

Germany, the Atlantic Slave Trade, and the New World Plantation Economies, 15th to 18th Centuries¹

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1. Introduction

When seeking the protagonists of the trans-Atlantic slave trade and of the New World plantation economies, which relied heavily on unfree labour, Germany does not easily come into our minds. Before the belated creation of a nation state, in 1871, Germany had always been a country with an insignificant merchant marine, and without colonies. The only more widely known attempt to engage directly in the slave trade was the short-lived Brandenburgisch-Africanische Compagnie, which was established by Prussia in 1680 and maintained its own fortress on the West African coast. Its ships sailed under the flag of Brandenburg, until it was wound up in 1711.² Scholarly studies on the Atlantic World are dominated by English-speaking authors, and from their point of view, Germany was a land-locked, economically backward country. As Charles P. Kindleberger put it: “Apart from those in its cities of Hamburg, Lübeck and Cologne, the Germany of the Holy Roman Empire lacked effective merchants for the marketing of Renish cloth, Silesian linens, and East Prussian grain and timber.”³ He believes that only from the early 19th century did German

¹ This text draws heavily on: Klaus Weber: Deutschland, der atlantische Sklavenhandel und die Plantagenwirtschaft der Neuen Welt (15. bis 19. Jahrhundert), in: *Journal of Modern European History* (special issue “Europe, Slave Trade, and Colonial Forced Labour”) 7 (2009) 1, pp. 37-67.

² Jürgen Nagel: Die Brandenburgisch-Afrikanische Compagnie. Ein Handelsunternehmen, in: *Scripta Mercaturae* 30 (1996) Heft 1, pp. 44-94. Hermann Kellenbenz: Die Brandenburger auf St. Thomas, in: *Jahrbuch für Geschichte von Staat, Wirtschaft und Gesellschaft Lateinamerikas* 2 (1965), pp. 196-217.

³ Charles P. Kindleberger: *World Economic Primacy: 1500-1990*. Oxford - New York (1996), p. 22

merchants established in London – notably Rothschild, Schroder and Baring – achieve a deeper integration of Germany into world economy. The eminent German historian Hans-Ulrich Wehler agreed that all German territories were excluded from the European colonial and commercial expansion.⁴ Even Jürgen Osterhammel, who acknowledges that the slave trade was the essential motor of trans-Atlantic economy, insists that only a very small number of Germans participated in this trade, and when doing so, they never used German ports for the turnover of the commodities involved.⁵

More recent studies have challenged the assumption that early modern Germany was not an integral part of the western hemisphere. Margrit Schulte Beerbühl, for example, traced more than 500 German merchants who were established in London during the period 1680-1820. They maintained close commercial links between England, its colonies, and Germany, including both the Hanseatic cities Bremen and Hamburg, and regions in the deep hinterland of Central Europe. Yet, even among this large group, the author identified just one individual who was directly involved in the slave trade as a ship owner around 1700 (a certain Peter Paggen from a rural town near Bremen).⁶ But when including not only entrepreneurs who were immediately involved as owners of slave ships, but also those Germans who had invested capital in the large joint stock slaving companies, a larger group emerges. It also includes prominent merchant bankers, such as the Barings, who had arrived in London from Bremen during the first half of the 18th century and soon became members of the Company of Merchants Trading with Africa, and investors from Germany's financial markets Frankfurt

⁴ Hans-Ulrich Wehler: *Deutsche Gesellschaftsgeschichte*, vol. 1: 1700-1815, München (1987), p. 53.

⁵ Jürgen Osterhammel: *Sklaverei und die Zivilisation des Westens*, München (2000), p. 11.

⁶ Margrit Schulte Beerbühl: *Deutsche Kaufleute in London. Welthandel und Einbürgerung (1660-1818)*, München (2007), p. 112.

and Augsburg.⁷ Eric Saugera's meticulous study on the slave trade in Bordeaux has shown that there was a significant direct involvement of Germans, running their ships under the French flag. Bordeaux was the second French slaving port, after Nantes. Out of 411 slavers leaving from Bordeaux between 1700 and 1793, 27 were owned by Germans and Swiss-Germans established in Bordeaux.⁸

This paper will further include indirect involvement with the slave trade, such as production and provision of barter commodities for the African coasts, and processing and distribution of colonial goods produced by slaves on the plantations of the New World. The production of sugar had driven European expansion into the Atlantic, and sugar will also serve as an excellent example to demonstrate Central European interests in this process. Only in also acknowledging these indirect links, will the macroeconomic conditions of German participation, and its scope, become evident.

The paper will first recount the earliest entanglements of German entrepreneurs with the Atlantic economy, and then demonstrate the continuity of interests far into the 18th century. The second chapter will offer a few case studies to illustrate the particular profile of the merchants involved. Finally, the paper will offer some quantitative data in order to illustrate the impact these trading links had for the economy of Central European hinterlands.

2. From the early beginnings to the phase of the Thirty Years War

⁷ Anne T. Gary: *The Political and Economic Relations of English and American Quakers (1750-1785)*, Oxford (PhD thesis) (1935), p. 506.

⁸ Eric Saugera: *Bordeaux port négrier. Chronologie, économie, idéologie, XVII^e-XIX^e siècles*, Biarritz - Paris (1995), pp. 351-362.

Earliest German interests in the sugar economy probably date back to the Crusades, when contact with Islamic culture was intensifying. Europeans learned for the very first time the techniques of sugar cane cultivation, and the extraction and refining of sugar. During the 13th and 14th centuries, the Orders of Christian Knights, namely the Templars, created sugar plantations on the Mediterranean islands of Rhodes and Cyprus, which were worked with enslaved prisoners of war. The capital for these investments came from Venice and Genoa, and to a minor extent from Southern Germany.⁹ From the Levant (the Eastern Mediterranean), the sugar economy expanded via Sicily to the southern coasts of Spain and Portugal. From the 1420s the Ravensburger Kompanie acquired sugar cane fields near Valencia (Spain), and erected a sugar mill. The Kompanie had been created in the South West of Germany around 1380, for the export of linen textiles to Southern Europe. Yet, during the very decade in which this trading company also embarked on the sugar business, the Spaniards and Portuguese began their expansion into the Atlantic. Their first step was the Spanish conquest of the Canary Islands and the Portuguese colonisation of Madeira. The sub-tropical climate of these islands allowed for a significant increase of the plantations' productivity, which caused a decline of the sugar prices at the Antwerp stock exchange from 30 grams of silver per kilogram of sugar in 1430 to only five grams in 1500. This was the main reason why the Ravensburger Kompanie sold its Valencian estate, in 1477, in spite of the excellent quality of their product.¹⁰ At the same time, sugar – hitherto only enjoyed by princes, popes and a small elite of merchants and noblemen – became affordable to an ever expanding group of consumers.

⁹ Barbara L. Solow: Capitalism and Slavery in the Exceedingly Long Run, in: Barbara L. Solow / Stanley L. Engerman (eds.): *British Capitalism and Caribbean Slavery: The Legacy of Eric Williams*, Cambridge (Cambridge Univ. Press) (1987), pp. 51-77, see pp. 53-55.

¹⁰ William D. Phillips jr.: Sugar in Iberia, in: Stuart B. Schwartz (ed.): *Tropical Babels: Sugar and the making of the Atlantic World, 1450-1680*, Chapel Hill - London (2004), pp. 27-41, see pp. 33-34.

If the Ravensburger had suffered from this expansion of the sugar economy, other German merchants were among the protagonists of the first genuine mass production of sugar. In 1508, the Welser family acquired one of the largest estates on the island of Tenerife. Investments in land and sugar mills on neighbouring La Palma followed. Agents of this major German industrial and financial trust were also present on Madeira and at the Lisbon stock exchange, which had become a key hub of the sugar trade.¹¹ The Canary Islands, Madeira and São Tomé (an island off the coast of tropical West Africa, colonised by the Portuguese) were in fact the great laboratory in which Europeans developed all the agricultural, logistical and financial techniques which became fundamental for establishing the plantation economies of the New World:

- employment of unfree labour (indentured European, local slave and imported African slave labour);
- agro-industrial techniques of crop-raising;
- organisation of long-term credits for this capital-intensive business;
- efficient marketing of the product in Europe.

When the Spaniards established sugar plantations on their first Caribbean colony Santo Domingo, the Welsers were once more in the business. From c.1530 until 1556 they held shares of major estates and, more importantly, acquired an Asiento for the importation of African slaves, in 1528. It was one of the first of these monopoly contracts which the Crown sold to private businessmen, in order to secure a smooth supply of labour to the New World, where European diseases were causing a heavy death toll among the indigenous population. The 1528 Asiento was issued at the price of 20,000 ducats, for delivering 4,000 slaves.

¹¹ Alberto Vieira: Sugar Islands. The Sugar Economy of Madeira and the Canaries, 1450-1650, in: Schwartz (ed.), *Tropical Babylons*, pp. 42-84, see pp. 47, 67, 69.

Portuguese slave traders, experienced in this sector for decades, were sub-contracted for the actual transportation. The contract was duly fulfilled by 1538.¹²

Even during this early phase, German merchants not only benefited from the Asiento and from running plantations, but also from producing barter commodities for the purchase of slaves on the African coast. Most prominent among the early providers of such goods was the Fugger family. Like the Welser dynasty, the Fuggers were from the Southern German financial and industrial city of Augsburg, and both are considered the major protagonists of early capitalism north of the Alps. The Fuggers, at that time even more powerful than the Welsers, were engaged in Central European textile production, in Alpine and Hungarian copper mining and processing, in the Venetian spice trade, and they had leased large estates from the Spanish Knight Orders. As bankers of the Vatican and of the Emperors of the Holy Roman Empire, they exercised huge political power in Europe. Only recently, in April 2008, was the wreck of a ship discovered which grounded on the coast of Namibia around the year 1530. Among its cargo were 17 tons of copper, with the Trident – the Fuggers’ trade mark – engraved on the metal sheets.¹³ This trade to Africa had continuity: in a contract sealed with the Portuguese Crown in 1548, the Fuggers secured themselves the delivery “of 7,500 hundredweight of brass bracelets, 24,000 saucepans, 1,800 bowls, 4,500 barbers’ basins, and 10,400 large kettles within the period of four years. All this brassware was [...] explicitly [...] destined for the trade with the Guinea Coast.”¹⁴

From the 1530s the Portuguese colony of Brazil was being developed as a sugar colony, and due to an abundance of arable land, water and timber (which was needed as fuel in the

¹² Jörg Denzer: Die Konquista der Augsburger Welser-Gesellschaft in Südamerika (1528-1556), München 2005, pp. 51-55.

¹³ I owe the reference to this ship wreck to Prof. Jack Owens (Idaho State University).

¹⁴ Mark Häberlein: Die Fugger. Geschichte einer Augsburger Familie (1367-1650), Stuttgart 2006, p. 80.

process of sugar refining), it became the world's major producer of raw sugar. Here again the Fuggers and merchants from Cologne and Aix-la-Chapelle were on the scene with substantial investments in plantations and mills. Brazilian plantations flooded European markets with ever increasing quantities of sugar.¹⁵

During the Thirty Years War (1618-1648), Iberian dominance of the Atlantic basin suffered heavily, in particular by the Dutch conquest of Brazilian sugar regions and intrusion into the trans-Atlantic slave trade. The war also contributed to the decline of the Fugger and Welser dynasties. Accordingly, German participation – including that of monarchs and private businessmen – shifted from Spain and Portugal to Holland. In 1621, Johann Friedrich Duke of Württemberg, invested 30,000 florins into the newly created Dutch WIC, which had been created specifically for the purpose of breaking into the plantation empire and slave trade of the Portuguese. In 1629, Imperial civil officers complained that Frankfurt citizens spent enormous amounts on shares in the Dutch maritime trade. To cut off this drain of capital to the Emperor's arch-enemy, they even advised that all postal correspondence between Frankfurt and Holland should be secretly monitored. Yet, not only was capital flowing out of the country, it was also coming in. Johann von Bodeck (1554-1631), at that time the wealthiest man in Frankfurt, had arrived from Antwerp as a Protestant refugee, transferring his business to the German banking capital. He made his fortune in the copper trade and in loans to German territorial rulers, which in fact makes him a successor of the great houses of the Fuggers and Welsers. The Imperial officers claimed he had invested "several tons of gold" in the Dutch maritime companies. He was among those who made Frankfurt the successor of the Empire's previously leading financial cities of Nuremberg and Augsburg. Still, capital from the latter

¹⁵ Stuart B. Schwartz: A Commonwealth within Itself: The Early Brazilian Sugar Economy, 1550-1670, in: Schwartz (ed.): *Tropical Babylons*, pp. 156-200, see pp. 159-160. Eddy Stols: The Expansion of the Sugar Market in Western Europe, in: Schwartz (ed.): *Tropical Babylons*, pp. 237-288, see pp. 262-263.

place continued to a play role in the Atlantic slave trade. Augsburg bankers and entrepreneurs like Marx Konrad von Rehlingen acquired large amounts of shares both of the Dutch East Indian (VOC) and West Indian Companies (WIC). Rehlingen alone held shares worth 50,000 florins in both companies. He had also invested 110,000 florins in English maritime enterprise, much of it in the African trade.¹⁶

German participation in the English slave trade increased after the Spanish War of Succession, when Britain obtained the Asiento (1713) for supplying Spanish America with slaves. This enabled Britain to succeed Portugal in the role of the leading slave trading nation. Again, German investment followed the shifts of political and economic power among the seafaring nations.¹⁷ Germans figured both among the directors of the Royal African Company – e.g. Peter Meyer from Hamburg – and of the South Sea Company – e.g. Abraham Korten from Elberfeld. Both Meyer and Korten were also members of the East India Company. This is not surprising, given the impressive share of Indian calicos among the commodities bartered for slaves.¹⁸ The importance of the Dutch, English and French East India Companies for the slave trade is often underrated.

3. German participation during the “Second Atlantic System”

¹⁶ Heinz Schilling: Innovation through Migration: The Settlements of Calvinistic Netherlanders in Sixteenth- and Seventeenth-Century Central and Western Europe, in: *Histoire Sociale - Social History* 31 (May 1983), pp. 7-33, see p. 22-23. Reinhard Hildebrandt: Interkontinentale Wirtschaftsbeziehungen und ihre Finanzierung in der ersten Hälfte des 17. Jahrhunderts, in: Hermann Kellenbenz (ed.): *Weltwirtschaft und währungspolitische Probleme seit dem Ausgang des Mittelalters*, Stuttgart - New York (1981), pp. 61-76, see pp. 66-69.

¹⁷ Between 1701 and 1725, British vessels shipped c. 380,000 Africans to the Americas; from 1751 to 1775 the figure stood at 860,000. In these periods, Portugal shipped 378,000 and 473,000 Africans, respectively. David Eltis: The Volume and Structure of the Transatlantic Slave Trade: A Reassessment, in: *William and Mary Quarterly* 60 (2001), p. 43.

¹⁸ Schulte Beerbühl: *Deutsche Kaufleute in London*, pp. 111-112 (also see annot. 224), pp. 342-344, 134-139.

The Dutch historian Piet Emmer has distinguished two major phases of Atlantic trade: Until well into the 17th century, European wars, piracy, lack of nautical experience and routine, and instability in recently established colonies still engendered considerable risks for long-distance maritime trade. Its most capital intensive and hazardous sector, the slave trade, was therefore mostly carried out under Asiento conditions or by large monopoly companies, such as the Dutch West India Company, the French Compagnie des Indes, and the British Royal African Company. It was these companies that established the costly trading forts on the West African coast. In the late 17th century, the European sea powers concluded a number of peace treaties, gradually pacifying the Atlantic World, significantly reducing piracy, and subsequently reducing transaction costs. This encouraged individual slave traders to enter into the business. They operated more flexibly and efficiently than the large monopoly companies and thus contributed to the end of the “First Atlantic System”.¹⁹ By 1700, most of the large joint-stock companies had been abolished. Private enterprise characterised the “Second Atlantic System”, and Herbert Klein even claims that the slave trade on the African coast in particular became a domain of free trade. Typically, two or three partners would figure as owners and outfitters of a ship and raise additional capital from a larger group of smaller investors. The entire group thus constituted a small joint-stock company, but it was created for the purpose of one single slaving expedition only. The contract would run for five to seven years, which was the time span usually required until all the accounts of such a complex business were settled.²⁰

During the 18th century, German traders too followed this pattern. They usually did so by establishing themselves in a sea port of a slave trading nation, such as the Netherlands, France, Spain, or Denmark, and operating under the respective flag. Examples from Cadiz and

¹⁹ Piet C. Emmer: *The Dutch in the Atlantic Economy, 1580-1880. Trade, Slavery and Emancipation*, Aldershot (1998), pp. 12-32.

²⁰ Herbert S. Klein: *The Atlantic Slave Trade*, Cambridge (1999), pp. 78-82.

Bordeaux will illustrate how German merchants linked the Central European economy with Atlantic markets. During the 18th century, Cadiz was the major entrepôt for trade with Spanish America, and Bordeaux was the most important French seaport for receiving the produce from the French Caribbean, such as sugar, coffee, indigo and cotton. As mentioned above, it was also the second French slaving port. Textiles and metalware constituted the foremost barter commodities on African coasts. Throughout the centuries, textiles constituted c.50 percent of all the goods which Europeans shipped to Africa.

Ellermann, Schlieper & Co

An appropriate example is provided by the Ellermann family, originating from two villages near Osnabrück: Ibbenbüren and Venne. The villages and their region were well-known for the Europe-wide distribution of the linen cloth and high quality knives they produced.²¹ Around 1720, Johann Arnold Ellermann established a branch of their business in Cadiz. According to Spanish taxation sources, by mid-century it had become the single most successful German firm established there.²² During the 1730s, Johann Arnold Ellermann settled in Hamburg, where he became a distinguished member of the city's chamber of commerce, and was elected its chairman in 1744. At the same time, his brothers and nephews continued to run the Cadiz branch and established another branch in Amsterdam. He also became a ship owner. By 1746,

²¹ 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).

²² Manuel Bustos Rodríguez: *Los comerciantes de la Carrera de Indias en el Cádiz del siglo XVIII (1713-1775)*, Cádiz (1995), pp. 223-224.

he sent his own first frigate to Cadiz and on into the Mediterranean. From 1752 until 1761 Johann Arnold Ellermann also held a seat in the assembly of the Hanseatic citizenry.²³

The scope of his operations is reflected in his correspondence with Juan Cologan, a member of an Irish merchant family established in the Canary Islands. These islands were an important Atlantic staple place for smuggling into the Americas, a last port for supplying slave ships on their way to Africa, and one of the major Spanish staples for German linen. Cologan was particularly interested in Westphalian and Silesian linen, which constituted the bulk of Hamburg exports, due to the huge demand in Atlantic markets.²⁴ During the 1760s, the Ellermann trading company in Cadiz entered into a partnership with Johann Jakob Schlieper, thus forming Ellermann, Schlieper & Co. Schlieper had come from the town of Benfeld (near Strasbourg) 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 enterprise. Supplying this company with textiles for the barter trade on the African coasts was most probably one of the intended effects of this familial and commercial alliance established by the trading house Hermann, Ellermann & Schlieper.²⁵ Merchants like the Ellermanns built networks that linked Germany's textile regions directly with transatlantic markets.

²³ Klaus Weber: *Deutsche Kaufleute im Atlantikhandel (1680-1830): Unternehmen und Familien in Hamburg, Cádiz und Bordeaux*, München (2004), pp. 224-225.

²⁴ In 1753, Cadiz received some 47 percent of Hamburg's duty-paid linen exports to Spain, while 33 percent were shipped to the Canary Islands. Staatsarchiv Hamburg, Admiralitätskollegium, 371-2, F6, vol. 18 (1753).

²⁵ Bibiano Torres Ramírez: *La compañía gaditana de negros*, Sevilla (1973), pp. 40, 80-81. Weber: *Deutsche Kaufleute*, pp. 273-275. Johann Peter Hermann, the third partner, was a nephew of the Ellermann founder generation.

During the 18th century, Spain was but a minor player in the Atlantic slave trade. By the 1710s, France in contrast had risen from a non-player in this business to the third nation, ranking behind Britain and Portugal.²⁶ Its ascent was owed to the spectacular success of the sugar plantations of the French Antilles. Due to their extremely fertile soils, these islands outperformed Brazilian production. Through much of the century, sugar from Saint-Domingue alone covered up to three quarters of consumption in the Western hemisphere.²⁷ The African dimension of German trade is therefore even more obvious in Bordeaux than in Cadiz. It is probably best personified in the merchants Friedrich Romberg and Johann Jakob Bethmann.

Friedrich von Romberg

Born 1729 in a small village close to the iron manufacturing city of Iserlohn, Friedrich Romberg learned his logistic skills as head and founder of a Brussels-based long distance transportation enterprise, linking Flanders with Italy. Another important business of his 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 ship owner. Within a few years, he established the shipping company Frédéric Romberg fils & Ricour in Oostende, a maritime insurance company in Bruges, the slave trading company Romberg & Cie in Ghent (for business mainly with Cuba), and a calico factory in Brussels. In 1783, he further created the Bordeaux slave trading company Romberg, Bapst & Cie. Minor shareholding partners in this firm were Georg Christoph Bapst, from a family of financiers originating from Palatine, and

²⁶ Eltis: *The Volume and Structure*, p. 43.

²⁷ Herbert S. Klein: *African Slavery in Latin America and the Caribbean*, Oxford - New York (1986), pp. 56-58.

the Brussels banking brothers Walckiers. All these enterprises were complemented with shares in the textile production in the Iserlohn area, particularly in an important linen bleaching plant. In 1784, Romberg was knighted by the Emperor Joseph II.²⁸

Within a few years, the company Romberg, Bapst & Cie became the major slave trading and plantation firm in Bordeaux, extending its slaving expeditions as far as Mozambique. During this feverish boom period of the plantation economy, rising prices for African unfree labour had made many planters become debtors of the slave traders. The latter increasingly took over indebted plantations, or at least the plantation management. Their claims were then satisfied with the produce from these estates. Romberg, Bapst & Cie acted likewise. At the outbreak of the Revolution, the company owned or managed some 20 plantations on Saint-Domingue, producing predominantly cotton and indigo. It had permanently five to six slave ships in service, which represented a capital of c. 400,000 livres tournois. The pay for the 200 seamen employed on them gave rise to running costs of 100,000 livres per annum (officers not included).²⁹ The enormous turnaround of capital and the poor reliability of its customers caused the shipping company to run into crisis, accelerated by a long-term decline of the prices of colonial goods. By 1788, the total sum owed by the planters amounted to 4.72 million livres. In the following year, a consortium of twelve Bordeaux trading houses – seven of them led by Germans, most prominently 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 served to increase the total financial

²⁸ Françoise Thésée: *Négociants bordelais et colons de Saint-Domingue. Liaisons d'habitation. La maison Henry Romberg, Babst & Cie. 1783-1793*, Paris (1972), p. 23-26. Weber: *Deutsche Kaufleute*, pp. 195-198.

²⁹ 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), p. 46. Thésée: *Négociants bordelais*, pp. 51-72, 38-39.

losses. When the final settlement of accounts was made in 1807, they amounted to the impressive sum of 34.24 million livres. The failure of the company had repercussions in important European places of finance, and almost ruined the heirs of Bethmann, being the most reputable member of the German community in Bordeaux.³⁰

Johann Jakob von Bethmann

Johann Jakob von Bethmann (1717-1792) had been established in France as early as 1740, and through his marriage with the daughter of the wealthy Bordeaux ship-owner Pierre Desclaux, he soon became one of the city's major shipping magnates. The marriage into this elite family also won him a license for direct trade with Canada and the French Caribbean. During his business life, he sent ships to the colonies at least 53 times (mostly with the participation of other shareholders), and he commissioned at least five new vessels to be built. In 1766, he successfully applied for the post of Imperial consul in Bordeaux, and in 1776 he was granted an Imperial knighthood.³¹

Johann Jakob 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 of the Metzler family were the dominant houses of the German financial capital. The Metzler family, too, had a presence in Bordeaux. Two of their sons, Jean Albert (1742-1767) and Peter Metzler (1748-1823), would represent the family business on Saint-Domingue, Guadeloupe and Martinique. Given the considerable capital demand of the Atlantic slaving and plantation economies, Atlantic ports like Nantes and Bordeaux maintained close links with merchant

³⁰ Thésée: *Négociants bordelais*, pp. 195-197, 200.

³¹ Wolfgang Henninger: *Johann Jakob von Bethmann 1717-1792. Kaufmann, Reeder und kaiserlicher Konsul in Bordeaux*, 2 vols, Bochum (1993).

bankers in the financial capitals of Germany and Switzerland³², who in turn maintained close relations with Central European cotton and linen processing industries. On its continental side, the Frankfurt bank Gebrüder Bethmann acted as the primary capital lender to rural proto-industries all over Germany. On leasehold it ran large Saxon copper mines, copper being one of the crucial raw materials in Atlantic ship building. The Bethmann bank had developed its own particular commercial profile, distinguishing it from major banking houses in Atlantic port cities. It made almost 90 percent of its profits in rural manufacturing areas like the Rhineland and Saxony, with not a single of its major clients established in places exceeding 50,000 inhabitants.³³ This does not indicate that Gebrüder Bethmann was simply a continental enterprise – on the contrary, the bank financially linked rural manufactures with the Atlantic markets on which these depended.

As early as the 1760s, Bethmann had considered participation in the Danish Guinea Company, with financial backing from his Frankfurt brothers, but prudence led them to stand back from the plan (the Danish company went bankrupt in the following decade).³⁴ With his 1789 support of 200,000 livres to the Romberg company he did in fact become a shareholder in a large slave trading enterprise. The cases of Romberg and Bethmann are by no means unique. The importance of German financiers in the Atlantic slave trade is also exemplified by the above-mentioned Baring Brothers, established in London, and by Heinrich Carl Schimmelmänn (1724-1782), whose career took him from a provider of military supplies to the Prussian army during the Seven Years War to Denmark's minister of finance, major

³² For the Swiss aspects of the slave trade and plantation complex see Thomas David / Bouda Etemad / Janick Marina Schaufelbuehl: *Schwarze Geschäfte. Die Beteiligung von Schweizern an Sklaverei und Sklavenhandel im 18. und 19. Jahrhundert*, Zürich (2005). French language edition: *La Suisse et l'esclavage des noirs*, Lausanne (2005).

³³ Friedrich Zellfelder: *Das Kundennetz des Bankhauses Gebrüder Bethmann, Frankfurt am Main, im Spiegel der Hauptbücher (1738-1816)*, Stuttgart (1994).

³⁴ Henninger: *Johann Jakob von Bethmann*, pp. 353-355.

Danish slave trader, and owner of sugar estates on the Danish Caribbean colonies St. Thomas, St. Croix and St. Jan.³⁵

4. Quantitative assessment

Did this presence of a small German merchant elite in major port cities of colonial empires have any tangible impact on the Central European hinterlands? This question can only be answered by an assessment of the exportation of Central European products and the influx of colonial goods on Central European markets.

The taste of consumers in colonial markets is reflected by an 1806 report of British merchants to Parliament: “The Spanish Traders are very strongly prejudiced in favour of German linens ... When a Spanish trader comes into a store in a British [Caribbean] Island, the first article he asks for is German linens ...”.³⁶ This demand dated back far into the 18th century: in a 1744 report on the British linen trade with the West Indies, the eminent Jamaican plantation owner William Beckford informed the Parliamentary Committee that “all the Negroes and the poor White People are generally cloathed with German linens, from 6d to 9d an Ell, called Osnabrughs”. A Mr. Ashley, similarly, reported that the 70,000 slaves on Barbados were “usually clothed with Foreign ‘Osnabrughs’”.³⁷ Such labelling demonstrates that the products from particular Northern German regions had made themselves a name, as ‘stout Weser flaxen’, ‘true born Osnabrughs’, ‘true born Tecklenburghs’, or ‘Creguelas de

³⁵ Christian Degn: *Die Schimmelmanns im atlantischen Dreieckshandel. Gewinn und Gewissen*, Neumünster (1974), pp. 2-10, 91, 96-98, 104, 490, 405.

³⁶ Otto-Ernst Krawehl: *Hamburgs Schiffs- und Warenverkehr mit England und den englischen Kolonien 1840-1860*, Köln - Wien (1977), p. 441.

³⁷ British Parliamentary Papers, House of Commons, Sessional Papers of the Eighteenth Century, Reports & Papers 1742-1760, vol. 19: Report on Linen 1744, Wilmington (1975), pp. 18-19. I owe this information to Dr. Margrit Schulte Beerbühl (Düsseldorf).

Westphalia' (the Weser is the navigable river linking the hinterland with Bremen; Osnabrück is a city, Tecklenburg a county in the province of Westphalia).³⁸

These fabrics were not only in demand in American colonies, but also in Africa. Herbert Klein has even claimed that on 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”.³⁹ The portion of German manufactures among the barter commodities used for the purchase of African slaves can indeed hardly be underestimated. Sources very rarely offer information on the origin of such goods, but where such information is available the portion of manufactures made in Germany is surprisingly high. One of those rare examples is provided with the slave ship *Amiral*, which left Bordeaux for the Guinea coast in 1744. Just as on most slavers, the bulk of its cargo consisted in textiles. Out of the total of 5,095 bales of cotton and linen it had on board, 1,440 derived from Nantes, only 675 from Rouen and 260 from Amsterdam, but as much as 2,720 from Hamburg.⁴⁰ The German economist Johann Georg Büsch (1728-1800) already highlighted the importance of German linen on African markets, in mentioning a ship having left the French port of Lorient in 1720, with cargo made up entirely of textiles imported from Hamburg.⁴¹

Such observations on overseas markets are confirmed by data from German regions of textile production. From the 1740s to the 1780s, more than three quarters of Silesia's linen

³⁸ Edith Schmitz: *Leinengewerbe und Leinenhandel in Nordwestdeutschland*, Köln 1967, pp. 33, 86, 92.

³⁹ Herbert S. Klein: *The Atlantic Slave Trade*, Cambridge (1999), p. 114. Klein unfortunately makes no reference to the source of the information.

⁴⁰ Saugera: *Bordeaux port négrier*, pp. 246, 352. Eric Saugera notes that the load of the *Amiral* was typical for West African markets.

⁴¹ Johann G. Büsch: *Versuch einer Geschichte der Hamburgischen Handlung nebst zwei kleineren Schriften verwandten Inhalts*, Hamburg (1797), pp. 88-89. In his account, Büsch makes reference to a report by the French voyager Desmarchais.

products – its annual value was oscillating roughly between three and six million taler – were destined for the Atlantic nations of Western Europe and their respective export markets. Some of it was even shipped directly to the Americas.⁴² Far smaller territories also exported large quantities. In the late 1780s, the County of Ravensberg (in Westphalia; not to be confused with the above-mentioned Ravensburg) exported annually linen worth some 0.75 million taler.⁴³

The British example demonstrates the importance of these textiles on Atlantic markets: In the first half of the eighteenth century about 15 percent of all imports to Britain consisted of linen. As Karin Newman has pointed out, 70 to 80 percent of all imported linen textiles came from Germany, and 90 percent of this volume was re-exported across the Atlantic. This means that about two thirds of all British linen exports were of German origin. Irish linen followed in second place, and English textiles only ranked third.⁴⁴ If all the bales of German-made linen re-exported in one of these years had been unrolled and pieced together, it would have produced a length of 11,000 kilometres – large enough to span the Atlantic from Britain to New England, and on to Jamaica.

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 during the years from 1768 to 1786 were made in Germany. Out of the total expenditure of 12 million reales, roughly 3 million were spent in Hamburg, 1 million in Bremen and 2 million in Silesia. Something between 1.5 and 2 million reales was spent in Holland, probably also for German fabrics, as Dutch ports served as important outlets

⁴² Alfred Zimmermann: *Blüthe und Verfall des Leinengewerbes in Schlesien. Gewerbe- und Handelspolitik dreier Jahrhunderte*, Breslau (1885), pp. 460-467.

⁴³ Edith Schmitz: *Leinengewerbe und Leinenhandel in Nordwestdeutschland (1650-1850)*, Köln (1967), p. 81

⁴⁴ Karin Newman: *Anglo-Hamburg Trade in the Late Seventeenth and Early Eighteenth Centuries*, (unpublished PhD thesis) London (1979), p. 202.

for Westphalian goods. Only some 35 percent of the purchases were made in France.⁴⁵ At the same time, the Spanish textile industry too absorbed important quantities from Central Europe. According to Pierre Villar, the Catalan industries imported in the year of 1793 only some 1.2 million ells of linen (equivalent almost 1.1 million metres) from Hamburg, which were usually printed or dyed before being re-exported as Spanish fabrics.⁴⁶

How can the undeniable export success of Central European merchandise on Western markets be explained? The main key to understanding this is the Early Modern Price Revolution. The term, famously coined by Earl Hamilton, is used to describe the effects of excessive Spanish American silver mining, which caused a decline in wages and prices stretching across the Atlantic and deep into Europe, from the beginning of the Spanish Conquista. Inflation spread with the bullion itself, from the Mexican and Peruvian mining centres to Cuba, with the silver-laden Spanish galleons across the Ocean to Seville and Cadiz. There, prices rose faster than in Northern Spain, and in Spain they rose faster than in France and Italy.⁴⁷ In France and Italy price levels were above those in England or the Netherlands, but still, Dutch and English wages and prices were even above those in German lands.

And this is the point. This Price Revolution instigated an intercontinental competition for labour. The comparably cheaper Central European wages attracted production of goods

⁴⁵ Robert Chamboredon: Une société de commerce languedocienne a Cadix: Simon et Arnail Fornier et C^{ie} (Nov. 1768-Mars 1786), in: Antonio García-Baquero González (ed.): *La burguesía de negocios en la Andalucía de la ilustración*, Cadiz (1991), vol. 2, pp. 35-53, see pp. 35, 49.

⁴⁶ Pierre Vilar: *La Catalogne dans l'Espagne moderne. Recherches sur les fondements économiques des structures nationales*, vol. 3, Paris (1962), pp. 118, 126. I owe this reference to Dr. Niels Wiecker.

⁴⁷ The first modern scholar to treat this problem systematically has been Earl J. Hamilton: *American Treasure and the Price Revolution in Spain, 1501-1650*, Cambridge (Mass.) (1934). Earl J. Hamilton: *War and Prices in Spain, 1651-1800*, Cambridge (Mass.) (1947). Since, there have been quite some debates on the causes of this inflation, and today, a multi-causal explanation is generally accepted: next to the growth of bullion, a number of other factors contributed to this longue-durée inflation: population growth, dissemination of cashless payment techniques, increasing velocity of circulation etc., yet the effects remain the same.

destined specifically for Africa and the Americas. These circumstances favoured the growth of Central European proto-industry. The Atlantic dimension is essential to our understanding of this development. On the Atlantic markets Alsatian, Westphalian or Silesian textile products were more competitive than their French or Dutch counterparts, let alone Spanish fabrics.

Yet, these macro-economic factors not only benefited German export trade, but also the importation of colonial goods. Given the surplus of French sugar production, the neutral city state of Hamburg almost naturally became one of the major trading partners of France, and one of the principal places in the North for processing and re-distributing sugar and other French plantation products. In 1727, about 200 sugar refineries were operative in the Hanseatic City, and more than 400 by 1805. In Amsterdam, their number reached a mere 90 around 1750, in Rotterdam there were far less.⁴⁸ The numbers in French ports cities were even lower.⁴⁹ According to a 1807 report, Hamburg had received in 1788 from Bordeaux alone far more merchandise (worth 35.6 million mark banco) than from all English ports taken together (summing up to 11.9 million mark banco) only. Most of the imports from France consisted in sugar and coffee.⁵⁰ Key players in managing this flow of commodities were Huguenots who had come to Hamburg from the 1680s, when the intolerance of Louis XIV drove many of them from their homelands. By transferring energy-intensive sugar

⁴⁸ Astrid Petersson: Zuckersiedergewerbe und Zuckerhandel in Hamburg. Von den Anfängen bis zum Ende der Kontinentalsperre, in: *Hamburger Wirtschafts-Chronik* N.F. 1 (2001), pp. 53-81, see pp. 55-58. Weber: *Deutsche Kaufleute*, pp. 387, 392. Jonathan Israel: *Dutch Primacy in World Trade, 1585-1740*, Oxford 1989, p. 265. Soetbeer claims even 450 for the year 1805; see Adolf Soetbeer: *Über Hamburgs Handel*, vol. 1, Hamburg (1840), p. 18.

⁴⁹ Warren Scoville: *The Persecution of the Huguenots and French Economic Development 1680-1720*, Berkeley - Los Angeles (1960), pp. 241.

⁵⁰ Archives Nationales, Paris, F¹² 566-595 (Commerce et industrie, départements 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 of trade with France may have been deliberately exaggerated, but they certainly reflect the importance of this sector of Hanseatic trade. I owe the reference to this source to Prof. Silvia Marzagalli (Nice).

refining from French Atlantic seaports to the estuary of the Elbe River, they took advantage of the lower costs for labour and fuel. In 18th century French Atlantic seaports, complaints were common about the low wages and cheapness of coal in places like Hamburg.⁵¹

Central and Eastern Europe were the primary markets for sugar from the French Caribbean Islands. Occasionally, German textile workers were even paid with barter commodities such as sugar, coffee and tobacco. The general decline of prices for these products and the extra purchasing power generated by the export-orientated German 'proto-industries' allowed even rural population to consume considerable quantities of these formerly exclusive goods.⁵²

5. Global competition and demographic effects

Germany's labour-intensive proto-industries typically emerged in regions where poor soil and climate obliged the rural population to earn additional income, to purchase food supplementing their local harvests. Their poor wages attracted textile producers to transfer manufacturing to such provinces. The general tendency was a move from more western and more urban to more eastern and rural areas. With ever increasing volumes of German manufactures being exported, these hitherto poor regions became permanent importers of food, which enabled them to escape from the Malthusian trap. In consequence, most of the demographic growth in 18th century Germany was generated in these areas, and in particular

⁵¹ Archives départementales de la Gironde (Bordeaux), C 4265 (Registre ou sont transcrites des Lettres ... de la Chambre de Commerce ..., 1774-1785), fol. 169. Also see Klaus Weber: La migration huguenote dans le contexte de l'économie atlantique: l'exemple de Hambourg, in: Guido Braun / Susanne Lachenicht (eds.): *Les états allemands et les huguenots*, München (2007), pp. 125-136.

⁵² Peter Kriedte: Vom Großhändler zum Detaillisten: der Handel mit Kolonialwaren im 17. und 18. Jahrhundert, in: *Jahrbuch für Wirtschaftsgeschichte* (1994,1), pp. 11-36.

among the landless rural poor, who depended even more on income in cash. In the Westphalian linen regions of Bielefeld and Osnabrück, population grew from 42 inhabitants per square kilometre in 1722 to 74 inhabitants in 1801. Around that year, the German average per square kilometre was around 40 to 45 inhabitants.⁵³ Similar figures from proto-industrial regions in Silesia (linen), Pomerania (linen), Swabia (linen, clocks) and Bohemia (linen, metal ware, glassware) indicate how widespread this phenomenon was.⁵⁴ In some areas, growth of population between 1750 and 1800 even exceeded 100 percent. Hans-Ulrich Wehler reckoned that the causes of this “Demographic Revolution” are still unknown, but that the 18th century proto-industrial development might provide some approach to the problem.⁵⁵ He failed to provide empirical evidence, but it seems very much that this assumption hits the nail on the head.

It is noteworthy that the concentration of export-orientated proto-industries in specific regions resembles the situation in pre-colonial Indian port cities, such as Goa, Madras and Pondicherry. The demand of the European East India Companies for cotton fabrics, mostly destined for Africa, had actually transformed these hitherto insignificant coastal towns into important economic hubs. The European companies and their indigenous agents encouraged textile workers from inland regions to settle in and around the port cities, and to produce specifically on demand.⁵⁶ Typical features of this coastal economy were also shared by German textile regions:

⁵³ Clemens Wischermann: *Preußischer Staat und westfälische Unternehmer zwischen Spätmerkantilismus und Liberalismus*, Köln (1992), p. 87.

⁵⁴ Frank Göttmann: Der Raum zwischen oberer Donau und Schweizer Alpen im 18. Jahrhundert: eine integrierte agrarisch-gewerbliche Wirtschaftsregion, in: *Scripta Mercaturae* 25 (1991) Heft 1/2, pp. 1-40.
Arthur Salz: *Geschichte der Böhmisches Industrie in der Neuzeit*, München - Leipzig (1913), p. 283.

⁵⁵ Wehler: *Deutsche Gesellschaftsgeschichte*, vol. 1, pp. 69-70.

⁵⁶ Tsukasa Mizushima: Globaler Handel und binnenwirtschaftliche Entwicklung: südindische Hafenstädte in der vorkolonialen Zeit, in: *Hamburger Wirtschafts-Chronik* N.F. 7 (2007), pp. 117-150. Kirti N.

- competitiveness bought about by low cost of labour;
- dependency of home industries on foreign buyers and on export in general;
- monetarisation of rural economies;
- high demographic growth;
- dependency on importation of food.

The global dimension of the development of Central European proto-industries is reflected in the fact that textile workers in German hinterlands and on South Indian coasts had in fact been forced to enter in a direct competition for African markets. It was not nations that were having economic relations, but specific markets and manufacturing regions from three continents, interacting with each other in the context of a global competition in wages, prices and qualities. It is worthwhile recalling that both the German and the Indian boom regions then suffered from the 19th century industrialisation of European textile manufacturing.

6. Summary

In contrary to the widespread assumptions about the economic backwardness of early modern Central Europe, and its separateness from the Atlantic world, entrepreneurs from the Holy Roman Empire did actively participate in the process of European expansion. This implied the investment of capital from Southern Germany in the 15th century sugar economies of Madeira and the Canary Islands and in the 16th century sugar economies of Santo Domingo and Brazil. Since the 1620s, with the intrusion of the Netherlands into the Atlantic world, German capital

Chaudhuri: *The Structure of the Indian Textile Industry in the Seventeenth and Eighteenth Centuries*, in: Tirthankar Roy (ed.): *Cloth and Commerce. Textiles in Colonial India*, New Delhi - London (1996), pp. 33-84. see pp. 43, 45, 56. Prasannan Parthasarathi: *The Transition to a Colonial Economy. Weavers, Merchants and Kings in South India 1720-1800*, Cambridge (2001), p. 73.

shifted from the Iberian Empires to the large Dutch monopoly companies, which were created specifically for the purposes of the trans-Atlantic slave trade and production of raw sugar in Brazil. During the Thirty Years War, the city of Frankfurt increasingly replaced Augsburg as the German financial capital, and accordingly channelled much of the German investments into slave trade and plantations. During this period, England also joined the small group of nations owning New World plantations and trading slaves. Consequently, German investors also channelled significant amounts into the English slave trade. Now, there were increasingly businessmen from more northern regions (e.g. Elberfeld, and coastal areas) among them.

After the turn to the 18th century, when European treaties had created safer conditions for maritime trade, and monopoly companies went in decline, Germans adapted to these conditions and established smaller, but nonetheless efficient slaving companies in the port cities of Spain, France, and the Austrian Netherlands. Like the protagonists of the previous centuries, these entrepreneurs typically united the maritime dimension with close links to or direct participation in the production of barter commodities for the purchase of African slaves, mostly textiles and metalware manufactured by the workers of rural home industries. The enormous capital demand of the slave trade and the plantations complex also drew on Central European sources. It is noteworthy that the most eminent German banking dynasties had always been heavily involved, ranging from the Fuggers and Welsers in the 16th century, through Bodeck in the 17th, to the Bethmanns and Metzlers in the 18th century.

African markets and the growing slave populations of the plantations in both Americas absorbed huge quantities of Central European products. The relevant manufacturing regions, hitherto economically disadvantaged, benefited from the demand generated in extra-European regions. While the subsequent influx of bullion and of colonial goods triggered a significant

demographic growth in rural Germany, the African continent suffered from the demographic losses caused by the slave trade.