

Commerce and Colonisation

Studies of Early Modern Merchant
Capitalism in the Atlantic Economy

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ABSTRACT

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This dissertation consists of four chapters which study early modern merchant capitalism, with a special focus upon the developing Atlantic economy. The introductory chapter is followed by chapter 2, studying the issue of market integration and price convergence in intercontinental trade during the early modern period. Previously, scholars have claimed that there is no evidence of price convergence prior to the 1820s. This chapter on the contrary finds that there is ample evidence of this for most of the commodities studied. The issue of an early modern globalisation can thus not be dismissed as easily as it often has been in the past.

Chapter 3 studies the profits to be made from colonialism for various agents in Europe. Previous research on Britain has shown that while individual merchants and planters might have gained from colonialism, the British state and consumers had to pay much of the bill. The chapter contrasts previous studies by looking at the Danish colonies in the West Indies. The conclusion is that, in contrast to the British case, all Danish agents were able to profit from colonialism in the West Indies. The Danish case may thus put the British experience into perspective.

Chapter 4 focuses upon the balance of payments for trade on the Baltic. Common knowledge has it that key Baltic exports were largely paid for in bullion during the early modern period. The importance of colonial goods has however been underestimated in previous research. By the late 18th century, the chapter finds, just the sugar re-exported from Western Europe to the Baltic was worth approximately half the value of the grain exported in the opposite direction. The chapter concludes that re-exports of colonial goods increasingly made a positive contribution to the balance of payments for Baltic trade by Western European nations.

Chapter 5, finally, studies the trade in colonial goods on the Baltic from the perspective of environmental economic history. The Baltic was for a long period of time a net exporter of acreage, in the form of bulk commodities such as grain and forestry products. This chapter shows that increasing imports of colonial commodities required a growing amount of overseas ghost acreage. The trade, this chapter concludes, may however be explained less by an American abundance of land, than by the low price of enslaved labour in the Americas.

KEYWORDS: globalisation, market integration, price convergence, colonial goods, international trade, imperialism, colonialism, Williams thesis, slavery, sugar, balance of payments, Atlantic economy, the Baltic, ghost acreage.