

Flexibility and protectionism

---

Swedish trade in sugar during the early modern era

Klas Rönnbäck



# Flexibility and protectionism. Swedish trade in sugar during the early modern era<sup>\*</sup>

Klas Rönnbäck

klas.ronnback@econhist.gu.se

(To be published in report from conference “Varudistribution och marknadsintegrering på randen till industrisamhället”, Gothenburg, February 2006)

**Abstract:** Sugar was of the utmost importance for the development of a transatlantic trade during the early modern era. This working paper explores the impact of institutions and institutional changes of the colonial trade in sugar focusing on one country on the European semi-periphery, namely Sweden. Through protectionist policies, Swedish merchants were able to catch a significant share of the Baltic trade in colonial goods, despite the country having no colonies of its own. This in turn enabled a diversification of the sources of colonial goods. Trade in sugar became highly flexible during the period, rapidly changing in response to a changing international market. Protectionist policies also enabled the development of a domestic sugar manufacture, which flourished during the late 18<sup>th</sup> and early 19<sup>th</sup> century. When Swedish trade policy was liberalized around the 1850s, the domestic industry went through hard times from the international competition. The introduction of sugar beet would however have even more far-reaching consequences for the international trade in sugar. Swedish sugar imports collapsed by more than 98 per cent in less than ten years when domestic production of sugar beet had gotten off to a start at the end of the 19<sup>th</sup> century. The preliminary conclusions form the first output from the work on a thesis concerned with the trade in colonial goods of actors in the European semi-periphery. One future aim is to compare the colonial trade in sugar of Sweden and Denmark.

**JEL:** F13, F54, N43, N73

**Keywords:** Economic History, Mercantilism, Protectionism, Colonialism, Colonial trade; Transatlantic trade, Colonial goods, Sugar, Sweden

**ISSN:** 1653-1000 *online*

**ISSN:** 1653-1019 *print*

© The Author

Göteborg University  
School of Economics and Commercial Law  
Department of Economic History  
P.O. Box 720  
SE-405 30 GÖTEBORG  
[www.econhist.gu.se](http://www.econhist.gu.se)

---

<sup>\*</sup> The author would especially like to thank Leos Müller, Staffan Granér, Christina Dalhede and Carl-Johan Gadd for constructive criticism of drafts of this paper, and Raili Rönnbäck for proof-reading.

## 1. Introduction

This working paper deals with the terms of Swedish transatlantic trade in colonial commodities, during the early modern era. The paper will mainly deal with sugar, since this might arguably be considered the single most important commodity of the colonial trade.

Long-distance trade in general, and trade in colonial goods in particular, were considered important components of mercantilist policy, both because of the potential impact upon the nation's balance of trade, and because colonial trade might provide commodities impossible to produce domestically.<sup>1</sup> During the mercantilist era, Sweden did use several strategies in order to support the development of a domestic manufacture and merchant fleet, to a large degree in order to break out of what Jan de Vries has called a 'mercantilist box' imposed by other nations.<sup>2</sup> Some of the strategies concerned the trade in colonial goods, such as the Swedish Navigation Act (*produktplakatet*), while others were directly focusing on these, such as prohibiting imports of refined sugar.

During the 19<sup>th</sup> century, trade was liberalized as mercantilist policies were revoked. At the same time, however, domestic production of sugar beet was also intensified in many European countries, with immense effects for the global trade in sugar. The paper explores some of these institutions and institutional changes, and presents some tentative interpretations as to their effects.

## 2. Sugar and the birth of modern capitalism

On his second journey to the "New World", Cristoforo Colombo (Christopher Columbus) brought with him the sugar cane from Madeira, to be planted in the new surroundings. This was no odd incident – actually, Colombo had earlier been a sugar merchant on Madeira.<sup>3</sup>

At this time, sugar cane was the only source of sugar – the sugar beet was not introduced until the 19<sup>th</sup> century. Sugar cane originated in Asia, but production of this most coveted and luxurious (and thus expensive) spice had steadily expanded westwards – approaching consumer markets first in the Middle East and later on in Europe. By the early modern era, sugar was about to make the leap across the Atlantic.<sup>4</sup> Sugar cane would not get off to a great start in the Spanish colonies. It was instead Brazil that would develop

---

<sup>1</sup> Gerentz 1951 pp15-16

<sup>2</sup> de Vries 2005 p 9

<sup>3</sup> Vieira 2004 p 74.

<sup>4</sup> See for example Deerr 1949 chapters 4-8 or Galloway 2005 chapter 3.

into the first dominating producer for the European market.<sup>5</sup> By the middle of the 17<sup>th</sup> century, competitors would follow suit – primarily Britain and France, establishing sugar plantations in the West Indies.<sup>6</sup>

At the time of the Age of Commerce, most European states tried to establish colonies on other continents. In Asia and Africa, many of these establishments initially took the form of trading posts – in some cases later to be expanded into what Philip Curtin has called “territorial empires”. On large parts of the American islands and continent, what developed was instead what the same author has called the “plantation complex”.<sup>7</sup>

This plantation complex did in time become totally dependent on slaves as a labour force. The transatlantic slave trade therefore forced the migration of approximately ten million people from Africa to the Americas.<sup>8</sup> The emerging European craving for sugar was extremely important to this development. In his book “Capitalism and slavery”, Eric Williams claimed that the origin of slavery and trade in slaves can be expressed in three words; sugar, tobacco and cotton. “No sugar, no negroes”, Williams wrote, and continued: “Negro slavery blackened that structure all over the Caribbean while the blood of the Negro slaves reddened the Atlantic and both its shores. Strange that an article like sugar, so sweet and necessary to human existence, should have occasioned such crimes and bloodshed!”<sup>9</sup> Even though one might doubt how necessary sugar really is for human existence, Williams is not alone in emphasizing the economic importance of sugar. Patrick O’Brien has, in a recent article, computed the commodity composition of ‘third world’ exports during 1830-1937. By 1830, a time when sugar already had started to lose much of its importance especially in the trans-Atlantic trade, sugar alone was still responsible for approximately 25 per cent of the value of ‘third world’ exports. The two second largest categories of products – textile fibres on the one hand, and coffee, tea, cocoa and spices on the other – at the same time accounted for approximately 15 per cent of the value of the exports, respectively.<sup>10</sup>

The production of and trade in sugar (as well as other colonial goods) was no doubt highly profitable for many plantation owners, traders and refiners, both in the colonies of America and in the centre of the colonial powers of Europe. Eric Williams has even argued

---

<sup>5</sup> Schwartz 2004 pp 159-166

<sup>6</sup> See for example Deerr 1949 chapters 12-14 or Galloway 2005 chapter 4

<sup>7</sup> Curtin 2002 pp 14-15

<sup>8</sup> Curtin 1969

<sup>9</sup> Williams 1964 p 27.

<sup>10</sup> O’Brien 2006 p 263.

that “the commercial capitalism of the eighteenth century developed the wealth of Europe by means of slavery and monopoly.”<sup>11</sup>

This argument of Williams’ has for sure met a lot of resistance from others. Pieter Emmer, for example, provides a set of common arguments succinctly. The “volume and value of the trade in the non-European part of the Atlantic was relatively small”, he claims, never reaching above two per cent of the GNP of the countries involved – thus not very important for European economic development. There is furthermore, Emmer argues, no evidence that the economic and social development of Europe would have been significantly different without such luxury products as sugar and coffee. Finally, the plantation complex was based on the use of existing skills and institutions of Europe, thus not contributing to any new innovations.<sup>12</sup> Kenneth Pomeranz argues that these arguments actually are rather irrelevant. The problem of European development, he writes, was not a lack of capital or institutions. It was a lack of land to feed the resource needs. The colonies, Pomeranz thinks, enabled Europe to abolish the land constraint. Cotton and sugar were the two important crops in that sense, according to Pomeranz.<sup>13</sup>

The issue raised by Williams and discussed by many others remains important, since it focuses upon one important issue in economic history – that of the economic development of what Immanuel Wallerstein has called the “world system”, and the establishment of a structure of centers and peripheries in the world economy.<sup>14</sup> It has also received renewed interest among economists, thanks to work made by Daron Acemoglu et al. In their article “The Rise of Europe”, the authors show econometrically that the divergence of Europe was not due to a general growth of the European economy, but due to growth in a couple of Atlantic traders, and especially to a couple of cities highly involved in the Atlantic trade during the colonial era. The profits from the Atlantic trade enabled a new class of merchants to get enough influence as to improve the institutional basis of the respective societies, thus laying a necessary foundation for the emergence of industrial capitalism.<sup>15</sup>

### **3. Colonial institutions and trading patterns**

Institutions, Douglas C. North argues “provide the incentive structure of an economy; as that structure evolve, it shapes the direction of economic change towards growth,

---

<sup>11</sup> Williams 1964 p 210

<sup>12</sup> Emmer 2003.

<sup>13</sup> Pomeranz 2000 chapters 4 & 6.

<sup>14</sup> See for example Wallerstein 2004.

<sup>15</sup> Acemoglu et al 2005 pp 546-579.

stagnation, or decline.”<sup>16</sup> Colonization provided such a structure, shaping the trade both in what would be called colonial goods, and in slaves.

Even, in a European context, rather peripheral countries such as Sweden and Denmark tried to take part in the race for colonies. Denmark did gain hold of Caribbean, African and Asian possessions. Sweden on the other hand was less successful in getting and keeping hold of any colonial possessions. This was not due to a lack of will. There were many attempts to establish Swedish-controlled colonies, both in the Americas and Africa – apart from the trade on the East Indies. Most of the colonial attempts, however, failed after a very short time.<sup>17</sup> The only colony Sweden managed to maintain for any period of time (approximately 100 years) was the small island S:t Bartolomei, in the Caribbean. This island, though, was a small and mountainous one, with few valuable assets apart from a natural deep harbour.<sup>18</sup>

In the case of transatlantic relations, the Sweden’s situation might perhaps be compared to how Jan de Vries describes the American relations of the Netherlands. The Dutch West Indian Company failed to take control over parts of Portuguese Brazil, and also lost New Amsterdam (New York) to the British. They did thus, argues Jan de Vries, not possess and large colonial territory in the Americas. The Dutch did also, according to de Vries, lack the diplomatic or naval power to break out of the “mercantilist box” established by neighbouring countries.<sup>19</sup> The Dutch merchants therefore “made a virtue of necessity, exploiting the flexibility offered by the absence of a large territorial domain”, for example by extending credit to sugar planters on islands controlled by the British, French and Spanish, and handling the transport of colonial produce to the Netherlands. Economically, this strategy of comparatively liberal trade was very successful.<sup>20</sup> De Vries do, from the perspective of this paper, however seem to neglect the Dutch possession of New Netherlands (Suriname). This territory was ceded to the Dutch in exchange for New Amsterdam, and developed into a sugar colony not without significance (during the 18<sup>th</sup> century roughly on par with the production of Barbados).<sup>21</sup>

#### **4. Seeking to break out of a mercantilist box**

The Swedes were almost totally reliant on the intra-European market for their imports of sugar for a long time. György Nováky has written about the trade in sugar of the Swedish

---

<sup>16</sup> North 1991 p 97

<sup>17</sup> Müller 2004 chapter 6.

<sup>18</sup> Hildebrand 1951.

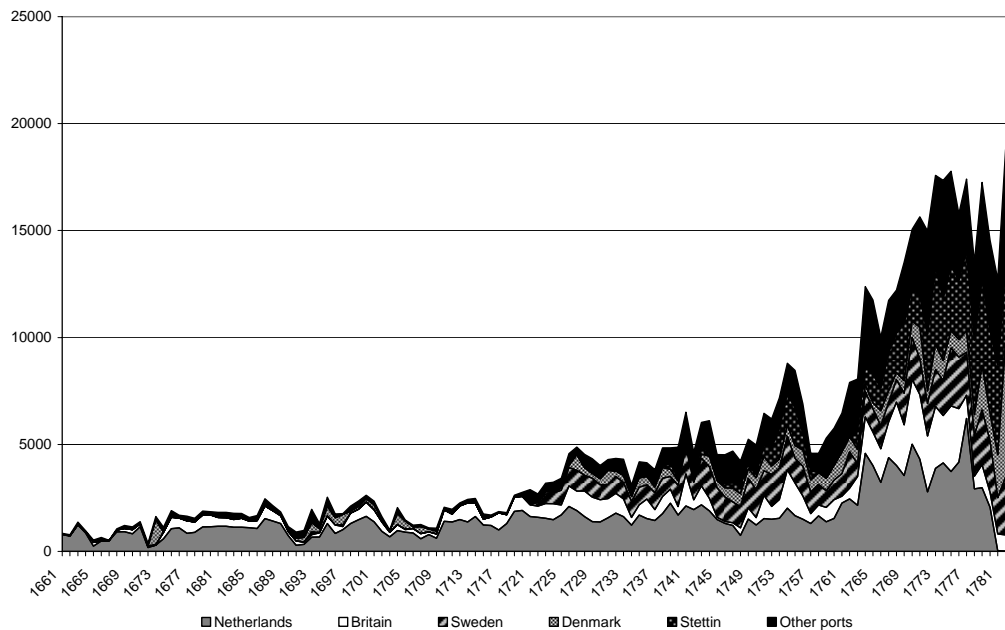
<sup>19</sup> de Vries 2005 p 9

<sup>20</sup> de Vries 2005 p 6

<sup>21</sup> Comparison based on data from Deerr 1949

Africa Company (*Svenska Afrikakompaniet*) in the middle of the 17<sup>th</sup> century.<sup>22</sup> In the import data for the port of Gothenburg assembled by Ivan Lind, however, sugar imports into Gothenburg at the time do seem to have come almost exclusively through ports in the Netherlands, the German North Sea coast (i.e. primarily Hamburg) and Portugal/Spain.<sup>23</sup> The early dominance of the Dutch merchants is also evident when it comes to trade in colonial goods in general, as can be seen in graph 1, showing the amount of colonial goods passing through Öresund.<sup>24</sup> As is shown, the Dutch controlled a major share of the trade in the Baltic area until the end of the Great Nordic War (in 1720).

GRAPH 1. *Volume of colonial goods transported eastbound through Öresund, by home port of ship, 1661-1783 (metric tons)*



Source: Bang & Korst 1930-1953

Creating a Swedish ‘mercantilist box’ was for this reason seen as a solution to gain any market share in the Baltic trade. During the 17<sup>th</sup> century, Swedish ships had to pay a lower toll than foreign ones, in order to favour the development of a domestic merchant fleet.<sup>25</sup> During the 18<sup>th</sup> century, further protectionist policies were imposed, such as the Swedish Navigation Act (*produktplakaten*) in 1724. The act made it illegal for foreign merchants to import goods of other countries’ origin, to Sweden. Thus, they were only allowed to sell

<sup>22</sup> Nováky 1990 pp 130-134.

<sup>23</sup> Lind 1923 table 3-33

<sup>24</sup> Volumes in source are registered in 1000 Danish pounds. One Danish pound was equivalent to 0,5 kilograms.

<sup>25</sup> Gerentz 1951 chapter III

the home countries' produce to Sweden, and buy Swedish export produce. Stefan Carlén has studied the effects of the Swedish Navigation Act on the market for salt. He draws the conclusion that the act was successful; Swedish ships started to handle the salt that had previously been transported by British or Dutch ships. There was neither a shortage of salt due to the protectionist policy, nor a significant rise in prices.<sup>26</sup>

Graph 1 certainly understates the Swedish market share of the trade in colonial goods up until the 1710s, since Swedish ships were relieved from paying the Öresund toll ever since a peace agreement with Denmark settling this in 1645 (the goods transported on Swedish ships therefore not being registered).<sup>27</sup> Just a few years after the end of the Great Nordic War and the introduction of the Swedish Navigation Act, however, almost 20 per cent of all colonial goods destined for Baltic Sea ports were transported on Swedish keels. The Swedish market share reached its peak in the middle of the century, and then did decrease rather much in relative terms (mainly for the same reason as the Dutch lost their great share – the trade of other agents grew much faster in absolute terms). Even though Denmark did have comparatively important colonies of their own, Swedish merchants did catch a larger share of the Baltic trade in colonial goods than did the Danish, up until the beginning of the 1780s. The data from the Öresund toll register must be interpreted with great caution, but does perhaps support the first conclusion of Stefan Carlén, that the Swedish protectionist policies were fairly successful in enabling Swedish merchants to catch a market share for the transport of goods.

Increasing control over the shipping of colonial goods also enabled a diversification of sources of sugar imports. Sugar was increasingly being imported from Britain, and especially France. The trade during the 18<sup>th</sup> century does seem to have been quite flexible, rapidly changing in response to a changing international market supply, as can be seen in graph 2.<sup>28</sup> France – at the time claimed to be the most effective producer of sugar – was an important source of much sugar during the first half of the 18<sup>th</sup> century. During the Seven Years War (1756-1763), however, the French lost their market share in Sweden totally for a couple of years. This did not impact negatively on the Swedish imports – the Swedish merchants on the contrary quickly turned to Britain as a source of sugar. As soon as the Seven Years War ended, the French recaptured their market share almost as quickly as they lost it. The same rapid response to a change in supply can be seen when France, in 1793, loses its sugar colony of Santo Domingo due to the slave revolt – the Swedes this time

---

<sup>26</sup> Carlén 1997 chapter 7.

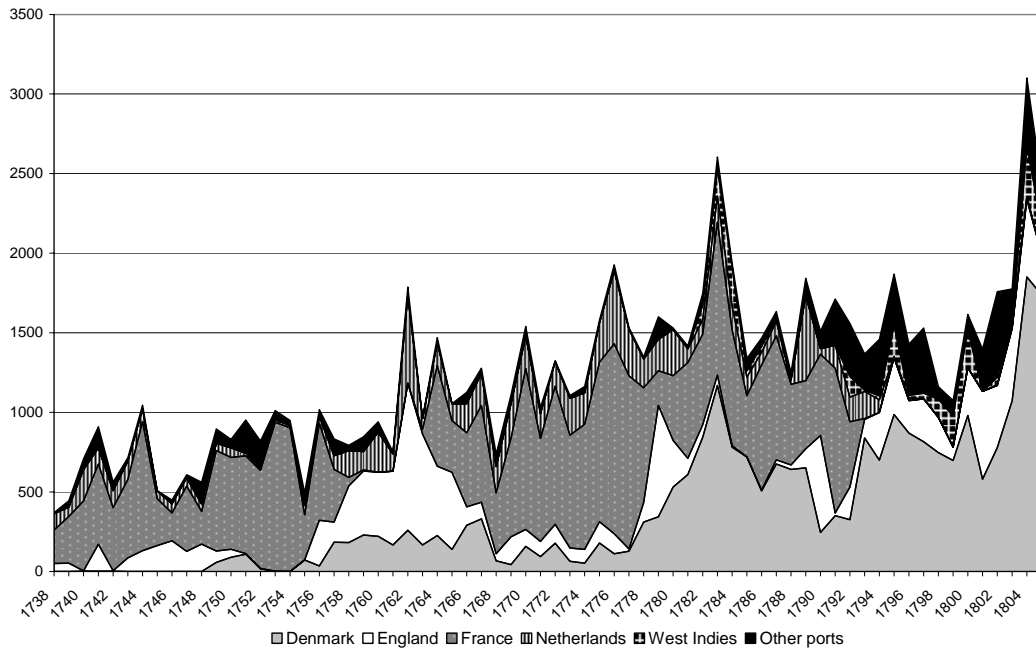
<sup>27</sup> Ekegård 1924 p 52.

<sup>28</sup> Volumes in the trade statistics of the Board of Trade (*Kommerskollegium*) are registered in Swedish pounds (*skålpund*). One Swedish pound has been computed as equivalent to 0,425 kilograms.



instead turning mainly to Denmark for imports. Swedish merchants might in this aspect be interpreted as exploiting the flexibility of having no colonies, in similar ways as did the Dutch – thereby being able to exploit the absolute advantages of different producing areas.

GRAPH 2. *Sugar imported to Sweden, by country of origin, 1738-1805 (metric tons)*

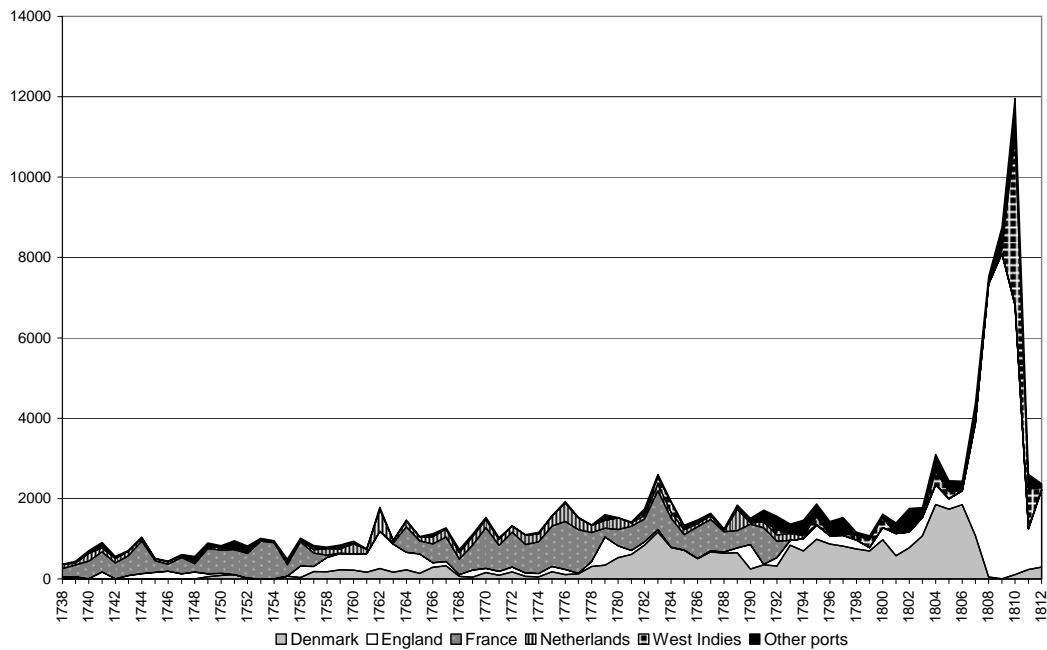


Source: Kommerskollegium Årsberättelser Utrikeshandel, serie 2

## 5. War, neutrality and peace

War and peace had a major impact upon the trade in colonial goods. This is most tellingly evidenced in the case of the War of American Independence (when Danish merchants managed to increase their sugar exports to Sweden significantly, as can be seen in graph 2) and the Napoleonic Wars/the Continental Blockade (graph 3).

During the Continental blockade (1806-1814), European ports were closed to British exports. Britain, on the other hand, responded by attacking French merchant ships in the Atlantic. Sweden remained neutral in this conflict until 1809, when the country was forced to enter the blockade. During these years of neutrality, Swedish imports of sugar soared to what at the time were enormous amounts – approximately five times as much as it had been just a couple of years earlier, as can be seen in graph 3. Most of this sugar was re-exported to the countries participating in the Continental blockade.

GRAPH 3. *Sugar imported to Sweden, by country of origin, 1738-1812 (metric tons)*

Source: Kommerskollegium Årsberättelser Utrikeshandel, serie 2

Even though the surge in entrepôt trade was very temporary, the Napoleonic Wars do also seem to have marked a lasting change in the pattern of Swedish imports. Sweden developed direct trade relationships with former (now independent) colonies of America in the aftermath of the wars, as can be seen in graph 4. At this time, until the middle of the 19<sup>th</sup> century, Sweden did import most of its sugar directly from overseas – Brazil, the West Indies and Asia were the major areas, and the USA initially exporting some as well. The establishment of overseas trade routes was most certainly enabled and allowed by the British. The new independence of former colonies in Latin America was certainly also of vital importance, marking an end to mercantilist policies and thus making it easier for Sweden to increase direct trade.

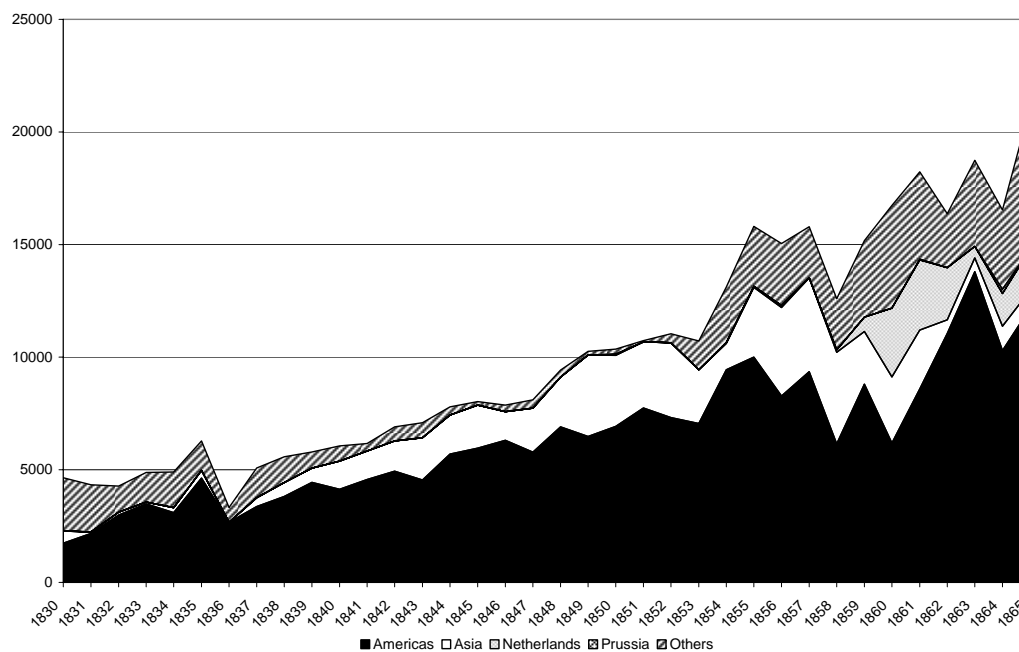
## 6. Protecting an infant industry

A central goal of the mercantilist policy of Sweden was to support domestic manufactures – thus both developing a domestic base of production (implying domestic employment etc), and improving the nation's balance of trade.<sup>29</sup> Sugar refineries were one sort of manufacture protected, a clear-cut example of protection of an 'infant industry'. Escalating tariffs were imposed on sugar already by the second half of the 17<sup>th</sup> century, favouring the

<sup>29</sup> Magnusson 1999 pp 253-259

import of semi-refined or raw sugars.<sup>30</sup> In 1734, furthermore, the import of refined sugar to Sweden was totally prohibited (with some exceptions to the rule being allowed for a few years in order to meet the growing demand for sugar).<sup>31</sup>

GRAPH 4. *Sugar imported to Sweden, by country of origin, 1830-1865 (metric tons)*



Source: Kommerskollegium Årsberättelser Utrikeshandel, serie 4

During the 17<sup>th</sup> century, a majority of Swedish sugar imports seems to have been of a refined character.<sup>32</sup> In the preserved article summary of the 1720s, refined sugar is still important. Imports of raw sugar, muscovado, was increasing rapidly though.<sup>33</sup> By the beginning of the 1740s, when the Swedish Board of Trade had started to assemble trade statistics systematically, the import of refined sugars was all but exterminated, as an effect of the new prohibition. Unrefined or semi-refined grades of sugar accounted for virtually all of the imports of sugar during the rest of the 18<sup>th</sup> century. The protectionist policy was thus most successful in that regard.

Imports of sugar did fluctuate quite much during the second half of the 17<sup>th</sup> century, and the first decades of the 18<sup>th</sup> century, showing no clear sign of growth. In the 1730s, however, imports rose rapidly in a matter of years, then remaining at a level of

<sup>30</sup> Sjöberg 1981/82 p 127; Gerentz 1951 pp 218-219

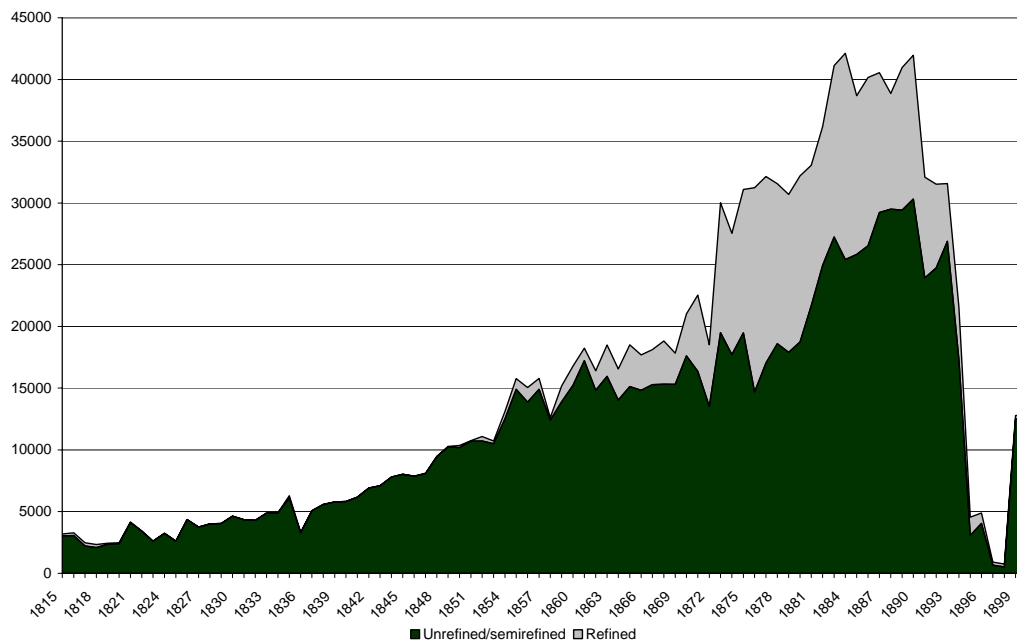
<sup>31</sup> Gerentz 1951 pp 270-271

<sup>32</sup> Calculation based on Boethius & Heckscher 1938

<sup>33</sup> Calculation based on Boethius & Heckscher 1938

approximately 2 per cent growth per year during the rest of the century.<sup>34</sup> Judging from the growth of imports, as well as the grades being imported, domestic refining of sugar thus must have flourished. Many new refineries were also established during the second half of the century.<sup>35</sup> During the first half of the 19<sup>th</sup> century growth of imports would reach an even higher level than before, approximately 4 per cent per year, up until 1890.<sup>36</sup> The total dominance of un- and semirefined sugar would naturally remain as long as the protectionist policy was in place. The regulation against imports of refined sugar was, however, revoked in 1848, followed a couple of years later by lowered tariffs on the imports of sugar.<sup>37</sup> The effects came rapidly. Soon, refined sorts of sugar were being imported yet again, as can be seen in graph 5.

GRAPH 5. *Sugar imported to Sweden, by grade of refinement, 1815-1900 (metric tons)*



Source: Kommerskollegium Årsberättelser Utrikeshandel, serie 4

## 7. The de-globalization of sugar trade

Without protectionism, Swedish sugar refiners were experiencing hard times due to the international competition.<sup>38</sup> The introduction of the sugar beet would, however, have even more important consequences on the global sugar trade. The possibility of extracting sugar

<sup>34</sup> Lind, 1923 table 1. Growth calculation based on SCB 1972, tables 1.1, 2.1, 3.1, 3.3, 3.5 & 3.7.

<sup>35</sup> Dauphin 1994 p 22; Gerentz 1951 p 271

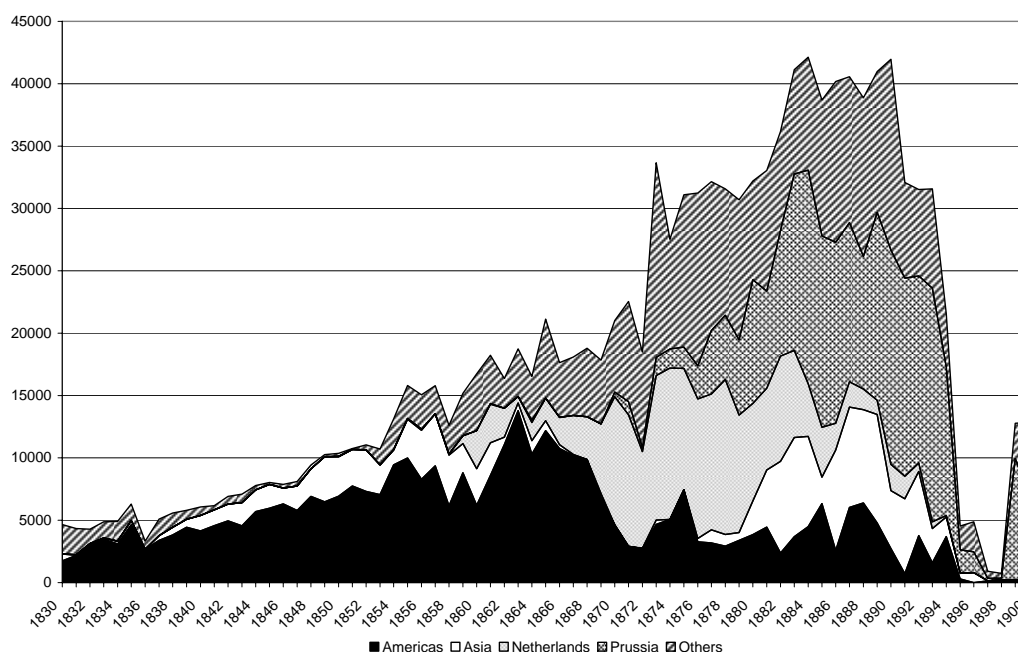
<sup>36</sup> Calculation based on data in SCB 1972 tables 1.1, 2.1, 3.1, 3.3, 3.5 & 3.7.

<sup>37</sup> Gerentz 1951 p 295; Attman 1953 p 139 & 224

<sup>38</sup> Attman 1953 p 139 & 226

from the beet was found out in 1747, but the real introduction would not come until the beginning of the 19<sup>th</sup> century.<sup>39</sup> After France's loss of its sugar colony of Santo Domingo, the Napoleonic Wars and the Continental Blockade, production of beet sugar was supported by the government. Other European countries, such as Prussia and Russia, would soon follow the French example. Soon, exports of Prussian sugar would flood the Swedish market, as can be seen in graph 6. By the 1870s, sugar beet production was also introduced in both Sweden and Denmark.<sup>40</sup>

GRAPH 6. *Sugar imported to Sweden, by country of origin, 1830-1900 (metric tons)*



Source: Kommerskollegium Årsberättelser Utrikeshandel, serie 4

Swedish imports of sugar would reach its peak at the end of the 1880s. Then, in less than ten years, imports of sugar would collapse totally – decreasing by more than 98 per cent, as can be seen in the graph. From the 1890s and for a very long time onward, sugar imports fluctuated wildly, only temporarily getting close to or exceeding the former levels. For many colonies, or ex-colonies, especially in the Americas the effects would be quite devastating.<sup>41</sup>

<sup>39</sup> Deerr 1949 chapter 29.

<sup>40</sup> Deerr 1949 chapter 29.

<sup>41</sup> Galloway 2005 p 144. Important exceptions were Cuba and Java, where production and export grew rapidly during the 19<sup>th</sup> century.

## 8. Conclusions

Jan de Vries has written that Dutch merchants in the Atlantic economy did have to find ways to break out of a ‘mercantilist box’ imposed by neighbouring countries. Having no large colonial possessions in the Americas did enable the Dutch certain flexibilities, that they successfully exploited. Swedish merchants did also try to find ways to exploit the colonial complex. For that reason, a Swedish ‘mercantilist box’ was constructed. One measure in that regard was to support the development of a domestic merchant fleet, e.g. through the Swedish Navigation Act. Stefan Carlén has shown that the Act was successful in regards to trade in salt. Data presented in this article does appear to show that Swedish merchants rapidly gained a comparatively large market share of the Baltic trade in colonial goods. Further research will try to show whether this had any impact on the prices of sugar.

The trade in sugar became quite flexible in regards to where the sugar was imported from, as this article has shown. The Swedish market during the 17<sup>th</sup> century was dominated by sugar imported mainly from the Netherlands, but also Germany and Portugal. During the 18<sup>th</sup> century, however, imports would increase from other sources – Britain, France, Denmark – and in the following century also involve direct trade with many colonies or former colonies overseas (Brazil, the West Indies, Java). Most certainly, this does to a large degree reflect the absolute advantages different producers had. Breaking the former dominance of Dutch traders, through protectionist policies, did perhaps then increase the flexibility of domestic merchants. The response to changing international relations was also very rapid. Soon after major events, such as the Seven Years War or the Napoleonic wars, trading patterns shifted to secure a rather steady stream of imports of sugar. During the Continental Blockade, Sweden even managed to become an important net exporter of sugar to the European market, for a short while.

Another measure of the Swedish ‘mercantilist box’ was to try to develop a domestic sugar manufacture. To protect this ‘infant industry’, imports of refined sugar did initially have to pay a high toll, and was later prohibited altogether. The policy was most successful: during virtually all of the 18<sup>th</sup> century, and the first half of the 19<sup>th</sup> century, only un- or semirefined sorts of sugar were imported. This protection certainly did foster a growing domestic manufacture, as can be seen from the steady growth of sugar imports, but many of the refineries did experience hardships when the protectionist policy was finally revoked in 1848.

In conclusion, then, Sweden seems to have managed a semi-peripheral position quite successfully, countering the policies of European core countries with domestic policies offering support for the development of the domestic economy.

Sweden didn't participate directly in neither colonialism nor the slave trade, more than very marginally. Swedish trade in colonial goods was however highly dependent on, and actively exploiting, this complex. The Swedish bourgeoisie in general, and the merchants in colonial goods in particular, could hardly have been ignorant of the mode of production of sugar and other colonial goods. They could hardly neither have been ignorant of the opposition to slavery. The first books in Europe explicitly opposed to slavery and the slave trade were published already by the end of the 16<sup>th</sup> century.<sup>42</sup> The controversy would reach its peak at the end of the 18<sup>th</sup> and the beginning of the 19<sup>th</sup> century. This debate was surely known in Sweden too, as evidenced for example when it was debated in the Swedish Board of Trade whether slave trade should be allowed on the newly acquired island S:t Bartholomei (resulting in it being allowed).<sup>43</sup> When other countries – such as Britain and Denmark – abandoned slavery, Sweden exploited the flexibility of having no colonies of their own, changed the source of imports, and kept importing slave-produced goods from Brazil, Cuba and other areas.

Many of the protectionist policies were revoked during the 19<sup>th</sup> century. The introduction of the sugar beet would however imply major changes to the global sugar trade. Swedish imports changed significantly during the second half of the 19<sup>th</sup> century. Initially, the market was being flooded by Prussian (and to a lesser extent French) beet sugar. Then, beet sugar production was begun in Sweden too. In less than ten years, from 1890 to 1897, imports of sugar would drop more than 98 per cent. Imports of sugar would from this time on mostly be of European origin. What had been one of the world's most important long-distance trade commodities during several centuries thus became in a very short time a commodity mainly traded nationally or at most regionally. De-globalisation of the trade in this commodity was quick, and – to the former producing areas in the Americas and elsewhere – often quite devastating.

## 9. Future research

This paper contains some of the first, tentative conclusions from the work on a thesis on Swedish and Danish trade in colonial sugar. Many issues remain to be investigated, one very important such is the development of prices of sugar as a consequence of the policies

---

<sup>42</sup> Williams 1984 p 44

<sup>43</sup> Hildebrand 1951 chapters II.2 and V.6

described above. As was noted above, Stefan Carlén claims that the imposition of the Swedish Navigation Act didn't lead to any increase in prices of salt, as some people feared at the time. This thesis will explore whether the same is true for sugar, or if the price of sugar was influenced by that and other protectionist policies (such as the prohibition against imports of refined sugar). For that purpose, a price index of sugar is under construction, using price quotations from the Swedish Royal Archive's Consumption Accounts (*Slottsarkivets Hovförtäring*) to begin with, in a similar way as Jansson et al has constructed their price indices from Stockholm.<sup>44</sup>

This price series will also be used to explore the issue of market integration and globalization, as discussed by Kevin O'Rourke & Jeffrey Williamson<sup>45</sup>, among others. Can any trend toward an early market integration of the sugar market be discerned using price statistics from Europe and America?

The future aim is also to compare the terms of trade of Sweden and Denmark, since Denmark – as was mentioned initially, and in contrast to Sweden – did gain possession of a couple of islands in the Caribbean, providing a large share of the countries demand in colonial goods such as sugar. How did these institutional differences, as well as other differences that followed from the colonial possession (e.g. a Danish prohibition against imports of sugar from other areas than the Danish West Indies), impact upon the market for colonial sugar?

A final future aim is to try to relate the development of Sweden and Denmark to the general development of the trans-Atlantic economy, and the emerging capitalist world-system. Sugar was one of the main driving forces in the process. Both Sweden and Denmark could be considered to be semi-peripheral in this emerging world-system. The development strategies used by these two actors could shed some light upon the terms for semi-peripheral actors in a world-system – a topic that seldom has received much attention.

---

<sup>44</sup> Jansson et al 1991.

<sup>45</sup> O'Rourke & Williamson 1999; O'Rourke & Williamson 2002



## Sources and literature

### Unprinted sources

Kommerskollegium Kammarkontoret Årsberättelser Utrikes handel serie 2 (1735-1812)

Kommerskollegium Kammarkontoret Årsberättelser Utrikes handel serie 4 (1813-1890)

Kommerskollegium Statistiska avdelningen Årsberättelser Utrikes Handel (1891-1900)

### Printed sources and literature

Acemoglu, D. & Johnson, S. & Robinson, J. (2005). "The Rise of Europe: Atlantic Trade, Institutional Change and Economic Growth". *American Economic Review*, pp 546-579

Attman, A. (1953). *D. Carnegie & Co. 1803-1953. En hundrafemtioårig merkantil och industriell verksamhet*. Göteborg.

Bang, N. E. & Korst, K. (1930-1953). *Tabeller over skibsfart og varetransport genne øresund 1661-1783 og gennem Storebælt 1701-1748*. 4 vol. København.

Boëthius, B. & Heckscher, E. (1938). *Svensk handelsstatistik 1637-1737*. Stockholm.

Carlén, S. (1997). *Staten som marknadens salt. En studie i institutionsbildning, kollektivt handlande och tidig välfärdsolitik på en strategisk varumarknad i övergången mellan merkantilism och liberalism 1720-1862*. Stockholm.

Curtin, P. (1969). *The atlantic slave trade. A census*. Madison.

Curtin, P. (2002). *The rise and fall of the plantation complex. Essays in Atlantic history*. Cambridge.

Dauphin, J.P. (1994). *Sockrets katedraler – En studie av sockerindustrins historia och arkitektur*. Uppsala.

Deerr, N. (1949). *The history of sugar*. London.

Ekegård, E. (1924). *Studier i svensk handelspolitik under den tidigare fribetstiden*. Uppsala.

Emmer, P. (2003). "The myth of an early globalization: the Atlantic economy, 1500-1800". *European review*, 2003:1, pp 37-47.

Galloway, J.H. (2005). *The sugar cane industry – An historical geography from its origins to 1914*. Cambridge.

Gerentz, S. (1951). *Kommerskollegium och näringslivet 1651-1951*. Stockholm.

Hildebrand, I. (1951). *Den svenska kolonin S:t Barthélemy och Västindiska kompaniet fram till 1796*. Lund.

Jansson, A. & Andersson Palm, L. & Söderberg, J. (1991). *Dagligt bröd i onda tider – Priser och löner i Stockholm och Västsverige 1500-1770*. Götene.

Lind, I. (1923). *Göteborgs handel och sjöfart 1637-1920. Historisk-statistisk översikt*. Göteborg.

Magnusson, L. (1999). *Merkantilism. Ett ekonomiskt tänkande formuleras*. Stockholm.

Müller, L. (2004). *Consuls, corsairs and commerce. The Swedish consular service and long-distance shipping, 1720-1815*. Uppsala.

North, D. (1991). "Institutions". *Journal of economic perspectives*, vol 1.

Nováky, G. (1990). *Handelskompanier och kompanihandel. Svenska Afrikakompaniet 1649-1663. En studie i feodal handel*. Uppsala.

O'Brien, P. (2006). "Colonies in a globalizing economy, 1815-1948" in: Gills, B. & Thompson, W. (eds). *Globalization and global history*. Routledge.

O'Rourke, K. & Williamson, J. (1999). *Globalization and history. The evolution of a nineteenth-century Atlantic economy*. Cambridge.

- O'Rourke, K. & Williamson, J. (2002). "When did globalisation begin?". *European review of economic history*, vol 6, pp 23-50.
- Pomeranz, K. (2000). *The great divergence. China, Europe and the making of the modern world economy*. Princeton.
- SCB (1972). *Historisk statistik för Sverige. Del 3. Utrikeshandel 1732-1970*. Stockholm.
- Schwartz, S. (2004). "A commonwealth within itself. The early Brazilian sugar industry, 1550-1670", in: Schwartz, S. (ed). *Tropical Babels. Sugar and the making of the Atlantic world, 1450-1680*. Chapel Hill.
- Sjöberg, G. (1981/82). "Sockerindustrins historia i Sverige intill frihetstiden". *Karolinska förbundets årsbok*.
- Wallerstein, I. (2004). *World-systems analysis: an introduction*. Durham.
- Vieira, A. (2004). "Sugar islands. The sugar economy of Madeira and the Canaries, 1450-1650", in: Schwartz, S. (ed). *Tropical Babels. Sugar and the making of the Atlantic world, 1450-1680*. Chapel Hill.
- Williams, E. (1964). *Capitalism and slavery*. London.
- Williams, E. (1984) *From Columbus to Castro. The history of the Caribbean*. New York.
- de Vries, J. (2005). "The Dutch Atlantic economy" in: Coclanis, P. (ed), *The Atlantic economy during the Seventeenth and Eighteenth Centuries*. Columbia.

## Göteborg Papers in Economic History

Available online at S-WOPEC: (<http://swopec.hhs.se/gunhis/>)

1. Jan Bohlin: Tariff protection in Sweden 1885-1914. 2005.
2. Svante Larsson: Globalisation, inequality and Swedish catch up in the late nineteenth century. Williamson's real wage comparisons under scrutiny. 2005
3. Staffan Granér: Thy Neighbours Property. Communal property rights and institutional change in an iron producing forest district of Sweden 1630-1750. 2005
4. Klas Rönnbäck: Flexibility and protectionism. Swedish trade in sugar during the early modern era. 2006.