danish rule in the seventeenth century by shipowning, shipbuilding, and trade, and in Krefeld under Prussian rule in the eighteenth century by means of textile, especially silk, manufacturing.⁴⁴ In the course of the eighteenth century the Mennonites seemed to adapt to their social and civic environment. It may be assumed that this was due in part to outside pressure and in part to a tendency to adopt the network standards of their non-Mennonite business partners. In any case, conflicts arising from non-resistance and oath-refusal were generally looked upon quite leniently by the congregational councils. Political offices were accepted, and their frugal lifestyle and simple black attire gave way to moderate but conspicuous consumption in line with their socio-economic status.⁴⁵

⁴⁴ Driedger, *Obedient Heretics*; Kriedte, *Taufgesinnte und großes Kapital*. It seems that this model also applied to those Mennonites who settled in Prussia and Russia to become farmers. Cf. Peter M. Friesen, *Die Alt-Evangelische Mennonitische Brüderschaft in Russland (1789–1910) im Rahmen der mennonitischen Gesamtgeschichte* (Halberstadt, 1911; repr. Duderstadt, 1991); Benjamin Hinrich Unruh, *Die niederländisch-niederdeutschen Hintergründe der mennonitischen Ostwanderungen im 16., 18. und 19. Jahrhundert* (Karlsruhe, 1955); Karl-Heinz Ludwig, *Zur Besiedlung des Weichseldeltas durch die Mennoniten: Die Siedlungen der Mennoniten im Territorium der Stadt Elbing und in der Ökonomie Marienburgs bis zur Übernahme der Gebiete durch Preußen 1772* (Marburg, 1961); Horst Perner, *Die ost- und westpreußischen Mennoniten in ihrem religiösen und sozialen Leben, in ihren kulturellen und wirtschaftlichen Leistungen* (n.p., 1978).

⁴⁵ Driedger, *Obedient Heretics*, 107–53; Kriedte, *Taufgesinnte und großes Kapital*, 126–45.

FRANK HATJE

*Limitations and Opportunities:
Co-religionists and Business Partners*

Around 1576 Gysbert I van der Smissen fled from Brabant to escape warfare and persecution.⁴⁶ He turned first to the duchy of Cleves and in 1584 settled at Haarlem, a Mennonite stronghold in the Dutch Republic.⁴⁷ While his son Jan stayed there and founded the Dutch branch of the van der Smissen family, which subsequently extended to Amsterdam and a number of other places, his son Daniel went to Friedrichstadt in the duchy of Holstein-Gottorf. This town had been founded in 1621 to shelter Dutch Remonstrants who had just been defeated in their struggle with the more rigid mainstream of Calvinism. Mennonites followed them and eventually had a pre-eminent share in the town's prosperity measured by the taxes they paid. The Mennonite merchant families not only dominated the export of agrarian products (grain, cheese, butter, pork, bacon) to Britain, Holland, Spain, France, and Hamburg, but they also owned large amounts of land. At the beginning of the eighteenth century the Mennonite burgomaster Nicolaes Ovens, for example, owned or rented more than 530 ha (1,310 acres). In the course of the century, much of the town's economic significance shifted to Altona, and the Mennonite congregation decreased in size.⁴⁸

Daniel van der Smissen's son Gysbert II left Friedrichstadt with his mother and step-father, and in 1644 became a burgher of Glückstadt on the Lower Elbe. In the same year he married in Emden. Gysbert II van der Smissen established a bakery and a brewery, traded with grain, and began to trade overseas in the 1670s. Around 1680, the van der Smissens shifted their business activities from Glückstadt to Altona, where Hinrich I (son of Gysbert II) set up a merchant house in 1682.

⁴⁶ StAHH 424-88/50, no. 1000, 'Geslagt Register der van der Smissen'; cf. Münte, *Das Altonaer Handelshaus*, 1-8; Heinz-Jürgen Mannhardt, *Die Mennonitenfamilie van der Smissen und ihre Nachkommenschaft* (2nd edn. Darmstadt, 1999), 6, 13, 16, 24-6, 51; Rauert and Kümper-Greve, *Van der Smissen*, 28-31.

⁴⁷ Cf. Joke Spaans, *Haarlem na der Reformatie: Stedelijke cultuur en kerkelijk leven, 1577-1620* (The Hague, 1989).

⁴⁸ Robert Dollinger, *Geschichte der Mennoniten in Schleswig-Holstein, Hamburg und Lübeck* (Neumünster, 1930), 16-19, 31-49, 82-99, 101.

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Altona, situated on the banks of the river Elbe less than three miles from Hamburg, had grown from a small village to a population of some 12,000 by 1700 under the impact of favourable economic privileges granted by the Danish king in 1664, and religious privileges dating back to 1601 that allowed Calvinists, Mennonites, Jews, and, to a certain extent, even Catholics to practise their religion freely, which these religious minorities were prohibited from doing in neighbouring Lutheran Hamburg.⁴⁹ Hamburg, on the other hand, had become one of Europe's major port cities by 1600 with a vast hinterland and a growing population that numbered some 75,000 by 1700. This development benefited largely from immigration, in particular from Dutch and Sephardic migrants who transferred their capital, networks, and know-how from Antwerp, Amsterdam, and a host of other cities to the rising metropolis. Hamburg, therefore, had a large merchant community and an elaborate mercantile infrastructure, while the van der SmisSENS built the first port facilities in Altona. Two factors converted the alleged rivalry between the two cities into something of mutual benefit. First, many merchants who belonged to a religious minority conducted their business in Hamburg and practised their religion in Altona, forming a network that crossed the border between Danish Altona and the Free Imperial City of Hamburg, which claimed neutral and independent status. Secondly, the merchants of each city could find merchants in the other who would help them to ship their goods under either the Danish flag or the flag of Hamburg, so that any restrictions imposed by mercantilist policies or warfare could be overcome.⁵⁰

⁴⁹ Franklin Kopitzsch, *Grundzüge einer Sozialgeschichte in Hamburg und Altona* (2nd edn. Hamburg, 1990), 216–40; Joachim Whaley, *Religiöse Toleranz und sozialer Wandel in Hamburg, 1529–1819* (Hamburg, 1992).

⁵⁰ Frank Hatje, 'Libertät, Neutralität und Commercium: Zu den politischen Voraussetzungen für Hamburgs Handel (1550–1900)', in id. and Klaus Weber (eds.), *Überseehandel und Handelsmetropolen in Europa und Asien, 17.–20. Jahrhundert* (Hamburg, 2008), 213–47; cf. also Pierrick Pourchasse, 'Probleme des französischen Nordeuropahandels im 18. Jahrhundert', *ibid.* 249–81; Toshiaki Tamaki, 'Amsterdam, London und Hamburg—A Tale of Three Cities: Niederländische Beiträge zur europäischen Wirtschaft und zum Aufstieg des britischen Empire', *ibid.* 61–90. For the Dutch immigration see Alexander Nikolajczyk, 'Integriert oder ausgegrenzt? Die Stellung der niederländischen Einwanderer im frühneuzeitlichen Hamburg', *Hamburger Wirtschafts-Chronik*, NS 6 (2006), 7–44 with further references.

The firm which Hinrich I van der Smissen established in Altona was mainly engaged in shipowning and forwarding and commissioning trade. He also set up a bakery producing ships' biscuits, which represented the backbone of family tradition. In fact, it was the only part of the company that survived its collapse in 1824.⁵¹ In 1685 Hinrich I van der Smissen associated with Jan Elias Münster, a Mennonite of Dutch descent, who had previously equipped whaling ships in Hamburg and now looked to Altona as a base for his business.⁵² This might have been precautionary, since in 1691 the Danish Crown made attempts to prevent the Hanseatic cities from whaling. This, of course, did not affect Danish subjects residing in Altona.

An association between two Dutch Mennonites for the purpose of sending out whaling ships to Greenland (or rather, Spitzbergen) was not altogether surprising. Between 1670 and 1740, thirty-one ship-owners committed to whaling can be traced. Twenty-six of them were either Mennonites or Dutch immigrants or, in two out of three cases, both. Moreover, the factory producing whale-oil in Altona was completely owned by Mennonites from both cities, including Hinrich van der Smissen and his brother-in-law Lucas Kramer, who was a leading figure in Hamburg's whaling industry.⁵³ Hinrich's father, Gysbert II, had also equipped whaling ships (his shareholders were Mennonites and his captain Dutch). In fact, he co-founded the Glückstadt whaling society in 1671.⁵⁴

As in many other economic areas, Holland was in the lead with regard to whaling. Dutch whaling ships were already being sent out in the 1610s,⁵⁵ and when, in 1643, a small group of merchants in

⁵¹ Münte, *Das Altonaer Handelshaus*, 61–6; cf. Rauert and Kümpers-Greve, *Van der Smissen*.

⁵² Münte, *Das Altonaer Handelshaus*, 84–5, 94–7; cf. Wanda Oesau, *Hamburgs Grönlandfahrt auf Walfischfang und Robbensschlag vom 17. bis 19. Jahrhundert* (Hamburg, 1955); ead., *Schleswig-Holsteins Grönlandfahrt auf Walfischfang und Robbensschlag vom 17. bis 19. Jahrhundert* (Hamburg, 1937); cf. Ludwig Brinner, *Die deutsche Grönlandfahrt* (Berlin, 1913).

⁵³ Münte, *Das Altonaer Handelshaus*, 97.

⁵⁴ Oesau, *Hamburgs Grönlandfahrt*, *passim*, also for the following. Münte, *Das Altonaer Handelshaus*, 4–5.

⁵⁵ Cf. Aris van Braam, *Opkomst van de Zaanse walvisvaart, 1610–1660*, 2 vols. (Wormerveer, 1999–2000); Hermann Wätjen, 'Zur Geschichte des holländischen Walfischfangs von der zweiten Hälfte des 17. Jahrhunderts bis zum

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Hamburg established a *Societas Groenlandiae* that was granted the right to operate around Spitzbergen by the Danish king, the first vessels were actually equipped in Amsterdam, where experienced sailors and the requisite know-how were more easily available. In the 1660s and 1670s, however, warfare between Britain and the Dutch Republic put a complete halt to Dutch whaling, and Hamburg's whaling fleet obviously benefited from this. It is not unlikely that Dutch capital was invested in Hamburg's whaling industry during that period, but in any case, neutral Hamburg covered at least part of the shortages caused by warfare. Subsequently, the fleets from Holland and Hamburg sailed jointly on several occasions and were protected against French privateers by a joint force of convoy ships (for example, in 1676 and 1691).

For Hinrich I van der Smissen the commitment to whaling ended in 1703, when it became almost impossible to send out ships because of the War of the Spanish Succession. The van der Smissens never returned to this industry, but subsequently acted as shareholders for some Mennonite in-laws who equipped vessels for Greenland from 1722.⁵⁶ In the eighteenth century the field was increasingly covered by merchants of neither Dutch nor Mennonite affiliation. Admittedly, this seventeenth-century network was not fully cosmopolitan, but it helps to define one function of religion and ethnicity in business networks. Whaling was risky and required substantial capital, but promised large returns. A solid, high-trust network structure was obviously perceived as minimizing the costs arising from the risks. In this case, the structure was based on, and guaranteed by, a faith shared by the members of the network, and the information flow was communicated in a common language that was distinct from the one spoken in the surrounding local society. Until the 1780s Mennonites used Dutch in religious services, private life, and in business, at least amongst themselves.⁵⁷ Along with the need for advanced knowl-

Beginn des 19. Jahrhunderts', *Hansische Geschichtsblätter*, 45 (1919), 247. For the following see Oesau, *Hamburgs Grönlandfahrt*. Cf. also Klaus Barthelmess (ed.), *Das erste gedruckte deutsche Walfangjournal: Christian Bullens 'Tag-Register' einer Hamburger Fangreise nach Spitzbergen und Nordnorwegen im Jahre 1667* (Amsterdam, 2003).

⁵⁶ Münte, *Das Altonaer Handelshaus*, 94–6; cf. Oesau, *Hamburgs Grönlandfahrt*.

⁵⁷ Rauert and Kümpers-Greve, *Van der Smissen*.

edge, this also contributed to oligopolizing the whaling industry for some decades.

Sustainability: Kinship, Confession, and Capital

The van der SmisSENS' membership of the local Mennonite merchant network was underpinned by highly endogamous marriage patterns. Hinrich I was an in-law of most of the leading Mennonite families in Altona, Hamburg, and Friedrichstadt.⁵⁸ Even more striking is the degree of intermarriage with the Linnich family. Hinrich I van der SmisSENS's daughter married Andreas Linnich, and his sons Hinrich II and Gysbert III married nieces of Andreas Linnich. (Only Cathalina van der SmisSENS did not marry a Linnich. She married Abraham Hingsberg, who will feature below.) This pattern corresponded to the business relations between the two families. They held so many shares in each other's vessels that, as shipowners, they could be mistaken for one company. Throughout the eighteenth century this reciprocity left little scope for other merchants to invest their capital in the enterprises of the van der SmisSENS and vice versa.⁵⁹ In his will, Hinrich I split his real estate on the banks of the Elbe, including warehouses and port facilities, into four and bequeathed one part to each of his children. According to Hinrich I's last will the firm was to be owned and run by his sons and, in future, jointly by one descendant of each of his sons.⁶⁰ Gysbert III therefore strengthened kinship ties. His son Jacob Gysbert married a Linnich and his daughter married

⁵⁸ The Roosen family owned landed property near Lübeck and, at the turn of the eighteenth century, set out to become the greatest shipbuilding and ship-owning company in Hamburg and Altona. The de Vlieger family was widely engaged in whaling. The de Voss family were well established brewers and merchants in Altona. Pieter de Voss's three daughters married Hinrich I van der SmisSENS, Lucas Kramer (already mentioned among the leading whaling companies), and Jacob II Linnich (from one of the leading Mennonite merchant families of Friedrichstadt who began to favour Altona as their headquarter around 1700). Data collected from Münte, *Das Altonaer Handelshaus*; Dollinger, *Geschichte der Mennoniten*; Oesau, *Hamburgs Grönlandfahrt*.

⁵⁹ Münte, *Das Altonaer Handelshaus*, 100–2, 150–1.

⁶⁰ *Ibid.* 12–13, 161–7; text of the will quoted in Rauert and Kümpers-Greve, *Van der SmisSENS*, 136–40.

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her first cousin, Hinrich III (son and heir of Hinrich II).⁶¹ This was not untypical. Intermarriages between the Roosen and de Vlieger families were so carefully arranged that at one point a Roosen was heir to his father both by birth and marriage. Marriages among close relatives are also reported from the von der Leyens, who for decades maintained a monopoly of Krefeld's silk industry.⁶²

This marriage pattern was intended to stabilize the local basis of capital and trade, but it also absorbed the potential for a family-based extension of the van der Smissen networks. In this respect it contrasts with the family-based networking techniques employed by other early modern 'merchant empires'. It seems that they did not employ other current techniques.

Mercantile network patterns suggest that the sons of the van der Smissens would serve their apprenticeships with business partners abroad.⁶³ This was the case with Gysbert III, who stayed in London in 1732–3. His brother Hinrich II, however, was sent to Haarlem, as were two of his grandsons, one of whom stayed with a descendant of the Dutch branch of the family. Hinrich II's son, Hinrich III, was apprenticed to a relative in Hamburg (Hinrich Theunis de Jager) who was childless and considered making him his heir. Jacob Gysbert, son of Gysbert III, found a patron in Rotterdam (Hendrik Hering), but it is not certain whether this was because of a business relationship or because his patron's brother-in-law was related to the Dutch branch of the van der Smissens.⁶⁴ Gysbert IV, on the other hand, was sent to a Mennonite business partner at Hoorn (Cornelis Ris), the uncle of a Mennonite preacher named Beets who was related to the van der Smissens.⁶⁵ All of them returned home immediately, except for Jacob I Jr., who trained as a merchant in Westphalia (in a company run by Quakers) and in Düsseldorf, and spent the next ten years (1801–10) as an employee of several merchant houses in London, Marseille, Lyon,

⁶¹ Münte, *Das Altonaer Handelshaus*; Mannhardt, *Die Mennonitenfamilie van der Smissen*, 18, 57–9, 60–1, 62–8, 69–72.

⁶² Kriedte, *Taufgesinnte und großes Kapital*, 473–89.

⁶³ Unless otherwise indicated, the following is taken from Münte, *Das Altonaer Handelshaus*.

⁶⁴ Johannes Prins at Leiden was Hendrik Hering's brother-in-law, and members of the Prins family are referred to as *neef* in 'Reisetagebuch Jacob Gysbert van der Smissen', 25, 30 June 1766, 2 July 1766.

⁶⁵ 'Reisetagebuch Jacob Gysbert van der Smissen', 7, 12, 17 July 1766.

and Paris before returning to the Elbe. This evidence leads us to conclude that the van der Smissens might have considered a Dutch Mennonite background more important for their sons' education than an introduction to business relations and business practices abroad.

Expanding Trade: Crossing Borders, Switching Networks

The merchant house of Hinrich van der Smissen (from 1737 Hinrich van der Smissen Söhne) did, however, operate an international trade network. At the present stage of research it is unclear how the van der Smissens organized their overseas trade, established their various networks, and who belonged to them, especially in relation to their Spanish trade. As a result of shifting opportunities and risks resulting from the War of the Spanish Succession, Hinrich I van der Smissen had turned to exporting linen from Silesia to Cadiz around 1703–4.⁶⁶ He was not the only merchant in Hamburg and Altona to do so. Subsequently Hamburg became a major transit port for the export of Silesian textiles, and the next two generations of the van der Smissens had a share in this trade.⁶⁷ They also expanded their Spanish trade. By the end of the eighteenth century, one of their vessels regularly put in at Cadiz, Lisbon, or Malaga carrying wood, linen, wheat, and other goods. At Cadiz it took on board salt, which was shipped across the Atlantic to Charleston, and from Charleston it returned to Hamburg with rice, tobacco, and coffee. From time to time it stopped in Georgetown or St Thomas. In the 1790s the Hamburg–Cadiz–Charleston triangle alternated with the route Hamburg–Archangel–Amsterdam–Charleston.⁶⁸ Although Hamburg's

⁶⁶ Münte, *Das Altonaer Handelshaus*, 86–7.

⁶⁷ Weber, *Kaufleute im Atlantikhandel*, 279–81; id. and Schulte Beerbühl, 'Europäische Zentren', 38–43. Cf. Marcel Boldorf, 'The Rise and Fall of Silesian Merchant Guilds in the International Trade Net (1700–1850)', in Margrit Schulte Beerbühl and Jörg Vögele (eds.), *Spinning the Commercial Web: International Trade, Merchants, and Commercial Cities, c.1640–1939* (Frankfurt am Main, 2004), 87–97; Rainer Ramcke, *Die Beziehungen zwischen Hamburg und Österreich im 18. Jahrhundert: Kaiserlich-reichsstädtisches Verhältnis im Zeichen von Handels- und Finanzinteressen* (Hamburg, 1969), *passim*.

⁶⁸ More detailed data is given by Jens Jacob Eschels, *Lebensbeschreibung eines alten Seemannes: Von ihm selbst und zunächst für seine Familie geschrieben* (1st

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merchants ranked immediately after Britain and the Dutch Republic in the Archangel trade throughout the seventeenth and eighteenth centuries, it is not unlikely that the route Archangel–Amsterdam was introduced as a result of the van der Smissens' relations with Mennonite merchants in Amsterdam. Dutch trade with Russian Archangel was almost exclusively in the hands of Amsterdam's Mennonite and Lutheran merchants.⁶⁹

From the start, business relations with the ports on the Frisian and Dutch North Sea coast, such as Emden, Harlingen, Hoorn, Amsterdam, and Rotterdam, understandably played a significant part. In the diary Jacob Gysbert van der Smissen kept while travelling with his cousin in 1766–8, he recorded everyone he met, everyone with whom he had a cup of tea (mostly women), smoked a pipe (only men), and shared a glass of wine. In fact, the two cousins spent most of their time networking. They saw people whom Jacob Gysbert had met on previous trips; relatives or friends functioned as intermediaries generating new contacts; they paid visits to their fathers' and grandfathers' old friends (and business partners); and they were introduced to friends of friends. These people can be grouped into three categories: relatives (mostly referred to as *neef* or *nigt*); Mennonites (unless referred to by their position as a minister, deacon, or elder, they were given the attribute *vrind*, 'friend', or respectfully 'a god-fearing person'); and trade agents (*correspondenten*). These relations displayed a great deal of stability. In Almelo the two cousins met Johannes ten Caten and on this occasion it was remembered that their grandfather, Hinrich I van der Smissen had stayed with ten Caten's grandfather some fifty years before.⁷⁰

Throughout the eighteenth and early nineteenth centuries London was among the most important merchant cities in the van der Smissen network. It is not known exactly when business relations with English partners were established, but this might be connected with the fact that Jacobus van der Smissen, a member of the Amster-

edn. Altona, 1835; 2nd edn. Hamburg, 2006), esp. 356–8. From 1780 to 1806 Eschels was captain of the van der Smissens' ship *Henricus de Vierde*.

⁶⁹ J. M. Welcker, 'Het dagelijks brood: De doopsgezinden, de economie en de demografie', in Groenveld, Jacopszoon, and Verheus (eds.), *Wederdopers, Menisten*, 195–218, esp. 207–8.

⁷⁰ 'Reisetagebuch Jacob Gysbert van der Smissen', 4 May 1766, cf. 6–7 May 1766.

dam branch of the family, established a merchant house in the English capital slightly before 1704.⁷¹ In any case, the van der SmisSENS were among the shipowners who organized regular traffic between Hamburg and London in the 1770s,⁷² and a list of debtors and creditors dating from 1806 contains twenty-three firms in London, seven in Hull, three in Sheffield, and two each in Manchester and Birmingham.⁷³ Although evidence is scarce, these business partners were by no means exclusively or predominantly Mennonites. On the other hand, it seems unlikely that merchants such as the van der SmisSENS, who put so much emphasis on religious affiliation and the trust it generated (which reduced the cost of their information-gathering), should set this factor aside in a foreign market so crucial to them.

Nor did they. They merely switched to another religious network that was able to generate trust because its standards were close enough to their own. In 1766–7 Hinrich III and Jacob Gysbert van der SmisSEN spent a considerable amount of time meeting people and attending sermons of evangelical piety, including visits to prominent Methodists, Baptists, and Quakers. When the van der SmisSEN cousins arrived in London, they immediately met their general agent, Thomas Walduck, and on their second day plans were made to visit the London merchant Richard How's landed estate near Bedford. Both were Quakers.⁷⁴ There had been early contacts between the Mennonite congregation in Altona and the Quaker missionaries, and around 1700 a group of families had sailed to Pennsylvania.⁷⁵ Although doctrinal differences and the struggle for acceptance by the authorities gave rise to controversies, the two denominations had enough common features. But it was not only out of a general affinity or the result of coincidence that the van der SmisSEN cousins were repeatedly invited to How's estate. Richard How's sister was married to Hermann Hingsberg, a Mennonite merchant with relations in Am-

⁷¹ Mannhardt, *Die Mennonitenfamilie van der SmisSEN*, 31–2.

⁷² Ernst Baasch, *Quellen zur Geschichte von Hamburgs Handel und Schiffahrt im 17., 18. und 19. Jahrhundert* (Hamburg, 1910), 727.

⁷³ Münte, *Das Altonaer Handelshaus*, 91 n. 206.

⁷⁴ 'Reisetagebuch Jacob Gysbert van der SmisSEN', 13–14 Sept. 1766.

⁷⁵ Driedger, *Obedient Heretics*, 27; Juterzenka, *Über Gott und die Welt*, 75, 187–9, 223–39.

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sterdam and Altona.⁷⁶ One of them, Abraham Hingsberg, was Hinrich I van der Smissen's son-in-law. Richard How had met Hinrich I van der Smissen when he visited Altona in 1732, and they had agreed that Gilbert III should serve his apprenticeship at How's merchant house in London.⁷⁷ The contact must have been longer lasting than the surviving sources suggest, for in 1745–9 Richard How II went to Altona to stay and work with Hinrich van der Smissen Söhne,⁷⁸ and from 1769 to 1771 Gilbert III put up Richard How's II stepson, Thomas Ramsay, who learnt German and studied trade with him.⁷⁹

What we notice here is an extension of the business network beyond the confines of the Mennonite diaspora, initiated by personal contacts via familial ties. This has further consequences. The lifestyle of London merchants obviously appealed to Gilbert III and Jacob Gysbert van der Smissen, and in Quakers such as Richard How they found a model for reconciling their traditional moral values with the fact of being merchants. The global networking approach inherent in English evangelicalism, it seems, suited their way of thinking as overseas merchants much better than the locally confined rigour of Mennonite congregations. We may therefore assume that these encounters had lasting results.

⁷⁶ Bedfordshire and Luton Archives and Record Service (hereafter BLA), How White Papers (hereafter HW) 86/52, H. Hingsberg to R. How, Amsterdam, 18–19 June 1728; HW 87/52, 53, H. Hingsberg to R. How, Hamburg, 30 July 1728 and 20 Aug. 1728. I am indebted to Sünne Juterczenka and Simon Dixon who directed me to this source material.

⁷⁷ BLA, HW 87/57, R. How to Susannah How, Hamburg, 3 Aug. 1732; HW 87/58, H. van der Smissen to R. How, Altona, 12 May 1733; HW 87/59, G. van der Smissen to Susannah How, Altona, 9 Jan. 1732–3.

⁷⁸ BLA, HW 87/116, R. How II to Wm. Tomlinson, Aspley, 7 July 1745; HW 87/121, letters from R. How II notifying his safe arrival at Altona to Benjamin and Betty Post, Richard Finch, Thomas and Elizabeth Walduck, H. Green, and R. How I, Hamburg, 30 Aug. 1746 and 10 Sept. 1745. Richard How II's last letter from Altona is dated 4/15 Aug. 1749 (HW 87/170).

⁷⁹ BLA, HW 87/301, Gilbert van der Smissen to R. How II, Altona, 13 Oct. 1769; HW 87/302, T. Ramsay to R. and Silena How, Altona, 7 Nov. 1769 (on his arrival). The last letter related to Ramsay's stay is dated 13 Apr. 1771 (HW 87/310).

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Spreading the Gospel: Fusing Networks, Crossing Borders

These assumptions are supported by the involvement of Jacob Gysbert van der Smissen in the Deutsche Christentumsgesellschaft, an explicitly transconfessional Pietist network inspired by English evangelicalism. Jacob Gysbert van der Smissen must have been put in touch with the Christentumsgesellschaft by a business partner. In the first members' list he is named as a corresponding member of the sub-society in Nuremberg.⁸⁰ From his travel diary we may conclude that the van der Smissens had a large number of transactions with their correspondent there,⁸¹ who was presumably Johann Tobias Kießling, one of the figures pivotal in organizing the transfer of Bibles and tracts to Austria after Joseph II had issued an edict proclaiming tolerance of Protestants.⁸² In the second listing we find a sub-society in Altona and among its members are Hinrich III, Jacob Gysbert van der Smissen, and a Johann Conrad Haas from Nuremberg, a van der Smissen employee who was in charge of their correspondence with the Christentumsgesellschaft.⁸³

When Carl Friedrich Adolph Steinkopf, former secretary of the Christentumsgesellschaft and a friend of Jacob Gysbert van der Smissen went to London, he merged the network of evangelicalism with that of the Christentumsgesellschaft, as mentioned above. Van der Smissen became a mediator of crucial importance in this transnational network. Mail, money, Bibles, and tracts from England arrived at his house and were dispatched to their destinations in Germany and vice versa. Even members travelling to and fro stayed with him, or paid a visit before continuing their journey.⁸⁴ In a report on the

⁸⁰ 'Verzeichnis der Mitglieder', 1783–4, published in Ernst Staehelin (ed.), *Die Christentumsgesellschaft in der Zeit der Aufklärung und der beginnenden Erweckung: Texte aus Briefen, Protokollen und Publikationen* (Basel, 1970), 213–14.

⁸¹ 'Reisetagebuch Jacob Gysbert van der Smissen', 15–19 Sept. 1767.

⁸² It is worth noting that Kießling received financial support not only from German members, but also from Haarlem, and it is not unlikely that this was the result of mediation by Jacob Gysbert van der Smissen. Cf. 'Gesellschaftsbericht', 7 July 1790, in Staehelin (ed.), *Christentumsgesellschaft*, 348.

⁸³ 'Zweites Verzeichnis', 1784–5, in Staehelin (ed.), *Christentumsgesellschaft*, 239; Johann Conrad Haas to Johannes Schäufelin, Altona, 5 Aug. 1784, *ibid.* 227–8.

⁸⁴ See e.g. Conrad August Erdle to Christian Friedrich Spittler, Nuremberg,

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state of affairs, the secretary of the Christentumsgesellschaft wrote in 1806: 'Altona is one of our most important places of dispatch for the select committee. Mr Jacob Gisbert van der Smissen still takes an intimate part in the affairs of our society. He dispatches our periodical, maintains a very amiable correspondence, sends his not insignificant annual contribution, is ready to do anything and dispatches all our correspondence and mail to England bearing all expenses himself.'⁸⁵

In fact, most of the transactions between the British and Foreign Bible Society and the German Bible societies, between the Religious Tract Society and various distribution centres such as Nuremberg or Basel, went via Altona, especially between 1806 and 1814 when communication was hampered by the Napoleonic Wars. In the end Jacob Gysbert van der Smissen acquired an outstanding reputation not only in the network of the Christentumsgesellschaft, but also in Britain as a whole. In 1814 he was honoured by the Religious Tract Society, which made him 'Honorary Governor for Life' for 'very essential services'.⁸⁶ Further research, especially on the relationship between Kießling and van der Smissen, will show more clearly that the religious network used an economic network in this case. The Anglo-German evangelical network almost replaced the former Mennonite one, but not lastingly. In the course of the nineteenth century most members of the van der Smissen family returned to Mennonism in a stricter sense.

The core business of the van der Smissen cousins was less successful in weathering the Napoleonic era. In 1805 they still owned seven ships; in 1806 they had to sell one which had been seized at Friedrichstadt; and in 1807 Britain confiscated another four, which were never returned. In addition, British government regulations against Danish merchants in 1807 resulted in a loss of more than 100,000 marks. The losses of the years 1808 to 1814 amounted to

18 Feb. 1804, and Jacob Gysbert van der Smissen to Christian Gottlieb Blumhardt, Altona, 6 July 1805, *ibid.* 484-5, 501.

⁸⁵ 'Kurze Darstellung des Zustandes der Deutschen Christenthums-Gesellschaft', Basel, 31 Mar. 1806, *ibid.* 509-10.

⁸⁶ Winfried Eisenblätter, 'Carl Friedrich Adolph Steinkopf (1773-1859): Vom englischen Einfluß auf kontinentales Christentum zur Zeit der Erweckungsbewegung' (Ph.D. thesis, University of Zurich, 1974), 99-100, 176; William F. Mundt, *Sinners Directed to the Saviour: The Religious Tract Society Movement in Germany (1811-1848)* (Zoetermeer, 1996), 17, 58.

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another 296,000 marks. The company Hinrich van der Smissen Söhne never recovered from these blows, and it collapsed in 1824 when a German merchant in London refused to accept a bill of exchange.⁸⁷

The case of the van der Smissens demonstrates that religious and economic networks can be mutually supportive, as far as both information flow and generating trust is concerned. It also suggests that some religious networks are more appropriate to support commercial networks than others, and that it may be advisable either to adjust standards, to switch over to another network, or to widen the scope of a religious network in order to meet the needs of transnational or even global business networks. But, ultimately, reputation and trust generated by one network can neither replace nor compensate for severe flaws that become apparent in another. In the case of Jacob Gysbert van der Smissen, it is tempting to call the outcome tragic.

⁸⁷ The collapse is widely dealt with by Münte, *Das Altonaer Handelshaus* and Rauert and Kümpers-Greve, *Van der Smissen*.

PART III

Networks of Power and Influence

German Entrepreneurial Networks and the Industrialization of Milan

MONIKA POETTINGER

Introduction: Entrepreneurial Migrations in the Process of Industrialization

In the eighteenth and nineteenth centuries 'commerce', though a measurable entity that was already a primary subject of statistical and accounting works,¹ had no life of its own. It existed only as the result of the operation of mercantile networks,² wide-ranging economic agents acting through a complex set of personal relationships based on trust and barely reflected in accountable relations between or within firms. The triggering effect that these networks had on economic development and industrialization was reflected in both economic and social changes.

The exchange of goods and money through the creation and maintenance of trade and payment routes was only one aspect of the activity of merchant groups at the time under consideration. Trade flows and comparative advantages represented the past decisions of merchants and reflected older information and established manufacturing capabilities. But merchant networks also operated by projecting into the future. In order to spread risks, enlarge their networks, and increase profitability, they constantly compared not only prices but also factor prices and production costs, assessed the profitability of new technologies, and organized production accordingly, changing routes and seeking new entrepreneurial opportunities. Mainly as

¹ William Playfair, *The Commercial and Political Atlas and Statistical Breviary* (London, 1786; repr. New York, 2005).

² On the operation of networks as an alternative to institutionalized firms and markets in international trade, see Mark Casson and Howard Cox, 'International Business Networks: Theory and History', *Business and Economic History*, 22 (Fall 1993), 42-7.

a consequence of this second kind of activity, production processes were introduced to different countries and production factors were moved. Adam Smith observed simply: 'Such manufactures, therefore, are the offspring of foreign commerce'; 'they have been introduced . . . by the violent operation, if one may say so, of the stocks of particular merchants and undertakers, who established them in imitation of some foreign manufactures of the same kind.'³ In the reality of nineteenth-century Europe, such 'violent operation' implied delicate factor movements and the nurturing of local human capital: a difficult process confronted with many barriers. It was the cosmopolitanism of merchants, their ability to act internationally and to organize the production of goods wherever they considered it profitable, that enabled the spread of industrialization. Their role was at times misjudged or even condemned by contemporaries.

The history of merchant houses, mostly private banks, in Continental Europe during the century of industrialization has undergone a profound reassessment,⁴ but we cannot yet give an unequivocal answer as to the role of merchants and their networks in the process of industrial dissemination and the managing of entrepreneurial migrations.⁵ Entrepreneurial migrations have mostly been studied as vehicles for technological transfer,⁶ while their originating motiva-

³ Adam Smith, *An Inquiry into the Nature and Causes of the Wealth of Nations* (London, 1852), 165–6.

⁴ See Stanley Chapman, *The Rise of Merchant Banking* (London, 2006); and Youssef Cassis, *Capitals of Capital: A History of International Financial Centres 1780–2006* (Cambridge, 2006). For Frankfurt see Udo Heyn, *Private Banking and Industrialization* (New York, 1981). For Italy see Luciano Segreto, 'I banchieri privati e l'industrializzazione italiana', *Imprese e Storia*, 24 (2001), 273–306; and Giandomenico Piluso, *L'arte dei banchieri* (Milan, 1999). An exhaustive bibliography of earlier works may be found in Sidney Pollard, 'Industrialization and the European Economy', *Economic History Review*, 26/4 (1973), 644–5.

⁵ The literature on the role of merchants in pre-industrial economies is immense. For a bibliography of merchants' guides, textbooks, and treatises see e.g. the volumes edited by Jochen Hoock and Pierre Jeannin (eds.), *Ars Mercatoria: Handbücher und Traktate für den Gebrauch des Kaufmanns, 1470–1820. Eine analytische Bibliographie*, 3 vols. (Paderborn, 1991–2001).

⁶ See Paul Mathias, 'Skill and the Diffusion of Innovations from Britain in the Eighteenth Century', *Transactions of the Royal Historical Society*, 25 (1975),

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tions, diffusion lines, methods of financing and, above all, their social consequences,⁷ have been severely neglected.⁸ As a result, the presence of foreign entrepreneurs in all states of Continental Europe during the industrialization process has merely been noted,⁹ but not explained.

In the case of Lombardy,¹⁰ still one of the most industrialized and richest regions of Europe, historians have usually dealt with entre-

93–113; Sidney Pollard, *Peaceful Conquest: The Industrialization of Europe 1760–1970* (Oxford, 1981); and Ian Inkster, 'Mental Capital: Transfers of Knowledge and Technique in Eighteenth-Century Europe', *Journal of European Economic History* (Fall 1990), 403–41.

⁷ On the social impact of entrepreneurial migrations on England see Inkster, 'Mental Capital', 424. On Italy, see Agopik Manoukian, 'Le matrici della fabbrica in Italia', *Studi di Sociologia* (Apr.–Sept., 1972), 369–77.

⁸ On the importance of the process of industrial dissemination, Sidney Pollard observes: 'It is this dynamic element, the method of transmission, which should be a major object of study, but has inevitably been lost sight of in the traditional approach. To change the metaphor, we have tended to treat each country like a plant in a separate flower pot, growing independently into a recognizable industrialized society according to a genetic code wholly contained in its seed.' Sidney Pollard, 'Industrialization and the European Economy', in Joel Mokyr (ed.), *The Economics of the Industrial Revolution* (Totowa, NJ, 1985), 166.

⁹ In cities such as Berlin, Vienna, and Frankfurt foreigners accounted for between 30 and 40 per cent of entrepreneurs until the 1830s, when this figure began a steady decline through the 1860s to the turn of the century. On this see Wolfgang Meixner, 'Imprenditori austriaci nel XIX secolo', in Luigi Trezzi (ed.), *A che punto è la storia d'impresa? Una riflessione storiografica e due ricerche sul campo* (Trento, 1995) 58–78; Wolfgang Meixner and Rupert Pichler, 'Austrian Entrepreneurs in the Nineteenth Century', *Historical Social Research*, 16 (1991), 208–9; Dieter Gessner, 'Frühindustrielle Unternehmer im Rhein-Main Raum (1780–1865)', *Scripta Mercaturae*, 28 (1994), 121–87; Roberto Tremelloni, *Storia dell'Industria italiana contemporanea dalla fine del Settecento all'Unità Italiana* (Turin, 1947), 136–7; Rolf Straubel, *Kaufleute und Manufaktur-Unternehmer* (Stuttgart, 1995), 130.

¹⁰ On the historiography of Lombardy's economy during industrialization see Mario Romani, 'Aspetti e problemi di storia economica lombarda nei secoli XVIII e XIX', *Vita e Pensiero* (Milan, 1997), pp. xv–xxix; and Angelo Moioli, 'L'industrializzazione in Lombardia dall'Ottocento al primo Novecento: un bilancio storiografico', in Lucio Avagliano (ed.), *L'Italia industriale nelle sue origini: Bilancio storiografico* (Naples, 1986), 17–59. Also published in *Annali*

preneurial migrations in only a few sentences and a cursory list of names,¹¹ while foreign entrepreneurs have been examined exclusively from the point of view of entrepreneurial minorities,¹² or as individual case studies.¹³ The link between entrepreneurial migrations and international mercantile networks has so far been unexplored, and the industrialization of the region mainly linked to the growth effect triggered by the rich trade in silk.¹⁴

The 'moving principle' behind Lombardy's economic development has thus been reduced to the accountable entity of 'commerce'. But international merchants' networks not only transformed the agricultural richness of Lombardy into exportable goods and import capacity; they also fostered a new entrepreneurial culture and the acceptance of scientific innovation, financed countless ventures in established as well as new manufactures, imported innovative production processes, specialized workers, and managerial forces, founded commercial journals, favoured statistical appraisal of economic quantities, and set up the Society for the Encouragement of Arts and Science.

The first section of this essay will highlight the direct impact of Lombardy's growing trade on the local structure of production: agricultural specialization and manufacturing stagnation. Further sections will then assess the indirect effects of intensifying trade flows during the nineteenth century on various economic sectors, outlining the fostering of merchant networks and the generation of entrepreneurial migrations. The last two sections will then examine the consequences of entrepreneurial migrations on Lombardy's human and social capital formation, which are summarized in the conclusion.

scientifici del Dipartimento di Economia dell'Università degli studi di Trento, 1 (1988), 49–112.

¹¹ See Bruno Caizzi, *L'economia lombarda durante la Restaurazione* (Milan, 1972), 291–4.

¹² Roberta Garruccio, 'Minoranze imprenditoriali in Italia fra Sette e Ottocento', *Archivi e Imprese*, 16 (1997), 227–44; and Cinzia Martignone, *Imprenditori protestanti a Milano nella seconda metà dell'Ottocento* (Milan, 2001).

¹³ E.g. Stefania Licini, 'Francesco Saverio Amman: An Austrian Cotton Entrepreneur in Lombardy (1838–1882)', *Business History*, 41 (July 1999), 1–20.

¹⁴ Giovanni Federico, *Il filo d'oro: L'industria mondiale della seta dalla restaurazione alla grande crisi* (Venice, 1994), 12.

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Milan, Trade, and Entrepreneurial Spirit

At the end of the eighteenth century, Milan was a commercial city thriving on the agricultural richness of the surrounding countryside. Silk alone, a golden thread linking Milan to the rest of Europe,¹⁵ accounted for 70 per cent of the exports of the Stato di Milano (see Table 9.1).¹⁶ Grain, cheese, and linen provided the remaining exports, in exchange for which cattle, woollen products, and colonial goods were imported.

Table 9.1 Exports composition of the trade balance of the state of Milan in 1762 (Verri and Meraviglia^a) and including Valtellina and the provinces of Bergamo, Brescia, and Crema in 1814^b

Wares	Exports (in Lire)	
	1762	1814
Silk	10,868,974	35,463,508
Grain	2,321,873	7,142,377
Butter and Cheese	1,241,211	4,124,080
Flax and Linen	880,557	4,619,000
Others	74,419	—
Total	15,387,034	51,348,965

^a Cesare Cantù, *Grande Illustrazione del Lombardo Veneto* (Milan, 1858), i. 247.

^b *Ibid.* ii. 247.

¹⁵ *Ibid.* 12.

¹⁶ In 1777, the population of the State of Milan, or Austrian Lombardy, numbered 1,340,000 and produced an annual tax revenue of 3,000,000 thalers. 'Its trade balance was certainly positive', Jagemann stated in one of his letters

The region's comparative advantage and the growing international trade clearly called for the agricultural specialization of Lombardy. All factors of production, including human, financial, and entrepreneurial capital, accordingly converged on the agricultural sector and the production of exportable goods with high value and yield. Christoph Joseph Jagemann, writing in 1782 in distant Weimar about his long Italian sojourn,¹⁷ clearly recollected his impression of the 'thriving agriculture and trade of the Milanese area'.¹⁸ 'You can see, dear friend', he wrote

how rich in agricultural products the Milanese are, and how easily they export such products thanks to the navigability of their rivers, the canals, and the lakes Como and Maggiore. The trade in silk alone is said to cause an influx of two million thaler, while the export of cheese brings income in the region of half a million thaler. If you add to this sum the money gained from the sale of cattle and grain and all kinds of tanner and tawer works, silken and woollen cloths, velvets, hosiery, handkerchiefs, silken livery borders, embroideries, copper manufactures, crystal jugs, coaches and curricles produced in Milan and exported, you will understand why the duchy of Milan is considered one of the richest Italian states.¹⁹

However, the wealth generated by increasing exports overshadowed the profitability of manufacturing enterprises. The resulting stagnation in the once flourishing production of fustians, silks, and linen was clearly perceived in Lombardy as well as abroad, but easily ascribed to the disdain for trade that had infected the Milanese nobility under Spanish rule, the monopoly of the silk trade by a restricted

from Italy. This data was reported by C. J. Jagemann in his *Gazzetta di Weimar* (20 Jan. 1787), 21, and was originally published in *Giornale Enciclopedico di Vicenza*, 74 (1780).

¹⁷ On Jagemann and his work, see Sandra Bader (née Wuchner), 'Illusion und Wirklichkeit im deutschen Italienbild des 18. Jahrhunderts' (Ph.D. thesis, Friedrich Schiller University Jena, 2003), 93–285.

¹⁸ C. J. Jagemann, 'Nachrichten von Meiland: Zu Ergänzung und Berichtigung der bekanntesten Reisebeschreibungen', *Teutsche Merkur* (1st Quarter, 1782), 208.

¹⁹ *Ibid.* 208–9.

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group of merchants, and the drainage of local resources by Austrian taxation. In his letters Jagemann reported the usual complaints of local intellectuals: Lombardy's wealth, not invested in manufacturing activities, was spent at leisure by idle noblemen, transferred to Austria as tax payments, or absorbed by the silk trade.²⁰

The forceful drive towards economic efficiency and specialization through trade was not easily diverted. Half a century after Jagemann's observations, nothing had apparently changed.²¹ 'It is common knowledge', wrote *Eco della Borsa* in 1850, Milan's most important commercial newspaper, 'that the wealth of Lombardy expendable outside the region consists of just two products: silk and cheese.'²² At the time, silk alone accounted for more than 94 per cent of the region's exports, generating a seemingly bottomless source of increasing wealth (see Figure 9.1).

The region's economic development appeared to be dictated by its natural endowments, that is, its high yielding agriculture. There was still no economic rationale, no motivation to build factories, to mechanize and modernize. Lack of capital and entrepreneurial ability continued to be the scapegoats usually named by Lombardy's intellectuals and economists to explain Milan's lagging modernization.²³ Carlo Cattaneo, for example, frequently and aggressively blamed the local elite's conservative stance for Lombardy's back-

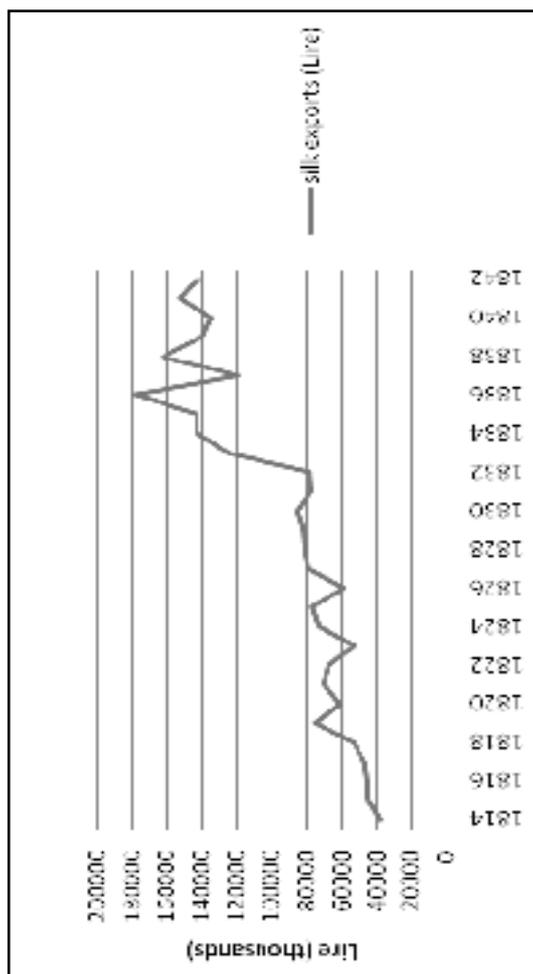
²⁰ Ibid. 209-10.

²¹ Sergio Zaninelli, 'Gli scambi con l'estero nell'economia lombarda dall'età delle riforme all'Unificazione', in the collected essays, *Storia del commercio italiano* (Rome, 1978), 46-67.

²² *Eco della Borsa*, 28 Jan. 1850.

²³ The perceived lack of entrepreneurs in the Milanese area has found its way from contemporary chronicles and economic writings into modern economic history. For the main champion of this view, see Kenneth R. Greenfield, *Economia e liberalismo* (Bari, 1940), 130. Recent research has rehabilitated the reputation of the Milanese economic elite and its innovation and modernity in the early nineteenth century. See Stefano Angeli, *Proprietari, commercianti e filandieri a Milano nel primo Ottocento* (Milan, 1982); Stefano Levati, *La nobiltà del lavoro: Negozianti e banchieri a Milano tra Ancien Régime e Restaurazione* (Milan, 1997); Stefania Licini, 'Ricchi, Ricchezza e Sviluppo Industriale: La business community milanese dell'Ottocento', *Annali di Storia dell'Impresa*, 10 (1999), 525-57.

Figure 9.1 Value of Lombardy's silk exports 1814-42



Source: The graph is based on statistics reported in Eugenio Balbi and Adriano Balbi, *Miscellanea Italiana: Ragionamenti di geografia e statistica patria* (Milan, 1845), 249-50. The statistics themselves, based on official government data, were collected by Giuseppe Ferrario for the years 1814 to 1829 and by Adriano Balbi for the years 1830 to 1842. The medium price relates to the officially established medium annual price; the quantity is expressed in *libbre milanesi piccole* (100 lb of Milan = 32.68 kg).

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wardness in trade and manufacturing.²⁴ 'The intrepid speculator', he wrote in 1837

highly esteemed in other locations as he opens new sources of wealth for himself and many others, would be greeted here with disdain and mistrust, his activities perceived as humiliating and degrading, his fall foretold if not called for. Ten years before this fall, continuous and unyielding persecution would already hamper his every step, shut off his every legitimate possibility of action, until his entrepreneurship and self-confidence, beleaguered from every quarter, would be forced in the wrong direction and constrained to wrong and silly actions so as to bring him to the brink of a precipice. His fall would then be reported with satisfaction by every economic journal. If merchants have gathered here of an evening to discuss the project of an India Company, of conquering the Orient and the kingdoms of the Mogul, the next morning they would feel ashamed and have forgotten it all, fearful of being perceived as fools. Our way of thinking has its advantages, but anyone who would be willing to establish an enterprise here must recognize this state of things and resign himself to it, because it is the consequence of ancient, profound, and intangible reasons.²⁵

The treatment of bills of exchange is a good example of this extreme prudence. This financial instrument, condemned by Adam Smith as speculation in eighteenth-century Britain for its rampaging expansion, remained a distant dream for Milan in the mid-nineteenth century. *Cedole di banco*, considered necessary to inject liquidity into the local financial market drained of resources, were 'something for people who want to walk briskly and without obstacles, like race horses, at times like steam machines, and at times, in the space of a single day, like hot air balloons,²⁶ left to the influence of the winds

²⁴ Carlo Cattaneo had a clear perception of the conservatism of Milan's economic elite. He suggested that rentiers were completely bound to the land, like an old tree, while merchants sought only to become rentiers and invest in land. Carlo Cattaneo, 'Alcune ricerche sul progetto di un monte delle sete', *Annali Universali di Statistica*, 54 (1837), 186-7.

²⁵ Ibid.

²⁶ This was not a casual reference to balloons as the epitome of modernization. Ballooning was, in fact, the first scientific research commodity sold on

and the guardianship of God',²⁷ and as such completely disregarded and forgotten. The local business elite preferred a good, slow walking pace to a wild run. This conservatism also had its advantages, as Cattaneo himself had to admit. The relative solidity of the local financial market and the huge investment in agriculture remained typical of Lombardy's economy far into the nineteenth century. Was there reason to complain? Arcadia, a large majority of contemporary intellectuals thought, was far preferable to Manchester.²⁸

And yet, oblivious of all remote, profound, and intangible causes, the specialization called for by international trade, and the lack of entrepreneurship, commerce was slowly and gradually but irrevocably changing Lombardy's social and economic structures, triggering innovation and reversing comparative advantages. Foreign entrepreneurs were migrating to Milan, attracted by the backwardness of the local structures of production which increased the value of their knowledge, and by state assistance. In Milan, these entrepreneurs, who were members of international networks, became 'examples of capacity and entrepreneurship',²⁹ as Cattaneo acutely observed. They created a stronger link with the European centres of industrial innovation than the silk trade alone could ever have done, and became a growth factor in their own right.

the open market. In the 1780s Italians were among the first to market this kind of event, but they did so in England and France, countries economically much more advanced than the Italian states. Like *cedole di banco*, balloons long remained a distant dream for Italians. In Milan they were used as a way of disseminating revolutionary messages in the upheavals of 1848. On ballooning, see Michael R. Lynn, 'Consumerism and the Rise of Balloons in Europe at the End of the Eighteenth Century', *Science in Context*, 21 (2008), 73–98. On balloons in the upheaval in Milan in 1848 see Carlo Cattaneo, *Dell'insurrezione di Milano nel 1848 e della successiva Guerra: Memorie* (Lugano, 1849), 50.

²⁷ Cattaneo, 'Alcune ricerche', 186–7.

²⁸ On the debate between industrialists and agriculturalists see Roberto Romani, *L'economia politica del risorgimento italiano* (Turin, 1994), 12.

²⁹ Carlo Cattaneo, *Notizie naturali e civili su la Lombardia* (Milan, 1844), p. xcvi.

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Cotton Printing and German Entrepreneurial Migrations to Lombardy

By the second half of the eighteenth century, Milan had firmly established itself as the centre of trade routes uniting German and Italian states. 'The north German merchant', a history of world trade stated in 1860

descended into Italy by three routes. The first went from Bavaria and Swabia over the Tyrolean Alps . . . to Lombardy. Both the other routes went from Milan over the Swiss Alps; the western one along Lake Maggiore, starting at Locarno . . . to Lucerne and from there to Basel; the eastern route went via Lake Como, from Novate and Riva . . . to Lake Constance. The eastern Swiss road and Tyrolean road were linked by many crossroads.³⁰

All these were major transit routes for the north–south European trade.³¹ Quite naturally, movements of goods along them were followed by migrations of merchants and entrepreneurs. The flourishing silk trade along the two lakeside routes between Milan and the most important Swiss cities, particularly Zurich,³² brought Swiss capital and entrepreneurs into Lombardy's silk sector.³³ Swiss merchant–manufacturers thus secured their own silk supply, setting up local *Verlagssystem* networks, or acquiring possession of, or silent capital participation in, throwing mills. These are classic examples of international vertical integration justified by the volatility of the silk market.

³⁰Adolf Beer, *Allgemeine Geschichte des Welthandels* (Vienna, 1860), 237–8, my trans.

³¹John Bowring, *Bericht an das englische Parlament über den Handel, die Fabriken und Gewerbe der Schweiz* (Zurich, 1837), 168–9.

³²On this, see the report sent by Konrad von Muralt to John Bowring for the English Parliament. Bowring, *Bericht an das englische Parlament*, 148–9.

³³For the case of the Swiss presence in the silk sector of Bergamo, see Maria G. Girardet and Thomas Soggin, *Una presenza riformata a Bergamo: La Comunità Cristiana Evangelica nel corso di due secoli* (Bergamo, 2007); and Cinzia Martignone, 'La Comunità Evangelica di Bergamo, 1807–1848, 1848–1880', *Archivio Storico Lombardo*, 120 (1994), 305–50; and *ACME*, 2 (May–Aug. 1996), 17–70.

But Swiss and German merchants did not merely channel factors of production from abroad into Lombardy's traditional and profitable silk sector. They also introduced a completely new and foreign production process to Milan, namely, the mechanical spinning and printing of cotton. This investment clearly went against the dictates of economic opportunity and profitability. Whereas investing in the production and refinement of silk was compatible with Lombardy's comparative advantages, cotton was a sector in which the Italian region possessed no natural aptitude. Cotton was not locally grown like silk, and had to be imported from the Far East, Egypt, New Orleans, or India. Historically, production had never spread outside the districts of Monza and Gallarate and was limited to hand-made and home-made fustians and bombazines.³⁴ Once a flourishing area of manufacturing, it suffered badly under Spanish rule and never really recovered.³⁵ In order to reintroduce and mechanize this ailing sector, both state intervention and the 'violent operation' of a merchant network were needed.

In 1781 the Austrian government took a first step towards making Lombardy an attractive location for entrepreneurial migration by passing a decree abolishing all existing discrimination against non-Catholics, permitting them to practise their religion in private, and allowing them to hold public office.³⁶ This was a legislative intervention deliberately designed to attract entrepreneurial capital from abroad, mainly from Switzerland. In addition, tailor-made state assistance in the forms of tariffs, tax exemptions, and incentives were offered to specific entrepreneurs to set up cotton-spinning mills and home-weaving networks.

Replacing economic incentives with state inducements proved to be a successful strategy. A young merchant-manufacturer of German

³⁴ Bombazines were twilled or corded dress materials of worsted/silk or worsted/cotton; while fustians consisted of worsted/cotton velvet.

³⁵ On the history of the cotton industry see Giovanni Frattini, *Storia e statistica della industria manifatturiera in Lombardia* (Milan, 1856), 92. In modern historiography the principal work on cotton in Lombardy remains Sergio Zaninelli, *L'industria del cotone in Lombardia dalla fine del Settecento all'unificazione del Paese* (Turin, 1967).

³⁶ This decree, dated 17 Oct. 1781, is to be found in Archivio della Biblioteca Trivulziana (hereafter ABT), Fondo Materie, busta 850.

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origin, Adam Kramer,³⁷ decided to move to Milan in 1782, lured by the Austrian government's promise to bail out the bankrupt cotton-printing manufacturer Carlo Franco Rho e Compagni. The German merchant, who had a passion for mechanics, was at the time working in the Swiss merchant house, organized locally as a network of *Verlagssystem* production, which supplied the Milanese printing manufacturer with pieces to print. The bargain struck with the Austrian government³⁸ aimed not only to revive the Rho company, but also to take the mechanical spinning of cotton to Lombardy, thanks to Adam Kramer's technical skills.

Carlo Bellerio,³⁹ Regio Visitatore,⁴⁰ summarized Kramer's importance to the Austrian government as follows:

You may add that no one else would profit and no one else would be more capable of introducing and expanding the spinning and weaving of cotton in our State than the Kramer firm, seeing that, in order to succeed, it needs first a person with extensive and sound knowledge of those manufactures, which it has in the capable person of Giovanni Adamo Kramer; second, a large amount of capital, which it possesses in abundance particularly now that one of the major houses of Augsburg is participating in the venture; and third, foreign masters, both male and female, to instruct untrained local workers in the new manufactures, which no one can better procure from abroad than the Kramer firm. In view of the fact that for at least the first three years the introduction of these new manufactures will necessarily cause losses to those engaging in them because the yarn and cloth will be made by inexperienced hands, no one other than the Kramer firm would have

³⁷ Adam Kramer was born in Essenheim on 2 Apr. 1751. ABT, Censimento 1811, xx, and Censimento 1835, xxviii, Rubrica del ruolo generale della Popolazione.

³⁸ Report of 6 Aug. 1782. Archivio di Stato di Milano (hereafter ASM), Commercio, parte antica, Cartella 252.

³⁹ Rosalba Canetta (ed.), *I protocolli della Camera di Commercio di Milano 1786-1796*, 2 vols. (Milan, 1998), i. 95.

⁴⁰ On the role of the Regi Visitatori in the economic policy of the Austrian government see Moioli, 'L'industrializzazione in Lombardia', 96-7.

the courage to undertake this, since it has in its possession the only manufactory that can be furnished with such yarn and cloth.⁴¹

As Bellerio suggests, Adam Kramer did not migrate alone. In order to set up the spinning and weaving manufactories, Kramer had 'to procure with great difficulty entire families from Switzerland'.⁴² For the printing work, he took Johann Paul Hartmann as his associate. As a family, the Hartmanns⁴³ were actively engaged in commercializing Swiss products in Augsburg, which was one of the most advanced centres for cotton printing in Continental Europe. In the 1780s they diversified by acquiring a direct share in cotton printing. Along with Johann Michael Schöppler, Johann Gottfried Hartmann bought the Apfel'sche Druckerei in Augsburg,⁴⁴ a printing firm successfully managed first by Hartmann himself and then by his son-in-law Karl Foster. Johann Paul Hartmann decided to emigrate to Milan instead to direct the printing in the old premises of the Rho manufactory. He took along precious human capital: a colourist and a designer, the most important specialized workers that a printing manufacturer required for success.

Within a short time, migrants from economically more advanced regions of Europe filled all positions requiring managerial or technical skills in the newly established Kramer e Compagni. At the same time Hartmann brought to Milan's attention the chemistry and

⁴¹ Report by the Regio Visitatore Bellerio 16 Oct. 1783, ASM, Commercio, parte antica, Cartella 252, my trans.

⁴² 'being obliged to procure with great difficulty entire families from Switzerland, to rent houses in many places and instruct more than 4,000 labourers in spinning and weaving processes, to have more than 2,000 spindles and 125 looms with all related instruments constructed at his own cost so that even poor people could start this kind of work.' *Promemoir* of the Firm Kramer e Compagni, 8 Apr. 1791. ASM, Commercio, parte antica, Cartella 252.

⁴³ Johann Michael Hartmann owned a merchant house trading with Swiss products and was the contact between Kramer and Johann Paul Hartmann. Paul von Stetten, *Beschreibung der Reichs-Stadt Augsburg* (Augsburg, 1788), 133, 138.

⁴⁴ Schöppler & Hartmann was one of Augsburg's most important printers along with the famous Schüle manufactory. 'Handlung und Manufakturen der Stadt Augsburg', *HandlungsZeitung* (Gotha), 19 July 1788, 29.

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design that Schüle had disseminated in Augsburg. 'At the moment, Augsburg is much more advanced than other places in preparing the necessary colours', Paul von Stetten wrote in 1779 in his historical account of the *Reichsstadt*.⁴⁵ This craftsmanship, too, was successfully transferred by means of the international relationships set up by Adam Kramer and his younger partner. The migration of entrepreneurial and human capital was how technology was disseminated under the guidance of mercantile networks.

Providing the best specialized workers by migration ensured innovation, but also secured profitability and reduced risks. Kramer e Compagni was designed as a profitable venture, and its capital was as foreign as its managers and its specialized workforce. Sixty per cent of the capital of 100,000 florins came from Salomon Traxler, Frey, and Pestalozzi, Zurich merchant houses which had previously engaged in *Verlagssystem* production and the silk trade, and had connections with Adam Kramer himself. Another 30 per cent was provided by one of Augsburg's three Catholic banks, Carli & Compagni, the one alluded to by Bellerio. Only the remaining 10 per cent came from Kramer and Hartmann. Yet the form of limited partnership, typical of most of these international ventures, valued human and entrepreneurial as much as financial capital, and profits were divided accordingly: 25 per cent went to Adam Kramer, 15 per cent to Hartmann, and 20 per cent to each limited partner. Such profit distribution was, in fact, the greatest incentive behind most entrepreneurial migrations of the time. Young men equipped with no more than their technical ability obtained credit from former employers and established their own ventures abroad. If they were successful, they gained wealth and independence.

As predicted by Bellerio, Kramer e Compagni was indeed successful, both in the printing activity directed by Hartmann and in the vertical integration designed by Kramer. In 1789, more than 9,600 of the 16,613 cotton pieces printed in Rho e Compagni's old location in Milan (called Cavalchina) were spun and woven in the new manufactories set up outside the city. One of these, a spinning mill in Monza, was completely mechanized, the first in Lombardy success-

⁴⁵ Paul von Stetten, *Kunst- Gewerb- und Handwerks-Geschichte der Reichs-Stadt Augsburg*, 2 vols. (Augsburg, 1779), i. 253.

Table 9.2 List of cotton manufacturers in 1808 compiled by the Chamber of Commerce of Milan by request of the government

Name	Address
De Luÿ e Compagni	Nel locale della Vetabia
Gianetta Giacomo e Compagni	Nel locale di Santa Prassede
Kramer e Compagni	Stradone di Sant' Angelo
Hartmann Paolo Giacomo	Strada della Cavalchina
Luraschi Gaetano	Unknown
Luone Giovanni	Porta Comasina
Rossini Gaspare	Strada degli Ortolani
Schmutz Federico	Ponte di Santa Teresa
Vignati Michele	Ponte di San Vittore

fully to employ a mule jenny.⁴⁶ The government had achieved its purpose at the cost of providing Kramer with the use of monasteries vacated under previous legislation and by levying higher tariffs on competing imported cottons.⁴⁷ The profitability of the venture, so aided, had attracted financial and entrepreneurial capital from abroad, gaining for Lombardy the much sought after production of cotton yarn.

⁴⁶ There was an ongoing dispute between Kramer and Friedrich Schmutz, a Swiss merchant who had set up a mechanical spinning mill in Milan with a German partner, as to which of them had first introduced mule jennys for spinning warp thread in Milan. In the end, the Austrian government refused to give the exclusive privilege to either, in view of their almost simultaneous introduction of the new technology. Kramer's mill was in any case considered the bigger and more important enterprise of the two. Report by Counsellor Aspandri, 16 Mar. 1794, ASM, Commercio, parte antica, Cartella 253.

⁴⁷ 'Grida portante l'abolizione del dazio di circolazione interna' and 'Tariffa per il dazio di diversi generi di merci e manufatture, cioè pelletterie, pellic-

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A comparison of this printing activity with the largest in Europe underlines Kramer e Compagni's good position at international level (see Table 9.3). At a time when mechanization had not yet reached this sector and differences in productivity usually reflected different qualities in the end products, the Milanese venture produced a relevant quantity of middle-range cottons, less refined and rich than the French ones, tailored to Lombardy's market. Their poorer quality, owing to the government requirement to print pieces produced locally instead of using the better Swiss ones, was offset by lower prices which perfectly targeted the local consumer. Lombardy had successfully employed an import substitution policy, and yet the exports of Kramer e Compagni, amounting to 14,079 libbre in 1784,⁴⁸ demonstrate its capacity to compete in terms of price and productivity even outside the protected home market. Kramer e Compagni thus represents a successful foreign venture capital intervention quite typical of the end of the eighteenth century in a Europe characterized by segmented markets and an eager and ever growing demand for cheaper products. This success was the result of the operation of mercantile and manufacturing networks capable of bringing together skills in the form of human, managerial, and financial capital where and when they had the best chances of being profitably employed.⁴⁹

cerie, tele di cotone stampate e da stamparsi, ossia muscoline', 15 Nov. 1781. On this and all that concerns the cotton sector in Lombardy see Zaninelli, *L'industria del cotone*.

⁴⁸ 'Nota e Peso del Mussolo stampato spedito fuori stato da Kramer e Comp. nel corrente anno 1784', ASM, Commercio, parte antica, Cartella 252.

⁴⁹ The existence of mercantile networks created a single international market for factors of production alongside that for goods. Sidney Pollard remarks: 'Europe was not a single market merely for commodities: over much of the nineteenth century it also in effect became a single market for capital, skill, enterprise, ideas, and technological knowledge.' Pollard, 'Industrialization and the European Economy', 172.

Table 9.3 European cotton printers: size and labour productivity

Enterprise	Year	Output/ Pieces ^a	Year	Number of Workers	Output/ Workers
<i>Wetter,</i> Orange	1764-5	30,000	1764	530	56.6
<i>Du Pasquier,</i> Neuchâtel	1764-8 1793-7	19,821 37,729	1764-8 1793-7	426 578	46.5 65.3
<i>De Visser,</i> Antwerp	1767-71	63,480	1769	576	110.2
<i>Waldner,</i> Sierentz	1772	202,200	1772	293	75.2
<i>Schille,</i> Augsburg	1780	c.40,000	1780	c.350	114.0
<i>Ermelet,</i> Berlin	1785	11,000	1785	80	137.5
<i>Hanckel & Comp.,</i> Berlin	1785	6,120	1785	52	117.0
<i>Emmerich, Jordan &</i> <i>Cie., Logelbach</i>	1785	50,000	1785	1,200-1,500	41.6/33.3
<i>Peel,</i> Bury	1785-90 1792	75,000-90,000 100,000	1785 1785	800 800	93/110 130
<i>Kramer,</i> Milan	1789	16,613	1791	c.200	83

Oberkampf, Jouy	1795–1804	53,532	1806	1,327	40.3
Dollfus, Mieg & Cie, Mulhouse	1804–5	34,000	1806	715	47.5
European Printers Mean values		33,878		530	74.6

^a Output is expressed in continental pieces (24 m or 26.3 yards)

Source: Data on Peel, Oberkampf, Du Pasquier, De Visser, Wetter e Waldner from Chapman and Chassagne, *European Textile Printers*, ii, 213. Data on Kramer e Compagni taken from letter from Kramer e Compagni to the municipality, 21 July 1796, ABT, Fondo Famiglie, Cartella 815 and *Promemoir* of the Firm Kramer e Compagni, 8 Apr. 1791, ASM, Commercio parte antica, cartella 252. Data on Schüle in Augsburg taken from Friedrich Nicolai, *Beschreibung einer Reise durch Deutschland und die Schweiz im Jeshre 1781: Nebst Bemerkungen über Gelehrsamkeit, Industrie, Religion und Sitten*, 12 vols. (Berlin, 1783–96), ad vocem (Schwabben), vii, 60–1. Data on Ermeler e Hanckel taken from Johann Georg Krünitz, *Ökonomisch-technologische Enzyklopädie*, 242 vols. (Berlin, 1786), xxxvi, 149, ad vocem 'Kattun', table 'Zitz und Kattun Druckereien in Berlin vom Jeshre 1785'. Data on Dollfus, Mieg & Cie taken from Chapman and Chassagne, *European Textile Printers*, 237 and Nicolas Schreck, 'Dollfus-Mieg et Cie: Histoire d'une grande industrie cotonniere des origines a la premiere guerre mondiale', AAVV, *DMC patrimoine mondiale?* (Mulhouse, 2006), 32.

MONIKA POETTINGER

English Wares and French Rule

The productivity equilibrium in the European printing sector was short lived. Within a few decades the competition from England, triggered by the invention of roller printing in the last decade of the eighteenth century, would overwhelm all Continental manufacturers, as they were well aware. 'This mode of printing would, in time, put all the others out of work, and the benefit would remain with those who could make them [*toiles peintes*] cheaper and in less time',⁵⁰ stated Oberkampf, one of the biggest French cotton printers at the beginning of the 1790s. In fact, English wares became so cheap that India's comparative advantage was reversed, and they replaced linen and colonial goods as the most profitable trade for European merchants.⁵¹ In the wake of this change, Frankfurt merchant houses shifted their attention to England and the best markets for its calicoes by weaving new international webs of subsidiaries and correspondents that included the new production locations in Manchester and Leeds, and the most important selling markets in Europe and abroad.

In Milan, cheaper English cotton pieces, directly competing with Adam Kramer's products, were imported by another German merchant-entrepreneur, Heinrich Mylius. A generation before Heinrich, the Mylius family had already built an international commercial network for German linen products with one of its most important hubs in London. Thus it was perfectly positioned to gain from the new cotton trade. Given new entrepreneurial opportunities, international family networks used sons and younger family members to extend their webs into prospective markets. If this option was precluded, international networks resorted to affiliation by marriage, a practice that ensured the durable and faithful commitment of young partners through ties strong enough to offset the distances and information gaps suffered by these ventures. The international network of the Mylius family, for example, was fostered by affiliation with many promising young partners, the most remarkable being Isaac Aldebert, Carl Cornelius Souchay, and Martin Schunk.⁵² This was

⁵⁰ Stanley D. Chapman and Serge Chassagne, *European Textile Printers in the Eighteenth Century: A Study of Peel and Oberkampf* (London, 1981), 140-1.

⁵¹ *Ibid.* 89.

⁵² On the history of the Souchays and their connections with the Schunk and

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typical not only of the Mylius family, but also of the Bethmanns, Rothschilds, Dufays, and other families acting as international economic networks.⁵³

The entrepreneurial opportunity offered by England's growing competitive advantage in manufacturing was exploited by the Mylius family, which sent some of its members to England, while the younger son Heinrich set up a branch in Milan. The subsidiary Mylius & Aldebert in Lombardy was intended to exploit the rich trade in German linen products, north Italian silk, and English wares (Figure 9.2), but the profitability of this new hub was immediately put to the test by the political and economic upheaval following the French Revolution. The Napoleonic wars disrupted the activity of both Adam Kramer and the merchant house of Heinrich Mylius. Kramer reported the almost complete cessation of his trade,⁵⁴ while Mylius was imprisoned on smuggling charges and heavily fined.⁵⁵ And yet both found their way out of these difficulties. In 1807 a list of the most important merchants and bankers in Milan included both Kramer and Mylius.⁵⁶ This success was due mainly to their international connections.

Notwithstanding difficulties, heavy taxation, and chaotic economic regulations, Mylius & Aldebert, like other European merchant houses, profited greatly from the market disruption of the first decade of the nineteenth century. For a long time merchants and bankers in Frankfurt⁵⁷ and Hamburg⁵⁸ remembered this period as a

Mylius families see G. Roth, *Max Webers deutsch-englische Familiengeschichte 1800-1950* (Tübingen, 2001).

⁵³ Monika Poettinger, 'Lo sviluppo economico lombardo nelle attività degli imprenditori tedeschi', in Giorgio Oldrini and Aldo Venturelli (eds.), *La tradizione rinnovata* (Villa Vigoni, Como, 2006), 73-4.

⁵⁴ Letter from Kramer e Compagni to the municipality, 21 July 1796, ABT, Fondo Famiglie, Cartella 815.

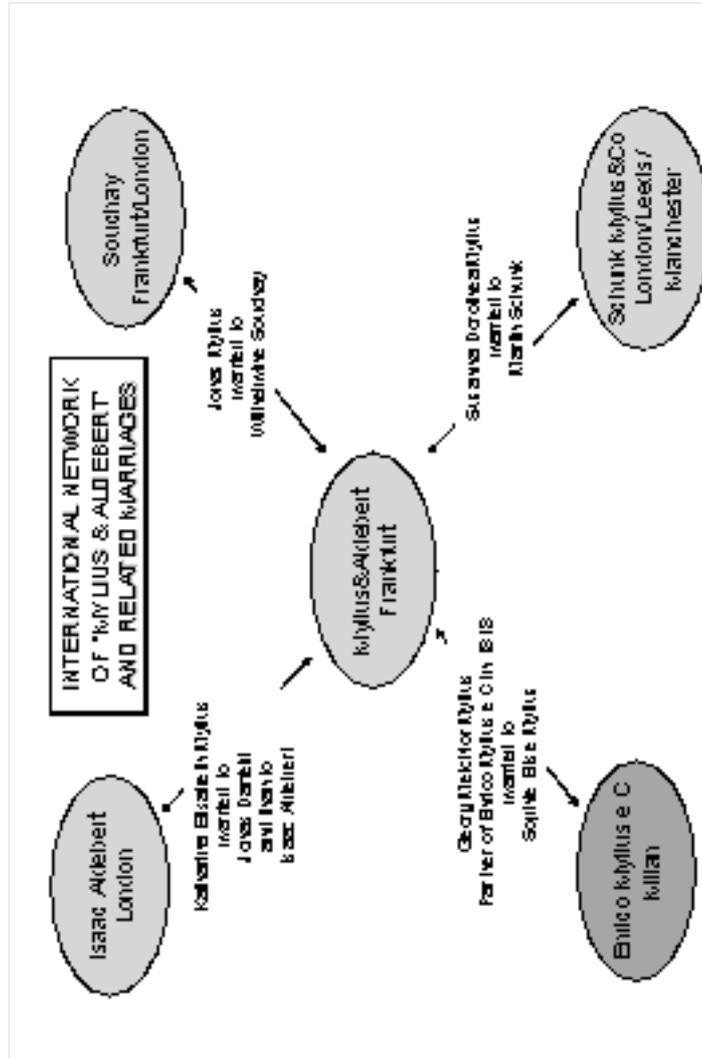
⁵⁵ Letter from Heinrich Mylius, 17 Mar. 1800, ABT, Fondo Famiglie, ad nomen.

⁵⁶ Archivio della Camera di Commercio di Milano (hereafter ACCM), voce 'Statistiche', years up to 1860.

⁵⁷ Udo Heyn, *Private Banking and Industrialization: The Case of Frankfurt am Main, 1825-1875* (New York, 1981), 123.

⁵⁸ 'Die franzoesische Revolution hatte Handelsverhaeltnisse herbeigefuehrt, die fuer Hamburg nicht guenstiger gewuenscht werden konnten.' From the

Figure 9.2 International network of Mylius & Aldebert and related marriages



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golden age. Smuggling became common practice. In Switzerland, Frères Merian smuggled extensively until the Neuenburg affair.⁵⁹ This extreme provocation was punished by prohibiting the import into France not only of English, but of all foreign cotton pieces. A *decret fatal*⁶⁰ pertaining to all Swiss and Rhineland producers consequently obliged them to reorganize their manufacturing facilities and capital investments. Merchants trading in English wares responded to French protectionism by simply rearranging routes and hubs to foster smuggling. The flexibility permitted by the limited partnership meant that this was easily done. For example, the affiliated families of Souchay, Schunk, Benecke, and Mylius ceased operating the original Mylius & Aldebert. They founded new firms and set up new production facilities in the south of Italy,⁶¹ as did many other Swiss merchant-manufacturers.⁶²

In order to attain a minimum degree of effectiveness, the Continental System thus had to become more and more stringent. In the end, the Edict of Fontainebleau, passed in October 1810, ordered the confiscation of all English and colonial wares throughout the entire French Empire. French infantry invaded Frankfurt, warehouses were searched, and all confiscated goods publicly burnt on the Pfingstweide.⁶³ Mayer Amschel Rothschild was fined 20,000 francs and von

autobiography of Ernst Wilhelm Arnoldi, manuscript (1840). Quoted by Hans Erkenbrecher, *Ernst Wilhelm Arnoldi 1778–1841: Gründer der Gothauer Versicherungsbanken* (Cologne, 1995), 2.

⁵⁹ Niklaus Stettler, Peter Haenger, and Robert Labhardt, *Baumwolle, Sklaven und Kredite* (Basel, 2004), 153–63.

⁶⁰ It was defined thus by a representative of the merchant house Burckardt & Compagnie in Basel. *Ibid.* 156.

⁶¹ The presence of Protestant families in the areas around Naples in the nineteenth century has been extensively studied by D. L. Caglioti, 'Imprenditori evangelici nel Mezzogiorno dell'Ottocento', *Archivi e Imprese*, 6/16 (1997), 245–81; *id.*, 'Minoranze e rivoluzione: I protestanti stranieri nel Mezzogiorno del 1848', *Passato e Presente*, 59 (2003), 37–61.

⁶² An example is the case of the Swiss merchant-manufacturer Johann Jacob Egg. Desperate after the tightening of the Continental System, he crossed the St Gotthard pass in 1812 with 200 workers and all his machines to relocate in Piedimonte near Naples. *Neue Deutsche Biographie* (Berlin, 1971), ad nomen: Johann Jacob Egg, 329.

⁶³ Johann Philipp Freiherr von Bethmann (ed.), *Bankiers sind auch Menschen* (Frankfurt am Main, 1973), 134.

Bethmann 360,000 francs.⁶⁴ Fires soon broke out in all major German cities: 'In Chemnitz the confiscated English wares were already being publicly burnt on 8 December. The same happened on 13 December in Naumburg, on 14 December in Dresden, on 18 December in Pirna, and so on in all the cities of Saxony where English wares had been found.'⁶⁵

In Milan, goods imported by Mylius were confiscated and burnt in November 1810.⁶⁶ Cesare Cantù wrote in his history of Lombardy's capital:

And then Napoleon decreed his Continental System, devised to ruin England, commanding all of Europe to renounce colonial wares. The effects of this gigantic madness were felt down to the poorest huts. Sugar and coffee became dramatically dearer, cotton and percale became luxuries, and we witnessed in the Piazza dei Mercanti the burning of entire smuggled bales, knowing that their import would have been permitted in exchange for the payment of large sums, so that in satirical pamphlets the mockery of this 'Emperor and King, merchant of sugar and coffee' became universal.⁶⁷

Milan's satires on Napoleon's Continental System were not unique. In Lipsia, Johann Gottlieb Elger, merchant-manufacturer and occasional poet, sang of the public burning of English goods in his city in a poem that cost him a brief imprisonment and a hard beating.⁶⁸ Mocking and laughter, however, were only one of the ways in which European merchants replied to French trade barriers. Merchant houses also responded to the extreme trade diversion by flexibly changing their investment strategies. The first choice remained the banking

⁶⁴ Niall Ferguson, *The House of Rothschild: Money's Prophets 1798–1848* (London, 1998), 58–9.

⁶⁵ C. Gretschel and Friedrich Bulau, *Geschichte des Sächsischen Volkes und Staates*, 3 vols. (Leipzig, 1853), iii. 620.

⁶⁶ Angelo Moioli, 'Enrico Mylius Negoziante e Banchiere', in Rosanna Pavoni (ed.), ' . . . rispettabilissimo Goethe . . . Caro Hayez . . . adorato Thorvaldsen. . . ': *Gusto e cultura europea nelle raccolte d'arte di Enrico Mylius* (1999, Venice), 31.

⁶⁷ Cesare Cantù, *Grande Illustrazione del Lombardo Veneto*, 6 vols. (Milan, 1855) i. 271, my trans.

⁶⁸ Gretschel and Bulau, *Geschichte des Sächsischen Volkes*, iii. 620.

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business. Nathan Rothschild established his bank in London in 1808 and left Manchester for good in 1811. In 1811 Heinrich Mylius also replaced his former subsidiary Mylius & Aldebert with Enrico Mylius e Compagni,⁶⁹ a banking establishment dedicated to silk trading.

In fact, throughout the years of French rule, the silk trade had grown steadily, while smuggling to England guaranteed enormous profits. Some years later, an economic encyclopedia candidly admitted:

In the Lombardo-Venetian Kingdom, including the Italian Tirolo, in good years, the annual production of silk amounts to 4,800,000 local pounds, or 3,600,000 Prussian pounds, which, calculating a minimum price of 21 francs to the pound, is worth 100,008,000 francs or 28,800,000 Reichsthaler. Two-ninths of this production go to local manufactories, the remaining seven-ninths are exported raw to Germany, England, France, etc. During the time of Napoleon's Continental System, the English price for Lombardy silk was 50 to 80 francs.⁷⁰

In the first decade of the nineteenth century, silk smuggling thus provided a profit on the normal price of between 150 and 400 per cent. In only a few years Mylius amassed a remarkable fortune. In 1808 he was able to buy a new headquarters for his firm at no. 1768 Via Clerici.⁷¹ The *comptoir* was on the ground floor, along with all the offices, administrative spaces, and a *fumoir* containing 162 pictures. The first and the second floors were occupied by reception rooms, spaces for entertaining, and the private rooms of the firm's partners and dependants.⁷² The cost of this remarkable building, situated in the centre of the Milanese bankers' and merchants' district, was 148,000 Italian lire, a sum that clearly reflects the firm's success during this turbulent period. Notwithstanding the suspicion of smuggling, a police report of 1809 on Mylius and one of his assistants, Hector Steinhausser, stated:

⁶⁹ Notifying Document, 1 July 1811, ACCM, registro ditte, ad nomen.

⁷⁰ Johann Georg Krünitz, *Ökonomisch-technologische Enzyklopädie* (Berlin, 1773–1858), ad vocem 'Seide'.

⁷¹ Notifying Protocol, 27 Sept. 1808, ACCM, registro ditte, ad nomen.

⁷² Baasner (ed.), *I Mylius-Vigoni*, 11.

The results of the information gathered on Messers Enrico Mylius and Ettore Steinhausser are favourable in every way and confirm their own declarations regarding their situation and their long residence in this capital. The first is principal of, and the second has an interest in, a merchant house that, for the nature of its affairs, the loyalty of its conduct, and the remarkable amount of funds it disposes over, has acquired a place amongst the most important of this exchange. Mr Mylius is married with children, and is one of the substitute judges of commerce in the Court of Appeal. He owns a beautiful building in Contrada de Clerici and a large property connected to a country estate in Sesto of Monza.⁷³

Heinrich Mylius was not the only one to assess the potential of Lombardy's trade successfully. The Napoleonic years and the entrepreneurial opportunities they generated lured another scion of an important banking family from Frankfurt, Ludwig von Seufferheld. While his brother Marquard continued the family business in Frankfurt, Ludwig founded his own firm, Luigi Seufferheld e Compagni, in Milan in 1810. Like Enrico Mylius e Compagni, Seufferheld's firm was set up as a merchant house dedicated to banking and the silk trade. Luigi Seufferheld e Compagni profited from the export of silk, but also acted as a venture capitalist, financing local limited partnerships making first attempts at silk processing. Heinrich Mylius, too, had integrated the silk trade with the production of silk thread, but instead of a limited partnership he had preferred to buy his own silk throwing mill in 1813 on the border with Piedmont. Thus equipped, both German entrepreneurs could profit from the gains of half a century of the increasing value of silk, silk production, and silk exports (see Table 9.4). For international merchant houses, the Continental System proved to be a challenge that they profitably mastered, more an opportunity for gain than the cause of losses. The only preconditions for success were flexibility in social structures and adaptability in investments and strategies. Successful networks were consequently able to expand their territorial influence and diversify their economic interests.

The impact of the Continental System on production facilities was

⁷³ ASM, fondo Albinaggio, parte moderna, busta 65, ad nomen (my trans.).

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Table 9.4 Annual quantity of raw silk produced in Europe or imported from other regions in the year 1834

Country	Quantity^a
Italy	12,853,333
France	2,362,500
Spain	3,500,000
Imported from Greece, the Greek islands, and Turkey	787,500
Imported from Bengal	2,137,500
Imported from China	900,000
Imported from Persia, comprising Russian provinces	1,687,500
Imported from Asia Minor	787,500
Total	25,015,833

^a Quantity is expressed in libbre milanesi piccole (100lb of Milan=32.68 kg).

Source: These statistics are reported in Eugenio Balbi and Adriano Balbi, *Miscellanea Italiana: Ragionamenti di geografia e statistica patria* (Milan, 1845), 251. The statistics themselves were collected by the economist and liberal Giacomo Giovanetti, *Della libera estrazione della seta greggia dal Piemonte* (Vigevano, 1834). On Giovanetti and his economic stance see Franco Della Peruta, *Uomini e idee dell'Ottocento italiano* (Milan, 2002), 63-4.

more mixed. Its economic regulations profoundly changed the comparative advantages of European cities and regions. The subsequent distortions caused huge costs for many manufacturers and labourers and wiped out entire production sectors in developed or developing regions. But they also diffused innovations to new productive locations. To survive in such an economic setting, manufacturers had to adapt, resorting to delocalization of production or entrepreneurial

migration. This phenomenon proved to be so widespread that John Rae could affirm: 'It is to the wars springing out of the French revolution, and the interruption to European commerce that they occasioned, that the first rise of many manufactures in different parts of the old and new world, which are now in a very prosperous condition, is to be traced.'⁷⁴

Cotton was no exception. In this manufacturing sector the raw material became scarce and precious. Securing the cotton supply was one of the main problems of the huge economic area under French rule. Entirely new routes had to be developed, mainly to the East through Italy, and new cotton-producing regions emerged. As we have already seen, the extended Mylius network, like many Swiss merchant houses, invested in new production facilities near Naples, where cotton was grown.⁷⁵ Giulio, the only son of Heinrich Mylius, frequently travelled to the south of Italy on business, but the trade with Naples, Sicily, and Malta, and through them with the East, was soon delegated to a branch of Enrico Mylius e Compagni set up for this purpose in Genoa. The network of the Hartmann family, whose production facility was in Milan, created its own supplying branch in Naples under the direction of Johann Paul's oldest son, Carlo.⁷⁶ Trieste became another hub for cotton trading and was therefore the destination of frequent business trips undertaken by members of the Hartmann and Mylius families. Trade flourished and consequently the networks of the Mylius and Hartmann families expanded.

Adam Kramer, for his part, had his own problems with his Milanese firm. Heavy taxation⁷⁷ and unrest among his workers obliged him to close his Cavalchina factory in the first years of French

⁷⁴ John Rae, *Statement of Some New Principle* (Boston, 1834), ch. 2.

⁷⁵ On this see D. L. Caglioti, 'Imprenditori evangelici nel Mezzogiorno dell'Ottocento', *Archivi e Imprese*, 8/16 (1997), 245–81; id., 'Minoranze e rivoluzione: I protestanti stranieri nel Mezzogiorno del 1848', *Passato e Presente*, 59 (2003), 37–61.

⁷⁶ The only documents relating to the Hartmann family in Milanese archives are in the Archivio di Stato di Milano, Albinaggio parte moderna, Cartella 52, and Archivio storico della Biblioteca Trivulziana di Milano, fondo Famiglie, ad nomen.

⁷⁷ ABT, Fondo Famiglie, Cartella 815.

rule.⁷⁸ And yet Napoleon privileged cotton printers with all possible state concessions. As a Milanese scientific journal later wrote: 'Napoleon conferred upon Oberkampf the Legion of Honour, saying to him that the war he was waging on the English was a good war.'⁷⁹ Faced with difficulties in providing the supplies his firm needed, Kramer obtained permission in April 1808 to import them from Switzerland, a rare exception to the Continental System.⁸⁰ Nonetheless, after the decrees of 1806 and 1807, Kramer had to reorganize his manufactories and change his network of affiliation. He did so by providing Milan with a new international link with a centre for manufacturing innovation: Mulhouse.

The original Kramer e Compagni ceased trading in 1807,⁸¹ losing all former limited partners and Hartmann who, as we have seen, set up on his own with his sons (see Table 9.2). Kramer immediately re-founded Kramer e Compagni with new partners and a statutory life of ten years.⁸² From then on, Kramer's limited partner was the same Frères Merian that had profited so heavily from smuggling. After 1806, it was looking for alternative investment opportunities. Instead of becoming a bank like other merchant houses, this Basel enterprise transformed its *Verlagssystem* into a network of interrelated participation in industrial ventures. It acted, for example, as a limited partner in the most important cotton printing enterprise in Mulhouse, Dollfus, Mieg & Compagni, and in the re-founded Kramer e Compagni (see Table 9.5).

The new network was fostered by cross-participation and human capital migrations. Dollfus, Mieg & Compagni itself became Adam Kramer's second limited partner, while Rodolphe Grossmann, once

⁷⁸ Letter from Kramer e Compagni to the municipality, 21 July 1796, ABT, Fondo Famiglie, Cartella 815.

⁷⁹ 'La storia delle stoffe di cotone stampate', *Annali Universali di Statistica, economia pubblica, geografia, storia, viaggi e commercio*, 21 (Sept. 1849), 271.

⁸⁰ The cotton sector in Milan under French rule is described by A. Moioli, 'L'economia lombarda fra tradizione e innovazione: Le manifatture', in Giovanni Luigi Fontana and Antonio Lazzarini (eds.), *Veneto e Lombardia tra rivoluzione giacobina ed età napoleonica: Economia, territorio, istituzioni* (Milan, 1992), 179-244.

⁸¹ As a limited partnership, Kramer e Compagni ceased to exist as soon as its partners changed. This change is documented in ASM, Notarile, 49390.

⁸² *Ibid.*

the general partner of Grossmann & Compagni (later transformed into Dollfus, Mieg & Compagni), became director of Kramer's new manufactory in Milan, la Pace.⁸³ The renewed channelling of Swiss merchant capital, the immigration of managerial capital, and adherence to an international network meant that Kramer was again able to transfer the latest production processes to Lombardy. The new facility, set up thanks to an injection of capital and Grossmann's expertise, included a roller printer and several other mechanical devices. So extraordinary was the factory of la Pace that it was publicly held up as an example of modernization by the Kingdom of Italy's Minister of the Interior in 1808.⁸⁴ Mechanization and networking were thus the response of Continental cotton printers to the disruptions caused by Napoleonic rule. Supply problems, modernization, and England's growing technological advantage were their main concerns,⁸⁵ while they set up linkages and business connections against the competition. This networking created a Europe-wide intellectual republic comprising managers, manufacturers, merchant houses, and the first professional chemists.⁸⁶

For example, on two different occasions, in 1789 and 1809, Oberkampf's nephews visited the major printing establishments around Basel and in Mulhouse, the manufactories of Koechlin, Hofer, and Dollfus-Mieg.⁸⁷ This cooperative behaviour was possible because Oberkampf had himself been an apprentice in Koechlin, Schmalzer e Compangi in 1756, before working in the Cottin manufactory and then establishing his own firm. In the following century Antonio, the son of Adam Kramer, could freely visit and study printing works in Switzerland, France, and England thanks to the networks created by his father and his own scientific education.

⁸³ Elisabeth Albrecht-Mathey, *The Fabrics of Mulhouse and Alsace 1750–1800* (Leigh-on-Sea, 1968), 19–20.

⁸⁴ Archivio e Biblioteca dell'Accademia delle Arti Lettere e Scienze (hereafter AAALS), Processo verbale dell'attribuzione de' Premj, Milan 1808.

⁸⁵ The data on Oberkampf and Dollfus-Mieg, reported in Table 9.3 for the years round 1804, compared with the productivity of other cotton printers, in particular Peel, are evidence enough.

⁸⁶ A. Neito-Galan, 'Networks and Peripheries: Jean-Francois Persoz (1805–1868) and the Republic of Chemist-Dyers', *Revue de la Maison Francaise d'Oxford* (2003), 33–50.

⁸⁷ Chapman and Chassagne, *European Textile Printers*, 142–4.

Table 9.5 Mechanization in Mulhouse and Milan through Basel capital

Firm	Year	Production/ Pieces ^a	Year	Workforce	Year	Cylinder printing	Year	Printing tables
<i>Kramer e Compagni</i> , Milan	1789	16,613	1791	c.200 ^b		X	1782–1807	45
<i>Kramer e Compagni</i> , Milan	1817	180 daily ^c	1817	673 (including weavers) ^d	1807	1	1817	78
<i>Dollfus, Mieg & Cie.</i> , Mulhouse	1804–5	34,000	1806	715 ^e	1806	1 ^f	1804	200 ^g

^a Output expressed in continental pieces (24 m or 26.3 yards).

^b Letter from Kramer e Compagni to the municipality, 21 July 1796 ABT, Fondo Famiglie, Cartella 815.

^c Article in *Gazzetta di Milano*, 122 (1 May 1820), ACCM, Atti della Camera di Commercio di Milano riguardanti le manifatture di cotone.

^d Ibid.

^e Nicolas Schreck, 'Dollfus, Mieg et Cie: Histoire d'une grande industrie cotonniere des origines a la premiere guerre mondiale', collection, *DMC patrimoine mondiale?* (Colmar, 2006), 32.

^f Ibid. ii. 15.

^g Ibid.

Personal ties between former employer and employees, those of Oberkampf like those of Kramer, Grossmann, and Hartmann, merged into international networks of technological knowledge, an evolution of the *Verlagssystem* that became a unique source of innovation and capital diffusion in nineteenth-century Europe. The faith implicit in these ties remained binding over time, often generated international capital investments, spread innovation, and always decreased the impact of competition at times of economic uncertainty. Technological networks, then, like merchant networks, were a source of social capital. Both were equally important in triggering entrepreneurial migrations and fostering the mobility of productive factors. Through the operation of all these networks, the European economy acquired the capacity to adapt to sudden and unforeseeable institutional and political changes with a high degree of flexibility. Not only were trade routes shifted, new mercantile hubs created, and new markets opened, but production facilities were delocalized, factors of production moved, and technologies perfected and diffused. The growing economic activity and innovation on the Continent between the eighteenth and the nineteenth century was mainly due to these 'entrepreneurial networks'.

Education, Science, and Technological Innovation

Adam Kramer's response to uncertainty was networking and innovation, a trait common to all those technicians who, in the secular process of European industrialization, left their countries of origin to migrate to other locations and set up their own manufactories. Technical knowledge was equally precious to governments and investors, and formed the personal capital upon which these young men built their fortunes. A love of science and a keen eye for its industrial use were thus a legacy which men like Adam Kramer left to the younger generation. A scientific education soon became an indispensable tool, along with the traditional commercial apprenticeship, in shaping merchants and manufacturers. Schooling had to adjust to this new perceived need. Innovation was thus transferred from manufacturing to the education sector, which was still largely under religious control.

Giulio Mylius and Antonio Kramer both attended the Privat-

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Lehranstalt für die Kinder aus den höheren Ständen in Elberfeld,⁸⁸ one of the best educational establishments in Protestant Germany.⁸⁹ This innovative school was open to girls and boys, and its usual course of studies lasted two years. Under the direction of the educationalist Johann Friedrich Wilberg,⁹⁰ children were taught German, French, English, natural sciences, history, geography, mathematics, drawing, and, on request, accounting and Italian: commercial subjects and *Realien*,⁹¹ instead of the predominantly theological subjects taught at other Protestant schools. After these preliminary years, girls completed their studies at college, while boys began a practical apprenticeship in commercial enterprises. All the children thus received an education that equipped them to understand the functioning of the firms they were going to inherit or marry into. This was a radical departure from existing *cursi studiorum*, and fulfilled the wishes and practical requirements of the families financing the new school in Elberfeld. The pursuit of a new and dedicated course of studies reflects the growing self-awareness of the international business elite to which Kramer and Mylius belonged. It was not confined to Elberfeld. In each hub of activity where they were present, members of international networks financed initiatives like Wilberg's school,⁹² and

⁸⁸ On this school founded by the merchants and textile manufacturers of Elberfeld in 1804 see Hans Peter Füssel and Peter M. Roeder, 'Recht – Erziehung – Staat', in eid. (eds.), *Recht – Erziehung – Staat: Zur Genese einer Problemkonstellation und zur Programmatik ihrer zukünftigen Entwicklung* (Weinheim, 2003), 16–18.

⁸⁹ 'Il professore Antonio de Kramer-Cenno Biografico', *Il Crepuscolo*, 4 (1853), 626.

⁹⁰ The revolution consisted not only in removing the educational sector from the sphere of religious influence, but also in treating male and female students equally and introducing some new subjects. For this reason Wilberg was one of the most representative German educationalists. Many of his teaching principles are still valid today. For example, in 1821 he wrote: 'It is not the amount of knowledge of various sorts acquired . . . that determines the value of the school, but whether its pupils can find things out for themselves, and thus have learned to learn.' Johann Friedrich Wilberg, *Die für die Elementarschulen nothwendigen und genügenden Schulübungen* (Elberfeld, 1821).

⁹¹ In German-speaking countries *Realien* refers to subjects dealing with the real world, such as biology, geography, and mathematics, as opposed to language-based subjects.

⁹² Gunther Herbert Zander, 'Gründung der Handelshochschulen im deut-

contributed decisively to the establishment of polytechnics and *Handelshochschulen*.

But education was only one of the social dimensions deeply influenced by nineteenth-century merchants, technicians, and manufacturers. The new economic elite also sought political recognition and social acceptance, and its migrating members took these concerns with them to their new places of residence all over Europe, and even in the distant colonies. While their children were receiving an appropriate education in Elberfeld, Adam Kramer and Heinrich Mylius actively participated in the political life of Milan. The Napoleonic reforms had opened up a specific space in Lombardy for representatives of the mercantile class and the two German entrepreneurs knew how to make good use of it. Kramer first became an elector on the Board of Merchants,⁹³ and then, in 1802, a member of the town council.⁹⁴ He was Vice-President and, in 1805, President of the Chamber of Commerce. In 1806 he was appointed by the Ministry of Justice to the commission for the revision of the Commercial Code, and in 1812 to the General Council of Commerce, Arts, and Manufactures.⁹⁵ On 7 January 1811 he was awarded the Imperial Order of the Iron Cross.⁹⁶ In 1813 Kramer's political career culminated in his appointment as President of the Court of Commerce.⁹⁷

The long list of public offices Kramer held reflects the influence which this merchant–manufacturer from Essenheim had on the conservative and not very entrepreneurial Milanese business elite that Jagemann had depicted at the turn of the century. He was an 'example of capacity and entrepreneurship',⁹⁸ as perceived by Cattaneo. Only a few years after his death in 1815, his sons petitioned the restored Austrian government for the family's ennoblement:⁹⁹ 'for

schen Kaiserreich (1898–1919)' (Ph.D. thesis, University of Cologne, 2004), 27.

⁹³ 'Il professore Antonio de Kramer-Cenno Biografico', 155.

⁹⁴ Levati, *La nobiltà del lavoro*, 76.

⁹⁵ Id., 'Negozianti e società a Milano tra Ancien Règime e Restaurazione', *Società e Storia*, 61 (1993), 517.

⁹⁶ ASM, Araldica, Parte Moderna, Cartella 228.

⁹⁷ Emanuele Pagano, 'Consiglio comunale e notabilato a Milano nell'età napoleonica', in Fontana and Lazzarini (eds.), *Veneto e Lombardia*, 545.

⁹⁸ Cattaneo, *Notizie culturali e civili*, p. xcvi.

⁹⁹ On the raising to the nobility of the Kramer family see Levati, 'Negozianti e società', 523.

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constant and lively engagement in promoting the prosperity of national industry and commerce.¹⁰⁰ Against the unanimous and negative vote of the Heraldry Commission, which consisted of local noblemen, Carlo Kramer and his brothers received the right to call themselves and their descendants 'de Kramer'. This constituted a veritable revolution for the Milanese aristocracy – *negotium*, innovation, and entrepreneurship as reasons for ennoblement, and nobility gained by maintaining the family business! This was a long way from the flight of entrepreneurship into nobility grimly reported by Jagemann and Cattaneo. Even after their ennoblement, Carlo, Francesco, Antonio, and Federico de Kramer maintained the paternal firm and, thanks to their education, extended its activities, opening Lombardy up to a whole series of new manufacturing opportunities. Carlo was both a passionate mechanic (like his father) and a chemist; Antonio was Lombardy's most important chemist for half a century; and Francesco was an engineer, as was Carlo's son Edoardo. The sons of Adam Kramer lived for their father's ideals: science applied to industry, entrepreneurship and innovation, political engagement – the nobility of work.

Heinrich Mylius followed Adam Kramer as leader of the new and enterprising Milanese economic elite. He was Imperial Royal Counsellor, Knight of the Imperial Royal Order of the Iron Crown, and Vice-President of the Chamber of Commerce.¹⁰¹ But above all, he was the founder and soul of the Society for the Encouragement of Arts and Crafts,¹⁰² an institution devoted to the diffusion of science applied to industry and to human progress, which nurtured men such as Battaglia, founder of *Eco della Borsa*, the most important Milanese economic journal; Cattaneo, voice of the industrialist intellectuals and founder of *Il Politecnico*; Colombo, inspirer of what was to become the Polytechnic University; and later Pirelli, entrepreneur in the innovative rubber sector. Through his society, Mylius called into life an intellectual republic that comprised journalists, entrepreneurs, and scientific promulgators under the motto: 'The best way to

¹⁰⁰ ASM, Araldica, parte moderna, Cartella 122.

¹⁰¹ The news of Mylius's election was reported in *L'Eco della Borsa*, 11 Oct. 1838.

¹⁰² On the Society for the Encouragement of Arts and Crafts, see Carlo G. Lacaita, *L'intelligenza produttiva* (Milan, 1990).

favour industry is to enlighten it through education, severing every contact with old habits and making it capable of using every invention of genius to its advantage; but to instruct the artisans it is necessary to gather them all together and put them in touch with scholars, funding the alliance of practice and theory.¹⁰³

The principal aim of this intellectual republic was indeed the economic development of Lombardy, an end to be achieved by the application of science to industry and agriculture and the dissemination of education and innovation. In a speech as President of the Society, Mylius again underlined the necessity of creating an educated and specialized workforce and stimulating the innovative capacity of entrepreneurs. 'The arts favoured in their development by the inborn intelligence of this industrious population', he declared, 'must yet be aided by the diffusion of enlightenment, encouraged through the stimulus of emulation, aided by the advantages of merit recognized and widely known.'¹⁰⁴ Mylius's intellectual republic was thus formed by those noblemen, merchants, and intellectuals who rejected the views of the region held by the conservatives and agriculturalists and worked instead for its industrialization through innovative entrepreneurship and a scientific and practical education open to all. These were not merely words; throughout his long life Mylius constantly financed innovative enterprises.

In one case this sort of venture capital there was an intervention within his own family. Mylius's only son, although raised as a merchant, was an enthusiastic mechanic who applied all his knowledge to the development of an innovative system of silk threading and reeling. The manufactory in Boffalora, acquired by Heinrich in 1813, became the laboratory for the experiments conducted by his son Antonio Kramer. The throwing mill remained an unprofitable venture for a long time because all parts of the production process were new, and the aim was for the end product to be of outstanding quality. In spite of initially negative results, Heinrich Mylius continued to finance the mill for over thirty years and in the end the two young-

¹⁰³ Report by the President (Heinrich Mylius), 29 Mar. 1842, Archivio della Società d'Incoraggiamento, Cartella 17. Quoted by Carlo G. Lacaita, 'La Società d'incoraggiamento d'Arti e Mestieri di Milano', in Baasner (ed.), *I Mylius-Vigoni*, 35.

¹⁰⁴ *Allocuzione di ringraziamento pronunciata da Enrico Mylius alla Società d'Incoraggiamento d'Arti e Mestieri* (Milan, 1844).

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sters, thanks to their mechanical and chemical knowledge, set up a silk manufactory, operated by water power, that was seen as a model throughout northern Italy, and was imitated exactly in Prussia.¹⁰⁵ This would have been impossible without the merging of venture capital of merchant origin and technological and scientific skills: the trademark of the innovative capability of international networks.

The presence of immigrant entrepreneurs and merchants made Milan a hub of international networks as well as a centre of innovation and industrial excellence at European level. After half a century of technological transfer from abroad, the Mylius family and Antonio Kramer reversed the flow of innovation and exported locally developed technology to far away Prussia.

Entrepreneurial Migrations and Economic Development

The silk manufactory in Boffalora and the roller printing manufactory in la Pace were the first innovative ventures set up by German entrepreneurs in Milan, and had to be self-financed or completely financed by foreign capital. But soon, the 'examples of capacity and entrepreneurship'¹⁰⁶ set by people such as Adam Kramer and Heinrich Mylius meant that the intellectual republic gathered round innovative initiatives grew larger and larger. Thanks to the Napoleonic reforms, never completely reversed by the subsequent Austrian restoration, this republic gained visibility and received huge capital inflows from income redistributions as a result of the economic disorder produced by military and economic wars. Thus from the 1820s onwards, when Carlo and Antonio Kramer, Heinrich Mylius, and French or Swiss entrepreneurs proposed new ventures, they never again had to resort completely to foreign capital, invariably finding eager investors amongst local noblemen and merchants. By this time the Milanese mercantile class was capable of financing insurance companies, the textile and mechanical sectors, sugar refineries, and the first railway lines. Only the setting up of a joint-stock bank,

¹⁰⁵ Johann Georg Krünitz, *Ökonomisch-technologische Encyklopädie oder allgemeines System der Land-, Haus-, und Staats-Wirtschaft: in alphabetischer Ordnung*, 242 vols. (Berlin, 1773–1858), clii, 398.

¹⁰⁶ Cattaneo, *Notizie culturali e civili*, p. xcvi.

repeatedly proposed by Carlo Kramer, Mylius, and Mirabaud, failed because of political objections on the part of the Austrian government.

In all these innovative initiatives, foreign and in particular German entrepreneurs were in the forefront, financing ventures and guaranteeing the influx of adequate human capital and technological knowledge. In the insurance sector, for example, Heinrich Mylius gathered the most important merchant-bankers of Milan together in 1824 as shareholders in the *Compagnia di assicurazione contro i danni degl'Incendi, sulla Vita dell'Uomo e per le Rendite Vitalizie*,¹⁰⁷ one of Milan's first joint-stock companies. Carlo Kramer received a concession to set up a mutual fire and life insurance company, *Stabilimento di assicurazione mutua sulla vita e contro gli incendi per tutte le province della Monarchia*, a project later abandoned as the market was too limited for such an initiative. He then opened the Milanese agency of the I. R. *Azienda Assicuratrice di Trieste*,¹⁰⁸ and in 1827 founded the joint-stock company *Società di compensi vicendevoli pei danni della grandine* with the most innovative Milanese noblemen, including two of his brothers-in-law.¹⁰⁹

The international and local networks to which the Kramer and Mylius families belonged profited from these initiatives. As the list of shareholders of the *Compagnia di assicurazione contro i danni degl'Incendi, sulla Vita dell'Uomo e per le Rendite Vitalizie* in 1828

¹⁰⁷ The first investors in the company were all Milanese merchant and bankers: Giacomo Amat, Carlo Bignami, Pietro Bourdillon, Fratelli Ceriani di Giuseppe, Fratelli Gavazzi e Quinterio, Pietro e Fratelli Marietti, Mirabaud e Compagni, Enrico Mylius e Compagnie, and Giovanni Battista Negri. 'Statuto Organico e regolamento amministrativo della Compagnia di Assicurazione contro i danni degli incendi sulla vita dell'uomo e per le rendite vitalizie, eretta in Milano coll'approvazione dell' I. R. Governo'. ACCM, registro Ditte, ad nomen.

¹⁰⁸ All data on the insurance sector in Milan was taken from local guides such as *L'interprete Milanese* (1830) and *Utile giornale o Guida di Milano* (1830).

¹⁰⁹ The other investors were: avv. Gerolamo Amadeo di Como, Principe Emilio Belgioioso, Antonio Bolla propr. A Como, Conte Gilberto Borromeo, Conte Alessandro Besozzi, Conte Carlo Cicogna, Barone Francesco Cornalia, Francesco De Luigi, Conte Emanuele de Kevenhüller, Conte Giulio Ottolini Visconti, Ing. Prof. Carlo Paganini, Ing. Marco Pezzini di Cremona, Conte Gabriele Verri, Conte Bartolomeo Vidoni de Soresina di Cremona, and Marchese Alessandro Visconti d'Aragona. *L'interprete Milanese* (1830).

German Entrepreneurs and the Industrialization of Milan

shows (see Figure 9.3), two years after its foundation the company's shares were in the hands of members of the Mylius family scattered all over Europe, Milanese noblemen and merchants (Balabio Besana e Compagni, for instance, was owned by a family doubly related to the Kramers by marriage), immigrant entrepreneurs such as Seufferheld, and foreign firms located in France, Switzerland, and the German states. Or again, as in the case of the Dufays, whom Heinrich Mylius mentions in a letter to Simon Moritz von Bethmann as a family from Frankfurt that was setting up a competing network between Germany and England, such feared competition apparently evolved into a relationship of trust and joint investments. This kind of bond also existed between the Mylius and the von Bethmann family. Mylius himself offered shares in his newly founded insurance company to Simon von Bethmann. 'Our Insurance Company' he wrote on 16 November 1825, 'is soon to start its operations, and I delighted in the decision of the Board of Directors to make a part of the remaining shares available to foreign friends at issue price, that is, at the same cost and under the same conditions as for the founder of the Company. Your Excellency was surely informed of this issue by Mr Mirabaud and has already placed the desired orders directly with him?'¹¹⁰ Thus international networks like those of the Kramer, Bethmann, Mylius, and Dufay families actively promoted within themselves the best initiatives in their hubs of reference, creating an international circulation of capital that heightened profitability and reinforced international interrelations.

Insurance was only one of the sectors in which the presence in Milan of German entrepreneurs and their networks hastened innovation. Another example of the innovative capacity of international entrepreneurial networks was the manufacturing of mechanical equipment. While the Kramers developed and sold mechanical devices,¹¹¹ and patented new productive processes, Heinrich Mylius and, after his death, his family were for half a century shareholders

¹¹⁰ Letter of 16 Nov. 1825, quoted in Pavoni (ed.), . . . *rispettabilissimo Goethe*, 173.

¹¹¹ On a stove for nurturing silk worms see F. Dossena, 'Istruzione sull'uso pratico della stufa per la nascita dei bachi da seta di recente invenzione dei Sigg. De Kramer', *Giornale agrario lombardo-veneto*, 2nd series, 13 (May 1840), 293-5; and on a mechanical device for silk reeling see 'Modo di trarre la seta a trama filata', *Il Politecnico*, 1st series, 4 (Nov. 1840), 471-2.

in the Fonderia in ferro ed altri analoghi opifici, the first mechanical manufactory in Milan, also called Elvetica. Recent studies have rehabilitated the reputation of this historical Milanese enterprise, pointing to its innovating role and profitability.¹¹² The confusing and continuing changes in its direction and name were typical of the limited partnership scheme and not, as has been often thought, a sign of failure. Most silent partners remained faithful to the firm, while directors and general partners changed along with its name.

Up to 1879 all the general partners or directors of Elvetica were foreign immigrants, representing human and entrepreneurial capital from France, Switzerland, and Germany. They used the partnership in Elvetica to gather knowledge of the local market and weave networks of trusts with the local business elite; then they usually left the firm to found a venture of their own. This was the case, for example, with the German engineer Bauer and the Swiss engineer Schlegel. Contrary to what happened with Mylius's participation in the insurance sector, which he used to direct foreign capital to Milan and export high yields, his participation in Elvetica served instead to funnel foreign human and entrepreneurial capital into the city. Both of these effects intensified with the passing of time. Through international networks of merchant origin, foreign capital acquired access to the best investment opportunities, while a foreign workforce, whose migration was fostered by the same networks, occupied the specialized positions created by growing mechanization in all sectors and firms. So pervasive was this foreign intervention that Stefano Iacini wrote in 1856: 'Foreign capitalists have taken possession of our railways, the navigation of the River Po, and, what is more important, of part of our most important source of trade and industry, silk.'¹¹³

In fact, there were enough German entrepreneurs in Milan in the last decades of the nineteenth century¹¹⁴ to justify the establishment in 1871 of the *Deutscher Hilfsverein Mailand*. This association was founded by Federico Mylius, a descendant of Heinrich, with two principal aims: to help immigrant labourers who ran into problems;

¹¹² On this see Stefania Licini, 'Dall'Elvetica alla Breda: Alle origini di una grande impresa milanese (1846-1918)', *Società e Storia*, 63 (1994).

¹¹³ Stefano Iacini, *La proprietà fondiaria in Lombardia* (Milan, 1856), 273.

¹¹⁴ Anne Schreiber von Oswald, 'Le iniziative economiche degli imprenditori tedeschi a Milano (1882-1914)', *Annali di storia dell'impresa*, 5/6 (1989-90), 269-97.

Table 9.6 Members of Deutscher Hilfsverein Mailand grouped by profession

Profession	1885	1887
Hotelier	1	3
Banker	4	5
Procurator	3	
Merchant in:		
luxury goods	2	4
common goods	3	5
TOTAL	5	9
Representative and Commissioner		
in chemicals	1	2
in machines and mechanical devices	3	3
in textiles	4	4
in manufactures	2	
generic goods	9	24
TOTAL	19	33
Entrepreneur		
mechanical sector		2
textile sector	1	2
lithographic sector	1	3
chemical sector	1	
other		6
TOTAL	3	13

and to maintain the German cultural heritage in the generations born outside Germany.¹¹⁵ To these ends financial help was provided to families in need, and the association funded and supported the German School in Milan.¹¹⁶ The association's list of members is interesting, reflecting as it does the composition of the German community in Milan (see Table 9.6). The minority of descendants of the first German immigrants, now in the third or fourth generation, was joined by a majority of commercial representatives of German firms and a number of entrepreneurs. This last group grew most significantly in the years under consideration here because representatives and commissioners often founded enterprises of their own, while immigrant engineers, who were now qualified managers in local enterprises, eventually founded their own firms.

International trade and technical qualifications thus once again gave rise to entrepreneurial activity and innovation on the part of German immigrants. The continued importing of technological knowledge, entrepreneurial skill, and financial capital arising from the operation of merchant networks and reinforced by the web of relations created locally by the first immigrants meant that by the end of the century, Lombardy was able to overcome its comparative industrial disadvantage.

Conclusion

Trade, as defined by the flow of goods, limited Lombardy to an enriching agricultural specialization throughout the nineteenth century. Growing exports of silk, cheese, and wheat guaranteed a rate of profit which was not comparable with that generated by manufacturing, thus attracting capital and entrepreneurial capabilities. To reverse this economic trend required active state intervention, entrepreneurial migrations, and supportive merchant networks.

Entrepreneurial migrations followed the lure of government protection on trade routes set up by merchants. Thus specialized capabilities and entrepreneurial spirit were brought to Lombardy where

¹¹⁵ *Satzungen des Deutschen Hilfsvereins in Mailand* (Milan, 1890).

¹¹⁶ Erika Pichler (ed.), *Deutsche Schule Mailand 1886–1986: Festschrift zum hundertjährigen Bestehen* (Bolzano, 1986).

they could successfully exploit local opportunities in emerging sectors such as cotton printing, silk production, and insurance. To guarantee the long-term profitability of their ventures, foreign entrepreneurs actively supported and financed technical schooling and specialized training. They also encouraged the institutionalization of the Chamber of Commerce as the political voice of the merchant elite. In so doing they generated a social capital of technical innovation and economic modernization which made the financing of first mechanical ventures possible, although they generated less profit than the traditional silk industry.

The presence in Milan of such an active group of foreign entrepreneurs facilitated a successive chain migration that enriched Milan with entrepreneurial talent in traditional and innovative sectors. Kramer, Hartmann, Mylius, and all the other foreign entrepreneurs who followed them during the nineteenth century thus achieved what Cattaneo had thought almost impossible: an almost complete change in the social and economic structure of Lombardy as a precondition for industrialization. After unification, the erstwhile Arcadia was by far the most advanced region of Italy, well prepared to lead the development of the newborn state.

Gunpowder Manufacturers and the Office of Ordnance,
1793–1815

GARETH COLE

Introduction

Since the publication in 1989 of John Brewer's *The Sinews of Power*,¹ much has been written about the British fiscal–military state in the eighteenth century.² However, the vast majority of this literature concludes with the American War of Independence and does not examine the period of the Great Wars (1793–1815). This is a major omission; the Great Wars, in many ways, saw the fiscal–military state at its greatest extent. The three branches of the armed forces, the army, the navy, and the Ordnance, all saw their budgets grow to previously unthought-of levels. The National Debt also increased to levels never seen before. This essay examines one of the many characteristics of the fiscal–military state, namely, the relationship between the state and its private contractors. It will focus on the Office of Ordnance and gunpowder manufacturers, although in order to contextualize this relationship it will also touch on other Ordnance–private relations in the period. Iron ordnance and gun carriages will be mentioned in this context. This essay will show that during the Great Wars, the Ordnance became increasingly less reliant on private gunpowder manufacturers as it increased state production. However, the increases in state manufacture should not be overstated. Only in certain articles did the Ordnance develop its own resources; the vast majority used by the armed forces in the Great Wars were manufac-

¹ John Brewer, *The Sinews of Power: War, Money and the English State, 1688–1783* (London, 1989).

² For an older overview of these works see Huw Bowen, *War and British Society, 1688–1815* (Cambridge, 1998). For more recent works see the introduction to Stephen Conway, *War, State, and Society in Mid-Eighteenth-Century Britain and Ireland* (Oxford, 2006).

tured by the private sector. These other stores will also be mentioned in order to contextualize the story of the powder merchants. As part of this discussion, the contracting system within the Ordnance will be briefly discussed. In addition, the reaction of the merchants to the end of the wars will be examined.

During the Great Wars of 1793 to 1815 the Office of Ordnance was responsible for supplying the armed forces with all their weaponry and associated stores. This essay will show that throughout the conflicts, the Ordnance successfully managed the task of keeping the merchant suppliers content (if not happy) and keeping up a steady supply of increasingly higher quality powder to the navy (and army, but this will not be discussed in this essay).

As stated, the Office of Ordnance was responsible for supplying the armed forces with, among many other articles, gunpowder. In order to understand the various relationships, an understanding of the structure and organization of the Ordnance itself is needed. The Office was headed by the Master-General, a senior general who, in the period under discussion, was also in the Cabinet. However, he was rarely, if ever, involved in the contracting process, most of his time being taken up by his commitments as colonel-in-chief of the Royal Artillery and Royal Engineers. The contracting was, in fact, overseen by the Board of Ordnance which consisted of the Lieutenant General, the Surveyor General, the Clerk of the Ordnance, the Principal Storekeeper, and the Clerk of Deliveries. Any three of these could form a Board. Here we see a division of responsibility in the Ordnance hierarchy between the military side and the civil side. This essay, although it discusses military stores, actually examines the role of the civil organization of the Ordnance.

Each of the Principal Officers also ran their own sub-office. Of these, the Office of the Surveyor General was the most important for this essay because it was here that all the Ordnance Bills and debentures were examined and passed for payment. Indeed, James Hadden, Surveyor General between 1804 and 1810, while giving evidence to the Commissioners of Military Enquiry stated that he saw himself as 'taking a very considerable lead' amongst the principal officers in the handling of contracts 'from the knowledge which I am naturally supposed to have acquired from my perusal of the Bills'.³

³ British Parliamentary Papers (hereafter BPP) 1810–11 (32), *Commissioners of Military Enquiry: Thirteenth Report (Master-General and Board of Ordnance)*,

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However, the role of the Surveyor General did change with the personality of the incumbent. Hadden was clearly a conscientious officer who committed to the position and he stopped all his regimental duties as a Royal Artillery officer. In contrast, the first Surveyor General of the Wars, George Berkeley, did not give up his naval career. At the time, he was a captain in the Royal Navy and concurrently with holding his Ordnance position also commanded HMS *Marlborough*, a 74-gun ship, in the Channel Fleet. In fact, he was badly wounded on board at the Glorious First of June. Berkeley could not have been as efficient and as knowledgeable as Hadden when it came to contracts and Ordnance Bills.

In addition to these men, the most important figure in the supply of powder was the Comptroller of the Royal Laboratory. Only two men held this position during the wars, Sir William Congreve the Elder and his son, Sir William Congreve the Younger. These men reported to the Board, not to the Master-General. The Congreves are important in the story because after 1802 the Comptroller was in charge of all aspects of powder supply. The autonomy afforded to these men must be emphasized because just as Hadden saw himself as the senior official expert on contracts, the Congreves can be seen as the Ordnance officials' experts on gunpowder.

Although not nearly as well known, it is necessary to mention in passing the numerous clerks and junior officials who also contributed to the successful supply of powder to the armed forces during the wars. It is these unsung men who made up the contracts, ledgers, and so on, and became a permanent administrative service supporting the work of the Ordnance.

The lack of records means that less is known about the other side of the network being examined, the private gunpowder manufacturers. Jenny West's book, *Gunpowder, Government and War in the Mid-Eighteenth Century* gives an overview of the people and personalities involved up to the Great Wars.⁴ Little can be added to this account. However, it is necessary to note that the number of manufacturers was comparatively small because of the complexity of powder man-

App. 12, Examination of Colonel James M. Hadden, Surveyor General of the Ordnance; taken upon oath, 10 Apr. 1810, 132.

⁴ Jenny West, *Gunpowder, Government and War in the Mid-Eighteenth Century* (London, 1991).

ufacture and the capital investment needed to keep a mill working, especially during peacetime. This will be examined in more detail below. West writes that only ten mills supplied the Ordnance with powder during the Seven Years War. Current research has shown that there were five main suppliers at the start of the Great Wars; by 1813 this figure had risen to eight. Thus, there were few suppliers, and this contributed to some of the problems and discussions that will be mentioned below. As far as major stores were concerned, this number of contractors was not small. The number of iron ordnance manufacturers can also be counted on the fingers of one hand, the main ones being Walkers and Carron.

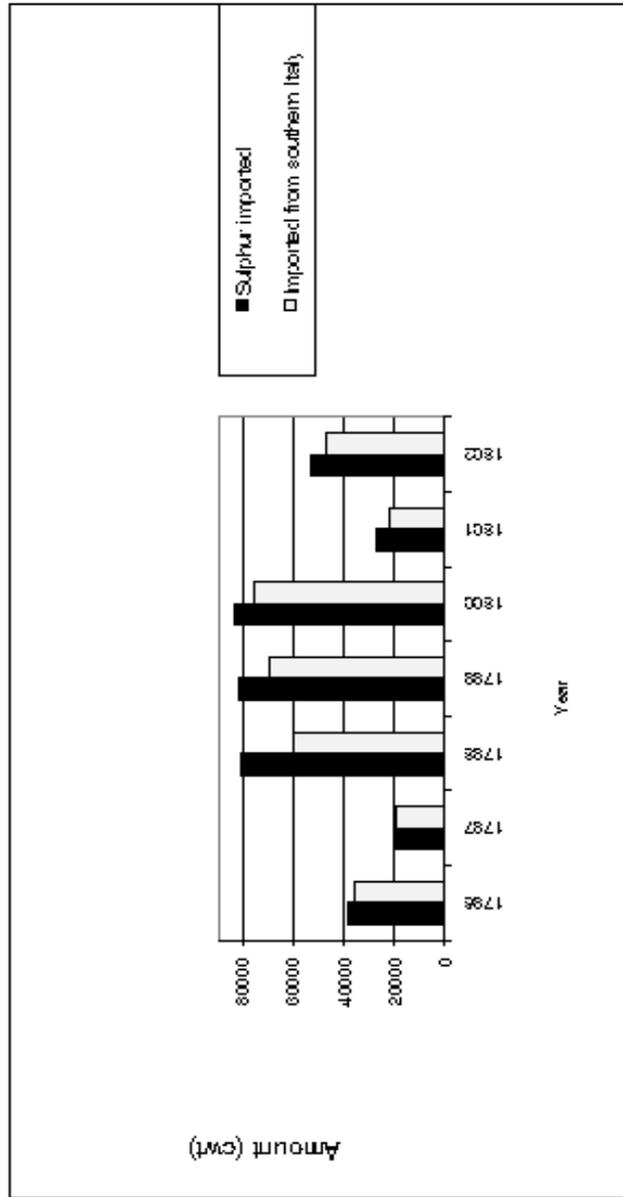
Gunpowder Ingredients and their Sources

Gunpowder itself is made up of three constituent parts: saltpetre, sulphur, and charcoal. Saltpetre was imported from India by the East India Company; sulphur was imported mainly from Sicily and southern Italy; and only charcoal was sourced from the British Isles. Thus, imperial trade links were important. If these had broken down, the British war effort would have been severely hindered. This point should not be underemphasized. During his tenure as Master-General, the Duke of Richmond ordered the building of a warehouse to store sulphur in case trade links were broken by hostile activity.

These links also show the importance of the private sector to the state sector and the networks that were involved within this. The Ordnance did not own any vessels capable of transporting either sulphur or saltpetre over the long distances necessary to import them. These all had to be contracted out. As mentioned, the saltpetre was brought to Britain in the hulls of East Indiamen; sulphur was brought by other private merchants. Unfortunately, little is known about the workings of the trade from Sicily, but this is worthy of a full study in itself. If the links from the Mediterranean had broken down, the production of powder would have been severely hampered. Fortunately, the navy was forced from the Mediterranean only for a very short period between 1796 and 1798. Figure 10.1 shows the small amount of sulphur imported in 1797 following this withdrawal.

As a comparison, in 1792 (a year of peace) just over 51,000 cwt of sulphur was imported, of which 48,243 came from Italy. By 1807 the

Figure 10.1 Amount of sulphur imported into Britain, 1796–1802



Source: The National Archives, London (TNA) CUST 17/18-24.

imports were approximately 86,500 cwt (60,000 from Italy and 26,000 from Malta). The importance of the Mediterranean supply routes is therefore obvious. Comparative figures for saltpetre have not been included because almost the entire supply was carried by the East India Company. Once the raw materials had arrived in the country, the Ordnance sent the merchants saltpetre on payment of a deposit, but they were expected to procure the sulphur and charcoal themselves, once contracts had been signed.

As regards supply, the situation in France was very different. Charcoal and sulphur were easily available, the sulphur coming from Italy. However, saltpetre was harder for the French to obtain. With the loss of their Indian colonies in the wars of the eighteenth century, they did not have access to the same supplies of saltpetre as the British. This led to a number of supply problems, described by Robert Multhauf.⁵ The importance of the imperial trade links and networks cannot be overstated when it comes to gunpowder supply. This small case study is further evidence of the usefulness of the empire to Britain in its wars against the French.

The Contracting System

One of the most important aspects in the links between the state and the private sector was the contracting process. Without this the whole supply system might have collapsed, or the state would have had to pay more for the same services. The historian of the Ordnance and its links with the private sector is fortunate that the Commissioners of Military Enquiry reported on the Ordnance in their twelfth to seventeenth reports between 1810 and 1812. These provide valuable information about the workings and organization of the Office, especially in the process of contracting.

By the period under discussion, all Ordnance stores and articles with the exception of local shipping and stores which were state manufactured were tendered out. The tendering process was straightforward. For the vast majority of stores, an advertisement was placed asking for tenders to be sent to the Office by a particular

⁵ Robert Multhauf, 'The French Crash Program for Saltpeter Production, 1776-94', *Technology and Culture*, 12/2 (Apr. 1971), 163-81.

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date.⁶ When asked by the Commissioners whether '[it is] required that the parties should attend, and deliver in their Tenders at the same time?' Robert Crew, Secretary to the Board, answered in the positive. He then opened the tenders in the presence of the Board and, 'if from a responsible person', the lowest tender was generally accepted. The contracts which were entered into would usually be for three years, 'determinable at the expiration of one, by a notice of three months from either party'.⁷ These contracts were for a period of time and not for specific quantities. Gunpowder (and iron ordnance) was different. The contracts entered into in this case were for a specific amount.

The reasons for this difference are obvious, the most important being that both powder and ordnance took a long time to manufacture. Unlike other smaller stores, these could not be ordered and then delivered in a couple of months. The Ordnance needed to know how much it was going to receive so that it could plan. The durations involved can be seen in the bill books which survive in the National Archives at Kew. To take two examples: in April 1797 a bill was allowed for 500 barrels of powder delivered by Edmund Hill. This bill had been examined and approved on 22 March of that year. However, the original warrant for the powder had been taken out in April 1796. Thus, it had taken eleven months for the powder to be delivered. The second example is similar. Messrs Taylor and Co. had their bill allowed on 27 June 1797, having had it passed on 26 March 1797 from a warrant of 5 May 1796.⁸

What were the terms of the contracts? Very few Ordnance contracts actually survive in the records, and none for gunpowder have been discovered. However, a record entitled 'Heads of a contract to be offered to each of the several Powder Makers in England' has been uncovered. Although not dated, this document is representative of the type of contract signed by the powder merchants in the period under discussion. It states that for every 100 lb barrel of powder, the Ordnance would provide 105 lbs of pure saltpetre or 112 lbs of grough [*sic*] (unrefined) saltpetre. Each barrel of powder submitted was to be at least 75 per cent saltpetre. The merchants were to find

⁶ A number of these can be seen in *The Times*, which is available online.

⁷ *Thirteenth Report*, App. 9, Examination of R. H. Crew taken upon oath, 17 Mar. 1810, 119–20.

⁸ The National Archives (hereafter TNA) WO 52/107.

their own sulphur and charcoal. No conditions are imposed concerning the sulphur, but the charcoal was to be 'made from black Dogwood, Alder or white willow properly charred in Common pits, Potts or in cylinders'.⁹

Even when the gunpowder and, in fact, all stores had been delivered to the Ordnance, the merchants were not guaranteed payment. Each article delivered, whether powder, ordnance, or even a small nail, had to pass a proof test. This was to prove that the quality was good enough for government service, or in the case of copper sheets, nails, and so on, that they matched the pattern that the Ordnance used. For nails, each merchant would have seen a sample at the beginning of his contract showing him the pattern to which the article needed to conform. If it failed proof, then the merchant was not paid. It was the proofing system that allowed the Ordnance to guarantee a minimum standard for all articles it then supplied to the army and navy. By the time of the Great Wars, the proof test for powder consisted of firing a projectile out of a mortar angled at 45 degrees. Not only did the projectile have to fly at least 145 feet, but the powder 'supplied by the powder maker shall not be less than 19 parts in 20 of the range of the King's powder'.¹⁰ Not all powder passed proof and if it did not pass, the merchant was out of pocket, especially as he had to pay a capital deposit for the saltpetre. This was not returned if the powder failed.

This short description has shown the potential power that the Ordnance had over all its contractors, although it was not always as great as it would have liked. The small numbers of manufacturers of both gunpowder and ordnance meant that it was sometimes easy for the merchants to form a cartel against the Ordnance. This will be discussed in the next section.

State v. Private Manufacture

As we have seen, the vast majority of articles and stores that the Ordnance required were provided by the private sector. The massive

⁹ Centre for Buckinghamshire Studies, D/C 3/33/1, 'Heads of a contract to be offered to each of the several Powder Makers in England', undated.

¹⁰ *Ibid.*

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growth of this business can be seen in a quick perusal of the Ordnance Bill Books in the National Archives.¹¹ However, gunpowder was different. The Ordnance actually increased the proportion of gunpowder produced by the state as compared to the private sector. This also applied to small arms and gun carriages, although these will not be discussed here. The Ordnance never manufactured iron ordnance (although it did produce brass ordnance at the Royal Brass Foundry in Chatham). Why the state increased its manufacture is open to debate, but it seems to have been for two main reasons: first, to guarantee an adequate quantity and quality of powder; and secondly, because it was regarded as cheaper for the state to produce powder.

As stated above, Jenny West has examined the gunpowder industry in the middle of the eighteenth century and she describes the government takeover of the Faversham Powder Mills in 1759. She writes: 'Purchase was undertaken with the aim of increasing government stock at a time of exceptionally high demand from the armed services.'¹² These were the first powder mills to be owned by the state, but they were not the last. The Waltham Abbey Powder Mills were taken over in 1787 and, after the outbreak of the wars, the Ordnance built a smaller set of mills in Ballincollig, just outside Cork in Ireland. This increase meant that by the end of the wars, the state was manufacturing about 70 per cent of the gunpowder needed by the armed forces.

The importance of the private sector at the start of the wars can be seen in the fact that at least 60 per cent, if not more, of the powder issued to the Royal Navy at Upnor Castle in 1793 was merchant powder. Three years into the wars, the figure was still around the 60 per cent mark. Clearly the navy could not have fought without this powder. Figures for Waltham Abbey alone give some idea of the increase in state manufacture. When it was taken over in 1787, Waltham Abbey produced around 6,000 barrels of powder. By 1809, this number had risen to 20,000 barrels and by 1813 had reached 22,400.¹³ This was a rise of almost 300 per cent. To put these figures into some kind

¹¹ TNA WO 52.

¹² West, *Gunpowder, Government and War*, 149.

¹³ W. H. Simmons, *A Short History of the Royal Gunpowder Factory at Waltham Abbey* (London, 1963), 27, 34.

of perspective, the Select Committee on Finance's 1817 report on the Ordnance stated that the average amount of powder used in the last few years of the wars was 80,000 barrels per year.¹⁴ Thus, Waltham Abbey alone produced more than a quarter of the powder needed in one year. Figures for 1809 also show the importance of the state manufactories: Waltham Abbey manufactured 20,055 barrels and Faversham 16,568 barrels, making a total of 36,623 barrels. Over the same twelve months the number of merchant barrels passing proof was 21,995.¹⁵

The two reasons suggested above for the increase in state production will now be discussed in detail. First, the issue of quantity and quality. As we have seen, the amount of powder supplied by the Ordnance reached levels that were unprecedented at the time. Even at these levels, at no stage does it appear that expeditions or campaigns were delayed because of a lack of powder.¹⁶ Having said this, the supply was not perfect. Fortunately, we have the vast majority of records for Upnor Castle Magazine, which supplied the naval forces at Chatham. One of the surviving record books shows which ships were supplied with powder, how much they were given, and of what type. Data extracted from these records suggests that in 1793, almost 30 per cent of the powder issued at Upnor was termed 'old store'. As gunpowder degrades in performance the older it gets, this powder must have been particularly weak. 'New merchant' powder does not appear to have started appearing in the magazines until 1796. Until that time, the navy seems to have been issued with older types of powder and new manufacture from state mills. The subsequent increase in state manufacture must be seen in this light. By owning their own mills the Ordnance could guarantee that there was a regular supply of powder at the start of every conflict. Because of the capital needed to run a powder mill and the cyclical nature of income from powder, which will be discussed below, it took a number of years for a private merchant to build up a regular supply.

There was, in fact, almost no state manufacture at all. According to Sir William Congreve the Elder, the then prime minister, William

¹⁴ BPP 1817 (275), *Third Report from the Select Committee on Finance (Ordnance)*, 96.

¹⁵ BPP 1812 (4), *Sixteenth Report of the Commissioners of Military Enquiry (Ordnance)*, App. 12, 84.

¹⁶ *Third Finance Select Committee*, 97.

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Pitt, had intended to sell the Faversham Powder Mills in 1783 but was persuaded not to by the Master-General, the Duke of Richmond.¹⁷ As we have seen, four years later the Waltham Abbey Mills were bought to add to Faversham.

The second reason for the state becoming more involved was financial. Throughout the period under discussion, the Ordnance tried not to waste public money. Congreve the Elder believed that by increasing state manufacture, the Ordnance was actually saving money. Although some of his figures must be treated with caution, Congreve thought that all the increases and improvements had saved the Ordnance more than a million pounds between 1789 and 1810.¹⁸ Congreve calculated that by manufacturing 407,408 barrels between January 1789 and August 1810, the Ordnance had saved almost £290,000, this being 'the difference between what that number of barrels cost manufacturing at the King's mills, and the sum that would have been paid if supplied by the merchants'.¹⁹ This is a not inconsiderable amount of money. However, the savings may not have been as large as Congreve suggested. Later in the document he values each barrel of powder at £5.²⁰ However, in 1797 the merchants were paid 'only' £2 a barrel for powder.²¹ This discrepancy would make a big difference in Congreve's numbers. However, it is still apparent that the state could manufacture powder more cheaply per barrel than the private sector.

How much money was available for the merchants? The incomes of some of the manufacturers are staggering. In the two years 1812 and 1813, John Butts received over £64,000. This was income rather than profit, but it is a substantial sum. Even some of the smaller manufacturers were earning large amounts. For example, John Hall earned over £15,000 and William Taylor more than £17,000.²² Al-

¹⁷ Simmons, *A Short History of the Royal Gunpowder Factory*, App. 1, 'Statement of Facts Relative to the Savings which have Arisen from Manufacturing Gunpowder at the Royal Powder Mills and the Improvements made since 1783', 79.

¹⁸ *Ibid.* 81.

¹⁹ *Ibid.* 79.

²⁰ *Ibid.* 80.

²¹ See e.g. TNA WO 52/108, 4 Oct. 1797. Pigou was paid £1,000 for 500 barrels.

²² Centre for Buckinghamshire Studies, D/C/3/42, 'Money paid by the Treasurer of his Majesty's Ordnance to the undermentioned contractors for gunpowder in the years 1812 and 1813'.

though not directly comparable, in December 1797, Frederick Pigou was paid £1,000 for 500 barrels which he had delivered to Purfleet (the central Ordnance powder magazine), as we see from a contract of 17 November 1796. Just three months later he was paid another £1,000 for a contract dated 12 May 1797.²³ These were both at £2 a barrel. If time allowed, all the payments to the powder manufacturers could be traced through the Ordnance Bill books which appear to be complete. It can be seen that it was definitely advantageous for merchants to remain on good terms with the Ordnance.

As stated above, before the merchant was paid, the powder he supplied had to pass a proof test. Some sort of quality control was required by the Ordnance on all articles that it contracted for, and gunpowder was no exception. By the time of the Great Wars, a test had been developed that involved firing a small amount (a couple of ounces) of powder in a mortar and seeing how far the projectile flew. In order to pass proof, the powder had to send the projectile at least 145 feet and to be no weaker than 19/20ths of the state-produced powder.²⁴ As stated, if the powder failed proof, then the merchant was not paid. In Table 10.2, below, it can be seen that Hill's powder did not reach the minimum standard. This meant that the 253 whole barrels of large grain powder that he submitted for proof were rejected.²⁵ Two months later Hill again has some of his powder rejected (51 out of 124 whole barrels). This time, Pigou suffered the same problem, with 325 of his 794 barrels being rejected at proof.²⁶ If the powder was rejected, then no payment was made, the deposit for the saltpetre was lost, and the merchant had to collect the powder at his own expense. It would have been worse before the wars. If the powder did not reach the required standard, the whole batch would have been rejected.²⁷

²³ TNA WO 52/108 and 113.

²⁴ Centre for Buckinghamshire Studies, D/C/3/33/1, 'Heads of a contract'. However, it is not known whether this proviso carried on into wartime conditions.

²⁵ TNA SUPP 5/118, 'Report of the second and last proof of Merchants' gun powder on the 1st instant, which was proved on the 13th Ultimo.' Office of Ordnance, Purfleet, 1 Feb. 1798.

²⁶ Ibid. 'Report of the 1st Proof of merchants' gunpowder this day', Office of Ordnance, Purfleet, 15 Mar. 1798.

²⁷ Centre for Buckinghamshire Studies, D/C/3/33/1, 'Heads of a contract'.

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Table 10.1 Results of proof test of powder manufactured between 5 Apr. and 28 Dec. 1797

Manufacturer	Type	Date of manufacture (1797)	How far it fired (ft)	How far it fired after 70 days left in air (ft)
Faversham	cylinder ^a	21 Apr.	161	160
Waltham Abbey	cylinder	25 Apr.	174	175
Waltham Abbey	willow	6 May	150	153
Mr Pigou	merchant	11 Apr.	162	156
Mr Hill	merchant	6 Apr.	161	153
Mr Taylor	merchant	13 Apr.	160	152
Messer Bridges	merchant	9 Apr.	158	152
Messer Tayler	merchant	5 Apr.	149	152
Faversham	cylinder	26 Dec.	159	157
Waltham Abbey	cylinder	26 Dec.	171	163
Waltham Abbey	willow	29 Oct.	137	136
Messer Bridges	merchant	2 Dec.	163	160
Mr Taylor	merchant	14 Dec.	148	145
Messer Tayler	merchant	21 Dec.	146	145
Mr Hill	merchant	28 Dec.	145	117

^a Cylinder powder was a new type first introduced around 1787. It was substantially stronger than the traditional pit powder.

Source: TNA SUPP 5/118.

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Table 10.2 Results of proof test of powder manufactured between 29 Oct. 1797 and 22 Nov. 1798

Manufacturer	Type	Date of manufacture	How far it fired (ft)
Faversham	cylinder	2 Feb. 1798	158
Waltham Abbey	cylinder	1 Mar. 1798	169
Waltham Abbey	willow	29 Oct. 1797	139
Pigou	merchant	27 Feb. 1798	156
Taylor	merchant	24 Feb. 1798	148
Tayler	merchant	24 Feb. 1798	147
Hill	merchant	14 Feb. 1798	136
Faversham	cylinder	22 Nov. 1798	165
Waltham Abbey	cylinder	18 Nov. 1798	168
Waltham Abbey	willow	14 Sept. 1798	137
Pigou	merchant	20 Nov. 1798	154
Tayler	merchant	20 Nov. 1798	151

Source: TNA SUPP 5/118

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Because of the comparison with state-produced powder, the merchants sometimes felt that the Ordnance deliberately loaded the die against them. A case in point occurred in December 1798, when the powder merchants (as a group) wrote to the Board complaining that when testing their powder, the Ordnance was not comparing like with like. In a letter dated 24 December, Congreve was adamant that this was not the case and rebutted the claims of the merchants.²⁸ This letter from Congreve is interesting because although it only gives the government side of the story, it does show that the two sectors were in competition, even when the nation was at war. Unfortunately, the letter from the merchants to the Board has not survived, but its tone can be inferred from Congreve's reply.

The merchants' first complaint was that the government was deliberately manufacturing powder that was stronger than usual to use in the comparison proof tests. In fact, according to the Assistant Firemaster of the Royal Laboratory at Woolwich, the powder used in the tests was actually in a 'defective' state. The second issue raised was pit powder v. cylinder powder. Congreve wrote:

I dare say the Powder Merchants will few of them deny having set up Iron Cylinders to char wood for their manufactories, and they must be convinced that the Ordnance does not wish them to make their powder with any particular sort of coal, if they wish it, nay I trust them so to do, and not suffer the King's Mills to continue to make bad Powder merely to favor [*sic*] the Merchants, the difference of price of Cylinder Charcoal and of common pit, being too trifling to afford any objection to the general use of the Cylinder.

The merchants were also after a price rise. They claimed that they should be paid more because of the waste of ingredients involved in the manufacturing process. Congreve claimed that this waste was 'evidently not greater now than when the Merchants received only 30 shillings per barrel'. They were, of course, receiving 40 shillings at the time the letter was written.

Finally, Congreve continued to claim that state manufacture was cheaper than merchant, and he said that he was 'sincerely pleased'

²⁸ TNA SUPP 5/30, Congreve to the Board of Ordnance, 24 Dec. 1798.

that the people who had stated that the state could not produce powder for less than £10 a barrel had been proved wrong. This case is interesting because it shows the powder merchants working together as a group against the Ordnance as well as the pressures on them. They would be substantially out of pocket if their powder failed proof.

It was not only the powder merchants who formed cartels against the Ordnance. The manufacturers of iron ordnance did the same. The difference here was that because the state did not produce any iron ordnance of its own, the iron makers were in an even stronger position than the powder merchants. Some correspondence is worth quoting in full. Three manufacturers, Walkers, Carron, and Graham and Son, wrote to the Secretary of the Board on 27 July 1809 stating that they had received the Board's instruction that 'they expect the price of Carronades will be reduced to £24 per ton . . . on which we beg leave to observe, that we are willing to take £26 per ton for all Carronades the Honourable Board may be pleased to order in future'. This letter was forwarded to General Blomefield, Inspector of Artillery, on 18 August and he replied on 21 August that 'in consequence of the present high price of Iron and other causes, I beg to state that such a temporary advance does not appear unreasonable, but subject to a proportionate abatement, should those causes cease to operate'. On 23 August, Blomefield was informed that the gun-founders had been 'granted the advance of price'.²⁹ The Commissioners of Military Enquiry had some concerns about this situation. In their words:

we see ground of objection to the mode of granting it: it has no reference to the principle of competition; and the concert between the gun-founders, which it sanctions, tends rather to subject the Board of Ordnance on future occasions, if not on this, to the effects of combination . . . A proportionate abatement is provided for whenever the causes which justify the advance shall cease to operate. It is stated to be the duty of the Surveyor General, to notice such fluctuations in the market prices; but it is not probable that he can be as quicksighted in

²⁹ *Sixteenth Report*, App. 7, 66.

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discovering favourable changes, as the contractor will be in pointing out those of an opposite tendency.³⁰

In other words, the advantage in this situation was with the merchants. Because they were dealing only with the price of one commodity, they could read market trends more quickly than the Surveyor General, who not only had to look at many articles, but also had other Ordnance-related work to carry out. As shown above, in the case of gunpowder manufacture the impact of this form of cartel was mitigated by the state manufacturing its own powder.

Relations in War and Peace

Gunpowder, by its very nature, was more in demand under conditions of war than in peacetime. In her conclusion, Jenny West writes: 'In war there was high demand, contracts, and full employment at the mills. In peace there were few if any contracts as requirements for basic defence and military exercise and training were comparatively low.'³¹ Although she was writing about the mid-eighteenth century, the same was true for the period of the Great Wars and the peace that followed. When Ordnance contracts dried up, the little remaining demand for powder (for mining, hunting, and so on) did not produce the same large incomes that the merchants had been used to during the war years. Butts's £64,000 over two years may have been at the top end of the scale, but even £10,000 to £15,000 was not a trifling income for the period. Although West also discusses this, it is worth reiterating here that unlike, for example, iron founders, who could produce other articles at their works as well as iron ordnance, powder manufacturers were essentially one-trade merchants. Some evidence exists that they also produced empty barrels, but this did not give them anywhere near the same income as powder. At this stage, we should also remember the capital investment required to build the mills in the first place. Congreve stated that up to the end of 1810, Faversham and Waltham Abbey had cost the Ordnance a total of £45,622 12s. 4d., this being 'the whole amount expended in the origi-

³⁰ *Sixteenth Report*, 20.

³¹ West, *Gunpowder, Government and War*, 189.

nal cost, in extensions of the works, in repairs, and improvements'.³² Although these were bigger than the private mills, they show the costs involved (and this does not include the materials such as sulphur and charcoal which the merchants had to source themselves). Faversham alone had cost the Ordnance £5,682 in 1759.³³

Another, obvious, problem in peacetime was that the Ordnance stores were not used up as quickly (if at all) as in wartime. According to the 1817 Select Committee on Finance, there were 232,000 barrels of serviceable and 62,000 of doubtful or condemned powder in store at the time of writing.³⁴ As stated above, the yearly expenditure of powder was estimated at 80,000 so there was already almost three years' supply, at war-time levels, with no additional manufacture. Once it became clear that the wars were not going to reignite, the Ordnance was left wondering what to do with all these stores. Its solution, as at the end of every war, was to sell off the excess. As far as the powder merchants were concerned, this meant that not only were they not being given new contracts, but the market was being flooded with old powder, some of which they themselves had manufactured in the first place! To put it mildly, this was not a happy situation for them. On 16 November 1818 they put their complaints into words in a memorial to the Lords of the Treasury. The discussion that follows will be based on this memorial.³⁵

They opened their complaint with the following statement concerning 'the alarming injury we are sustaining by the very peculiar contract Mr. Samuel has been allowed to accomplish with the honourable Board of Ordnance, for the purchase of certain quantities of gunpowder'. They continued:

We are persuaded it has never been the wish or intention of either your Lordships, or that honourable Board, to set up and uphold an individual, perfectly unconnected with the manufacture of an article, in opposition to the fair and legitimate interest of the manufacturers themselves; and that it only

³² Simmons, *A Short History of the Royal Gunpowder Factory*, App. 1, 81.

³³ West, *Gunpowder, Government and War*, 154.

³⁴ *Third Select Committee Report*, 95.

³⁵ BPP 1819 (167), *Copy of a Memorial of the Gunpowder Merchants to the Lords of the Treasury, of the 16th November 1818*.

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requires an explanation from them of such an effect, to induce your Lordships to prevent such injurious contracts in future.

Their main complaints can be summarized as follows:

- Samuels could supply the home and foreign markets at lower prices as gunpowder was delivered to Purfleet, Portsmouth, Plymouth, and Falmouth, saving on freight and carriage costs.
- The powder manufacturers had spent large sums of money on enlarging their own works and the peacetime sales would have been some reimbursement for these.
- Their contract had specified that all other sales would be suspended.
- Even with the advantages above, Samuels had not been able to sell much more than 10,000 barrels. They stated: 'What, my Lords, is to be inferred . . . [is] that in periods of peace, the demand is too trifling; and against trivial demand, it is in vain to press extended sales.'
- The Board had previously extracted the saltpetre at the end of the wars, rather than selling the powder itself. The merchants thought that this would actually bring Treasury coffers more money than selling the powder itself because 'purchasers of petre on a much more extended scale, are to be found amongst other traders than amongst the manufacturers of gunpowder'.
- They feared that they would have to lay off workers, and that those they laid off might take out their frustrations on the manufactories by burning them down, 'and thereby occasion the destruction of our very valuable machinery; the loss of which must wholly fall on ourselves, as it is a species of property no office will insure'.
- It would be difficult to get experienced workmen back quickly if people were laid off.
- They feared damage to buildings if they were not used for a long period of time. The buildings would have to be repaired before they could be used for manufacturing powder again.

On the last two points, the merchants commented: 'to which we might add, we hope not presumptuously, the policy of upholding a species of manufacture which can, in periods of sudden demand, fur-

nish important aid to the Government in their military and naval operations.' The merchants were clearly worried about their profits in peacetime and their last comment was pointing out that their article was indispensable to the military. As argued above, the Ordnance had negated this point partly by increasing the amount of state manufacture and thus guaranteeing a reasonable stock at the start of any future conflict.

The Ordnance responded on 27 January 1819. Again, their points may be summarized as follows:

- It was government policy to 'lessen the great accumulation of stores left by the sudden conclusion of the war'. The sales could also be used as credit on Ordnance estimates, and with the sale of perishable stores, some storehouses, such as floating magazines, could be dismantled, thus saving the cost of maintaining them as well.
- Thus, the Ordnance felt it best to sell as much as possible, even if it was at a lower cost than may have been desirable, especially as a number of the stores were of a 'perishable nature'.
- Samuels had agreed to buy many stores, not just gunpowder, and on this the Board wished to inform the Lords of the Treasury of 'the great advantage gained . . . of disposing of a number of other stores in immense quantities, which, by the common method of trusting to the periodical sales (even though attended with the advantage of public competition) it might have taken years to accomplish'.
- The Ordnance also contended that 'upon the whole, they have been good stewards to the public (unless the gunpowder merchants alone are to be considered as the public) in disposing of its general property (all circumstances considered) to the best advantage'.
- Even if the powder merchants had bought the powder, they would still have had to lay off workers as they were selling powder that had already been manufactured.
- The Board sold all stores at the place where they were stored – there was no attempt to save Samuel the cost of freight.
- As for the merchants' works, '[they] had been enlarged at a great expense, in order to supply the Government. But was this to serve the Government or themselves? And if the latter, have they not

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succeeded? Most of them (and the Board rejoice at it) have acquired fortunes by their exertions in the service of the public; but this is at least not a reason why they should continue to make them at the expense of that public.'

- As for the workmen, the Ordnance pointed out that it had also had to lay off thousands of its own workers and noted that 'many, in other trades at least, who have been loudest in their complaints of Government for bringing the public means to account, have had the liberality to set a stigma upon all who came into the Ordnance employ, and have resolved never to give them work when turned adrift.'
- Although the Master-General and Board 'deny the expediency of yielding to any part of the Memorial itself', they suspended all sales of powder for three years.

The conclusions to draw from these points are self evident, but they demonstrate the relations between the powder merchants (and other merchants, for that matter) and the Ordnance. They can be summed up thus: the Ordnance wanted to save the public purse money and the merchants wanted that money to go to them.

Conclusion

This essay has shown how relations between gunpowder merchants and the Office of Ordnance developed during the period in and around the Great Wars of 1793 to 1815. Relations were not always cordial because of the differing aims and objectives of both sides, but they did not break down either. This essay has also shown how the powder merchants came together as a group to try to force the Ordnance to adopt their way of thinking. They clearly believed that they had more power together than as individuals. They were not alone in this; the manufacturers of iron ordnance did the same thing during the wars. We have seen that they were, in fact, able to force the hand of the Ordnance at times: the ordnance manufacturers during the wars and the powder merchants, to a lesser extent, after the wars. The wars had also made the powder merchants massive profits and some of the numbers involved are staggering. These, however, were profits made under wartime conditions. Once peace broke

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out across the Continent of Europe, there was no market for gunpowder and the profits dried up almost overnight.

This essay has outlined the importance of the private sector to the British war effort. Even with the expansion in state manufacture, there was still a need for private merchants. In addition, two of the three components of the powder, sulphur and saltpetre, had to be imported into Britain in the hulls of private ships. The networks, links, and relationships between the state and private sectors described in this paper demonstrate that one could not survive without the other. If any of the chains had broken at any stage, the system would have collapsed and the Royal Navy and British Army would not have been able successfully to prosecute the conflict. One aspect that has not been discussed here is the amount of weaponry that the British were able to send their Continental allies over the twenty-five years of conflict.³⁶

Throughout the wars, the Ordnance had guaranteed the supply of a critical store while improving its quality (something which has not been discussed in any detail in this essay). The Ordnance had tried, arguably successfully, to save public money while some of the merchants managed to acquire fortunes.

³⁶ See John Sherwig, *Guineas and Gunpowder: British Foreign Aid in the Wars with France, 1793–1815* (Cambridge, Mass., 1969) for a study of this in action.

PART IV

Networks and Problems

I could 'do for the Dickmans':
When Family Networks Don't Work

SHERYLLYNNE HAGGERTY

John Rainford was given to 'fits of inebriety', and in 1804, drunk as usual, he was overheard to say that he could 'do for the Dickmans'.¹ He had said this so many times that he was usually ignored, but on this occasion the reason for his comments came to light and a case in Chancery was set in motion. John's brother Samuel Rainford, a merchant, had left three of his young relatives a legacy each. However, their mother, Maria Dickman, was illegitimate and John used this to challenge Samuel's will. Immediately all payments to the children stopped and the case went to Chancery.² John was a vindictive and petty man, and did, indeed, 'do for the Dickmans', because he later challenged yet another legacy given to that family.³ John Rainford's actions illuminate the problems with family networks, and other records in the Rainford Papers highlight issues with business networks as well. This essay, through the case study of Samuel Rainford, aims to challenge the notion often portrayed in the historiography

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¹ Edward Chaffers to the Honble. Ct. of Chancery, 4 Apr. 1810, 920 CHA/1/18, Papers of Edward Chaffers (hereafter PEC), Liverpool Record Office (hereafter LRO).

² Harrison Agst Chaffers, 8 Dec. 1806, 920 CHA/1/57, PEC.

³ See Rainford v. Chaffers, 1811, C13/132/26 and C13/132/35, The National Archives and the Public Record Office (hereafter TNA).

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that networks are always an inherent positive, especially those based on familial ties. The first section therefore outlines the historiography on networks within history and socio-economics to provide a more nuanced understanding of networks. The second section considers Samuel Rainford's business networks, and the third his familial ones. Finally, this essay will consider how and why Samuel Rainford's networks developed over time. It will conclude that business and familial networks can be problematic, but that wider networks developed over time, both professional and friendly, can provide alternative avenues of opportunity.

Networks and History

Historians have long used the term 'networks' in their analyses and it is the most borrowed concept from socio-economics. Often, however, historians do not define what they mean by the term or, indeed, who is included within a particular network. Here the term is not used in the mathematical sense to refer to a graph with additional information on the vertices or lines of the graph, but to mean a 'pattern of relationships' or the 'connectedness between either individuals or organizations',⁴ in particular, Samuel Rainford's business and family relationships. Networks are not confined to people, of course; recently analysis has also been made of commodity, information, credit, and transport networks.⁵ However, most analysis has been given over to networks of people, and as Paul Duguid has recently pointed out, the increased discussion about networks in history

⁴ Wouter De Nooy, Andrej Mrvar, and Vladimir Batfelj, *Exploratory Social Network Analysis with Pajek* (Cambridge, 2005), 7; Laurel Smith-Doerr and Walter W. Powell, 'Networks and Economic Life', in Neil J. Smelser and Richard Swedberg (eds.), *The Handbook of Economic Sociology* (2nd edn. Princeton, 2005), 379–402, at 380.

⁵ Paul Duguid, 'Networks and Knowledge: The Beginning and End of the Port Commodity Chain, 1703–1860', *Business History Review*, 79 (2005), 493–526; 'Trade and the Trans-shipment of Knowledge in the Late Eighteenth Century', in Yrjo Kaukiainen (ed.), *International Journal of Maritime History*, special issue, *Information, Communications, and Knowledge* (June 2002), 157–72; Sheryllynne Haggerty, *The British–Atlantic Trading Community 1760–1810: Men, Women, and the Distribution of Goods* (Leiden, 2006), chs. 4, 5, 6.

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seems to imply that there is something inherently new about them.⁶ This is clearly not so. Eighteenth-century merchants were well aware of the usefulness and agency of their networks, even if they did not use the term, but rather 'association'.⁷ Such interpersonal networks are normally given a positive slant, suggesting that they are an inherent good both for the economy and the actors within them. Quaker networks are the epitome of this approach, even if they are somewhat unrepresentative. Their constant monitoring of one another's business and personal lives, based around the meeting house, meant that they exuded a sense of a superior moral culture in their domestic and business houses, not only because Quakers trusted each other, but because this reputation for good business practice was recognized by others outside their community or networks.⁸ This produced what has been described as ascribed trust, that is, trust placed in someone because of certain attributes or characteristics.⁹ There is no doubt that the Quakers provide us with an example of good business practice, but such behaviour was not confined to them. Ascribed trust can also be seen in non-Quaker networks. Anyone of the same religion or sect, such as Jewish, Anglican, Catholic, or Unitarian, for example, might be thought of as more trustworthy by another within that group. For example, Jews dominated the wholesale diamond market in New York City.¹⁰ Nationality could be another reason for entry into a network. The Scots had good net-

⁶ Duguid, 'Networks and Knowledge', 493.

⁷ David Hancock, *Citizens of the World: London Merchants and the Integration of the British Atlantic Community, 1735-1785* (Cambridge, 1995), at 11.

⁸ Mary B. Rose, 'The Family Firm in British Business, 1780-1914', in Maurice W. Kirby and Mary B. Rose (eds.), *Business Enterprise in Modern Britain from the Eighteenth to the Twentieth Century* (London, 1994); James Walvin, *The Quakers: Money and Morals* (London, 1997); A. Prior and M. Kirby, 'The Society of Friends and the Family Firm', *Business History*, 35/4 (1993), 66-85; F. B. Tolles, *Quakers and the Atlantic Culture* (New York, 1960).

⁹ Ascribed trust is called 'characteristic based trust' by Lynne G. Zucker, 'Production of Trust: Institutional Sources of Economic Structure, 1840-1920', *Research in Organizational Behaviour*, 8 (1986), 53-111, at 53.

¹⁰ James S. Coleman, 'Social Capital in the Creation of Human Capital', *American Journal of Sociology*, Supplement, *Organizations and Institutions: Sociological and Economic Approaches to the Analysis of Social Structure*, 94 (1988), 95-120, at 99.

works in the Atlantic and particularly the Caribbean, for example.¹¹ Perhaps most obviously, people in whom ascribed trust was placed were family members. Family members were extremely useful in providing capital and contacts, especially at the start of someone's career, and therefore kinship ties have often been seen as extremely important in business start-ups. Peter Mathias, for example, highlights the importance of the 'kinship nexus', especially in a low-institutional environment.¹² There is no doubt that family networks were useful in introducing people into spheres of business activity, in providing capital, and especially emotional support, which 'pure' business networks do not always supply. Linda A. Renzulli, Howard Aldrich, and James Moody argue that business networks should provide instrumental support, for example, while general networks should provide emotional support.¹³ In the eighteenth century, of course, these two often overlapped. Networks, whether familial or otherwise, were not only meant to provide information and credit, but also to work to advantage in a wider sense. For example, transaction and information costs could be reduced in such a high-trust environment.¹⁴ Networks are also used to avoid the costs of vertical integration as we can see in the Atlantic in the eighteenth century, when merchants purchased sugar through their networks of factors in the West Indies rather than buying their own plantations.¹⁵ In fact, Simon Smith has recently demonstrated that English merchants were wary of entering into such ownership patterns and avoided tying up

¹¹ Douglas J. Hamilton, *Scotland, the Caribbean and the Atlantic World 1750–1820* (Manchester, 2005).

¹² Peter Mathias, 'Risk, Credit and Kinship in Early Modern Enterprise', in John J. McCusker and Kenneth Morgan (eds.), *The Early Modern Atlantic Economy* (Cambridge, 2000), 15–35.

¹³ Linda A. Renzulli, Howard Aldrich, and James Moody, 'Family Matters: Gender, Networks and Entrepreneurial Outcomes', *Social Forces*, 79/2 (2000), 523–46.

¹⁴ For more on information and transaction costs see Mark Casson, 'Institutional Economics and Business History: A Way Forward?', *Business History*, Special Issue on Institutions and the Evolution of Modern Business, 39/4 (1997), 151–71.

¹⁵ Rachel E. Kranton and Deborah F. Minehart, 'Networks Versus Vertical Integration', *Rand Journal of Economics*, 31/2 (2000), 570–601.

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large amounts of capital in plantations.¹⁶ David Hancock has also recently described how 'network memory' can aid in knowing who is trustworthy and who is not.¹⁷ In this context direct contact with the person beforehand was not necessary; the network could provide the information required.

There is therefore a sense that networks, and especially those based on family, are essentially positive and benign, and often rather static. This is not necessarily true. Renzulli et al. have shown how kinship ties can be essentially damaging in starting up new businesses, because they are unlikely to provide new information or contacts.¹⁸ Heterogeneity can therefore be important within a network in terms of opening up new opportunities. Charles Tilly has also demonstrated that social networks, especially those based on ethnicity, can be very restrictive by encouraging their members to be inward-looking. Often network actors look to family members, or those with similar cultural traits, as their first or perhaps only option.¹⁹ A good example of this is found in Kenneth Morgan's *The Bright-Meyler Papers*.²⁰ Francis Bright (1723–54) was more interested in drinking and womanizing in Jamaica than in attending to business, and Jeremiah Meyler (1729–92) invested money due to the house in Bristol in various unsuccessful schemes. Therefore, other people might have provided better opportunities for the Bristol house. This is connected to Mark Granovetter's argument about strong versus weak ties. A network with strong ties, that is, one with strong emotional intensity, intimacy, and reciprocal services, has many members whose knowledge of each other overlap. The same people meet or do business over and over again, thereby reinforcing their relationship.²¹ However, at the same time as they are reinforc-

¹⁶ S. D. Smith, *Slavery, Family and Gentry Capitalism in the British Atlantic: The World of the Lascelles, 1648–1834* (Cambridge, 2006), ch. 6, esp. 182.

¹⁷ David Hancock, 'The Trouble with Networks: Managing the Scots' Early Modern Madeira Trade', *Business History Review*, 79 (Winter 2005), 464–91.

¹⁸ Renzulli, Aldrich, and Moody, 'Family Matters', 525.

¹⁹ Charles Tilly, 'Transplanted Networks', in Virginia Yans-McLaughlin (ed.), *Immigration Reconsidered: History, Sociology and Politics* (Oxford, 1999), 79–95.

²⁰ Kenneth Morgan (ed.), *The Bright-Meyler Papers: A Bristol–West India Connection, 1732–1837* (Oxford, 2007).

²¹ Mark Granovetter, 'The Strength of Weak Ties', *American Journal of Sociology*, 78/6 (1973), 1360–80.

ing trust, they are only hearing the same information and gossip repeatedly. They are not receiving new information or making new contacts. What is needed for this to occur are weak ties, that is, people to whom an actor in a network is less tied, but who can offer new information and opportunities, and can act as a 'bridge' into other networks.

There is much evidence that weak ties, and certainly those outside the family, were being used more and more in the eighteenth century. Robin Pearson and David Richardson found that iterative business activity led to relationships that were predominantly trade-based, and in which kinship, religion, and ethnicity paid little part, or were at least less important.²² Trevor Burnard also found that elite groups in Maryland borrowed from a wide range of people, and though personal contact was desirable, those contacts did not have to be based on marriage ties.²³ Such iterative business activity could lead to 'relational cohesion', or a good feeling based on past experience.²⁴ Merchants would want to reproduce the good feeling they experienced from a successful transaction and this could, in turn, promote gift-giving, loyalty to a relationship, and risk-taking together. This might happen even when actors had never met each other, such as when trading in the Atlantic in the eighteenth century, involving large distances. By taking small risks at first, merchants could add new people to their network, or those with whom they only had weak ties, and once a successful transaction had taken place, the frequency and size of transaction would be increased.²⁵ Hancock found that networks in the Madeira trade were extended far beyond family ties, including many people who never met personal-

²² Robin Pearson and David Richardson, 'Business Networking in the Industrial Revolution', *Economic History Review*, 54/4 (2001), 657-79.

²³ Trevor Burnard, 'A Tangled Cousinry? Associational Networks of the Maryland Elite, 1691-1776', *Journal of Southern History*, 61/1 (1995), 17-44.

²⁴ Edward J. Lawler and Jeongkoo Yoon, 'Commitment in Exchange Relations: Test of a Theory of Relational Cohesion', *American Sociological Review*, 61/1 (1996), 89-108. It is worth noting that power made this relationship unequal, and this occurred in the case study to be discussed here.

²⁵ This was also true in the case of women, who were thought an especially high risk because of existing or possible coverture. Haggerty, *British-Atlantic Trading Community*, 71-3 and 218-13.

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ly, but still engaged in such activities as gift-giving.²⁶ This is not to say that such networks were always reliable. Loyalty to such a relationship and staying within it could tie people to incompetent, belligerent, or dishonest people. This could happen within ascribed trust networks, as well as more trade-based ones. The brother or nephew of a successful merchant was not magically endowed with good business sense or entrepreneurial skills. Network memory could also mean that past mistakes were remembered, even when experience suggested that it was unlikely that the person would make the same errors again. Worse still, merchants might be linked by association, past or present, with incompetent or dishonest people, and have their reputations ruined even when they were not directly responsible. Repeated transactions also developed a sense of obligation. Forbes Munro and Tony Slaven found that some businessmen in the late nineteenth and early twentieth centuries positively avoided long-term connections because of the obligations they brought along with them, and also because they found that they restricted business opportunity and flexibility.²⁷

Mostly, however, such obligations were based within a strong cultural environment. These were 'embedded' in such a way as to produce a sense of cohesion within the business community, whether such obligations came about through kinship, religious, or ethnic ties, or through more 'modern' trade-based and friendship ties.²⁸ Usually networks were not only reliable, but useful and efficient. Indeed, the low incidence of abuse of networks is quite amazing considering how many opportunities were available. The distances involved in trade at this time meant a huge reliance on agents involving the delegation of a considerable amount of decision-making authority, and moral hazard was a real issue, given the problems with asymmetrical information in this environment.²⁹ However,

²⁶ Hancock, 'The Trouble with Networks', 480.

²⁷ Forbes Munro and Tony Slaven, 'Networks and Markets in Clyde Shipping: The Donaldsons and the Hogarths, 1870-1939', *Business History*, 43/2 (2001), 19-50.

²⁸ Craig Muldrew, *The Economy of Obligation: The Culture of Credit and Social Relations in Early Modern England* (Basingstoke, 1998); Mark Granovetter, 'Economic Action and Social Structure: The Problem of Embeddedness', *American Journal of Sociology*, 91/3 (1985), 481-510.

²⁹ M. C. Jensen and W. H. Meckling, 'Theory of the Firm: Managerial Behav-

transgression of trust in networks did occur, and the accepted wisdom on the inherent good of networks needs to be challenged. Recent criticism of structural network theory has also pointed to its static nature and the lack of attention paid to how networks may hinder or retard progress.³⁰ Looking at change over time can also highlight where problems in networks occur. This essay uses a case study of Samuel Rainford to highlight problems within networks and how this can drive changes within them.

Samuel Rainford's Business Networks

Samuel Rainford was an eldest son, and we might have expected him to take over the family farm when his father died. However, knowing that only a small inheritance was due to him, and having worked as a ship's captain or supercargo, Samuel Rainford used his networks in Liverpool to set up in business in Kingston, Jamaica and was settled there by 1774.³¹ Kingston was a sensible choice. It was the major entrepôt for the sale of slaves to the British and Spanish West Indies and there were plenty of opportunities in exporting the produce of the island and importing everything needed to help run the monocultural economy.³² Initially, Samuel was in a loose partnership with his long-term colleague and friend Edward Chaffers, merchant, of

our, Agency Costs and Ownership Structure', *Journal of Financial Economics*, 3 (1976), 305–60; N. Strong and M. Waterson, 'Principals, Agents and Information', in Roger Clark and Tony McGuinness (eds.), *The Economics of the Firm* (Oxford, 1987), 18–41.

³⁰ Laurel Smith-Doerr and Walter W. Powell, 'Networks and Economic Life', in Smelser and Swedborg (eds.), *The Handbook of Economic Sociology*, 379–402, at 389.

³¹ Henry Laurens to John Knight, 17 Aug. 1763, in George C. Rodgers (ed.), *The Papers of Henry Laurens* (Columbia, SC, 1974), iii. Samuel Rainford to Edward Chaffers, 7 Jan. 1775, 920 CHA/1/10, PEC.

³² For good overviews of the economies of the British West Indies and their development see Richard S. Dunn, *Sugar and Slaves: The Rise of the Planter Class in the English West Indies, 1624–1713* (Barbados, 1972), and Richard B. Sheridan, *Sugar and Slavery: An Economic History of the British West Indies, 1623–1775* (Barbados, 1994).

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Liverpool.³³ Chaffers was extremely important to Samuel Rainford over the years, providing a mainstay of reliability, information, and friendship. By 1775 Samuel was shipping coffee and pimento to Liverpool, importing butter and candles into Kingston, and trying to collect money owed to Chaffers from residents in Jamaica.³⁴ Samuel was soon involved in other commodities. He was sending the produce of the island to Jonathon Blundell senior of Liverpool, and by 1778 was becoming involved in the slave trade, mainly backed by Blundell senior.³⁵ It would appear that Chaffers either thought the West India trade too risky, or did not have the capital required to assist Samuel in expanding his business. By 1779 Samuel was in business with his brother Robert and Jonathon Blundell junior, trading under the name of Rainford, Blundell & Rainford.³⁶

Samuel Rainford's position within these networks was relatively weak during these early years, and in many ways he had limited power and control within them.³⁷ His networks at this time are highlighted in Figure 11.1. It is clear that he had many connections. Most of these were through Blundell senior, who knew many Liverpool merchants involved in the slave trade. He also had connections in Bristol and London, and many in Kingston, but most of these were weak ties. The only strong ties Samuel Rainford had were with his brother, Robert, Edward Chaffers, and the Blundells. However, the strong networks with the Blundells also had a strong power imbalance within them, which put Rainford in a difficult position. It has not been possible to trace how Rainford knew Blundell senior, but it is clear that his money and contacts were extremely useful. Blundell

³³ It has not been possible to determine the exact nature of Samuel Rainford's relationship with Edward Chaffers or the Blundells (see below). It would appear that Chaffers and Jonathan Blundell were both on the Liverpool Chamber of Commerce established in 1774 and invested in canal developments together. Robert J. Bennett, *The Voice of Liverpool Business: The First Chamber of Commerce and the Atlantic Economy 1774-c.1796* (Liverpool, 2010), at 150 and 154.

³⁴ Samuel Rainford to Edward Chaffers, 7 Jan. 1775, 920 CHA/1/10, PEC.

³⁵ Jonathon Blundell to Samuel Rainford, 16 Oct. 1783, 920 CHA/1/1, PEC.

³⁶ Rainford, Blundell & Rainford in Account Current with Jonathon Blundell, 9 Aug. 1779 to 29 June 1781, 920 CHA/1/21, PEC.

³⁷ Philip Bonacich, 'Power and Centrality: A Family of Measures', *American Journal of Sociology*, 92/5 (1987), 1170-82.

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senior had been importing sugar and rum from Jamaica to Liverpool via Case & Southworth (another Liverpool-Kingston) firm since at least 1763.³⁸ Blundell senior was also important in Liverpool at this time, listed in the trade directories as merchant, sugar baker and was running a stocking manufactory as early as 1766.³⁹

Blundell senior was also involved in forty-six slave trade voyages between 1760 and 1775, and invested in the *Rumbold*, the first slave vessel sent to the care of Rainford, Blundell & Rainford in Kingston.⁴⁰ It was because Thomas Rumbold, the first owner of the *Rumbold*, wanted a trusted person on hand, that Jonathon Blundell junior was sent out with the vessel in 1778.⁴¹ No doubt Rumbold was doing Blundell senior a favour by giving his son some vital experience. It has not been possible to find the exact date when Robert Rainford arrived in Kingston, but Samuel and Robert Rainford and Jonathon Blundell junior set up in partnership on 9 August 1779.⁴² Blundell senior advanced the Kingston house considerable sums of money, and they owed him £15,820 16s. 1½d. sterling by September 1783.⁴³ He certainly seems to have been the main investor, or interest, in the firm, and perhaps the Rainford brothers were pressurized into taking Blundell junior as a partner.⁴⁴ They imported 258 slaves on the *Rumbold* in 1779, and a further 475 on the same vessel in 1780.⁴⁵ Rainford,

³⁸ Liverpool Sales Book 1763–1769; Jamaica Sales Book 1754–1761, Case & Southworth Papers, LRO.

³⁹ J. Gore (ed.), *Liverpool Trade Directory for 1766* (Liverpool, 1766).

⁴⁰ The Transatlantic Slave Trade Database at: <<http://www.slavevoyages.org/tast/database/search.faces>>, accessed 1 June 2010.

⁴¹ Jonathon Blundell to Samuel Rainford, 23 Nov. 1778, 920 CHA/1/1, PEC.

⁴² [Copy of] Memorandum of an agreement . . . 13 July 1789, 920 CHA/1/36, PEC.

⁴³ Rainford, Blundell & Rainford in Account Current with Jonathon Blundell, 9 Aug. 1779 to 29 Jun. 1782, 920 CHA/1/21, PEC. It has not been possible to assess whether any capital as opposed to credit was advanced at the beginning of the dealings between Blundell Senior and Rainford, Blundell & Rainford.

⁴⁴ Jonathon Blundell senr. wished them success and hoped that Samuel Rainford would 'have yr share from this Town', Blundell to Rainford, 23 Nov. 1778, 920 CHA/1/1, PEC.

⁴⁵ The Transatlantic Slave Trade Database at: <<http://www.slavevoyages.org/tast/database/search.faces>>, voyages 92449 and 92450; see also Rain-

Blundell & Rainford also imported textiles, groceries, and hardware on the *Dalling* from London, groceries from Cork on the *Mary* from Liverpool in 1780, and acted as agents for the *Modeste* sailing to Liverpool from Kingston in the same year. In return they exported sugar, cotton, coffee, and silver dollars.⁴⁶

The alliance was reasonably successful at first, and though it would appear further credit was advanced by Blundell senior, by 1785 Rainford, Blundell & Rainford had reduced the balance owing to him to £764 9s. 3½d.⁴⁷ However, not everything was plain sailing. Clearly Blundell senior felt that the Kingston house, and no doubt especially Samuel and Robert Rainford, were deeply obliged to him for the money he had advanced and the work he was doing for them in Liverpool. Certainly £15,000 was a serious amount of money, as it took between five and ten thousand pounds to set up a mercantile business from scratch.⁴⁸ One major issue was the charges Blundell senior made for guaranteeing bills for the Kingston house. Rainford, Blundell & Rainford wrote to him in February 1783 that they had consulted with Messrs Coppells of Kingston, and found out that James France was charging them less for the same services. They added 'we are satisfied to allow you Two and a half PCent for amount of Bills we have drawn, or that we may hereafter draw on you, for Guaranteeing them'.⁴⁹ Blundell senior clearly thought, however, that 3 per cent was a reasonable charge. In 1784 he whined: 'it [was] a trifl^s Charge indeed for so great a risqué & anxiety of mind for fear of yr Bills or remittances not com^g in time to Ans^r yr Bills on me which is now the Case yr Bills on me for £6000 in fav^r Boats & Earles fall^s due the 8th & 23^d April next & not one farthing in my hands which gives

ford, Blundell & Rainford Pocket Ledger MG-54-No 74, National Library and Archives Canada.

⁴⁶ *Royal Gazette*, 8 July 1780, 30 Sept. 1780, 5 Aug. 1780, Rainford, Blundell & Rainford Account with Jonathon Blundell, 6 Nov. 1785. The shipments in 1780 had obviously been arranged before the new partnership, as they were advertised as Blundell & Rainford only.

⁴⁷ Rainford, Blundell & Rainford in Account Current with Jonathon Blundell, 6 Nov. 1783 to 6 Nov. 1785.

⁴⁸ Robert Campbell, *The London Tradesman* (3rd edn. London, 1757), at 336.

⁴⁹ Rainford, Blundell & Rainford to Jonathon Blundell, 13 Feb. 1784, 920 CHA/1/1, PEC.

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me no [. . . ?] Concern, . . . if the like happens again you [. . . ?] expect me any longer to be Concerned for y^r House.⁵⁰

Disputes between the two houses continued into 1790. Blundell also charged 3 per cent for accepting their bills, and indeed charged this commission as soon as they were accepted, not even paid. Rainford, Blundell & Rainford wrote that 'we will never allow it, nor will we admit of your charging a Commission at the time of accepting our Bills, as you can have no claim to a Commission sooner than you pay them'.⁵¹ Furthermore, Blundell senior had been charging extra for protested bills, which they did not consider normal practice. There were even small disputes over clerical arrangements. Blundell senior's clerk had a habit of adding several Bills of Exchange together before crediting the Kingston house's accounts, so that they had no idea who had paid them. They wrote in 1784: 'Bid your clerk make an Account out specifying each particular Bill, that is, the drawers name, who upon, and the amount of each Bill.'⁵² Clearly, relations between the two houses were not smooth. Despite his own son being part of the Kingston house, Blundell senior appeared to be overcharging them, but at the same time felt that they were not fulfilling their obligations to him. Nor were Rainford, Blundell & Rainford getting the service that they expected from a key player in Liverpool with a huge financial interest in their house. Whilst there were strong ties between Rainford and Blundell senior, power relationships were also at play.

The situation was to get far worse. In 1789 Blundell, Rainford & Blundell took the relatively unusual step of setting up a sister house in Liverpool.⁵³ The Liverpool house was to be called Blundell, Rain-

⁵⁰ Jonathon Blundell to Rainford, Blundell & Rainford, 20 Feb. 1784, 920 CHA/1/1 PEC.

⁵¹ Rainford, Blundell & Rainford to Jonathon Blundell, 19 June 1790, 920 CHA/1/1, PEC.

⁵² Rainford, Blundell & Rainford to Jonathon Blundell, 13 Feb. 1784, 920 CHA/1/1, PEC.

⁵³ Another Kingston firm, Hibbert & Jackson, also had subsidiary houses in London, Hibbert, Purrier & Horton, and in Manchester. Trevor Burnard, '“The Grant Mart of the Island”: The Economic Function of Kingston, Jamaica in the Mid-Eighteenth Century', in Kathleen E. A. Monteith and Glen Richards (eds.), *Jamaica in Slavery and Freedom: History, Heritage and Culture* (Mona, Jamaica, 2002), 225–41, at 232.

ford & Co., and they set up their offices in St George's Street.⁵⁴ Under the terms of the partnership document, one of the three men was to be resident in Liverpool at any one time and to conduct the business of the house there: 'that is to accept and pay all bills that may be drawn on the House here for the payment of negroes they may dispose of . . . and Negotiate [*sic*] all Bills the House here may remit to them and to dispose of all produce that they may ship.' All commissions were to be shared equally between them.⁵⁵ Blundell junior took up this post first. This may have been because of increasing tensions between the partners, as matters with Blundell senior remained unresolved. Almost immediately Blundell junior took advantage of this situation to help out his father. Without the agreement of the Rainfords in Kingston, or even notifying them, Blundell junior gave his father £6,676 3s. 6d. in four separate payments between November 1789 and July 1791. These were not payments for services or goods, but money 'advanced by him to his father'.⁵⁶ Indeed, it could have been more, as Berry and Parke, attempting to sort out the Rainfords' estates in 1804 noted: 'As to What Amount J. B. Junr has drawn out of the Concern, we are at a loss to know.'⁵⁷ Robert Rainford obviously felt that Blundell junior had misappropriated these funds, as well as the house's accounts, noting that the profits were to be 'equally divided amongst the Parties concerned' and that the books belonged to the firm, not to Jonathon Blundell [junior] alone.⁵⁸ By 1796 Blundell junior had set up in business with his father at 1 Canal, as a coal office. He was also listed alone at the St George's address, as well as Rainford & Co.⁵⁹ While there is nothing unusual in this in itself, in light of the other evidence, it appears that Blundell junior really went back to Liverpool to look after his own interests, at the expense of those of his partners. Edward Chaffers, in an undated note to Chan-

⁵⁴ John Gore (ed.), *Liverpool Trade Directory for 1796* (Liverpool, 1796).

⁵⁵ [Copy of] Memorandum of an agreement . . . 13 July 1789, 920 CHA/1/36, PEC.

⁵⁶ Rainford, Blundell & Rainford Account with Blundell, Rainford & Co, Liverpool [n.d.], 920 CHA/1/21, PEC; Samuel Rainford, Jonathon Blundell & Robert Rainford to Blundell, Rainford & Co., Kingston, 9 June 1798, 920 CHA/1/25, PEC.

⁵⁷ Berry & Parke to Edward Chaffers, 22 Mar. 1804, 920 CHA/1/14, PEC.

⁵⁸ Robert Rainford to Edward Chaffers, 13 July 1801, 920 CHA/1/30 PEC.

⁵⁹ Gore (ed.), *Liverpool Trade Directory for 1796*.

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cery, wrote that when Blundell junior went to Liverpool, nothing was done regarding the settlement of accounts between Rainford, Blundell & Rainford and Blundell senior, and certainly the accounts were never seriously attended to.⁶⁰ The failure of these networks and its ramifications were still being felt in 1805, when Blundell senior's grandson was sorting out his estate. Although Blundell senior had nothing directly to do with the setting up of the Liverpool sister house, his grandson obviously felt the withdrawals were legitimate. Aggrieved at his perception that Samuel Rainford had not made good remittances and fulfilled his obligations, he complained to Rainford's executors of 'the many unhappy hours, the want of remittances occasioned him [Jonathon Blundell senior], and the many mortifications he suffer'd in parting with favourite Estates to make good his engagements [*sic*] for them'.⁶¹ This was rather melodramatic, and perhaps the grandson did not realize that the Rainfords felt that the Blundells had not fulfilled their obligations either, whether as the result of fraud or simply a misunderstanding. Either way, this evidence is indicative of the high emotions aroused when networks did not function properly. It appears that the rift between the two houses was serious. By 1791 the accounts between the two houses were in arbitration.⁶²

Worse still, the deteriorating relationship between the Kingston house and the Blundells had wider consequences. Following their initial slaving voyage, the Kingston house greatly increased its involvement in the slave and other trades. Between August 1783 and September 1785, Rainford, Blundell & Rainford were involved as agents for a variety of vessels, including some to New York, to the value of £21,790, for which Blundell senior arranged insurance.⁶³ They were also involved in a total of thirty-seven slave trade voyages

⁶⁰ Memorandum on the Death of Samuel Rainford . . . [n.d.], 920 CHA/1/18.

⁶¹ Henry Blundell Hollinshead to Thomas Berry & William Parke, 1 Mar. 1805, 920 CHA/1/24, PEC. Berry & Parke were the executors of Robert Rainford, who died on 11 Sept 1803 and Jonathan Blundell Jr. had died on 18 Apr. 1800. Memord^{ms} of ye Death . . . , 920 CHA/1/18, PEC. I have not yet been able to establish to what extent claims of selling estates were true.

⁶² The Accounts of Rainford, Blundell & Rainford with Jonathon Blundell sen., 6 Nov. 1779 to 6 Nov. 1791, 920 CHA/1/21, PEC.

⁶³ Rainford, Blundell & Rainford Account with Jonathon Blundell, 6 Nov. 1783 to 6 Nov. 1785.

between the arrival of the *Rumbold* in 1779 and the start of the Napoleonic Wars in 1793.⁶⁴ Interestingly, although Blundell senior was involved in many slave voyages, as noted above, he was not a shareholder in any of the slave trade vessels sent care of Rainford, Blundell & Rainford. This was because he withdrew from the trade in 1775 (along with many other slave traders), rather than being any comment on Rainford.⁶⁵ During this period Rainford, Blundell & Rainford traded with William Earle, Thomas Stanforth, Francis Ingram, Thomas Parke, Charles Pole, and Thomas Leyland, an impressive roll-call of Liverpool merchants. Richard Miles (one time Governor of Cape Coast Castle in Africa) was also one of the owners of the slave vessels they were involved with.⁶⁶ However, from 1788, Rainford, Blundell & Rainford only acted as agents for the slave trade voyages of owners Thomas Seaman, James Percival, and William Boats, who all invested together in a number of voyages. Of the forty-one other owners who had a share in vessels sent to the firm before 1788, only three, Thomas Hodgson, George Case, and the Gregsons ever traded again with Rainford, Blundell & Rainford—and then only once each. Of the others, seventeen dropped out of the slave trade altogether, but were never serious players in any case. More importantly, serious players such as John Backhouse, Francis Ingram, Richard Miles, Thomas Tarleton, and Thomas Leyland never dealt with the Kingston house after 1788, despite their continued heavy investment in the slave trade. It would appear that the Rainford brothers were unceremoniously dropped in 1788. It is quite possible

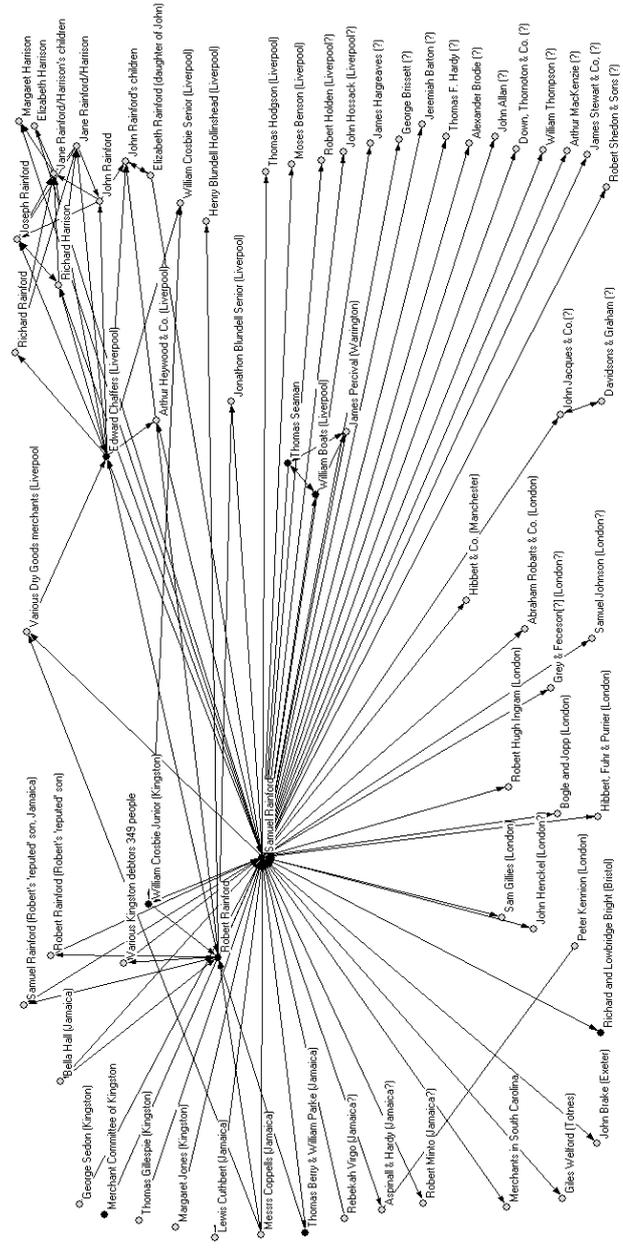
⁶⁴ The following analysis is based on Rainford, Blundell & Rainford Pocket Ledger MG-54-No 74, National Archives Canada and The Transatlantic Slave Trade Database at <<http://www.slavevoyages.org/tast/database/search.faces>>. The voyage numbers on the Database are 92449, 92450, 83975, 83259, 81670, 81141, 81988, 83624, 82853 (London-based voyage), 81606, 83977, 81989, 80848, 82770, 81671, 81921 (London-based voyage), 83918, 81672, 83814, 82156, 80255, 81673, 81182, 82626, 80256, 81561, 83272, 82627, 80516, 80257, 83757, 83273, 81008, 80517, 80862, 83984.

⁶⁵ The Transatlantic Slave Trade Database at: <<http://www.slavevoyages.org/tast/database/search.faces>>.

⁶⁶ Richard Miles knew a Captain Fayrer, Thomas Rumbold, and other Liverpool merchants. See Richard Miles to Will McCourbie, 6 Sept. 1776, Company of Royal Adventurers of England Trading to Africa and Successors, T70 1534, and *passim*, TNA.

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Figure 11.2 Samuel Rainford's later networks c.1794-8



Key: Strong ties (dark circles)
Weak ties (light circles)

Source: Papers of Edward Chaffers: The Transatlantic Slave Trade Database, <<http://www.slavevoyages.org/tast/database/search.faces>>, accessed 17 May 2010.
Rainford, Blundell & Rainford Pocket Ledger MG-54-No 74.

that the relationship between them and the Blundells had deteriorated to such an extent that Blundell junior and senior were gossiping about the Rainfords in Liverpool and destroying their networks there. We have to assume that because William Boats had been involved in seven voyages consigned to Rainford, Blundell & Rainford before this rift, and Thomas Seaman had been a captain on one of those vessels, that they had formed enough of a personal bond to withstand this obvious loss in reputation. This change in Samuel Rainford's networks is highlighted in Figure 11.2. It is immediately obvious that he lost access to the important and interconnected slave trade networks in Liverpool, and his own networks appear to have shrunk because of this.

However, the Rainford brothers did not suffer a loss of reputation in other circles. Throughout their early dealings, Samuel and Robert Rainford were introduced to a wide range of Liverpool worthies and, indeed, merchants of good note in other cities. These included William Crosbie senior, Arthur Heywood & Co., William Boats, and Moses Benson, all of Liverpool, Richard and Lowbridge Bright of Bristol, Hibbert & Co. of Manchester, and many merchants in London.⁶⁷ Some of these weak ties eventually became stronger ones as the Kingston house, and especially Samuel and Robert, built up their networks in Jamaica independently of the Blundells. They certainly had a wide range of people to whom they sold slaves in Jamaica. Three hundred and forty-nine names are listed in their pocketbook, many of whom were respectable merchants or well-known Jewish shopkeepers. This does not even include those sales they made for cash.⁶⁸

Gradually, weak ties were turned into strong ones, and Samuel Rainford became a respected and trusted figure in his own right. Figure 11.2 shows that while Rainford lost many of his weak ties in Liverpool, those that lasted became stronger over time. As early as 1780 he acted as executor for Robert Holden in Jamaica and was apparently also working as an attorney.⁶⁹ The extremely well-con-

⁶⁷ Rainford, Blundell & Rainford in Account Current with Jonathon Blundell, 9 Aug. 1779 to 29 June 1782; 6 Nov. 1783 to 6 Nov. 1785.

⁶⁸ These names have not been shown separately in Fig.12.2 because of the large volume.

⁶⁹ *Royal Gazette, Supplement*, 2 Dec. 1780; Morgan (ed.), *Bright-Meyler Papers*, at 547.

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nected Liverpool merchant William Crosbie sent his son to train as a clerk in the Kingston house, which was a great compliment. Edward Chaffers wrote to Samuel that Crosbie junior was well educated, of a studious turn and amiable disposition, but that 'a few lines of Approbation to his [Crosbie junior's] father would be gratefully acknowledged'.⁷⁰ Samuel was also a member of the Merchant Committee in Kingston, which sought not only to enhance regional trade, but also to alleviate the problems caused by scarcity of money on the island in 1781. He was confident of his position at this time, being one of the few merchants who agreed to accept certificates issued by the Receiver General in payment.⁷¹ Samuel on his own, and the merchant house, were signatories, alongside elite merchants Alexander Lindo and Robert Hibbert, on a memorial sent to the Board of Trade in 1786.⁷² Samuel also established direct trade with South Carolina.⁷³ By 1794 he had cemented his relationship with the Brights in Bristol, and was extending his networks in London as a payee on many Bills of Exchange drawn on the capital city.⁷⁴ In turn, merchants Thomas Berry and William Parke were his executors in Jamaica when he died. Samuel Rainford had therefore reached a position where he was able to help others, and his opinion was sought on various matters. Of course, not everything went according to plan. Samuel was ill on many occasions with the fevers so prevalent in Kingston, suffered from bad headaches, and had to wear 'one pair of spectacles over the other' to see at a distance. He also had some cotton 'adventures' that turned out badly and on which he lost a large amount of capital.⁷⁵ However, on the whole, over time his position changed within

⁷⁰ Edward Chaffers to Samuel Rainford, 13 Feb. 1794, DDch1, PEC.

⁷¹ *Royal Gazette, Supplement*, 27 Jan. 1781.

⁷² This memorial was part of the reaction to direct trade no longer being possible with the newly formed United States under the Navigation Acts. To his Honor Alured Clarke . . . Copy of a letter from a Committee of the body of Merchants [n.d.]; To his Honor Alured Clarke . . . Memorial and Petition of the Merchants of Kingston, 1786; Records of the Board of Trade: West Indies, BT 6/75, ff. 40, 45.

⁷³ *Royal Gazette, Supplement*, 8 Nov. 1783.

⁷⁴ Correspondence from Samuel Rainford to Edward Chaffers, CHA/1/10-13, PEC, *passim*.

⁷⁵ Samuel Rainford to Edward Chaffers, 14 Dec. 1795, 23 Feb. 1793, 920 CHA/1/11; 920 CHA/1/10, PEC.

Jamaica, and with his contacts in Bristol and London. While he lost access to the large slave trade networks in Liverpool, others continued to respect him. With more options open to him, his reliance on Blundell senior was not so crucial, and Samuel gained some degree of power for himself at the same time.

Samuel Rainford's Family Networks

Samuel Rainford was in Kingston from at least 1774 until his death in 1798. During this time, he fulfilled his role as head of the family with great care. However, whilst his letters clearly demonstrate his interest in, and guardianship of, his family, he is strangely removed from them. They are weak ties rather than strong ones. The main exception to this is Edward Chaffers, who while not officially family, was the lynchpin holding it together. This is clear in Figures 11.1 and 11.2, in which Samuel has very little direct contact with any of his family. Chaffers was obviously a great friend to Samuel, highlighting the fact that friendship networks can often be more important than family ones.

Samuel's father died in 1762, leaving all his money and the family farm in the care of his wife to pass on to Samuel. When she died in 1781, the value of the whole estate was only £584 13s. 6d.⁷⁶ No doubt when Samuel left England for Jamaica, he realized that his legacy would not be enough to set him up in business. At the same time, despite being the eldest son, he obviously did not want to run the farm, and was perhaps lured to Jamaica by a sense of adventure, or simply the possibility of wealth. By the time his mother died, he waived his double share of the inheritance and took only an equal share of £116 18s. 7d. with his siblings.⁷⁷ This was not only because he did not need the money, but also, his letters suggest, out of a sense of fairness and responsibility for his family. Perhaps there was also an element of guilt for having left them. Samuel's letters to his long-term friend Edward Chaffers are full of his worries about them. Samuel had four brothers and one sister. The next eldest after Samuel was John, and then came Joseph, Robert (who joined him in Kingston),

⁷⁶ Account Book of Thomas and Elizabeth Rainford, 920 CHA/1/2, PEC.

⁷⁷ He had been left a double share. Account Book of Thomas and Elizabeth Rainford, 920 CHA/1/2, PEC.

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and Richard (who died sometime before 1785); his sister was named Jane. Jane and John both married and had children, and Samuel took care of their ever-increasing families—a total of twenty-four people including his siblings. Samuel's sense of duty is clear from the fact that he virtually paid for the upbringing of three of his nieces. Samuel's brother John married Sarah, and they had four girls. Samuel paid for the education of the three eldest. The fourth died before reaching school age. He paid for their boarding schools, clothes, laundry, music and needlework lessons, books, haircuts, and even umbrellas. They also studied geography and writing.⁷⁸ Robert Rainford later looked after their sister Jane's children in a similar manner.⁷⁹ Samuel seemed to take a genuine interest in the girls' development. In 1793 he wrote: 'I observe my Nieces are in good Health & Coming on very well in their Learning.'⁸⁰

In 1794 Samuel mentioned to Chaffers that his nieces had written to him, and noted that Elizabeth wrote a very fine hand.⁸¹ He later commented that he had received from his nieces Margaret and Elizabeth Harrison, the daughters of Jane, a coat of arms neatly worked and framed and glassed over as a present. He sent them ten guineas each, and noting that he believed his sister had another daughter, said that she should have ten guineas too.⁸² This last comment, and the fact that he particularly noted when he received letters from his nieces highlights that fact that Samuel only had loose connections with his family, despite all the money he spent on them.⁸³ It also seems to confirm that Samuel's family was relatively estranged from him. It is particularly strange that he was not in more direct contact with his sister, because it was Jane who took on the day-to-day responsibility of yet another financial burden for Samuel, his brother Joseph. Joseph suffered from a 'debility of mind' which rendered him incapable of managing his own affairs.⁸⁴ Rainford

⁷⁸ Bills for the Misses Rainford by Edward Chaffers, 920 CHA/1/4-6, PEC.

⁷⁹ Robert Rainford to Edward Chaffers, 8 Dec. 1799, 920 CHA/1/125, PEC.

⁸⁰ Samuel Rainford to Edward Chaffers, 23 Feb. 1793, 920 CHA/1/10, PEC.

⁸¹ Samuel Rainford to Edward Chaffers, 21 Jan. 1794, 920 CHA/1/10, PEC.

⁸² Samuel Rainford to Edward Chaffers, 4 June 1796, 920 CHA/1/12, PEC.

⁸³ He noted one other letter from them in 1798. Samuel Rainford to Edward Chaffers, 31 Mar. 1798, 920 CHA/1/13, PEC.

⁸⁴ Signature of Edward Chaffers on Stamp Office Receipts, 14 Aug. 1799, 920 CHA/1/20, PEC.

wrote to Chaffers that 'in regard to my Brother Joseph you may Augment the sum for his support as you may think proper so as to make his life comfortable & Happy, & if my Brother John does not treat him well let Him go to my Sister Harrison [Jane's married name] or to any other person where you think He can be more happy'.⁸⁵ It would appear that his sister took on the responsibility. In 1807, Jane was still looking after Joseph, the cost coming out of Samuel's estate rather than her own pocket.⁸⁶ However, although Joseph was a worry, he was not really a problem, which could not be said of his brother John.

In fact, one of the few times that Samuel wrote directly to his sister was because she and her husband had fallen out with John. In 1786 Samuel wrote to his brother-in-law Richard Harrison attempting to resolve the dispute: 'It gives me much concern to hear very frequently that your House & my Brother John are still at variance . . . I have to request that all these matters may be dropped, & that I may in future hear of the greatest Harmony & Cordiality'.⁸⁷ It is quite likely that this dispute was concerned with the matter which eventually went to Chancery, the illegitimacy of Maria Dickman, Jane's eldest daughter. Such gossip may well have hurt Samuel's reputation in Liverpool but, in fact, it was his brother John's behaviour that was potentially far more damaging. John was a drunkard whose conduct was unbecoming, although apparently 'without any person attending to him'.⁸⁸ Samuel thought of him as an 'Indolent and inattentive man. I have never thought him Capable of Managing the Farming Business in any Extensive Line', he commented.⁸⁹ Certainly he was incapable of running his own family or the farm. In 1795 Samuel decided to let out the farm rather than allow John to run it. He gave John £50 per annum in lieu, and even this amount was to be paid quarterly.⁹⁰ However, John would not leave the farm, nor would he

⁸⁵ Samuel Rainford to Edward Chaffers, Kingston, 11 Dec. 1795, 920 CHA/1/11, PEC.

⁸⁶ Bill for the Board and Keep of Joseph Rainford, 1807, 920 CHA/1/17, PEC.

⁸⁷ Samuel Rainford to Richard Harrison, 22 July 1786, 920 CHA/1/39, PEC.

⁸⁸ Edward Chaffers to the Honble. Ct. of Chancery . . . 4 Apr. 1810, 920 CHA/1/18, PEC.

⁸⁹ Samuel Rainford to Edward Chaffers, 21 Jan. 1794, 920 CHA/1/10, PEC.

⁹⁰ Samuel Rainford to Edward Chaffers, 11 Dec. 1795, 920 CHA/1/11, PEC.

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pay rent on it.⁹¹ The many IOUs (informal notes of hand) written by John during his drunken sprees in Liverpool testify to his inability to manage his life.⁹² These were given to Chaffers to pay on Samuel's behalf. Edward Chaffers's note to Chancery gives a tantalizing hint of a drunkard who had 'fits of inebriety' weaving his way around Liverpool, visiting various taverns and inns, gossiping about his family, and afterwards buying clothes, wine, and even a mare and a cow whilst still drunk.⁹³ Certainly John was always borrowing money from third parties.⁹⁴ Such behaviour could only have hurt Samuel's reputation in Liverpool, as well as being an embarrassment and a source of worry. At the same time, it was this brother's children for whom Samuel paid all educational expenses. John's inability to look after them was obviously the main reason.

In many ways Samuel had only weak ties to his family because of the lack of direct contact he had with them. It was Edward Chaffers who dealt with all these payments, arrangements, and problems for Samuel in Liverpool. This continued even after his death, when Chaffers was his sole executor in England.⁹⁵ Despite not being his main business partner, Chaffers held Rainford's family networks together in England on his behalf. He also conducted many other transactions for Samuel, something that was particularly useful considering the relationship between the Rainford brothers and the Blundells in Liverpool. Samuel Rainford drew bills of exchange on Chaffers, who also sent others for acceptance on his behalf. He also arranged for the purchase of 3 per cent Government Consuls, sent out books of various kinds, purchased lottery tickets for Samuel, arranged for the purchase of property, and subsequently for it to be rented out, and even sent out various pairs of spectacles as Samuel's sight worsened over the years.⁹⁶ Many of these letters contain per-

⁹¹ Note from Edward Chaffers, 21 Feb. 1805, 920 CHA/1/18, PEC.

⁹² Various IOUs in 920 CHA/1/14, PEC.

⁹³ Edward Chaffers to the Honble. Ct. of Chancery . . . 4 Apr. 1810, 920 CHA/1/18, PEC; Receipt from John Banks, 19 Nov. 1798, 920 CHA/1/14, PEC.

⁹⁴ See e.g. Receipt from James Barrington, 17 Nov. 1798, 920 CHA/1/14, PEC.

⁹⁵ Edward Chaffers to the Honble. Ct. of Chancery . . . 4 Apr. 1810, 920 CHA/1/18, PEC.

⁹⁶ See Correspondence from Samuel Rainford to Edward Chaffers, 920 CHA/10-13, PEC.

sonal comments, and Chaffers seemed more than happy to act on his behalf. He wrote in 1794 regarding the purchase of spectacles that it was 'an Amusement to me Now and then for a particular friend among which you rank and hope to be your Occulist for Life'.⁹⁷ Samuel often sent small presents to Chaffers, as in January 1794, when he sent six pots of sweatmeats to 'Present . . . to Mrs Chaffers with my most Respectful complements [*sic*].'⁹⁸

Samuel's constant care for his family in England is rather poignant considering that there is no evidence that he married, or even had a relationship in Jamaica. His will is unfortunately not extant, but none of the letters and receipts either before or after his death refer to payments to a family or even mention a 'housekeeper' in Jamaica. Nor does the précis of his will sent by Robert to Chaffers make any mention of payments other than to family members, and Chaffers and his wife.⁹⁹ Housekeepers, whether slave or free in Jamaica, were often a pseudonym for common-law wife. Robert Rainford had such a relationship, and indeed a further relationship with another woman, both of whom were mentioned in his will.¹⁰⁰ Bella Hall, a free 'brown' woman was left his house and pen (small farm), various slaves from the estate, a chaise and two horses, all the furniture, cattle, and stock, and £1,400 Jamaica Currency.¹⁰¹ He also left his 'reputed' sons Samuel and Robert Rainford £2,000 Jamaica Currency each, and legacies to their families as well. Numerous free 'brown persons' were also left money. It is worth noting that, not satisfied with stopping the legacies to the Dickmans from Samuel's estate, John Rainford also tried to stop them receiving any money from Robert, in addition to protesting about the money that Robert had left to his various families in Kingston.¹⁰²

⁹⁷ Edward Chaffers to Samuel Rainford, 13 Feb. 1794, 920 CHA/1/11, PEC.

⁹⁸ Samuel Rainford to Edward Chaffers, 21 Jan. 1794, 920 CHA/1/10, PEC.

⁹⁹ Robert Rainford to Edward Chaffers, 4 Aug. 1798, 920 CHA/1/25, PEC.

¹⁰⁰ For more on housekeepers in Jamaica see Trevor G. Burnard, *Mastery, Tyranny, and Desire: Thomas Thistlewood and his Slaves in the Anglo-Jamaican World* (Chapel Hill, NC, 2004); Hilary McD. Beckles, *Centering Woman: Gender Discourses in Caribbean Slave Society* (Kingston, Jamaica, 1999), ch. 3.

¹⁰¹ Jamaica Currency was the local currency valued at 140 per cent of pounds sterling, i.e. £140 Jamaica Currency was equal to £100 sterling.

¹⁰² The Complaint of Joseph Rainford . . . 21 Feb. 1810, C13/132/35, TNA.

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Investigating Samuel's family highlights the fact that family networks are not always reliable and, in fact, can often be a hindrance. While Samuel fulfilled his responsibilities as head of the family to the best of his ability, he did not receive the same courtesy from his family. In contrast, the friendship with Chaffers was far more useful and rewarding both financially and emotionally, and Samuel continued writing to Chaffers right up to his death.¹⁰³

The Trouble with Networks

When Samuel Rainford died in 1798 he left an estate worth £22,000 Jamaican Currency (about £15,700 sterling), the pen on the outskirts of Kingston, another parcel of land, and two stores on the corner of Harbour and Princes streets.¹⁰⁴ These included the usual cellars and accommodation for horses and coaches. He also owned nineteen slaves, some livestock for his pen, a library that reflected his trading concerns, and an array of debts owed him by people in Jamaica. This was really not really very much, considering that he had owed Blundell senior £15,000 sterling on his current account at one point, and given the amounts of money that he had dealt with throughout his career. At the same time, he was far from destitute, making decent provision for all his family and leaving smaller legacies to his friends.¹⁰⁵ Given the problems he had endured with his principal backer, or 'interest', he could be seen as relatively successful.

Samuel's case study highlights the relevance of Granovetter's weak ties; it also demonstrates the need to be wary of accepting that networks always provide a positive outcome. Samuel's career migration had limited success in terms of his relationship with Liverpool. Although Blundell junior was a member of the Kingston house, the relationship with Blundell senior, his main backer, deteriorated quickly. In the early days of the business Blundell senior had all the power. We can see this in the way he treated the Rainford brothers, and also in the way that the Blundells were able to drop the Rainfords completely from their networks in Liverpool around 1788-9.

¹⁰³ See Rainford v. Chaffers, 1811, C13/132/26 and C13/132/35, TNA.

¹⁰⁴ Samuel Rainford to Edward Chaffers, 26 July 1798, 920 CHA/1/13, PEC.

¹⁰⁵ See Stamp Office Receipts at 920 CHA/1/20, PEC.

More importantly, their power and centrality to the Liverpool networks meant that Rainford was dropped by other important actors in the network, especially within the slave trade. (It is highly unlikely that the break was at the Rainfords' instigation, as they were on the periphery of the network.) This meant that Samuel was unable to turn many of his weak ties into strong ones. At the same time, however, Samuel had developed his networks not only in Jamaica, but also in London and Bristol. Nor were all his links in Liverpool severed. By securing an independent reputation, he was able to survive the crisis of being dropped by the Blundells. He had built up other options over the years and had thereby altered his own power relationships, both in terms of the Blundells and more widely. He may not have developed relational cohesion with the Blundells over time, but he did with other merchants and landholders in Kingston. Importantly, his relationship with William Boats and his colleagues endured, despite the fact that they were in some way forced into high-risk activity (small investment groups) by virtue of not having access to the wider slave trade networks. Rainford also stayed with Chaffers for many years, engaging in gift-giving and reinforcing the relationship by relating personal details. In this way, many of his relationships endured the years and the distance. We can see, therefore, that looking at networks over a period of time highlights shifts in power and centrality.

No doubt Samuel found his familial networks a burden in more ways than one. Certainly they were not useful to him; in fact, his brother John certainly added to the loss of standing he suffered in Liverpool, instigated by the Blundells. This, of course, is in complete contrast to the Blundells, who definitely *did* put their familial networks before their business ones – to the detriment of the Rainford brothers. Perhaps if we had put the Blundells at the centre of this story, we would have endorsed the rather naive view that ascribed networks, whether familial, ethnic, or religious, are inherently good. However, Samuel's story demonstrates that over time, friendship and business or trade networks are equally and sometimes more important.

Pirates, Death, and Disaster: Maintaining an Atlantic
Trade Network in Late Eighteenth-Century England

CAROLYN DOWNS

Introduction

The twenty-first century may come to be considered as epitomizing a networked and networking society. Communication across the globe is almost instantaneous, driven by powerful telecommunications networks. Wireless networks find enabled computers and mobile devices, allowing machines to talk to each other, while the users of the mobile devices have anytime, anywhere access that they may use to check their membership of a range of different online communities. These and many other networks are considered the epitome of modernity, essential to the way business is done and society is organized in our fast-paced, contemporary world. What may be overlooked is that the huge range of social, cultural, and virtual networks that people participate in today, alongside the advanced infrastructure provided by physical networks and the more abstract networks that allow conceptualization of ideas in mathematics and science, are simply contemporary manifestations of an organizational structure that was well established in the later eighteenth century.

Mark Casson has outlined why historians are increasingly turning to the organizational concept of networks and has proposed a model with which network-like structures can be understood.¹ This essay considers the business activities of Daniel Eccleston of Lancaster (1745–1821) and the ways in which he developed and utilized networks, within a framework of existing cultural and social norms, to further his mercantile interests. It also considers the factors that prevented him from gaining entrée to potentially beneficial networks and the impact of such closed networks on the commercial opportu-

¹ See Mark Casson's essay in this volume.

nities available to entrepreneurs in the period. The years of Eccleston's life neatly cover the second half of the 'long' eighteenth century, and his varied papers (with documents and publications traced for the years 1776 to 1816) cover a period when many of the political, economic, and social foundations of the nineteenth century were laid.² The Eccleston papers highlight the practicalities of trading across the Atlantic in a difficult period (providing enormous detail for the period January 1780 to December 1781) as well as giving insights into the varied types of largely informal networks that were an integral part of the business, political, social, and cultural life of that time. Eccleston had to engage with a range of problems, including the Great Hurricane of 1781, regular depredations on shipping made by the war, pirates, and the death of important business contacts. These were all factors that individually had the potential to end his business, but with which Eccleston coped through adaptation and enterprise, supported by the effective use of a range of business, social, and kinship networks. Eccleston was very much a scion of the emerging and entrepreneurial middle classes, although his politics were more radical than most and his ideas more advanced than many.³ The networks developed, maintained, and used by Eccleston may perhaps be more diverse than is generally the case, given the additional impetus of his desire to share his politics and ideas, but nevertheless they offer a practical example of the way in which an examination of the role of networks in the business life of an individual can highlight important issues in the wider historical picture.

² See e.g. J. Mokyr, *The Lever of Riches: Technological Creativity and Economic Progress*, (London, 1990); Peter Temin, 'Two Views of the British Industrial Revolution', *Journal of Economic History*, 57/1 (Mar. 1997), 63–82; E. Duggan, 'Industrialisation and the Development of Urban Business Communities: Research Problems, Sources and Techniques', *Local Historian*, 11 (1975); W. Stafford, *Socialism, Radicalism and Nostalgia: Social Criticism in Britain 1775–1830* (Cambridge, 1987); Roy Porter, *Enlightenment: Britain and the Creation of the Modern World* (London, 2000).

³ Leonore Davidoff and Catherine Hall, *Family Fortunes: Men and Women of the English Middle Class, 1780–1850* (London, 1987).

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Eccleston and Atlantic Trade

The established trade relationships from the north west of Britain (Glasgow, Whitehaven, Lancaster, Liverpool) across the Atlantic to the Caribbean, Canada, and North America, together with the triangular trade, centred on the transport of slaves from Africa to the Caribbean and North America, were key drivers for the continuing commercialization and industrialization of Britain, especially for the rapid growth and development of west coast towns and cities in Britain.⁴ The idea of the Atlantic as a region in itself, with peripheral land borders that were interdependent was one that was gaining common currency in the late eighteenth century. Thomas Jefferson coined the phrase transatlantic as a reflection of the significance of the ocean and its trading and political relationships to the nations on its periphery.⁵ The notion of the Atlantic as a conduit rather than a barrier is important in considering how networks worked for Eccleston. The Atlantic represented an opportunity, allowing for networks of ideas to spread and be shared, opening networks of finance and new business contacts for entrepreneurs, and carrying networks of trade and transport. These aspects of the Atlantic appear to have outweighed the risks of sea travel, lengthy journey time, or even war (the American Revolutionary War, 1775–83) for many of the business entrepreneurs based on the west coast of Britain.

When Eccleston returned to England, in time to spend Christmas 1779 with his parents, he was 34 years old and had spent much of the previous fifteen years travelling in the Americas and West Indies: clearly a 'transatlantic' man.⁶ Eccleston was determined to exploit the

⁴ Patrick O'Brien, 'European Economic Development: The Contribution of the Periphery', *Economic History Review*, 35/1 (1982), 1–18.

⁵ David Armitage, 'Three Concepts of Atlantic History', Plenary Lecture, Seventieth Anglo-American Conference of Historians, 'The Sea', held at the Institute of Historical Research, University of London, 4 July 2001.

⁶ For ease of reference, a chronology of Eccleston travels is as follows: 1767 (age 22) Eccleston began travelling, probably in the West Indies (Jamaica, Tobago, Barbados, and Antigua being the most likely islands that he would have visited). By 1769 he was journeying between Montreal and Boston; he spent some time in Boston and left the town by the end of 1769. He then travelled through Virginia, and stayed with Washington at Mount Vernon some time in 1770 or 1771. His travels on the American mainland ended in New

increasing market for what Maxine Berg has described as 'semi-luxuries' in the colonies as well as making use of the rapid development of the west coast ports as a means of avoiding the vested interests he saw at work in the long established London-based trading networks.⁷ He had made previous successful trading ventures across the Atlantic, apparently travelling with his cargo and being actively involved in the distribution of goods. However, the American Revolutionary War was making trade increasingly difficult, and this may have encouraged him to develop a permanent base in England. Eccleston made it clear in a number of his letters that he intended to remain in England 'Till these wars & rumours of wars are over'.⁸ It has been estimated that as much as 40 per cent of the British merchant fleet was lost as a result of enemy action during the American Revolutionary War, and certainly the sea war became far more effective after France entered the war on the side of the Americans in February 1778.⁹ Whether by good fortune or perspicacity, Eccleston had chosen the right moment to leave the West Indies; after his departure the situation in the region worsened as the French captured more British islands. Eccleston had spent much of the first four years of the war based in Barbados, and had seen the island suffer a degree of commercial strangulation that would have made it a less than attractive place for a young man wishing to settle himself in

York, which he left in the spring of 1772, sailing to Antigua. Eccleston spent eighteen months in Antigua and then six months in Barbados, where he entered into a partnership with Edward West, attorney. He then travelled to Lancaster, arriving in the early summer of 1774. He sailed from Lancaster in 1776, and then remained in Barbados until the late summer of 1779. He arrived back in Whitehaven at Christmas 1779, and settled in Liverpool until April 1781, after which he moved to Lancaster where he lived on Queen Street until his death in 1821.

⁷ Maxine Berg, 'New Commodities, Luxuries and their Consumers in Eighteenth-Century England', in ead. and Helen Clifford (eds.), *Consumers and Luxury: Consumer Culture in Europe 1650–1850* (Manchester, 1999).

⁸ Lancaster Library Local Studies Collection (hereafter LLLSC), MS 3734, Eccleston to Walker and Nash, Barbados, 3 Jan. 1780.

⁹ Michael Duffy, *Soldiers, Sugar, and Seapower: The British Expeditions to the West Indies and the War against Revolutionary France* (Oxford, 1987), 84. The Spanish followed the French into the war on the side of the Americans in June 1779, while the Netherlands eventually joined the anti-British alliance at the end of 1780.

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business.¹⁰ In Barbados during 1776 the early impacts of the war were on trade. Insurance rates for shipping rose more than 23 per cent, while the price of flour rose from 15s. to 37s. 6d. per stone over the year.¹¹ The government in Britain compounded the economic problems on the island by doubling the rates of duty on sugar, molasses, and rum over the course of the war. There is no clue in Eccleston's writings that makes clear his reasons for travelling to Britain in 1779. However, the impact of the war on the local Barbadian and wider West Indian economy must have been a factor.

Britain in the late eighteenth century was considered by many to be the epitome of civilization; the British regarded themselves as 'a nation of freemen, a polite and commercial people'.¹² Eccleston's journey from a New World in turmoil to an Old World where he would have better commercial opportunities was not without its trials. Ships sailing from the West Indies to Britain tried to depart no later than the end of June in order to get the best of the winds and to avoid the hurricane season. A ship arriving in Britain in December had left Barbados slightly late in the season, as the average journey time was ninety-five days. Consequently, the passengers sailing with Eccleston on the return voyage to Liverpool suffered an uncomfortable and lengthy journey. Letters written on his arrival in Britain in December 1779 to his brother in Antigua and to friends and business acquaintances in Barbados detail his determination to bring to an end his somewhat nomadic youth. He wrote to a friend: 'I have the pleas-

¹⁰ J. H. Parry, Philip M. Sherlock, and A. P. Maingot, *A Short History of the West Indies* (4th edn. London, 1987), 117. Eccleston may have been in New York in 1775 as there is a petition calling for the election rather than appointment of deputies to the provincial convention that sent deputies to congress. Eccleston was a strong supporter of the American struggle for independence and a proponent of democratic principles. The petition is signed Phileleutheros, a pseudonym that he often used later in life for his radical writings. No subsequent petitions have surfaced in the USA using this pseudonym, although a small book (published in London in 1816) and held in the Library of Congress also using this pseudonym may well be his work. Eccleston had a friend in New York, James Arby, with whom he maintained a correspondence until at least 1781.

¹¹ Parry, Sherlock, and Maingot, *A Short History of the West Indies*, 117.

¹² William Blackstone (1723–80), in Peter Whiteley, *Lord North: The Prime Minister who Lost America* (London, 1996), p. xvi.

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ure of acquainting you with my arrival in England, after a very disagreeable passage from Barbadoes, and also my intentions of remaining here . . . if ever I cross the Atlantic again it will be only just to pay you a visit etc.¹³ Having been travelling around the New World since 1767, Eccleston had made many friends and established business contacts that were scattered throughout the West Indies, North America, and England, so that once he had made a decision to settle down he had many options available to him and could have established himself in any one of a number of locations. One of his most striking observations in the early letters is his enthusiastic description of Liverpool as a land flowing with milk and honey.¹⁴ More recent analysts have noted that during the Industrial Revolution in England, 'Liverpool's mercantile connections were . . . local, regional, national, and international', making it a city already part of an established and extensive trade network and apparently an ideal base for Eccleston.¹⁵ Eccleston was a hard-headed and experienced businessman with an ever ready eye open for new and profitable opportunities. Clearly he saw in Britain, and Liverpool, a prospect of obtaining wealth and perhaps the status that went with it.

Eccleston's Network

During Eccleston's extensive and lengthy travels he developed and maintained widespread networks of contacts. His business letter books provide a working example of Pearson's and Richardson's analysis of the place of networks in the economic system of a society: 'Networks are an integral part of economic activity, which is moulded by social, cultural, and political influences as well as by market mechanisms.'¹⁶ Eccleston used his networks as a means of obtaining and sharing information about the markets, the progress of the war, and political developments. By the 1790s his business and radical networks were intertwined, with his business activities often reflecting

¹³ LLLSC, MS 3734, Eccleston to Walker and Nash, Barbados, 3 Jan. 1780.

¹⁴ Ibid.

¹⁵ Robin Pearson and David Richardson, 'Business Networking in the Industrial Revolution', *Economic History Review*, 54/4 (2001), 657–79, at 671.

¹⁶ Ibid. 657.

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his radical philosophies. Eccleston's networks can be represented as an inverse triangle. His kinship and community network was reasonably important to his business, but was limited to trading with his brother Isaac (who had a plantation in Antigua), and trading and exporting linen woven by his father plus a very small amount of trade and commissions executed on behalf of relatives. Eccleston's overseas contacts and relationships he developed with fellow Liverpool or Lancaster-based merchants and manufacturers across the north of England were of greater significance to his business. These networks were linked, primarily through Eccleston himself, who acted as a conduit for information and agent for various members of the different networks. The process was not referred to as networking by Eccleston, but the very deliberate use of friends-in-common as a tool for developing new openings in business, as referees for new acquaintances, and as a means of raising finance and generating liquidity via bills of exchange suggests that networks were central to the business activities of individual entrepreneurs. Eccleston and his contacts were networking, using sometimes loose connectivity, to create new pathways along which trade, commerce, thought, and knowledge could travel.

Eccleston had been brought up as a Quaker, and his father was extremely active in the Whitehaven Meeting.¹⁷ This factor had the potential to be extremely useful to Eccleston as Quaker businessmen were widely respected and trusted because of their well-known and widely understood moral attitudes.¹⁸ There are clear business advantages to developing a network in which those with whom you deal have a known moral attitude that is cognisant with fair dealing. Indeed, this might be described as an effective risk management tool, although as personal knowledge is no guarantee of fiscal rectitude and probity, personal trust and knowledge will also be supported by traditional means of enforcement such as contracts and the courts. However, as there is no evidence at all that Eccleston was in any sense an active Quaker, this may have limited his scope in developing close ties with Quakers who were not also family members. This

¹⁷ Whitehaven is a port in Cumbria, in the far north west of England.

¹⁸ Hugh Stuart Barbour, *The Quakers* (London, 1988); Adrian Davies, *The Quakers in English Society, 1655–1725* (Oxford, 2000); James Walvin, *The Quakers: Money and Morals* (London, 1997).

may be a reason for Eccleston's limited contact with Quaker networks, although it could equally be the case that as a freethinker he did not feel comfortable about developing closer ties with Quakers outside his immediate family. Nevertheless, Eccleston did make use of Quaker networks of contacts, identifiable by his use of Quaker styles of address in his correspondence with Quakers (thee, thou and thine), which he did not use in the great majority of his business correspondence or his publications.

On his arrival back in England, the logical place for Eccleston to establish himself in business appeared to be Whitehaven in the north-west county of Cumberland, the town where his parents lived. Eccleston's decision not to settle in Whitehaven appears at first glance idiosyncratic. By 1790 Whitehaven could boast a large fleet. Around 214 vessels were based there, with more than 1,600 people employed in shipping and associated trades, so that Whitehaven looked like a good prospect for a young merchant seeking his fortune.¹⁹ However, much of the trade in the town was with Ireland, where Eccleston had no contacts, along with British coastal trade (exporting the coal that was mined locally), and trade with the American mainland (difficult during a time of war); a much smaller part of Whitehaven's the trade was with the West Indies.²⁰ Although the Quaker Eccleston family clearly had many business and familial links with the town (there had been a Quaker Meeting in Whitehaven since 1727), this in itself might be the most pressing reason for Eccleston not choosing to settle there.²¹ Eccleston was a man used to his independence, and although clearly extremely fond of his parents, far beyond what might be described as dutiful, he would certainly have found their presence a curb on his activities.²² Additionally, the inland transport and economic infrastructure in Cumberland and Westmoreland was extremely poor, and Eccleston needed to make regular visits to manu-

¹⁹ D. Hay, *Whitehaven: A Short History* (Whitehaven, 1966), 42.

²⁰ *Ibid.* 42-3.

²¹ D. Butler, *Quaker Meeting Houses of the Lake Counties* (London, 1978), 37.

²² Of the 274 letters that Eccleston wrote in the years 1780-1, 16 per cent were to his father (44 letters). These letters are lengthy and full of affection and concern for both parents. He visited them in Whitehaven several times over the two years and often sent them gifts. Eccleston made strenuous efforts to persuade his parents to come and live at a house he had found for them (and was prepared to buy for them) in Lancaster.

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facturing centres such Manchester, Sheffield, and Leeds, in order to purchase manufactured, semi-luxury, goods for export to the West Indies.²³ Liverpool had a far better inland infrastructure than Cumberland, with the Duke's Canal making access to Manchester straightforward and predictable, and a network of turnpike roads that were reasonably well maintained for the period. Eccleston's interest in British politics might also have influenced his choice of town. The wealthy Tory Lowther family who owned most of the land, and therefore most of the coal, in the area effectively controlled Whitehaven, politically and financially. One of Eccleston's correspondents in Whitehaven made clear in his diary for 1780 his distaste for the political activities of the Lowther family:

Sir James Lowther called here today desiring me to revoke a promise I with many others had made to vote for John Pennington . . . which was refused by most in the town whereupon he ordered his stewards not to furnish me with any more coals.²⁴

John Pennington Esq. its [*sic*] said declines the contest & Sir James Lowther & Henry Fletcher Esq. to be sitting members. . . The Great men are Haughty, High and Imperious and not willing that any should sway the government but themselves [*sic*].²⁵

Liverpool was a town without an established aristocratic presence and its residents were far less subject to the whims of aristocracy. To these sound business and political reasons for Eccleston's not settling in Whitehaven must be added his dislike for the town, apparent in his many exhortations to his parents to leave Whitehaven. Eccleston considered the ever-present smoke in Whitehaven to be the root of

²³ Trips to various places are mentioned in many of his letters. Eccleston made at least three visits to London and several to Manchester and Sheffield. He visited Warrington, Birmingham, and Leeds at least once each, and also travelled in the Potteries area.

²⁴ Jean Ward (ed.), *The Diary of John Bragg* (Whitehaven, 1999), entry for 13 Sept. 1780, 94.

²⁵ *Ibid.* entry for 24 Sept. 1780, 94.

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his parents' ill health and had no hesitation in describing the town as 'that Coal-hole',²⁶ or 'that smoaky hole'.²⁷

Creating an English Base

Liverpool in 1780 would certainly have put the deficiencies of provincial Whitehaven into sharp relief, for by the late eighteenth century it was an impressive town whose global importance as a port should not be underestimated. The significance of the slave trade to the port was such that although only a relatively few merchants took part in this trade, it generated an expansion of the markets that benefited all Liverpool's merchants.²⁸ The West Indies trade in sugar was central to Liverpool's commercial development, and sugar refineries had been built near the docks in 1680, with other valuable imports from the West Indies into the town being cocoa, coffee, dyewood, and rum.²⁹ Eccleston's first-hand experience of living and trading in the West Indies and extensive network of contacts with cotton and sugar plantations would certainly be useful in attempting to make a place for himself within the business networks that existed in Liverpool.

As was natural for a man who had embarked on a hazardous and lengthy voyage, Eccleston's first letters from Liverpool in 1780 were to friends, family, and colleagues in the West Indies, containing news of his arrival in Britain, and the progress of other ships in the fleet with which he sailed. It is here that we see how closely the business and friendship networks intertwined in eighteenth-century commerce. In an age where there was unlimited individual liability for investors, trust was an essential element of business success. The late eighteenth-century networks that Daniel Eccleston worked within were built on a range of social conventions. Although the networks with which he engaged often served a business or political purpose,

²⁶ LLLSC, MS 3734, Eccleston to William Eccleston, 22 May 1780.

²⁷ Library of the Religious Society of Friends, London (hereafter LSF), TEMP MSS 145/1, Eccleston to William Eccleston, 8 Apr. 1781.

²⁸ F. E. Hyde, *Liverpool and the Mersey: An Economic History of a Port 1700–1970* (Newton Abbot, 1971), 26.

²⁹ *Ibid.* 27, 37.

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the commonly held social constructions of the period were fundamental to the working of the networks. Social connections rely heavily on trust, and this commodity had to be earned, measured, and validated through experience. Trust is based on an assessment of factors: esteem of the community, apparent liquidity, independence of thought, and the number of points of contact (friends-in-common).

The networking activities of businessmen such as Daniel Eccleston, often conducted by letter, provided a way for levels of trust to be validated. Business letters carried an enormous range of information of the sort that would enable a picture to be drawn of the state of trade in a region, the progress of the war, the names and credentials of trusted individuals who might be of use to the addressee, details of local wage rates, particulars of innovations that might offer an investment opportunity, and the dissemination of political ideas. All this information could be added to that contained in correspondence from other sources. Discrepancies could be questioned and areas of consistency amongst correspondents would illustrate the trustworthiness of the source.

The difficulties encountered in maintaining a business network that spanned the Atlantic included communication. The value of communication was such that in an age of minimal government interference there was a considerable level of state involvement in maintaining the postal service, and this continued despite the additional communication difficulties caused by the war. The packet (or packet) boat service had been established in the early eighteenth century and delivered mail to most of the colonies, and to those parts of mainland Europe with which Britain was not at war, under Post Office control.³⁰ These vessels were armed, and therefore not obliged to travel with the convoys that were obligatory for other vessels crossing the Atlantic during the American Revolutionary War. However, even the packet boat could not gainsay wind and current, and the service to the West Indies could be very slow. There was no guarantee that letters would arrive at their destination, and the voyage to Barbados was never less than seventy days in duration. During 1780–1 Eccleston sent sixty-three letters to the West Indies, eleven of which were sent via the Post Office packet boat. The four-

³⁰ Ian Kenneth Steele, *The English Atlantic, 1675–1740: An Exploration of Communication and Community* (Oxford, 1986), 187–90.

teen letters that were sent directly to his brother Isaac in Antigua had to go in the charge of the captain of a vessel sailing to the West Indies, for the packet boat only called at Barbados and Jamaica.³¹ Ships' captains carried letters for a fee, and there was legislation in place that made it a duty in law for a captain to take all such correspondence to the local Post Office (or other trustworthy local mail delivery service) immediately upon his arrival in the port. As letters destined for the West Indies were reliant on the availability of shipping, Eccleston wrote batches of correspondence to those islands, with copies of letters always sent on separate vessels in case of mishap. The voyage could last between 70 and 121 days, depending on the winds, so information on the progress of the war, on prices, and news of family and friends after natural disaster were all slow to arrive in Britain. Once news from the West Indies arrived here it was copied and shared amongst any other interested parties. The importance of communication to the maintenance of a business network is clear from the contents of Eccleston's letters and the significance placed upon sharing information amongst his network.

Written communications were the main means by which a network that spanned the Atlantic could share information, including on the reliability and integrity of new trading contacts. The ability to trade successfully relied heavily on knowing where it was safe to place trust, and levels of trust may have been a recognized commodity, implicitly included in negotiations of contracts. Partha Dasgupta noted that the existence of trust implies a belief based upon firm foundations, or at least on the knowledge that if the trust is misplaced then there is a means of enforcement that can be trusted.³² In the late eighteenth century means of enforcement were not well developed or especially effective, so that trust-building was a central part of the purpose of a network, providing confirmation of trust plus an informal mechanism for enforcement by the intervention of friends-in-common where disputes or problems arose. Trust-building may require incentives, either tangible or intangible. A networking relationship is reciprocal and may be so in several directions,

³¹ It seems that few ships sailed directly to Antigua, as letters to Isaac were often included in letters to Tobago, Jamaica, or Barbados, with a request that they be forwarded to Isaac Eccleston of Antigua.

³² Partha Dasgupta, 'Trust as a Commodity', in Diego Gambetta (ed.), *Trust: Making and Breaking Cooperative Relations* (Oxford, 2000), 49–72.

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with the result that the reward for trust-generation within the network may be the furtherance of business opportunities or the less tangible but still valuable knowledge that people in your network are watchful on your behalf.

One of Eccleston's primary concerns in the first batch of letters to the West Indies was to receive final accounts for sales made in Barbados, and the opening paragraph of his second letter of 1780 is blunt and to the point:

I think the last time I saw you in Barbadoes I desired you wou'd be so kind as to draw out sales . . . as they appear in my Books, I must now repeat the request, and will be much obliged to you to furnish Mr. Edwd. West³³ with James Adams a/c current.³⁴

In the same letter, one of the irritants that continued to exercise Eccleston throughout the two letter books was aired for the first time: excessive profits made by middlemen, usually those working within networks closed to Eccleston: 'I am certain I can send Manchester, Birmingham, and several other goods from Liverpool (being purchased from the Manufacturers themselves) on much more advantageous terms than they can be sent out from London, where there is generally two or three profits on 'em before they are shipped for the West Indies.'³⁵

Eccleston regularly complained of the excessive influence of London-based networks and the profits made by middlemen, despite the fact that he himself was effectively acting as a middleman, and expected to make a good profit by his actions. In the same group of letters for the West Indies, Eccleston outlined his plans for commencing in business as a Liverpool-based ship owner, 'whenever these disagreeable times are at an end'. This venture would have been cooperative, involving contacts from his direct network of connections and perhaps also new people, introduced as trusted names

³³ Edward West was Eccleston's business partner in Barbados. West was an attorney, which in the West Indies generally entailed supervising several plantations for an absentee owner, for which the attorney was paid in sugar.

³⁴ LLLSC, MS 3734, Eccleston to William Eccleston, Eccleston to William Walker Jordan, Barbados, 3 Jan. 1780.

³⁵ *Ibid.*

from outside his existing network by the friends-in-common system that seems to have been the main network expansion technique in the period.

Times were very disagreeable indeed for the British in 1780. The raid on Whitehaven in 1778 by the American John Paul Jones (1747–92) had caused great consternation to the government and to those living on or near the coasts. The progress of the war was equally bad in the West Indies during 1779–80, as British islands were falling to the French like dominoes, and there were grave fears for Antigua after the capture of Tobago and St Kitts and Nevis in 1780.³⁶ Yet despite the war, Eccleston was determined to advance the cause of his new business venture. Maintaining a business network is the key tool of the entrepreneur, for this is where new ideas can be floated and then developed into working practices. Doing business by letter actually encouraged what is now considered to be best practice in network management, as ‘listening, reflecting and reacting to others become central activities’.³⁷ His use of networks of friends-in-common that provided information and ideas, often as a result of Eccleston making a link from separate items of correspondence, as a business tool helped him minimize risk. As Pearson and Richardson have shown: ‘The cost of making mistakes when diversifying into new activities and entering new markets was likely to have been reduced by information sharing and collective action between capitalists.’³⁸

Eccleston’s understanding of the importance of his network as a tool for reacting to others and picking up new openings and opportunities that would allow the advancement of his business even in ‘disagreeable times’ is evidenced both by his responses to points raised in letters from the West Indies, such as his decision to send a consignment of lightweight and fashionable material and hats for

³⁶ More than 400 American vessels operated as privateers in the waters off the Atlantic coast, the West Indies, and even those surrounding the British Isles. They inflicted severe damage on British ships and trade, costing Britain about 2,000 ships, £18 million, and 12,000 men captured.

³⁷ Håkan Håkansson and David Ford, ‘How Should Companies Interact in Business Networks?’, *Journal of Business Research*, 55/ 2 (Feb. 2002), 133–9, at 136.

³⁸ Pearson and Richardson, ‘Business Networking in the Industrial Revolution’, 675.

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sale, as well as the inclusion in each of his letters of a request to be recommended as a trustworthy and reliable agent for planters in the West Indies: 'If any of your friends are inclinable to ship Cotton or any other produce, I flatter myself I can execute a commission of that kind as much to their advantage as most houses [in Liverpool], and will be obliged to you for anything you may recommend in that line.'³⁹

This letter ended with a request that a remittance be sent for Eccleston's desk (which he sold to Mr Pearson) and 'the few doz. Claret' that Mr Pearson took from Barbados to Tobago.⁴⁰ The detail in the letters also show that, whilst in Barbados between 1776 and 1779, and despite the economic decline of the islands, Eccleston had accumulated considerable profits, and was certainly in possession of a very handsome competence even if he was not, strictly speaking, wealthy. Eccleston's decision to concentrate on the export of semi-luxury goods based upon the use of his extensive network of contacts in the West Indies was, in terms of modern business analysis, well-founded. Rauch proposed that colonial ties remained important in the development and maintenance of business networks, along with a common language. Indeed, he suggests that a network view of international trade is particularly important in differentiated (manufactured) products that do not have an international reference price.⁴¹ Rauch also noted that the role of relationship building (networks) and personal contacts in determining the spread and distribution of trade is an important area for future research.⁴² Given the similarity of Eccleston's pattern of business networks, it may be that Rauch's analysis has noted the continuation of a centuries-long pattern of trade rather than a product of post-colonialism.

³⁹ LLLSC, MS 3734, Eccleston to Thomas Pearson and Company, Tobago, 3 Jan. 1780.

⁴⁰ Ibid.

⁴¹ James E. Rauch, 'Networks Versus Markets in International Trade', *Journal of International Economics*, 48 (1999), 7-35, at 7.

⁴² Ibid. 33.

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The Liverpool Problem and a Solution

One of Eccleston's most striking observations in the early letters is his enthusiastic description of Liverpool as flowing with milk and honey. Despite extensive efforts and well-placed contacts, however, Eccleston found it almost impossible to break into the established commercial networks in that city. He could not get sufficient warehousing or shipping space.⁴³ Liverpool had a system of merchants' associations that were well established by 1780, and entry to both the West Indies Merchants' Association and the Africa Merchants' Association was a prerequisite to success in those markets, offering access to shipping space and warehousing.⁴⁴ These formal networks offered benefits for the individual trader but also limited free trade as it could be difficult for an outsider to break into a well-established group with clear sets of membership credentials. As Casson notes in the introduction to this collection: 'not all networks are a pleasure to belong to; some professional networks can be very competitive, for example, and, far from welcoming new members, act more like a clique or a cartel. People still seek entry, however, because of the economic advantage that can be obtained.'⁴⁵

A formalized network undoubtedly offers an individual trader benefits, especially in the development of a more united and cohesive approach to coping with rapidly changing market circumstances in a difficult trading environment. Formalized networks may also increase the diversity of markets and access to commodities for those within the network.⁴⁶ The disadvantages, though, are that a network which is not open to new members may miss, or be late to exploit, new opportunities. Eccleston appears to have found it difficult to gain more than a toehold in the West Indies Association despite having a number of friends in Liverpool on whose services he could call. These included Thomas Park, who bore the nickname Tummus a Didimus (doubting Thomas), Mr Kendall, Joshua Holt, and Daniel Steel, who appears to have been linked in some way to the Liverpool

⁴³ LLLSC, MS 3734, Eccleston to Walker and Nash, Barbados, 3 Jan. 1780.

⁴⁴ Hyde, *Liverpool and the Mersey*, 41.

⁴⁵ See Mark Casson's essay in this volume.

⁴⁶ Alessandra Casella and James E. Rauch, 'Anonymous Market and Group Ties in International Trade', *Journal of International Economics*, 58 (2002) 19–47.

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merchants Crosbie and Greenwood and was Thomas Park's cousin. These contacts were useful to him but Eccleston found that his progress as a merchant was being seriously impeded by the severe shortage of shipping and warehousing space in Liverpool during the early 1780s and compounded by his failure to become part of the formalized and well established merchants' networks that existed in Liverpool.⁴⁷ Eccleston often refers to problems in sending shipments to the West Indies as a result of the appropriation of space he thought he had secured by others whose cargoes had arrived more promptly at dockside or who had influential contacts.⁴⁸ The problem of a shortage of shipping space was largely the result of vessels being used as privateers, and even caused the long established Liverpool merchant William Rathbone (1757-1809) to establish his own ship-building concern in 1781 so that he could continue to ship his goods.

Eccleston was not deterred by the difficulties of breaking into the formalized Liverpool West Indies Merchants' Association. Instead he set about using his own informal network as a means of sharing capital resources to resolve the shipping problem. Eccleston resolved to purchase the lease on a ship, the *Boscawen*. The purchase of a share in a vessel (to be leased from Joseph Harrison) was Eccleston's characteristically businesslike response to a worsening shipping crisis. He had rapidly realized that the severe shortage of shipping space in Liverpool would impact on the arrangements he had established through his network of Caribbean contacts for goods to be shipped to Antigua and Barbados, and had decided to act accordingly. Eccleston appears to have had a long-standing friendship with the merchant Alexander Spittal of Whitehaven, who lived across the street from Eccleston's parents. This enabled Eccleston to acquire first refusal on the lease of the *Boscawen*. Whilst Eccleston proceeded with the leasing of a vessel as a short-term solution to the shipping shortage, he continued to plan for the long term, and wrote to a business contact in Barbados:

I am now fixed in Liverpool and have some thoughts of purchasing a vessel to be constantly in the Trade from hence to your

⁴⁷ Hyde, *Liverpool and the Mersey*, 33.

⁴⁸ LLLSC, MS 3734, Eccleston to Joshua and Geo. Smith, Manchester, 8 Feb. 1780.

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island; cou'd wish to have her about half owned here and half in Barbadoes; and shall be glad, if it is agreeable for you to take an eight share. I can purchase and fit her out for about £800 and shall have two or three considerable houses here who are shippers to your Island concerned, so that I shall have no doubt of sending her out from hence a full vessel, and wou'd hope for yours and the rest of the ownery's Assistance in Barbadoes to have her also generally return full laden hence. . . If the above proposal meets with your approbation you'll please give me instructions who I shall value on here for £100.⁴⁹

This letter offers an insight into the use of business networks both to finance shipping and to ensure that the space was well used. Eccleston did not intend that the owners of the ship would necessarily also be producers of goods to be shipped, but rather that they would use their own networks to acquire goods for passage to Liverpool. In the same letter Eccleston requested a remittance due to him to him for a bale of 'oznabys' that he had sent out.⁵⁰ This should be sent in 'coarse clayed sugar's' or 'good muscovado'.⁵¹ The current sale price of such sugar in Liverpool was included in the letter. He requested that the remittance be sent by the convey on 1 August at the latest, which meant Eccleston was not likely to receive his remittance until December 1780, nine months after despatch of the goods.

Insurance, Pirates, Shipping, and Trade

The genesis of Eccleston's later involvement in the insurance business in Lancaster, and the centrality of network generation to its success is alluded to in a letter primarily requesting payment for

⁴⁹ LLLSC, MS 3734, Eccleston to Thomas Griffith, Barbados, 20 Feb. 1780.

⁵⁰ Oznaby was type of linen cloth originally made in Osnabrück, but in this instance woven in Whitehaven.

⁵¹ Clayed sugars were the product of the first stage of refining, which was the only stage of the refining process carried out in the West Indies. There were sugar refineries in Liverpool and Lancaster, so Eccleston may have had the sugar refined before selling it on, as the whiter the sugar the greater its value.

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goods.⁵² Eccleston had long-standing contacts with the firm Walker and Nash, to whom he had sent a puncheon of Irish and English linens.⁵³ Alongside the request for a draft for the linens, Eccleston was waiting for Walker and Nash to settle their share of the insurance for the vessel the *Three Friends*, which had been lost at sea the previous year. The risk had been underwritten at Bridgetown when Eccleston was living in Barbados, and Eccleston had paid out on the loss.⁵⁴ Although there was a degree of standardization in maritime insurance by the 1780s, it was difficult to make a success out of either underwriting or brokerage without a well-established network that could provide confirmation of the ability of captains and crews, the seaworthiness of a vessel, the quantity of serviceable weapons on-board, and the likelihood that the vessel could keep up with the convoys that made travel across the Atlantic safer.

Individual underwriters were able to dominate the marine insurance market for much of the eighteenth century as a result of the Bubble Act legislation of 1720 which, with the exception of Royal Exchange Assurance and London Assurance, barred corporate bodies from writing insurance.⁵⁵ In Lancaster individuals who knew each other acted together informally, each underwriting small amounts on a number of vessels to minimize the risks. Eccleston described a vibrant and substantial market for marine insurance in Lancaster, which has not been chronicled in other histories of the town: '3 or 4 thousand pounds may be done here on a good vessel with [the] Convoy at a fair premium.'⁵⁶ He estimated that the underwriters in

Muscovado was raw, untouched sugar, the result of one refining from the cane, and was the cheapest of the sugars sold in Britain. Again, added value would be obtained if it was further refined before selling.

⁵² For an examination of this see Carolyn Downs, 'The Business Letters of Daniel Eccleston of Lancaster (1745-1821): Trade, Commerce, and Marine Insurance in Late Eighteenth-Century Liverpool, Lancaster and Whitehaven', *Northern History*, 41/1 (Mar. 2004), 129-48.

⁵³ A puncheon was a watertight cask up to 5 feet tall and able to hold the equivalent of up to 140 gallons.

⁵⁴ LLLSC, MS 3734, Eccleston to Walker and Nash, Barbados, 20 Feb. 1780.

⁵⁵ H. Cockerell and Edwin Green, *The British Insurance Business: A Guide to its History and Records* (Sheffield, 1994), 6.

⁵⁶ LSF, TEMP MSS 145/1, Eccleston to Crosbie and Greenwood, Liverpool, 13 July 1781.

the town would earn £30,000 in profits for 1781 if the Jamaica and Windward fleets arrived safely, as they did.⁵⁷ Eccleston himself insured a part of his cargo to Antigua in Lancaster through his access to the Quaker network. Eccleston's friend, the Lancaster Quaker William Anderson, was one of the forty or so underwriters in Lancaster at that time.⁵⁸

The need for insurance was very obvious at a time of war. Pirates were an increasing threat, as were privateers that regularly waylaid ships, making off with the cargo and often holding passengers or crew to ransom.⁵⁹ Eccleston's friend Captain Walker had sailed from Liverpool for Tobago in January 1780, been captured by French privateers, and taken to France. Eccleston wrote: 'The times are at present so very precarious as to almost deter one from doing anything to the West Indies.'⁶⁰ Privateers also continued to make the English Channel an extremely dangerous route, and as the Royal Navy became increasingly stretched, were becoming bold enough to venture into the Irish Sea. The increasing significance of the insurance industry in both Liverpool and Lancaster did not escape Eccleston's notice, and his previous experience gave him the expertise to switch between the export-import business and that of marine insurance broker, an occupation that again made use of his extensive networks but with considerably less risk of financial loss than either trade with the West Indies or underwriting insurance himself.

The general tone of Eccleston's February 1780 batch of letters to the West Indies was extremely businesslike, with Eccleston still concerned to organize a group of owners to take shares in the *Boscawen*. However, his letter to John Bispham mainly concerned a 'not for

⁵⁷ Ibid. Eccleston to William Eccleston, Whitehaven, 22 Sept. 1781.

⁵⁸ Ibid. Eccleston to Dixon and Litledale, Whitehaven, 14 July 1781.

⁵⁹ Privateer, in international law, was the term applied to a privately owned, armed vessel whose owners were commissioned by a hostile nation to carry on naval warfare. Such naval commissions or authorizations are called 'letters of marque'. Privateering is distinguished from piracy, which is carried out without enlistment by a government. In the late eighteenth century privateering had two purposes: it allowed governments to augment, or in the case of the Americans, to acquire, their navy and was also a form of warfare from which money could be made. Enemy vessels, once captured, could be ransomed.

⁶⁰ LLLSC, MS 3734, Eccleston to Walker and Nash, 28 May 1780.

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profit venture'. Eccleston and his friends had drunk the puncheon of best rum that had travelled with him from Barbados, and 'Tho't it very good', so a replacement was required.⁶¹ Again though, apart from the request for rum, Eccleston was busy promoting his business, chasing payment, detailing terms and conditions of trade, and developing his role as exporter of luxury goods. His business plan was not for these goods to be sold to the planters but: 'To be sold for cash to the retailers etc. in the Town, as it wouldn't at any rate answer my purpose crediting the estates you may have connexions with, for the long credit they usually take wou'd soon ruin me.'⁶²

As well as the hats, material, and ribbon, Eccleston shipped out 180 dozen Queensware plates, a bale of oznaby (used for clothing slaves), and a chest of combs in February 1780. Eccleston also planned to ship out cutlery, but had found that he could not get the high-class goods he demanded without visiting Sheffield as he had no contacts in that town. He wrote that he planned to travel round several manufacturing towns in the spring of 1780 to seek out quality items for export to the West Indies.⁶³ Eccleston's travels in pursuit of new business contacts led him to develop a political network that interlocked and overlapped in many places with his business network.⁶⁴ These new networks provided a forum for the development of Eccleston's ideas on freedom and religion, and later in his life led to Eccleston publishing radical petitions and books on freedom of thought and religion, resulting in several brushes with authority, including a spell in prison.

Deaths and Disasters

One of the greatest risks of the late eighteenth century was that of sudden death, and living in the West Indies added to that risk. More than 62,000 British soldiers died from disease in the two West Indies campaigns during the American Revolutionary War, a figure that is

⁶¹ Ibid. Eccleston to John Bispham, Barbados, 20 Feb. 1780.

⁶² Ibid. Eccleston to Walker and Nash, Barbados, 20 Feb. 1780.

⁶³ Ibid. Eccleston to William Eccleston, 20 July 1780. Eccleston said that he expected to be travelling on business for five months out of every twelve.

⁶⁴ Ibid. Eccleston to John Bispham, Barbados, 20 Feb. 1780.

illustrative of the extreme risk to life that settling in the West Indies posed to any European.⁶⁵ Eccleston was well aware of these dangers, as one of his first commissions on returning to England in 1779 was to have made and despatched a tombstone on behalf of his business partner, the attorney Edward West.⁶⁶ Eccleston wrote: 'I enquired about a tombstone for you at Lancaster, and find I can send you one from thence at little more than your limits, of a grey stone which I think will do very well [and] I wish may please, I took a good deal pains about it.'⁶⁷

Eccleston was extremely concerned about the lack of remittances from Edward West. Included in the batch of letters sent to the West Indies in May 1780 was a dunning letter, reminding West of unpaid invoices amounting to £143 15s.⁶⁸ The letter included a request that West make every endeavour to collect other money due to him, especially from J. Adams. He enclosed a detailed list of then current sale prices in Liverpool, and commented on a rush of speculative purchasing of sugar for export to Ireland. This was the result of an imminent statutory change in the duties on sugar, and merchants were keen to take the opportunity of an increased profit. The strength and utility of a network did not appear to be damaged by lengthy credit or letters framed in strong terms requesting payment. Following West's demise later that year, Eccleston sent a letter to his widow, Anne, offering his condolences at the loss of her husband; this was coupled, however, with a request to settle the overdue account for the tombstone.⁶⁹ The letter to Anne West was sealed in a letter to Eccleston's contact, the merchant Michael Lynch, so that it would be given to her personally. Eccleston wrote to Lynch: 'I'm very sorry to hear of his death, for I believe he was a worthy, honest little man. The amount of my invoice to his address . . . was £43 15s.'⁷⁰ The loss of part of a network, even where the individual who died was responsible for the organization of a matter as significant as collection and remittance of money owing, appears to have been less problematical

⁶⁵ Parry, Sherlock, and Maingot, *A Short History of the West Indies*, 176.

⁶⁶ LLLSC, MS 3734, Eccleston to Edward West, 13 Jan. 1780.

⁶⁷ *Ibid.*

⁶⁸ *Ibid.* Eccleston to Edward West, 28 May 1780.

⁶⁹ LSF, TEMP MSS 145/1, Eccleston to Anne West, 1 Oct. 1780.

⁷⁰ LLLSC, MS 3734, Eccleston to Michael Lynch, 1 Oct. 1780.

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for Eccleston than his difficulties in obtaining shipping and the threat of piracy. Eccleston's networks of contacts in the West Indies were extensive, and in the same packet of letters that offered condolences to Anne West he sent requests to other friends for assistance in the resolution of Edward West's affairs.

Eccleston's letter to Ann West had offered her sincere condolences before embarking on business matters and requesting that she settle all outstanding debts promptly.⁷¹ Eccleston followed up his rather hurried letters of 1 October 1780 with a more detailed letter to Michael Lynch dated 13 October 1780. What no one in Britain knew was that on 10 October much of the West Indies had been devastated by what is still believed to be the worst hurricane ever to strike the region. Accounts of the time describe scenes of complete destruction. On Barbados the hurricane tore away all the fortifications that had been built, shifted heavy cannon more than 30 metres, and also destroyed most of the stone houses, including the three-foot thick walls of Government House, as well as all the wooden buildings. The governor of the time, Major General Cunninham, wrote:

On the morning of the 10th much rain and wind from the NW. By ten o'clock it increased very much. By six o'clock the wind had torn up and blown down many trees, and foreboded a most violent tempest. At the Government House . . . the family took to the centre of the building, imagining from the prodigious strength of the walls, they being three feet (1m) thick, and from its circular form, it would have withstood the wind's utmost rage . . . by half after eleven o'clock, they were obliged to retreat to the cellar . . . the wind having torn off most of the roof . . . nothing can compare with the terrible devastation that presented itself on all sides; not a building standing, the trees, if not torn up by their roots, deprived of their leaves and branches . . . No one house in the island is exempt from damage.⁷²

⁷¹ Ibid. Eccleston to Ann West, 1 Oct. 1780.

⁷² Ellis Burnham, *About Barbados* (Barbados, 1996), <<http://www.barbados.org/diduknow.htm>>, accessed 16 Sept. 2008. Extract from *The Gentlemen's Magazine* (1780) at <<http://www.barbados.org/diduknow.htm>>, accessed 24 June 2001.

It is estimated that about 22,000 people died as a result of the hurricane on the islands of Martinique, St Eustatius, and Barbados between 10 and 16 October 1780. Thousands of deaths also occurred offshore, with both the British and French fleets suffering heavy losses. The fatalities of this hurricane, known as the Great Hurricane of 1780, far exceed any other Atlantic hurricane. In fact, they exceed the cumulative storm-induced fatalities in any other year and all other decades. Meanwhile Eccleston, as yet unaware of the devastation wrought on the island or its likely impact on his trading ventures, had listed all the debts due to him as a result of his partnership with Edward West, and asked Michael Lynch to use his best endeavours to collect as much of the outstanding ledger as he could. The sanguine tone of the first few letters Eccleston wrote in the New Year of 1781 was shattered by 22 January. News of the devastation caused by the hurricane in Barbados had undoubtedly reached England by then as he referred to a potential cash-flow problem in a letter to Robinson and Heywood of Manchester: 'In all probability, from the dreadful devastation the late hurricane has made in Barbados I shall be under the necessity [of] requesting your indulgence for the remainder of my a/c some time after it is due.'⁷³

Eccleston then wrote to his contacts in Barbados, urgently seeking news of his friends' well-being but also seeking reassurance that he would not be out of pocket as a result of the hurricane:

I most sincerely condole with you and the rest of my acquaintance on the terrible devastation the late hurricane has made in your Island, and cou'd wish you'd give me a particular information in your next, which of my acquaintance has escaped, be[en] injured etc. Pray how has your family, Mrs P. and poor little Kitty fared in this dreadful calamity?⁷⁴

It appears that most of Eccleston's acquaintance escaped with their lives. One commentator wrote: 'Whites and Blacks together, it is imagined [the deaths] to exceed some thousands, but fortunately few people of consequence were among the number.'⁷⁵ On hearing of the

⁷³ LSF, TEMP MSS 145/1, Eccleston to Robinson and Heywood, Manchester, 22 Jan. 1781.

⁷⁴ Ibid. Eccleston to William Walker Jordan, Barbados, 22 Jan. 1781.

⁷⁵ Burnham, *About Barbados*.

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hurricane, Eccleston sent four letters to the West Indies, all written in a great rush as they were to be carried to the islands by an acquaintance of his: 'Mr Wilson's stay in town is very short.'⁷⁶ One of these was to Ann West, notifying her that the bills she had sent in payment of her deceased husband's debts had been dishonoured. Eccleston, fully aware of her widowed state and the recent hurricane, still pointed out: 'As soon as it becomes due, if it is not then paid, I shall take the earliest opportunity of returning it to you protested, with the expense attending it. There is already 7s. 4d. and noting.'⁷⁷

Eccleston rarely refers to the legal means of enforcing debts due from individuals within his trading network. Nevertheless, he was very well aware of the system for obtaining legal redress and was not averse to using it if he felt that he could not resolve a situation otherwise. As Eccleston regularly dealt with women who were in business on their own account and appeared in all cases to follow the Quaker tradition of treating women as absolute equals, the reason for his firm approach to the money owed by Anne West needs to be sought elsewhere. It seems most likely that Anne West had no plans to carry on trading in the West Indies and would thus leave the network of friends-in-common that Eccleston relied upon as a means of informal enforcement. As the legal process for debt recovery was slow (and often ineffective) Eccleston appears to have decided that prompt action was necessary if he was to receive a full settlement of money due to him.

⁷⁶ LSF, TEMP MSS 145/1, Eccleston to William Walker Jordan, Barbados, 22 Jan. 1781.

⁷⁷ *Ibid.* Eccleston to Ann West, Barbados, 22 Jan. 1781. A dishonoured bill of exchange was effectively a bounced cheque. In law if a bill was not paid when it became due then there was no defence: the person presenting the bill was deemed a debtor, and could immediately be imprisoned for debt. In order to set the procedure in train the creditor had to protest the bill, by returning it to the debtor, endorsed by a lawyer. Interestingly, the legislation covering dishonoured cheques refers back to bills of exchange. The 1926 Bills of Exchange Act lays down that there is no possible defence for a dishonoured cheque. The phrase 'and noting' as used by Eccleston in the context of a protested bill of exchange meant that a separate account would be kept of additional charges relating to the unpaid bill of exchange. These would include interest and legal fees.

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Network Development and Trust

Eccleston did not rely merely upon contacts made via letter. He also used a range of other means to strengthen his network and improve its effectiveness. Whenever an acquaintance from the Caribbean, no matter how remote, visited England, Eccleston visited them. This seems to have been common practice amongst those who traded with the region. The visit was reported in correspondence with the islands, and the acquaintance in England would carry letters and commissions back to the West Indies. Eccleston also included overseas visitors in his business trips. One such journey to Liverpool, Manchester, Kendal, and Sedbergh was taken with friends who were visiting Britain from Antigua.⁷⁸ Eccleston would have used this as an opportunity to extend and strengthen his networks, introducing new business to his contacts in northern England, especially those who had extended him long credit. He would also have the chance to highlight the level of trust with which he could be regarded, both by the manufacturers who were supplying him with goods and the visitors from Antigua, who would report back to the larger network in the West Indies on the extent of Eccleston's business dealings.

As the example of Anne West illustrates, trust in late eighteenth-century business was not an unlimited commodity in the way that liability was. Those involved in business networks made judgements about the level of trust they were prepared to grant, often based on evidence from a combination of sources, and where a contact was not considered worthy of trust firm action, either informal or formal, was taken. One example in the Eccleston papers of the importance of trust involved a dishonoured bill. Bills of exchange were the main means of payment of creditors for anyone in any line of business. There was a shortage of coin which made it difficult even for traders living in the same town to deal in cash, while the war meant that there was little inclination to send money over the Atlantic. One of the problems that must have been common when using bills of exchange was abuse of the system. Eccleston was obviously angered by the actions of a Whitehaven businessman. He wrote to his father: 'If Jos. Morrimond calls on thee, thou may tell him it's a matter of the utmost indifference to me, whether he's suffered or pleased, that

⁷⁸ Ibid. Eccleston to Isaac Eccleston, Antigua, 1 Nov. 1781.

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when I give him permission to draw on me I'll honour his bills, but not before.⁷⁹

Eccleston refused to honour this bill because Morrismond had not done any trade with Eccleston, and was therefore abusing his position as a neighbour of Eccleston's father and assuming a loan would be granted by Eccleston. It is also apparent that to Eccleston, and perhaps to many other businessmen, knowing that an individual was personally trustworthy was insufficient grounds for inclusion in his business network. The factors that influenced Eccleston's decision-making are especially evident in Eccleston's reply to Joseph Jordan of Bridgetown, who has obviously requested that Eccleston ship some goods to him on commission. Eccleston responded graciously, but firmly:

I wou'd ship you the goods as soon as any person in Barbadoes but your Invo' will amount to four or five hundred pounds, and the uncertainty of Remittances arriving safe at these precarious times, deters me from venturing anything material abroad at present, besides I wou'd beg leave to observe, the commission of 2½ pcent is not an object worth any persons while giving credit for at so great a distance from home, whatever I risked that way shou'd choose to send it on my own account in hopes of something more considerable.⁸⁰

Eccleston was also cautious in his reply to William Walker Jordan, who requested that Eccleston use him as an agent in Barbados:

I thank you for your offers of service, and if I do anything this year to Barbadoes a considerable part shall be to your address, but out of five or six hundred pounds sent to your island last year, my not as yet receiving anything in return, and the prospect of a profit if one insures fully out and home being small, 'tis rather discouraging.⁸¹

Terms of trade in the later eighteenth century were far in excess of the thirty days from date of invoice that has become customary

⁷⁹ LLLSC, MS 3734, Eccleston to William Eccleston, 15 Aug. 1780.

⁸⁰ Ibid. Eccleston to Joseph Jordan, 13 Oct. 1780.

⁸¹ Ibid. Eccleston to William Walker Jordan, 13 Oct. 1780.

today. Bills of exchange were used in place of cash or cheques and for these one needed goods. In an economy that was based on the export of cash crops, the harvest of necessity controlled payment patterns. In the same batch of letters Eccleston reminded Walker and Nash that they had not remitted £100 2s. 1¼d., and that he expected them to have collected most of the debts that remained outstanding from joint ventures carried out when Eccleston was on the island: 'I hope there may be something considerable to remit on account of the outstanding debts.'⁸² Eccleston also requested payment of £76 12s. 6d. from William Walker Jordan, and thanked him for the letter just received from Barbados, dated 1 December 1779. The total due to Eccleston from the West Indies in May 1780 was well in excess of the £400 for which he issued payment reminders, and is illustrative of the value of the West Indies trade even when times were precarious. In order to support the delays in payment that were a feature of trade with the West Indies, Eccleston had to have fairly substantial means at his disposal and good lines of credit. The development of good lines of credit was reliant on judgements made about trust, which in turn was bound up with the type of networks to which an individual belonged. This was an age of unlimited liability and extremely long lines of trade credit.

The emergence of a successful market economy was predicated upon the reliability of business, social, and kinship networks in assisting in the decision-making of individuals and companies. The economist Oliver E. Williamson emphasized that international trade was a cycle of political and economic exchange relations, whilst highlighting that a wide range of social and political factors affect trade.⁸³ This was clearly the case for Eccleston and others trading across the Atlantic at his time. The cycle of political relations was not favourable for trade across the Atlantic during this period and the range of political factors affecting trade was far greater in those uncertain times. To a large degree the number and type of networks to which an individual belonged had a bearing on the extent to which the hazards surrounding trade could be negotiated successfully. In 1999 Williamson further noted that organization (of individuals by individuals)

⁸² Ibid. Eccleston to Walker and Nash, 28 May 1780.

⁸³ Oliver E. Williamson, *The Economic Institutions of Capitalism* (New York, 1985).

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was the solution to many of the problems of trade caused by social and political factors: 'Specifically, the cognitive limits and contractual hazards to which human actors are subject are relieved by specialization and governance, respectively.'⁸⁴

Eccleston's networks were informal, and not therefore subject to any official type of governance. However, unwritten contractual obligations were honoured, and this was part of the trust-building and maintenance that allowed successful networks to be established and developed even at times of political and social upheaval. The trade that Eccleston engaged in, using a diverse network of contacts, allowed him and his network to benefit from a very loose form of organization, built on trust, without bureaucracy. Using a network method of organization has advantages over more formalized structures in allowing different parts of the network to be accessed for different purposes, which helps the development of rapid responses to problems.

Networks and Profitability

Despite the troubles in Barbados and his anxiety about the considerable sums due to him from that island, Eccleston was again in good spirits on 27 January 1781, when the *Brayton* arrived, carrying a cargo of cotton sent by Isaac Eccleston from Antigua:

I rejoice with you — the fine rains you have had lately, and your escaping the late, dreadful hurricane, which has made such destruction of most of the West Indies Islands. Suppose you will now have a prospect of a fine crop, and I wish I cou'd send you a small vessel and cargoe to bring part of it home, but since the commencement of the war, the demand for Vessels has been so great for privateers and they have sold so high that there is no meddling with them . . . every little sloop or even fishing smack that has the least appearance for sailing, is now eagerly purchased at 500 p cent more than the intrinsick value & converted to that use.⁸⁵

⁸⁴ Id., 'Human Actors and Economic Organization', *Quaderni*, 247 (Mar. 1999), 1.

⁸⁵ LSF, TEMP MSS 145/1, Eccleston to Isaac Eccleston, Antigua, 31 Jan. 1781.

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News from Eccleston's friends in the West Indies was slow in coming, and Eccleston was increasingly concerned by the end of February 1781, when he wrote to his father: 'I'm afraid I shall be a considerable sufferer on Barbadoes, as I haven't had a line from thence since the hurricane.'⁸⁶ While worries about Barbados were a continuous theme in Eccleston's letters early in 1781, so too were his plans to settle in Lancaster. He appears to have finally decided to move to the smaller, but rapidly expanding port during his Christmas holiday. After settling his affairs in Liverpool, Eccleston finally arrived in Lancaster on 25 March 1781. The progress of the war continued to be of immense interest to him, especially the capture and sacking of St Eustatia by Admiral Rodney and General Vaughn in early February 1781. While the military success would have been a huge morale boost for the British government, especially because St Eustatia had been the first foreign territory to acknowledge the legitimacy of the new independent America, Eccleston was less than happy. He feared a diminution in trading possibilities would be the immediate result of Rodney's success:

Imagine the complete Reduction of St. Eustatia by the gallant Rodney, with the Fleet and the immense quantity of provisions of all sorts found there; which suppose will now be dispersed amongst our Islands, must make a material alteration in your Market and render it very precarious sending anything out to the West Indies at this juncture.⁸⁷

However, his generally sanguine and optimistic nature never allowed Eccleston to remain downcast for long, and he proceeded to devise a scheme that might answer both his and Isaac's purpose very well:

I imagine their [*sic*] will be a good many vessels an[d] their cargoes, in consequence of the above Capture, sold in Antigua, and the rest of the Islands. And as you have the prospect of a good Crop I think if self and any of thy Friends were to pur-

⁸⁶ Ibid. Eccleston to William Eccleston, 28 Feb. 1781.

⁸⁷ Ibid. Eccleston to Isaac Eccleston, Antigua, 30 Mar. 1781.

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chase one, and send it home with the Convoy, it couldn't fail of turning to a good a/c.⁸⁸

Eccleston closed his letter to his brother with details of duty increases on sugar, rum, and tobacco which, he dryly noted, were, 'part of the budget'. By the same vessel, Eccleston wrote again to Ann West, mainly regarding the unpaid bill. He was still noting the expenses to be paid as a result of his bringing a protest action, and these had increased from the 7s. 4d. of his first notice to £16 4s. ½d.

Despite the difficulties of trading with a war zone, Eccleston made a handsome profit from his first two years' trading in England. He achieved a turnover of more than £2,400 on his Atlantic trade in his first twenty months in Britain and, in addition, had income from trade in England, his insurance business, and from Baltic and Mediterranean trade. Eccleston's network included high-status contacts and many individuals with whom he had been dealing for a number of years, suggesting that he was seen as a man of good repute and considerable energy.⁸⁹ While every accountant knows that turnover is vanity and profit sanity, Eccleston would have made a very healthy profit on a turnover in excess of £2,000, even though he was probably charging a lower commission than his competitors in order to attract custom to his new business.⁹⁰ The benefits of a well-established network in the West Indies were clearly helpful here. Eccleston had made significant short-term losses as a result of the hurricane in Barbados but he had spread risk amongst his network. All of his trade with Antigua had arrived safely, and he had received substantial remittances. The slump in the West Indies trade that affected Lancaster and Liverpool over the period 1776 to 1783 must in part have been the result of increased invisible costs. These would have included rising wages as a result of manpower shortages, and more expensive freight costs caused by the shortage of ves-

⁸⁸ Ibid.

⁸⁹ LLLSC, MS 3734, Eccleston to William Eccleston, Whitehaven, 22 Sept. 1781.

⁹⁰ By 1800 fewer than 15 per cent of British families could rely on an income of more than £50 per annum and only about a quarter of those families had an income in excess of £200 per annum. Eric Hobsbawm, *The Age of Revolution* (London, 1995), 36.

sels as well as rapidly increasing insurance premiums.⁹¹ Daniel Eccleston did not expect to suffer a reduction in income as a result of developing a new venture after moving from Liverpool to the smaller, but thriving, port of Lancaster: 'Have since then commenced Insura. Broker, A business by which I'm informed 3 or 4 hundred pounds a year has been obtained here; and I hope to make £100 to a £150 or perhaps more, without running any risk or employing any capital. The commission on the first two policies I set out with will amount to £22.'⁹²

The ability to move from one type of business to another untrammelled by regulation and without the need for large amounts of capital must have been a significant factor behind the rapid expansion of trade and industry in the late eighteenth century. The growth of all types of trade and industry, most of which expanded without the benefit of mechanization, was fuelled in part by the speed with which entrepreneurs reacted to new situations and seized new opportunities. The late Georgian business world was as hard-headed, cut-throat, and fast moving as e-commerce is today. Fernand Braudel attributed the trading skills and successes of a range of distinct ethnic and religious groups to their use of networks, often based on familial or regional links.⁹³ It was certainly the case that Eccleston's experience of the insurance trade was an advantage, but even more useful was his extensive network of contacts. Eccleston decided the risk of underwriting insurance was too great in a time of war, but that he could apply his contacts in the development of an effective and profitable insurance brokerage. Eccleston was brokering policies for contacts from Whitehaven, Liverpool, Holyhead, and London with Lancaster underwriters, ensuring that he was in funds in July 1781, despite the overall trade downturn. The work of Braudel illustrated the centrality of networks to the successful development of trade and described how the use of friends-in-common acted as an informal guarantee of reliability for traders, enabling them rapidly to establish businesses when they settled in new areas. This practice was very much that adopted by Daniel Eccleston as he moved into new areas of operation.

⁹¹ Eccleston noted that the wages for a sailor were between £3 and £3 10s. per month. LSF, TEMP MSS 145/1, Eccleston to William Eccleston, 8 Sept. 1781.

⁹² Ibid. Eccleston to William Eccleston, Whitehaven, 14 July 1781.

⁹³ Fernand Braudel, *The Wheels of Commerce* (New York, 1982), 167.

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By August 1781 Eccleston had still had no news from Barbados, and this must have caused him grave concern, for he had at the very least £900 due to him from that island. Eccleston had also received a good return on his share in the *Boscawen*, but decided that it was not feasible for him to maintain an interest in the vessel now that he was based in Lancaster, possibly also because the insurance business was more profitable and less risky than shipping. Premiums continued to increase in Lancaster, with Eccleston quoting 7 per cent of the value of the goods for a voyage from Plymouth to Liverpool and 20 per cent to the Leeward Islands with the convoy, a rise in premiums of about 8 per cent since July 1781. He wrote to his father: 'The insur/Business does pretty well. I keep doing a little.'⁹⁴ Reference to his business letters in the preceding week show that Eccleston had actually filled insurance policies on three Liverpool vessels, two for Crosbie and Greenwood and one for Terry Scott and Co., which suggests that Eccleston was doing rather more than a 'little business'. In addition to the insurance business going well Eccleston, was able to report to his brother Isaac that his cotton had once again sold at an unprecedented price for the British markets, at 3s. 9d. per pound and netting a handsome profit for both brothers.⁹⁵ The news from the West Indies continued to worsen and problems with privateers made trade even across the Irish Sea an increasingly risky business: 'I saw a letter the other day from Waterford, which mentions a W/haven Vessel was taken and ransomed for one thous/d guineas, and says the chanell swarms with privateers.'⁹⁶

Eccleston's year ended with his fearing the worst about Barbados, for he wrote to the Liverpool shipping firm Terry Scott and Co.: 'The late alarming news respecting the capture of the island of Barbadoes, tho' it doesn't, by any means gain a general credit here, has had such an effect on the spirits of our underwriters as to prevent at present a policy on your Barbadoes set forw'd.'⁹⁷ Eccleston, and the nation, must have breathed a collective sigh of relief when the rumour turned out to be false, and Barbados remained in British hands. However,

⁹⁴ LSF, TEMP MSS 145/1, Eccleston to Terry Scott and Co., Liverpool, 21 Oct. 1781.

⁹⁵ Ibid. Eccleston to Isaac Eccleston, Antigua, 1 Nov. 1781.

⁹⁶ Ibid.

⁹⁷ Ibid. Eccleston to Terry Scott and Co., Liverpool, 28 Dec. 1781.

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as the year ended, Eccleston wrote 'fin' on the final page of his letter book without knowing the fate of his many friends in the West Indies.

Conclusion

The network society is a concept that is often thought of as having emerged with the widespread use of the Internet as a means of disseminating information and email as a mode of communication. However, Eccleston and his contemporaries were themselves part of an extremely complex network society. The speed of modern communication has perhaps blinded historians to the very real networks that were the lifeblood of trade and industry in the evolving industrial society of the late eighteenth century and, indeed, also allowed the spread of radical ideas. While twenty-first century globalization has effectively produced networks that are often not sustainable, the commercial networks of Eccleston's period were nurtured and nourished over long periods, providing the stability and security that fostered continued commercial growth.⁹⁸ The role of trust as a glue that held networks together in an 'economy of regard' is an additional element that is perhaps less important in the contract-bound and litigious twenty-first century. But for merchants in the late eighteenth century it was a vital adjunct to the information provided by the networks to which an individual belonged.⁹⁹

There is a temptation to look at networks, such as those developed and utilized by Eccleston, as indicating risk aversion. However, risk aversion would not have led to the rapid developments in trade and industry that generated industrial growth and social change in England during the late eighteenth century on a scale unprecedented in world history. Eccleston's networks were designed for risk minimization, built on long-term relationships, and intended to engender confidence and trust in an age when governments provided little

⁹⁸ e.g. the expansion of the Far Eastern electronics industry into Europe in the last decade of the twentieth century went into rapid reverse once the sector began to contract with the slow-down of the American economy at the end of 1999.

⁹⁹ Pearson and Richardson, 'Business Networking in the Industrial Revolution', 673.

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legal protection for individuals engaged in trade.¹⁰⁰ These were networks used for spreading and sharing risk in an informal way that allowed individuals involved in the network to share information and respond to changes in the market rapidly. An important factor that perhaps needs to be considered in future examinations of the role of networks in business history is that while it has been noted that modern business networks are an 'organizational form at an aggregate level above that of individual companies', the networks of Eccleston appear to have had an informal structure that in many ways acted as a quasi-company, facilitating communication of information, managing distribution, and supporting roles such as credit control and relationship building.¹⁰¹ The place, time, and space relationship sets the boundaries of business but nevertheless there are commonalities across place, time, and space that stand out. There is a sense in the twenty-first century that what demarcates our period is that we are living in a networked and networking society, but the network society that is spoken of by sociologists as a phenomenon of the late twentieth century existed in full measure in the 1780s. The writings of Daniel Eccleston are a most telling illustration of the importance of networks in the development of a modern society, where freedom of trade and freedom to develop new ideas walked hand in hand.

¹⁰⁰ Ibid.

¹⁰¹ Håkansson and Ford, 'How Should Companies Interact in Business Networks?', 133.

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