



Iron for spices

Swedish-Spanish commodity exchange 1738–1813

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Introduction

International trade in pre-industrial times was often hampered by inefficiencies partly caused by government regulation, such as mercantilist trade monopolies or high trade taxes (tariffs) and plentiful prohibitions.¹ Recurring major warfare on European soil risked hindering trade expansion by increasing transport costs, raising tariffs (either for raising revenue for war efforts or simply through protectionist measures in outright trade wars), or outright blocking trade and shipping routes through warfare itself or blockades.² However, there still were possibilities for trade growth even in this largely mercantilist setting. There is some evidence, although

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mixed in terms of specific results, of market integration and price convergence within European trade markets during the eighteenth century, indicating that there was some level of effective organization of trade. David Jacks found re-integration in the Baltic market during the eighteenth century, while Chilosi and co-authors found price-convergence from the late seventeenth century to the middle of the eighteenth.³ The integration of the European wheat market stalled before the Seven Years’ War, resumed thereafter, but accelerated only after the end of the Napoleonic Wars.⁴ Furthermore, for neutral countries, times of war could potentially spell increased market shares, by conducting trade and shipping that belligerent countries could not.⁵ Eighteenth century trade was further marked by mercantilist trade policies, where countries sought export surpluses and wanted to suppress import levels. More specifically, it was desirable to import raw materials, and export finished or refined manufactures, while putting trade obstacles on the import of manufactures and finished goods, and occasionally using export tariffs to keep raw materials within the country.⁶ Arguably, part of what made Britain economically successful during this time was this type of “efficient mercantilism”, in importing raw materials duty-free, and exporting manufactures without restrictions.⁷ However, not all mercantilists promoted the separation of exporting only more finished goods, and keeping raw materials within the country, but could see a need for raw material or natural resource export when and where they were in bountiful supply.⁸ Regardless, the mercantilist separation between different types of commodities still existed, and it created quite specific bilateral commodity exchanges during the eighteenth and early nineteenth centuries.

This article investigates the workings of early modern intra-European trade and shipping, by looking at one case of a long-distance bilateral relationship, where efforts of expanding commercial ties largely did not come to fruition. It does so by quantifying and analyzing bilateral trade flows on the aggregate and commodity level between Sweden and Spain from 1738 to 1813. The period of investigation is one of initial globalization, market integration in Europe, and trade growth, but still with the existence of trade policy obstacles. The choice of exact start and end year is further delineated by the availability of trade data. Trade trends are analyzed

mainly in relation to three factors: trade policy, competition, and geopolitical relations. The article brings forth new data on commodity level, data which rarely have been used to investigate eighteenth century commercial relationships.⁹ The article finds that trade between the two countries fluctuated heavily, at low levels, for most of the eighteenth century, but there was some growth during its second half. The commodity exchange was specific, which in one way was typical for pre-industrial trade, with iron and forestry going from Sweden to Spain, and with mostly spices and foodstuffs going the other way. The article also adds data on the Swedish dependence on Spanish bullion, which radically changed the bilateral trade or payment balance between the countries (depending on whether silver is defined as a commodity or only payment system).

The article is organized as follows: section two gives a description of Swedish and Spanish commercial policies, and a general overview of the countries' foreign trade. Section three discusses the availability and usability of Swedish and Spanish early modern trade data. Section four presents the empirical picture regarding the bilateral commodity exchange, including the silver trade, and section five concludes.

Background on Swedish and Spanish trade and trade policy

This section will provide a background on trade and changes in trade policy in the two countries. Swedish trade was quite concentrated during the eighteenth century, where exports were heavily dominated by bar iron, with copper, herring, and forestry also being notable commodities. Britain was the most important export destination, particularly for iron, and made up over 30 percent of total Swedish exports. Imports were more diversified, and dominated by raw textiles, general foodstuffs including salt and grains, and colonial consumption goods such as sugar, coffee, tobacco, and alcohol.¹⁰ Spanish trade was more colonial, with a large number of possessions across the Americas. Most of the colonial possessions would be lost by the 1820s however, with only Cuba, Puerto Rico, and the Philippines remaining thereafter. Spain's trade was more intercontinental (i.e., extra-European) than the Swedish. Spain's commercial exchange with

other continents increased markedly 1700–1750, but declined somewhat thereafter until 1800.¹¹ In terms of the country's European trade relations, it was more geared towards France, compared to Sweden. Spain also exported notable quantities of alcoholic beverages – wine, sherry, and brandy, and indigo, sugar, coffee and cocoa from the colonies, to the United States towards the end of the eighteenth century.¹²

It has been claimed that the trade policies of the two countries shared some similarities, in having generally high import tariffs and numerous goods prohibited from trade.¹³ Spain's commercial policies towards the colonies opened up towards the end of the eighteenth century, during the *comercio libre* phase. As a result, private imports and imports of bullion from the American possessions exploded during the second half of the 1780s and early 1790s, while Spanish exports to the colonies increased fourfold.¹⁴ Mercantilism held a tight grip on Swedish trade and shipping policy throughout the eighteenth century, and well into the nineteenth. Particularly the import of manufactures was prohibited, and the production of textiles, and refining of tobacco and sugar were protected from foreign competition through high import tariffs and subsidies for domestic production. Swedish mercantilism would in one sense reach its peak with the tariff revision of 1771, which included several hundreds of commodities prohibited for import.¹⁵ By 1816, still over 300 imports were banned, and there were almost no duty-free commodities. The import bans included not only important manufactures, but stretched out to include also minor goods such as gingerbread, sacramental bread, and gambling cards. Alongside the plentiful prohibitions and high tariffs stood the Abundance Ordinance, *Överflödsförordningen*, which was meant to keep down the level of “luxury goods” in the realm. In 1766 this ordinance was expanded to include consumption goods such as coffee, chocolate, and certain types of wine and liquor. The Swedish Navigation Act, *Produktplakatet*, in place from 1724, was designed to promote shipping on Swedish vessels, to the detriment of the foreign, who had to pay a higher duty for goods brought to or from Sweden-Finland.¹⁶ This separation between “free” and “unfree” duties was enacted in the tariff law of 1739. The Navigation Act also targeted re-export, in cases where countries exported goods other than those produced in their own terri-

tory or colonies, which in practice hurt for instance Dutch re-export of salt from Southern Europe or British shipping of grains from the Baltic. Eli Heckscher argued that this shipping protectionism led to increased freight costs for Swedish foreign trade, and for instance higher prices for salt and grain imports.¹⁷ Stefan Carlén showed that Stockholm salt prices, relative to a basket of other goods, declined somewhat in the short run after the implementation of the Navigation Act.¹⁸

The effects of these policies on bilateral trade relations are not well understood, but according to Thomas Lindblad the import prohibitions did hurt Dutch exports to Sweden, for instance textiles, and the policies were lamented by some Dutch policymakers.¹⁹ High tariffs were seen as problematic as well, but less so than the outright prohibitions and the support for and protection of Swedish manufactures. As a result, Swedish-Dutch trade did in effect vanish during the eighteenth century. The Dutch Republic was the largest exporter to Sweden in the early eighteenth century, with around 15 percent of the total, but by the end of the century this figure had gone down to barely six percent.²⁰ The Dutch were also in practice removed from Sweden's salt imports from Portugal due to the Swedish Navigation Act.²¹ Also the French complained regarding the protectionist Swedish shipping policies, arguing it was difficult for them to compete with Scandinavian merchants concerning trade in the Baltic.²²

Sources and data

Detailed Swedish trade data is available from 1738 onwards, with some gaps and exceptions, as will be explained later. Trade flows by quantity, value, and by origin (Swedish-Finnish ports) and destination (foreign ports) were systematized for taxation purposes and to calculate the total trade balance, in order to ensure the mercantilist goal of achieving an export surplus. The data for the early period stretches until 1813, after which new series were created in 1815 (no data at all is available for 1814). The bilateral data – on the aggregate and by commodity in value – is available in the primary material from the National Board of Trade (*Kommerskollegium*), at the National Archives (*Riksarkivet*) in Stockholm.

This series, which records the data for all available trade partners by estimated values, has some gaps and irregularities.²³ First, there is no data here for the years 1754–1755, 1760–1762, 1764–1768, 1772–1773, and 1789. It would be possible to fill the gaps by using a parallel series from the Board of Trade (serie 2) which recorded trade flows by quantity (weight, volume, etc.) which is more complete over time. However, this would also require price data to construct proper value series.

Two problems arise with this source for the early period. First, in the bilateral data the cost of freight paid by foreign merchants to the Swedish is included on the export-side. This made sense for the aggregate trade balance, as the shipping balance had to be calculated and included alongside the pure commodity exchange between countries, for instance since Swedish navigation laws had the purpose of promoting Swedish shipping to the detriment of the foreign. However, for the pure exchange of goods between pairs of countries, it makes less sense to include the cost of transport. Hence, for the entire period the cost of freight paid to Swedish merchants has been removed from the trade data presented here. Second, there are discrepancies in how the values were calculated in these series. Officials rarely had reliable price data for each year, so all official values are based on estimations (“unit values”) instead of market prices.²⁴ This affects imports more than exports, probably underestimating the level of imports.²⁵ In reality, this would need to be accounted and corrected for, by re-estimating the values using proper quantities and market prices. However, for the data in this paper, it has not been possible to do this correction, and therefore the official values are presented as they stand in the original source. This means that import values (Spanish export values) likely are somewhat underestimated, but we do not know by how much or how prevalent the undervaluation might have been across commodities.

In the presentation of the data, in section four, the data has been divided into two periods: 1738–1779, and 1780–1813. That is because for the later period we have proper export- and import-price indices to deflate current trade values with, while this is not available for the earlier period, and so the Swedish consumer price index has had to be used.²⁶ This means that the deflated figures for the two periods are not strictly comparable to one another.

As for Spanish eighteenth century sources, Cuenca-Esteban (2015) has detailed their availability and usability. There are proper series for import and export quantities and values only for a few years towards the end of the century (in 1792 and 1795). Some quantities are available before the 1790s, so it seems it would be possible to calculate export and import values even in some years before that, but there are no reliable annual records for the duration of the eighteenth century. Cuenca-Esteban (2008) re-estimated trade flows with the colonies for the second half of the eighteenth century and calculated some aggregated figures for exports and imports between 1780 and 1820.²⁷ Nothing is mentioned in either source about the bilateral flows with European political entities. Based on data from the *Balanza* in 1795, Sweden is not mentioned as one of the more important European trade partners (although Denmark is mentioned as one of the five largest destinations for Spanish exports).²⁸

Swedish-Spanish commodity exchange 1738–1813

In this part of the article, Swedish-Spanish commodity exchange from 1738 to 1813 is detailed. As explained earlier, the presentation is divided into two sub-sections: 1738–1779 and 1780–1813. Section 4.2 presents some new data on the Swedish reliance on Spanish bullion, and discusses it in relation to the bilateral trade balance.

Pre-industrial trade fluctuations

Swedish trade and shipping expanded greatly across the eighteenth century, although the overall economy was more marked by stagnation. Shipping volume increased by about three times during the period of investigation here.²⁹ Exports increased slowly in real terms, while imports fluctuated more and experienced growth mostly during the 1770s and 1780s, and briefly during the peak of the Napoleonic Wars.³⁰ Swedish GDP per capita was largely stagnant across the eighteenth century, and was even at lower levels around 1815 than it had been in the 1730s.³¹

Spanish GDP per capita during the period was fluctuating somewhat, but overall growth was sluggish and levels were more or less similar across the century. There were some increased output of cereals, livestock, and for a time, wine, during the eighteenth century, but there was decline in fruits and legumes, and olive oil production.³² Swedish foreign trade mostly occurred within the Baltic region and with countries in Western Europe, although there was some expansion to Southern Europe and North Africa, as well as with China through the Swedish East India Company (henceforth, SEIC), and from the 1780s increasingly with North America and the Caribbean. Spain was one of the trade partners with whom foreign relations were already established by the late 1730s. While detailed trade data is scarce before 1738, it seems as if the Iberian Peninsula was a minor destination for Swedish iron, with Spain and Portugal (denoted together) constituting between three and five percent of total Swedish iron exports from 1695 to 1720.³³

By all accounts, Swedish-Spanish trade during the eighteenth century was conducted without there existing any active bilateral trade agreement between the countries. There were attempts to arrive at such an accord during the 1740s, but in the end it did not come to fruition.³⁴ Spain was mostly looking to export salt and tobacco to the Swedes, both commodities which were in superfluous supply.³⁵ However, Sweden increased their consular presence in Spain, and in Southern Europe in general, throughout the eighteenth century. A consul was appointed in Cadiz already in 1703, and was followed by one in Malaga in 1737, in Alicante in 1738, and in Barcelona in 1744.³⁶ The consul's main duties were to carry out duties connected to Swedish trade and shipping.

Direct trade occurred only between Sweden and Spain proper, although goods shipped to Sweden could likely include some level of commodities from the colonies. One such example was Venezuelan tobacco, *varinas*, reaching Sweden through Spanish export from Cadiz.³⁷ There were also direct movements of goods between the Swedish Caribbean colony St Barthélemy and Spanish possessions in the Caribbean.³⁸ Whether Swedish domestic exports ever reached Spanish possessions in the Americas is unsure, but it is known that Swedish iron made its way to Brazil through Portugal during the eighteenth century.³⁹ Figure 1 and

figure 2 below show the aggregate level of trade between Sweden and Spain up until 1779. Flows were generally very small during the beginning of this period, and the bilateral trade balance show heavy year-to-year fluctuations. This would indicate that Spanish ports were but one stop on longer journeys for Swedish merchant vessels. The fact that trade with Portugal and “Italy and the Mediterranean” (this region was lumped together in the statistics) were larger would also indicate this. Overall, Spain was Sweden’s smallest trade partner until the 1770s, when very small flows were recorded with the West Indies (including the United States). There are some indications of initial trade growth during the 1760s, during the Seven Years’ War when Sweden and Spain were both allied with the French. However, since we are so far missing data for a few of these years, this upward trend could be mere short-term fluctuations. Trade would then be generally higher during the 1770s, although year-to-year fluctuations would remain. Spain would export mostly wine, salt, spices, and textiles while iron, steel, and forestry made up the bulk of Swedish exports. In the end, despite attempts as mentioned earlier, Spain did not export almost any tobacco to Sweden. There were several reasons for this. First, Sweden protected their own tobacco factories, who refined raw tobacco into consumable products. This grew to become the second largest industrial branch in the early modern period, only behind textile production. Finished tobacco was hence imported only in very small quantities. Second, while Sweden at different points were dependent on the import of raw tobacco, large attempts were made at import substitution through domestic cultivation, and import levels went down after 1740, to increase again only after 1800.⁴⁰ Third, Spain experienced tough competition in the Swedish raw tobacco market, with the Dutch republic exporting large quantities in the beginning of the period, with the English increasingly taking market shares in that trade as the eighteenth century progressed.⁴¹ In total then, there were small to no prospects of the Spanish making any inroads in the Swedish import market for tobacco. Market conditions were similar regarding the potential of other Spanish exports to Sweden.

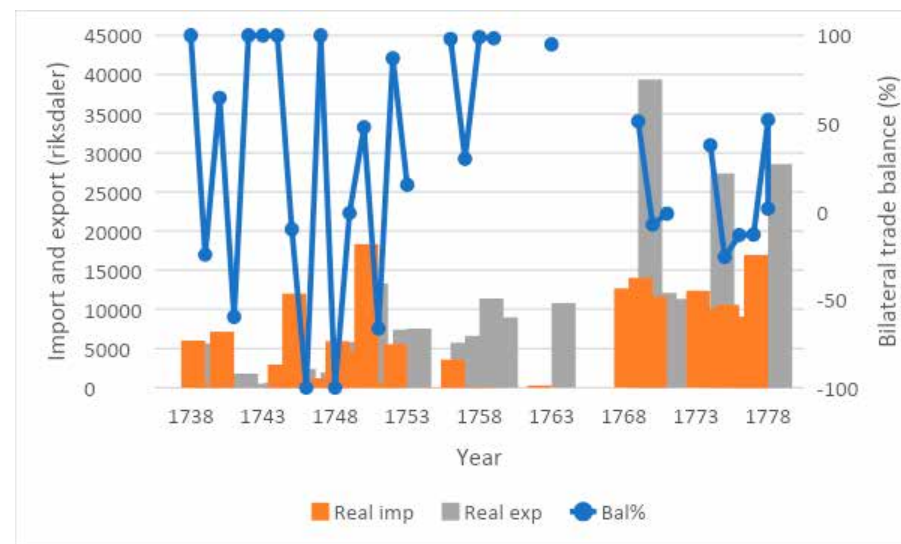


Figure 1. Swedish trade with Spain in riksdaler specie (left axis) and bilateral trade balance (right axis), 1738–1779.

Source: see section 3.

Note: Bal% is the nominal trade balance as percentage of total trade between the countries.

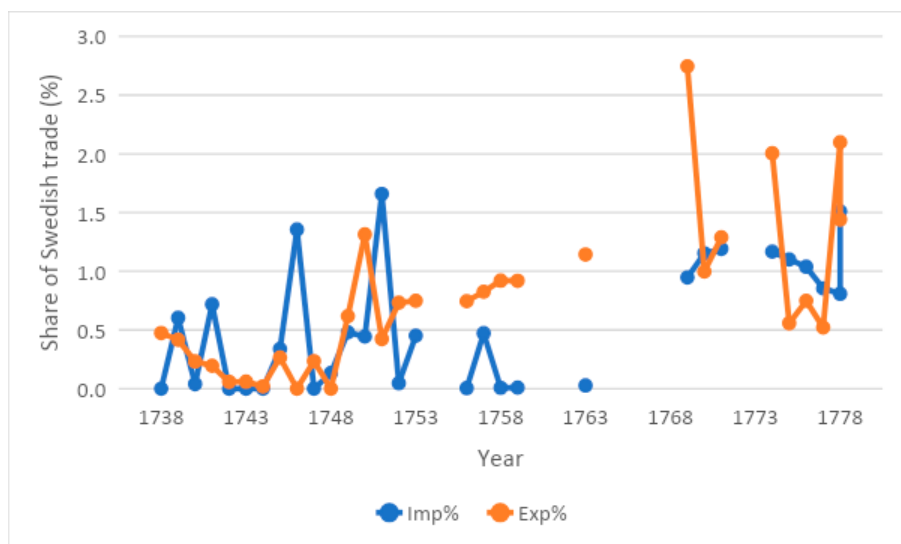


Figure 2. The share of Spain in total Swedish trade, 1738–1779.

Source: see section 3.

Note: data not available for the years 1754–55, 1760–62, 1764–68, 1772–73

The next period is one marred by recurring warfare on the European continent, but seemingly Swedish-Spanish was more stable than during the previous period. However, we are still lacking data for the years 1796–1799. One notable detail is the spurt of Swedish exports to Spain in 1794 (see figure 3 below), where mostly iron and steel, grains, and various re-export goods increased in volume very rapidly. The origins of this are not known, but I speculate that it had to do with Spain’s involvement in warfare with France during the first phase of the French Revolutionary Wars. Possibly then, Sweden took French market shares in the trade with Spain, or there were increased demand for Swedish goods connected to military mobilization. The beginning of the Continental System during the Napoleonic Wars from 1806, which entailed trade blockades between France and Great Britain and their respective allies, created large difficulties to continue trade relations within Europe.⁴² Initially, this also brought

down exports and imports between Sweden and Spain, before Spanish exports picked up a bit in 1809 and 1810. Swedish exports were then really high only in 1811, but we do not know yet which commodities made up this brief spurt.

During the brief spurts of trade between the countries, levels reached a decently high percent of total Swedish trade (see figure 4 below). The figures were at least higher than during the previous period. During the entirety of the period of investigation here, 1738–1813, Spanish exports to Sweden were made up by: 49 percent spices, 22 percent salt, 12 percent “alcoholic beverages” (mostly red wine), and 8 percent textiles, with the remaining small percentages including groceries, chemicals and dyestuff, fruits, sugar, tobacco, and sundries. Some of these categories are very broad, like “spices” and “groceries”, but the former includes for instance cinnamon, ginger, saffron, pepper, and almonds. Based on this source it is not possible to know exactly which spices were imported from Spain, as only the broad category is presented. Salt was one of the Swedish imports with the highest demand during the century, certain years even being larger than grain imports, as it was used for salting herring and for general food preservation. Spain had notable competition in this market, as most salt in Sweden was imported from Portugal, and in large quantities from France, and increasingly from England.⁴³ The Spanish had general difficulties to take any larger market shares in the Baltic salt import market, as they only made up about six percent of total shipments through the Sound, from 1720 to 1783.⁴⁴ Spanish salt exports through the Sound were however larger after 1760 than they had been before, so there was some growth in this regard. In total during the same period Swedish exports to Spain were: 49 percent iron and steel (mostly bar iron), 13 percent forestry (battens and timber), 11 percent sundries⁴⁵, 9 percent grains, 8 percent fish (mostly herring), and 6 percent re-export of colonial commodities. Hence, trade between the countries was mainly concentrated around a small number of large commodities. Despite the fact that iron was the largest export to Spain, the demand there for such Swedish goods must be deemed rather low, since Spain had a sizeable domestic iron production in the Basque countries and Catalonia, which has been said to have been “well-protected” from foreign competition.⁴⁶ The second head

of the Swedish consulate in Cadiz, Jacob Martin Bellman, complained already in 1745 to the Swedish ambassador in Madrid that Spanish import duties made Swedish iron more expensive than the domestic equivalents.⁴⁷ Regardless, Swedish iron exports to Spain grew notably during the century, from a low of 200 ship pounds in 1745–49 to a high of 3800 ship pounds in 1795–99. This was still just under one percent of total Swedish iron exports, making Spain one of the smallest markets for that commodity. Exports to Portugal were for instance ten times larger in quantity.⁴⁸ Swedish steel had competition in the Spanish market for instance from Austrian steel through Italian sellers. There were plans to sell Swedish tools and instruments, for instance hammers and pickaxes, to mines in South and Central America, as well as to indigo and tobacco plantations, but these ambitions were never realized.⁴⁹ We do not have complete data on shipping connections during the eighteenth century here, but most Swedish merchant vessels would trade in the port of Cadiz. Swedish vessels would also conduct tramp-shipping in the Mediterranean, for instance in Ibiza, Barcelona, and Alicante, bringing colonial wares or wheat to Lisbon.⁵⁰ Sweden, as well as Denmark, was able to increase its share in shipping to and from Barcelona during the French Revolutionary War, taking market shares from the English and French merchant fleets.⁵¹ Because of Swedish shipping protectionism, there were only a few instances of Spanish vessels going to Sweden.

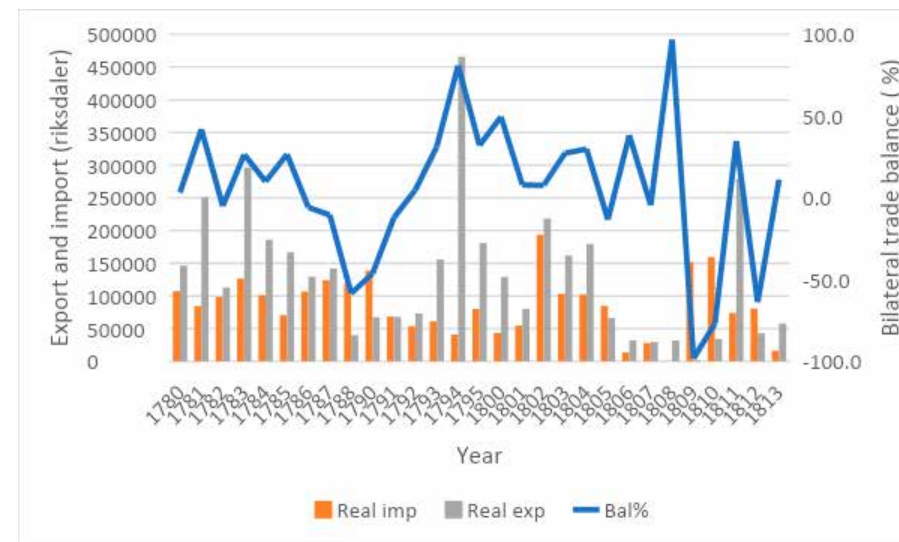


Figure 3. Swedish trade with Spain in riksdaler specie (left axis) and bilateral trade balance (right axis), 1780-1813.

Source: see section 3.

Note: data for 1789 and 1796–1799 is not included.

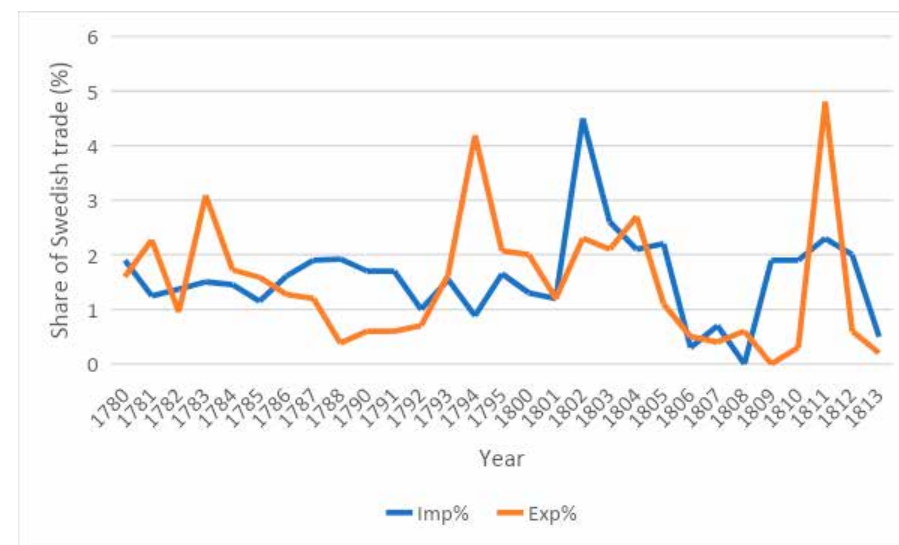


Figure 4. The share of Spain in total Swedish trade, 1780–1813.

Source: see section 3.

Note: data for 1789 and 1796–1799 is not included.

Table 1 summarizes the episodes of major European warfare during the period, and the geopolitical relationships between Sweden and Spain in each conflict. There was only one instance where the two countries clearly stood on opposite sides, in the early years of the Napoleonic Wars, and these years were clearly marked by decreasing trade (see figure 3). However, decreasing trade might also be attributed to Spain's Peninsular War with France, which was a bloody affair which brought large negative effects to Spanish agriculture.⁵² Swedish shipping in the Mediterranean experienced large difficulties during these years, and instead the British took larger market shares in exporting salt to Sweden.⁵³ Different periods of neutral stances, or even being part of the same coalition, brought trade increases, such as during the Seven Years' War or the end of the Napoleonic Wars, but there were equally trends of stagnating or fluctuating trade during other wars. There is some evidence that the geopolitical relations affected the bilateral trade development, but the relationship is not that consistent if we see it across the entire time period.

Swedish reliance on Spanish bullion

While Swedish-Spanish trade was generally low and fluctuating, and neither country depended completely on the other for the provision of commodities, the commercial relationship was not lacking in important components. The SEIC would generally stop in Cadiz on its way to the far east, mostly to purchase Spanish silver (likely from its colonial possessions) which was required to pay for imports from China.⁵⁴ During the 1770s and 1780s, the large majority of Swedish "exports" to China was Spanish silver.⁵⁵ The East India imports consisted mainly of tea, porcelain, spices, and silk. Swedish exports to Spain weren't large enough to cover the expense for the silver SEIC acquired in Cadiz, and so was instead paid for with credit from merchant houses in Amsterdam and London.⁵⁶ Cadiz hence became a central node in the Swedish East India endeavor. The Swedish reliance on Spanish bullion has not been quantified in full before, and unfortunately it has not been possible to collect this data for the entire period in question here. We do have some spot rates of informa-

<u>War</u>	<u>Years</u>	<u>Military relation</u>	<u>Trade trend</u>
War of the Austrian Succession	1740–1748	Allies 1741–1743 Neutrals 1744–1748	Stagnating
Seven Years' War	1756–1763	Neutrals 1756–1760 Allies 1761–1762	Increasing
American Revolutionary War	1775–1783	Neutrals	Fluctuating
French Revolutionary Wars	1792–1802	Neutrals	Fluctuating
War of the Third/ Fourth Coalitions	1803–1807	Belligerents	Decreasing
War of the Fifth Coalition	1809	Neutrals	Increasing
War of the Sixth Coalition	1812–1814	Allies	Increasing

Table 1.
Swedish-Spanish geo-political relations and bilateral trade development.
Source: Military relation: Brecke, 2012. Trade trend: See section 3.

tion, from 1783 to 1786, and it shows that Spanish silver and ducats made up over 90 percent of total possessions of bullion (with the rest made up by Danish and Swedish bills and coins).

One interesting facet with the Swedish dependence on Spanish bullion lies in the trade balance. Previously, it was shown that Sweden had an export surplus in the bilateral trade balance with Spain for a large majority of the years during the eighteenth century. However, if we were to add the value of bullion to the balance it would change completely in favor of Spain, and quite drastically at that (see table 2 below). The positive numbers of Swedish export surplus (Bal%) turn to negative numbers, showing Spanish export surplus instead. One problem lies with overestimating the Swedish reliance on Spanish bullion based only on these years, as Spanish bullion imports from the colonies were higher than average from about 1783 until 1797, when they dropped drastically.⁵⁷ However, this calculation should be seen as hypothetical, and perhaps rather as part of the Swedish-Spanish payment balance, rather than the actual trade balance, as explained below. Any purchases of bullion were not recorded in the balances of the official Swedish trade statistics.

	Exp	Imp	Balance	Bal%	Bullion	New balance	New bal%
1783	152325	88425	63900	26,5	512671	-448771	-59,6
1784	91887	75154	16733	10,0	145406	-128673	-41,2
1785	82489	47728	34761	26,7	235243	-200482	-54,9
1786	63407	71134	-7727	-5,7	251818	-259545	-67,2

Table 2.

Swedish-Spanish trade balance with and without bullion, 1783–1786.

Source: see section 3.

Note: Export and import, and trade in bullion in current Swedish riksdaler banco. Bal% and New bal% is the trade balance as percent of total Swedish-Spanish trade.

A caveat to this is that it is questionable whether bullion can be included in the trade balance. Should it be defined as a commodity, or just a method of payment (specie)? In nineteenth century trade statistics, it is usually not included as a commodity in silver- or gold-importing countries (such as in the Swedish case), but it is so in the case of producing and exporting countries (such as Mexico and Peru). Regardless, silver from the Spanish Americas was re-exported to several European countries – and can be said to offset Spain’s trade balance with those partners. It was a form of payment, particularly in Asia where specie had no substitute, while within Europe, bills of exchange were a more common financial tool.⁵⁸ A further caveat is that Swedish purchases of silver in Cadiz were never channeled through Swedish ports themselves, but were only used as payment in the trade with China. Rather than being seen as part of the trade balance, as in the hypothetical example above, it can be seen as part of the payment balance between Sweden and Spain, as Spain still received currency as payment for the silver.

Conclusions

This article has presented and analyzed the development of Swedish-Spanish trade relations and commodity exchange across some 75 years in a pre-industrial setting. While neither of the two countries were vital to the trade or greater economic development of the other, there were interesting facets of the relationship. The flow of goods between the nations was notably specific, but in this way each country contributed to certain sectors in the other, as with spices and salt from Spain, and iron and forestry from Sweden. Salt and spices, with no domestic production or substitute in Sweden, were in high demand. However, there were limits to how much the exchange between the countries could grow. First, there were no trade agreements in place to bind trade relations, and possibly lower trade barriers for certain goods. However, any trade deal would likely not have changed the foundation of Spanish protection of the iron sector, or Swedish import prohibitions of textile manufactures, processed tobacco, or iron. The pre-industrial prospects for any

type of intra-industry trade were small, and particularly in a mercantilist setting, where exchanging manufactures between economies such as the Swedish and Spanish would have to bypass high tariff walls and plentiful prohibitions. Where there was possibly higher demand in Spain for Swedish products, such as with forestry, this part of Swedish trade was still underdeveloped, and carried very high export tariffs, increasing the cost of such export.⁵⁹ Second, stagnating Swedish GDP during more or less the whole century meant that it was difficult to achieve an increased higher demand for Spanish consumption exports such as spices and groceries. Third, Spain had tough competition in the Swedish market for the trade in certain goods, such as salt and wine, with countries such as France and Portugal. There were attempts to increase the commercial ties between the two countries and make trade grow, but none of them came to be, such as Spain exporting tobacco to Sweden, or Sweden exploiting the Spanish colonial possessions in the Americas for export of iron and steel works.

There is still more work to be done on this topic, such as analyzing mirror flows over time by more closely comparing Swedish and Spanish source material. It would also be interesting to dive deeper into how trade was controlled and managed, such as trade agreements and different consular activities. Consular reports across the centuries can also provide insight into how prospects and difficulties of trade were discussed. One issue not mentioned yet, was the difficulty of conducting shipping in the Mediterranean during the eighteenth century, because of the risk of attacks from the Barbary States (in North Africa). This increased the costs and risks of conducting trade in the region, but it was still an important region for the Swedish early modern commodity exchange.⁶⁰

Sammanfattning

Vad drev handelsrelationer på 1700-talet? Ofta lyfts det att det under den "merkantilistiska eran" existerade många och restriktiva handelshinder, samtidigt som annan forskning menar att inom-europeisk handel trots det fungerade relativt effektivt. Den här artikeln undersöker varuutbytet mellan Sverige och Spanien från 1738 till 1813, baserat på svenska primärdata. De två länderna hade relativt lika handelspolitik under århundradet, med protektionistisk politik inom viktiga näringar, såsom järnbruket. I det svenska fallet inkluderade politiken även flera hundra importförbud under större delen av perioden. Den svenska politiken har beskrivits som en bidragande faktor till varför handeln med Holland stagnerade under 1700-talet.

Både Sverige och Spanien hade planer på att öka exporten till den andra. I det förra fallet gällde det till exempel svenskt järn till spanska kolonier, medan det senare gällde spansk tobaksexport. Trots det skrevs aldrig något bindande handelsavtal mellan länderna, och i stora drag så realiserades inga planer på handelsexpansion. Artikeln visar att svensk-spansk handel höll sig på låga nivåer med kraftiga fluktuationer under början av perioden, medan den ändå ökade något under slutet. Handelsutbytet var specifikt i termer av vilka varor som rörde sig mellan länderna, vilket på ett sätt var typiskt för förindustriella handelsrelationer. Sverige exporterade mest järn till Spanien, men expansionsmöjligheterna var begränsade i och med att Spanien hade en egen järnindustri med högt tullskydd. Spanien i sin tur exporterade mest salt och andra kryddor och livsmedel till Sverige. Saltet var en viktig svensk import, men där hade Spanien hög konkurrens av andra länder i Sydeuropa, främst Portugal och Frankrike. Tider av krig kunde innebära hinder för den svensk-spanska handeln, men även möjligheter när länderna ingick i samma allians. Den bilaterala handelsbalansen gick allt som oftast i svensk favör, men om man räknar med importen av spansk silver så ändras bilden ganska dramatiskt.

Artikeln lyfter fram svårigheten för länder med lika handelspolitik att utöka handelsutbytet i den förindustriella ekonomin. Liknande politik gjorde det troligtvis också svårare att sluta bindande handelsavtal, vilket möjligtvis hade kunnat vara en faktor som underlättade handelsutbytet.

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Notes

¹ O'Rourke and Williamson 2002. Irwin 1991, argued that specifically intra-European trade had worked relatively unhindered from government (monopoly) policies and had been relatively competitive since the seventeenth century.

² Findlay and O'Rourke 2007, Davis and Engerman 2006.

³ Jacks 2004, Chilosi et al. 2013.

⁴ Federico et al. 2021.

⁵ See Müller 2019.

⁶ Häggqvist 2022.

⁷ Findlay and O'Rourke 2007.

⁸ Magnusson 1994, Heckscher 1931.

⁹ See Jacks et al. 2020 on British exports at the bilateral and commodity level, starting in 1700.

¹⁰ Edvinsson & Gad 2018.

¹¹ Freire Costa et al, 2015.

¹² Cuenca-Esteban 1984, table 1, p. 523.

¹³ Brief descriptions of Spanish and Swedish trade policies in Bairoch 1989.

¹⁴ Fisher 1998, Cuenca-Esteban 2008.

¹⁵ Knutsson 2023, table 1.1., pp. 14–15, details some of these import bans, such as all silk, wool and worsted, half-wool, arrack, white sugar and sugar candy, and trinkets and pins.

¹⁶ Finland was part of the realm until 1809.

¹⁷ Heckscher 1922, p. 226.

¹⁸ Carlén 1994, figure 1, p. 11.

¹⁹ Lindblad 1982, p. 85.

²⁰ Based on Swedish trade data, see section 3.

²¹ Ojala et al. 2018.

²² Pourchasse 2011, pp. 109–110.

²³ RA, KmKa, serie 3.

²⁴ Vallerö 1969.

²⁵ Häggqvist 2015.

²⁶ CPI from Edvinsson & Söderberg 2010. Export- and import-price indexes 1780–1813 from Häggqvist 2015.

²⁷ See also García-Baquero 1976 on Cadiz' colonial trade.

²⁸ Cuenca-Esteban 2015.

²⁹ Högberg 1969.

³⁰ Edvinsson & Gad 2018; Häggqvist 2015.

³¹ Schön & Krantz 2012.

³² Prados de la Escosura et al. 2022.

³³ Heckscher 1936, p. 475.

³⁴ Martínez Ruiz & de Pazzis Pi Corrales 2000.

³⁵ Martínez Ruiz & de Pazzis Pi Corrales 2000, p. 244.

³⁶ Müller, 2006, pp. 188–189.

³⁷ Ahlberger & Mörner 1993, p. 96.

³⁸ Ten and eight Spanish-flagged vessels arrived in Gustavia in 1804 and 1805, respectively. Wilson 2015, table 4.1., p. 202.

³⁹ There were plans of trying to export Swedish steel to Spanish America. Hildebrand 1958, p. 42.

⁴⁰ See data in Kommerskollegium, tobaksutredningen.

⁴¹ Lindblad 1982, pp. 76–77.

⁴² Spain was initially allied with France, but this broke down into war between the parties in 1808, ending in 1814. Sweden was on paper allied with France, but their joining in the Continental System turned out to be a “mere confession of the lips” and Sweden eventually joined Britain in the coalition against France (Heckscher 1964). By proxy then, Spain and Sweden fought in the Napoleonic Wars on the same side during the end of the war.

⁴³ Carlén 1997.

⁴⁴ Högberg 1969, table 8:1, p. 220.

⁴⁵ It was not specified which type of commodities were included here, but in the aggregate statistics this category included larger Swedish exports such as tar, pitch, alum, and pot ash.

⁴⁶ Müller, 2004 pp. 107–108.

⁴⁷ Müller, 2004 pp. 107–108.

⁴⁸ Hildebrand 1957, pp. 92, 96, 134.

⁴⁹ Hildebrand 1958, p. 43.

⁵⁰ Högberg 1969, pp. 216–217.

⁵¹ Andersen & Voth, 2000, table 1, p. 9.

⁵² Prados de la Escosura & Santiago-Caballero 2022.

⁵³ Högberg 1969, pp. 222–224.

⁵⁴ Müller 2004, pp. 106–107, Ahlberger & Mörner 1993.

⁵⁵ Hodacs 2016, p. 59.

⁵⁶ Ahlberger & Mörner 1993, p. 83.

⁵⁷ Cuenca-Esteban 2008, appendix table 5, p. 349.

⁵⁸ Irigoien 2018, pp. 8–10, 18.

⁵⁹ Åström 1988; Häggqvist 2022, figure 9, p. 594.

⁶⁰ Högberg 1969, p. 217; Müller 2006.