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Swedish Trade and Shipping in the Mediterranean in the 18th Century

The history of “Northern invasion” in the Mediterranean in the sixteenth and seventeenth centuries is a well-known narrative of the early modern Mediterranean history. Dutch, English and French merchants, goods, and vessels swarmed the Mediterranean Sea and replaced to a large extent the Venetians, Genoese, Catalans and other Mediterranean commercial polities.¹ Much less attention has been paid to the “Scandinavian invasion” in the Mediterranean basin in the next century; even if when we look at the extent of shipping, significance in salt trade, voluminous imports et cetera, the Scandinavian share of the business became impressive. From being relatively invisible in Mediterranean ports about 1700, Swedish and Danish ships were among leading carriers in the 1780s and 1790s.

Entries in the port of Marseilles illuminate well this development. Between 1709 and 1792 there were registered 1,466 entries of Swedish ships and 1,453 of Danish ships. In total 2,919 Nordic vessels entered the Mediterranean’s most important port. This may be compared with 3,363 Dutch and 2,749 English entries.² Undoubtedly, in the eighteenth century “Northern invasion” continued from Scandinavian countries. It was not a steady increase. Much of the growth took place in the last three decades of the century, and was related to wars between the French, English and Dutch. But the wars are not the single explanation. There were other factors that had to be taken into account to understand the growth in Scandinavian trade and shipping.

This paper focuses predominantly on Sweden. The narrative will be complemented by case of Denmark when relevant. By the end of the century, the two Scandinavian countries employed similar strategies and policies and they often collaborated in the area, to protect their commerce and shipping.

At the beginning of the eighteenth century Sweden had two different strategies regarding the Mediterranean Sea. The first one concerned the eastern Mediterranean, Sweden’s relations with the Ottoman Empire and its interest in the Levant trade. The strategy was based in Sweden’s sharing foreign policy interest with the Ottoman Empire – Russia was their joint enemy of both. But there was also interest in trade with the Levant. The second strategy predominantly concerned the

¹ For example, M. GREENE, *Beyond the Northern Invasion. The Mediterranean in the Seventeenth Century*, in “Past & Present”, 174, 2002, pp. 42-71.

² CH. CARRIERE, *Négociants marseillais au 18^e siècle: contribution à l'étude des économies maritimes*, Marseille 1973, p. 1061.

western Mediterranean, Iberian Peninsula and northern Africa. Here sea salt and Sweden's exports were in the focus. Iberian and Mediterranean salt was for Sweden a strategic commodity and much of the state's trade policy in southern Europe was shaped with regard to salt. From the mid-century tramp shipping became the major factor of the rising activity of the Swedes and Danes in the Mediterranean. The growth in shipping was related to Scandinavian kingdoms' treaties with north African polities, and to the fact that Sweden and Denmark avoided the Seven Years' War (1756-1763), American Revolutionary War (1776/78-1783) and, until 1805-1807, the French Revolutionary and Napoleonic Wars. The Danes and Swedes were neutrals which gave them a competitive advantage in wartime.

THE LEVANT CONNECTION

Between 1700 and 1721 Sweden was involved in the Great Northern War with almost all its neighbors in northern Europe. The major combatants were Charles XII's Sweden and Peter the Great's Russia and the war took mainly place in the territories of Poland-Lithuania and Russia. Sweden's defeat in 1709, at Poltava, southern Ukraine, was the turning point of the war. After the battle, Charles XII retired with his remaining troops onto the Ottoman territory. He stayed there in the years 1709-1714, ruling his distanced northern kingdom from Bender in present-day Moldova. The purpose of Charles XII's stay in Bender was to hammer out a military alliance with the Ottomans. This failed and at the end relations between Charles XII and his increasingly hesitant hosts became tense. He returned to Sweden to continue the war against Russia and Denmark. But the fact that the Swedish royal court for a couple years was located on the territory of the Ottoman Empire facilitated contacts, networks and knowledge exchange. A great number of Swedish travelers visited Levant and Palestine, some looking for Biblical antiquities other for commercial opportunities.³

In 1718, Charles XII was shot in his campaign against Norway (then part of the kingdom of Denmark) and Sweden searched for peace. In 1721 it signed peace with Russia confirming the loss of Baltic provinces. The outcome of the war established a new situation in northern Europe; Russia was the new great power while Sweden became a minor third-rank power. In the Age of Liberty (1720-1772), the period of the proto-parliamentary rule, the political power in Stockholm shifted from the king to the estates (*riksdag*). The new regime of the so-called Cap Party pursued peaceful relationships and cooperation with Russia. But the situation changed in the mid-1730s. A new political party, the so-called Hat Party, initiated a new anti-Russian policy. A part of it was once again an alliance with the Ottomans. Nevertheless, to establish diplomatic contact with the Sublime Porte Sweden had first to settle Charles XII's old debts from the Bender years. The debt issue was settled by a

³ See *Karl XII och svenskarna i Osmanska riket*, Å. KARLSSON, K. KRONBERG, P. SANDIN eds., Stockholm 2015, L. MÜLLER, *Consuls, corsairs, and commerce: the Swedish consular service and long-distance shipping, 1720-1815*, Uppsala 2004, p. 56.

promise of supplying a fully equipped warship to Sublime Porte, and in 1737 trade treaty with the Ottoman Empire was signed.⁴

An outcome of the treaty was the Swedish Levant Company. It was a controversial enterprise. First there was a concern if Sweden, indeed, needed a trade with the Levant. Levant goods (silks, cotton textiles, et cetera) were perceived as an unnecessary luxury. Instead of imports of luxury goods from the Levant the state should promote domestic textile production, the critics said.⁵ The second issue was: how should the Levant trade be organized? The Hat Party proposal of chartered company followed closely the example of the English Levant Company, but many merchants were critical to it. The Dutch Levant trade was free and it seemed to work well. The champions of the charter model won and on 20 February 1738, the Swedish Levant Company was founded.

The company charter shows that its organization was a compromise. It applied only to the Levant coast – leaving Swedish trade and shipping in the remaining parts of the Mediterranean free. In addition, private merchants could trade on the Levant coast if they applied for trading license from the Levant Company. The size of the company was limited if we compare with the Swedish East India Company (SEIC), another Swedish chartered company. While the capital stock of SEIC was five and half million *daler silvermynt*, the capital stock of the Levant Company was only 200,000 *daler silvermynt*.⁶ Yet, we have to stress here that the two chartered companies had completely different business strategies. SEIC traded in Chinese products (tea, porcelain, silks, spices and similar). The business strategy was based on re-exports of the Chinese products to western-European wealthy markets: the Dutch Republic, Southern Netherlands, France and Britain. And the investors were originally wealthy foreigners (bankers from Antwerp, Gent, and Amsterdam) with knowledge of and contacts in re-export markets. The biggest investors in the Levant Company were Stockholm merchants: Thomas Plomgren, Gustaf Kierman, Johan Clason and Samuel Worster.⁷ And the targeted consumers were Swedes – a relatively poor and limited market.

It did not work well. The problem was not only the limited domestic market but also the composition of Swedish goods for the Levant. Whereas Dutch, French, and English Levant merchants traded in highly valued commodities (textiles, metal products, industrial goods), Swedish trade was based on typical Swedish export goods: bulky iron and naval stores. While the Dutch used bar iron as ballast

⁴ L. MÜLLER, *Consuls, corsairs, and commerce*, cit., p. 57, T. ELIASSON WESTRIN, *Anteckningar om Karl XII:s orientalska kreditorer*, in “Historisk tidskrift”, 20, 1900, pp. 1-56, *Minnet av Konstantinopel. Den osmansk-turkiska 1700-talsamlingen på Biby*, ed. K. ÅDAHL, Stockholm 2003.

⁵ L. MÜLLER, *Consuls, corsairs, and commerce*, cit., pp. 70-71.

⁶ E. OLÁN, *Sjöriparna på Medelhavet och Levantiska kompaniet. Historien om Sveriges gamla bandel med Orienten*. Stockholm 1921, p. 59, M. ÅBERG, *Svensk handelskapitalism – Ett dynamiskt element i frihetstidens sambälle? En fallstudie av delägarna i Ostindiska kompaniets 3:e oktroj 1766–1786*. (licentiate, unpublished), Göteborg 1988, p. 31.

⁷ *Gustaf Kierman*, urn:sbl:11472, *Svenskt biografiskt lexikon* (O. JÄRSKIÖLD), retr. 2018-03-30. *Thomas Plomgren*, urn:sbl:7333, *Svenskt biografiskt lexikon* (E.-B. GRAGE), retr. 2018-03-30. *Clason, släkt*, urn:sbl:14865, *Svenskt biografiskt lexikon* (F. CLASON), retr. 2018-03-30.

– free of fright cost – the same commodity was the major traded item for the Swedes.

In 1756 the company charter was withdrawn and Swedish trade with the Levant was set on free foot. During its eighteenth years, the Swedish Levant Company sent out only fourteen ships to Smyrna, its major destination in the Ottoman Empire.⁸ The failure of Sweden's Levant trade contrasts with the success of Swedish trade and shipping in the western Mediterranean and Iberian Peninsula, with hundreds or registered arrivals annually.

SALT AND SWEDISH TRADE POLICY AFTER 1721

The salt connection between Sweden and southern Europe is a bit of a puzzle. On the one hand, Sweden has always been dependent on imports of salt. There is a lack of domestic salt sources. The brackish character of the Baltic Sea water together with cold climate hinders sea salt harvesting. On the other hand, Sweden could import salt from nearer sources than from Portugal and the Mediterranean. French, British even German salt was an alternative. The trade pattern with the sea salt of southern European origin was established in the sixteenth and seventeenth centuries when the Dutch skippers and merchants took French Atlantic and Iberian salt as return cargo to the Baltic.⁹

Salt was a strategic commodity. It was crucial for the preservation and storage of food: fish, cheese, butter, meat, etc. In many countries, the dependence of ordinary people on salt made the commodity a favorable target of taxation (e.g. France). In Sweden, the state policy surrounding salt has been characterized as the first “welfare state” policy.¹⁰ The government considered it important to keep salt prices low and supplies sufficient. This also means that much of trade policy at the seventeenth and early eighteenth century related to salt, its carrying, supplies, prices, and security of the salt trade.

During the Great Northern War Sweden once again became dependent on the Dutch supplies. In 1709, Denmark re-entered the war of the side of Russia and the Danish navy and privateers were chasing Swedish vessels in the North Sea and in southern Baltic. The Swedes disappeared from the Sound Toll register, being replaced by the Dutch who dominated the strategically important imports of salt from Portugal.

After the war the Dutch were accused of increasing salt prices, moreover, pocketing freight money for carrying cargoes to Sweden. Recent research has found little evidence for the claims, but the critique worked in the Swedish parliament.¹¹ Already in 1721, the protection of Swedish shipping interest against the Dutch was

⁸ E. OLÁN, *Sjörövarna på Medelhavet*, cit., p. 63.

⁹ J.I. ISRAEL, *Dutch Primacy in World Trade, 1585-1740*. Oxford 1989, pp. 49-51.

¹⁰ S. CARLÉN, *Staten som marknadens salt. En studie i institutionsbildning, kollektivt handlande och tidig välfärdspolitik på en strategisk varumarknad i övergången mellan merkantilism och liberalism 1720-1862*. Stockholm 1997, pp. 48-56.

¹¹ E. LINDBERG, *The Swedish Salt Market during the Great Northern War*, in “Scandinavian Economic History Review”, 2009, n. 2, pp. 191-206.

discussed. In 1724, after a drawn-out debate, the Swedish parliament enacted so-called *produktplakatet*, the most important measure of Swedish shipping policy in the eighteenth century.¹² The produktplakatet was modeled according to the English Navigation Acts from the mid-seventeenth century; it was a Swedish Navigation Act. It prohibited imports of goods on the ships that did not belong to the producer's country nor were registered in Sweden. Regarding salt from southern Europe, it meant that it only could be carried on Swedish, Portuguese or Mediterranean vessels. The Act excluded the Dutch from the carrying business to Sweden. A direct trade to Sweden on Portuguese, Spanish or French ships was very limited, consequently, Sweden's carrying trade to southern Europe effectively became a monopoly of Swedish ship owners.¹³

An immediate outcome of the Swedish Navigation Act was the collapse of Dutch shipping to Sweden. In 1719 and 1720, the Sound Toll Register reported about a hundred Dutch ships going to Sweden proper. In 1725 and 1726, the number of Dutch ships registered in the Sound for Sweden declined to six and three respectively.¹⁴ At the same time, the number of Swedish-registered vessels in long-distance trade increased from 228 in 1723 to 480 in 1726.¹⁵

The Act and its benefits and disadvantages had attracted much attention, both in the political and economic debates in eighteenth-century Sweden and among historians. Especially its long-term impact on the development of Swedish shipping has been debated. In the eighteenth century the struggle was between the Act's advocates, often wealthy merchant tycoons and ship-owners from Stockholm, and the Act's opponents, representing small merchants from provincial towns. The first group was linked to the Hat Party, bound to Sweden's mercantilist policy. The second group represented the Hats' political opposition. The most renowned representative of the Act's enemies, the Finnish priest Anders Chydenius, called it, "The source of the state's misery" (*Källan till rikets van-magt*) in his pamphlet from 1765, claiming that the Act caused a salt shortage and high prices. Undoubtedly, the Act entailed an immediate increase in numbers of ships sailing to southern Europe but it cannot, by far, explain the increase in Swedish shipping in the area. In fact, the major increase in shipping under Swedish flag took place in 1770-1800, almost fifty years after the introduction of the Swedish Navigation Act.

¹² There is an extensive literature on the Swedish Navigation Act. Here I mention only the key works: E.F. HECKSCHER, *Produktplakatet: Den gamla svenska sjöfartspolitikens grundlag*, in *Ekonomi och historia*, Stockholm 1922, IDEM, *Den svenska handelsjöfartens ekonomiska historia sedan Gustaf Vasa*, Uppsala, 1940, S. CARLÉN, *An institutional analysis of the Swedish salt market, 1720-1862*, in "Scandinavian Economic History Review", 1994, n. 1, pp. 3-28, IDEM, *Staten som marknadens salt*, cit. and most recently E. LINDBERG, *The Swedish Salt Market during the Great Northern War*, cit.

¹³ For The Portuguese trade with the Baltic see, A.S. RIBEIRO, A. POLÓNIA, C. ANTUNES, M. NOGUEIRA, *Portugal and the Baltic Trade. An Overview, 1634-1800*, in *Seaports in the First Global Age, Portuguese Agents, Networks and Interactions (1500-1800)*, A. POLÓNIA, C. ANTUNES eds., Porto, 2016, pp. 111-160.

¹⁴ L. MÜLLER, *Consuls, corsairs, and commerce*, cit., p. 62.

¹⁵ E.F. HECKSCHER, *Den svenska handelsjöfartens ekonomiska historia*, cit., p. 22, L. MÜLLER, *Consuls, corsairs, and commerce*, cit., p. 142, table 5.5.

The Swedish ships going to southern Europe required also additional institutional arrangements. First, there was the security of Swedish vessels and seamen. They were threatened by North African corsairs and the state had to secure the situation.¹⁶ Second, there was the issue of promotion of Swedish export trade in the area. In the late seventeenth and early eighteenth centuries security of Swedish ships and seamen was guaranteed by convoying. In 1724, the same year as the Navigation Act was passed, the Convoy Office (Konvojkommisariatet) was founded in Gothenburg, Sweden's major port on the west coast. The office was a collaboration between the Swedish Royal Navy, that provided convoying naval vessels, and merchant representatives. A special duty on foreign trade was introduced to cover the Convoy Office's outlays. Nevertheless, the convoying was perceived as an expensive and inefficient system. In similarity with many other countries, Sweden entered negotiations with the North African states, to sign peace treaties and to secure its shipping in this way.

There were four states in question: Algiers, Tunis, Tripoli, and Morocco. The negotiations with Algiers started in 1726. Sweden was represented by George Logie, a Scottish merchant with great experience of Mediterranean commerce and politics. The peace, trade and shipping treaty between Sweden and Algiers was signed in April 1729, by the Swedish emissary and Dey of Algiers.¹⁷ Logie was appointed the first Swedish consul to Algiers. In practice, the treaty established a Swedish consulate in Algiers, the so-called Algerian passport system, and special gift-exchange with Algiers—more properly Swedish bribes to Algiers. The Swedish gifts to Algiers consisted mainly of arms, gunpowder and naval stores, useful goods for the Algiers corsair fleet.

The same George Logie then negotiated the treaty with Tunis, in 1736, and Tripoli, in 1741. It took additional almost thirty years for the treaty with the biggest North-African state, Morocco. While Algiers, Tunis, and Tripoli, formally were provinces of the Ottoman Empire, Morocco was an independent state, a sultanate with a distinct identity. There were Swedish seamen captured by the Moroccan corsairs as late as in the 1750s (Marcus Berg 1754-1757). It was signed in 1763 on for Sweden very expensive terms. It is worth to notice that the Swedish system of peace treaties with the Barbary states was launched earlier than the Danish one and Sweden, in the first half of the eighteenth century, was more active in the Mediterranean shipping than Denmark.¹⁸

In addition to the peace treaties with the Barbary states, the Swedish Board of Trade continued to build up a network of Swedish consulates around the northern Mediterranean coast. Between 1700 and 1750 Swedish consulates were established in Cadiz, Livorno, Marseilles, Venice, Smyrna (see the Levant Company), Malaga,

¹⁶ J. ÖSTLUND, *Saltets pris. Svenska slavar i Nordafrika och handeln i Medelhavet 1650-1770*, Lund 2014.

¹⁷ For a review of the history see J.H. KREUGER, *Sveriges förhållanden till barbarestaterna i Afrika*, Norstedt, Stockholm, 1856; L. MÜLLER, *Consuls, corsairs, and commerce*, cit., pp. 55-61, *Sveriges Traktater med främmande magter. Jemte andra dit hörande handlingar*. vol. 8, 1723-1771, Stockholm 1922, pp. 99-106.

¹⁸ On the Danish system see D.H. ANDERSEN, H.-J. VOTH, *The Grapes of War: Neutrality and Mediterranean Shipping under Danish Flag, 1747-1807*, in "Scandinavian Economic History Review", 2000, n. 1, pp. 5-27. D.H. ANDERSEN, *The Danish Flag in the Mediterranean. Shipping and Trade, 1747-1807*, I-II, Copenhagen 2000.

Alicante, Tripoli, Cagliari, Barcelona, Genoa, Naples, and Cette (Sete) and Montpellier.¹⁹ The purpose naturally was to promote Swedish trade and shipping, to help Swedish captains and crews and to provide useful business information to Sweden.

What marked Sweden's trade policy after 1721 was activism, mercantilism and focus on southern Europe. First, it was a reaction to the changed status of Sweden. From being a seventeenth-century great power, a guarantor of the Westphalian Peace, and a large east-looking territorial state, Sweden turned into a maritime state, with significant commercial interests in the west and south. Salt trade and supplies did play an important role in Sweden's activities in southern Europe, but it was far from the only factor. Searching markets for domestic export commodities and security of Swedish shipping in southern Europe were, too, important.

In a theoretical perspective, the policy entailed a transfer of transaction and protection costs from individual actors – merchants and ship owners – to the protective Swedish state – the institutions of the Navigation Act, the Convoy Office, and consular services. Plausibly, the transfer reduced transaction and protection costs of Swedish actors in comparison with other trading nations made the Swedes more competitive.²⁰ But, the costs of the Convoy Office and the intense debates about benefits and costs of the Swedish Navigation Act appear to point in another direction.²¹

DEVELOPMENT OF COMMODITY EXCHANGE WITH SOUTHERN EUROPE

What was the actual development of the trade between Sweden and the Mediterranean and the Iberian Peninsula? Looking at the trends of the trade will unveil that mercantilist policy was only one of many factors that affected Sweden's exchange with the area. Let us begin with the salt.

In the case of salt, it is evident that other forces than protectionist Swedish policy played a significant role. There was a significant increase in salt imports to Sweden and the relative prices appear to decline over the century.²² Between 1740 and 1800 the salt imports doubled, from about 150,000 barrels to 300,000 barrels. Nearly all this salt arrived from southern Europe: a half from Portugal and another half from the Mediterranean. The share of French and British salt diminished in the course of the century.

There is a strong complementarity between the Mediterranean and Portuguese salt supplies. When imports for Portugal declined, imports from the Mediterranean went up, and on the contrary, when import from Portugal went up, the supplies from the Mediterranean declined. These shifts could depend both on weather (a rainy season in Portugal could destroy the salt "harvest") as the security situation in the Mediterranean Sea.

¹⁹ L. MÜLLER, *Consuls, corsairs, and commerce*, cit., p. 42.

²⁰ *Ibid.*, pp. 159-166.

²¹ K. ÅMARK, *Sveriges statsfinanser 1719–1809*. Stockholm 1961, pp. 762-775.

²² S. CARLÉN, *Staten som marknadens salt*, cit., pp. 255-262.

But demand in Sweden increased steadily. We will find the explanation on Sweden's west coast. From about the mid-century, larger and larger quantities of salt went to the west coast. By the 1790s, as much as one-third of the salt imports ended there. This is clearly related to the boom of herring fisheries in Bohuslän between 1750 and 1800. By the same time salted herring and fish oil became very important export products. The boom in herring fisheries and consequent increase in salt supplies has nothing to do with mercantilist policy or introduction of protectionist Navigation Act. The explanation is natural increase of fish stock. Notably, a large share of the salt fish from Gothenburg and Bohuslän was exported to southern Europe and the West Indies.²³

Tab. 1. Annual salt imports to Sweden according to the country of origin (1,000 barrels)

Year	French or British salt	Mediterranean	Portuguese	Total
1738/40	23.4	41.2	72.1	138.4
1741/45	23.9	47.0	73.3	146.1
1746/50	26.4	77.1	76.2	180.8
1751/55	21.2	95.2	66.1	183.1
1756/60	27.6	34.0	133.9	195.8
1761/65	30.4	89.4	171.8	292.1
1766/70	16.1	104.4	81.3	202.4
1771/75	11.4	189.2	70.1	271.0
1776/80	8.5	128.3	105.3	242.3
1781/85	8.9	123.1	199.0	331.2
1786/90	13.2	169.3	101.4	284.2
1791/95	2.4	142.6	163.3	309.7
1796/1800	0.8	118.0	186.9	308.1

Source: *Historisk statistik för Sverige*, del 3, *Utrikeshandeln 1732-1970*, Stockholm 1972, p. 141, table 1.11.

Imports of salt required vast carrying capacity. Comparisons between incoming tonnage from southern Europe and the volumes of salt imported to Sweden indicate that nearly all incoming carrying capacity was occupied by salt.²⁴ Of course, salt was not the only item arriving from southern Europe. Wine, fruits (fresh and dried), olive oil, colonial goods, textiles, and other items also were aboard of Swedish ships coming from the Mediterranean and Iberian Peninsula. These goods did not require much carrying capacity but they were highly valuable. The registered trade value of salt was minimal even if it was an important source of revenue (due

²³ S. HÖGBERG, *Utrikeshandel och sjöfart på 1700-talet. Stapelvaror i svensk export och import 1738-1808*. Stockholm 1969, pp. 174-177.

²⁴ L. MÜLLER, *Consuls, corsairs, and commerce*, cit., p. 140, table 5.4.

to the big volumes). In the trade statistics from the 1770s, a period when the salt imports were much larger than at the beginning of the century, the salt accounted for above 5 percent of the tax value of Sweden's total imports. For comparison, colonial goods (tobacco, sugar, coffee, cotton, etc.) requiring much less carrying capacity accounted for about 17 percent, and even silks accounted for 4 percent value of imports.²⁵ The discrepancy between required carrying capacity and import values and tax revenues indicate problems with the profitability of Sweden's salt imports. Unfortunately, we have no studies of profitability of this trade.

Swedish exports to southern Europe consisted of a limited number of bulky products: iron, naval stores, and sawn goods. Bar iron was the most important item but in comparison with other commodities the least dynamic one. Since the beginning of the seventeenth-century bar iron was the backbone of Sweden's export trade. It made up at least a half of export value during the eighteenth century, with the majority of iron exported to England. Nevertheless, southern Europe was seen as a prospective market. Already in 1724, the authorities debated southern Europe's potential market of Swedish iron.

Looking at southern Europe's share in Sweden's total iron trade it was about 10 percent from the beginning of the century until the 1760s. It increased to 20-30 percent between 1770 and 1800. The increase in iron exports to southern Europe compensated for the decline in iron trade in western Europe, especially the Dutch Republic.

Tab. 2. Sweden's iron trade to southern Europe 1725-99 (annual averages in ship-pounds)

Year	Portugal	Spain	France	Other Mediterranean	Levant
1740-44	26500	800	6500	8700	1200
1745-49	15700	200	4000	10800	1300
1750-54	18100	1000	7200	8700	700
1755-59	15700	1400	3700	7100	
1760-64	18100	1800	3400	8700	
1765-69	19500	2600	8400	8000	
1770-74	21100	2500	23800	13800	
1775-79	24900	1800	22000	22600	
1780-84	39300	3500	38800	13300	
1785-89	25900	2900	72100	18900	
1790-94	31700	2500	26900	23200	
1795-99	28900	3800	12300	14000	

Source: K-G. HILDEBRAND, *Fagerstabrukens historia. Sexton- och sjuttonhundratalet*. Uppsala 1957, pp. 92, 96, and 134. Sum of Portugal, Spain France, Levant and other Mediterranean figures differs from southern Europe, however the difference is marginal (1 ton=7.4 shippounds)

²⁵ *Historisk statistik för Sverige*, del 3, *Utrikeshandeln 1732–1970*, Stockholm 1972, p. 156, table 1.24.

Two major markets for Swedish iron in southern Europe were Portugal and France. Evidently, a part of the Swedish bar iron with destination Lisbon went to Brazil. The importance of France increased after the mid-century and especially from the 1770s when France began to import large quantities of Swedish bar iron. In fact, much of the increase in iron imports between 1770 and 1800 is related to the French demand. From less than 1,000 tons of bar iron in mid-century France increased its imports to 5,000 tons between 1780 and 1784 and almost 10,000 between 1785 and 1789, buying more than a half of Swedish iron exported to southern Europe. Spain had a well-developed and protected iron production and so the Spanish market was always less important than that of Portugal or France, in spite of Spanish colonial empire, in spite of the role that Cadiz had in Swedish long-distance shipping. We may notice also the Levant Company exports in the 1740s.

In spite of the fact that bar iron was Sweden's major export item, accounting for a half, at least, of Sweden's exports it was not an easy-to-sell commodity. It competed with protected domestic iron industries in Spain and France. It competed with cheaper Russian iron arriving both from northern Europe and from the Black Sea. Moreover, the Swedish iron traders competed with Swedish iron carried by Dutch and English ships as ballast merchant, and the cheap Russian bar iron that reached the Mediterranean on English and Dutch ships. In contrast to import trade, regulated by the Swedish Navigation Act, and excluding so the Dutch and English from carrying of salt, foreigners were free to carry Swedish iron to the Mediterranean.

The second important export commodity group was naval stores. Sweden, or more exactly Finland (then a part of Sweden) was one of the leading tar and pitch producers in the world. As opposed to iron or other goods that could be produced everywhere, Sweden had a natural comparative advantage in the production of tar and pitch. It had large easily accessible woods where timber could be transformed into exportable commodities. As the sea-borne trade increased in significance and navies became sinews of maritime power, the demand for tar and pitch was insatiable. The fluctuations in the tar and pitch trade appear to correlate with the wartime periods. The strategic naval stores from the Baltic also explain France's, and Spain's interest in trade with Sweden.²⁶

Between the 1740s and 1800, Sweden's exports of tar to southern Europe multiplied, from about 10,000 barrels to 30,000 barrels. The periods of Seven Years' War, American Revolutionary War, and French Revolutionary Wars testified about significant increases. The sales of pitch increased too, from about 5,000 barrels to 10,000 barrels in the same period. Southern Europe accounted for between 20 and 30 percent of Sweden's total sales of tar, and about 40 percent of pitch.

Finally, there were sawn goods. The volume of sawn goods exported to southern Europe increased significantly during the eighteenth century. It increased from 30,000 dozen deals at 1750 to over 80,000 by the mid-1770s, to decline again during the French Revolutionary Wars to 40-60,000 dozen deals. In similarity with iron, Lisbon initially was the major destination, but in due time Marseilles, Cadiz,

²⁶ S. HÖGBERG, *Utrikeshandel och sjöfart på 1700-talet*, cit., pp. 145-146, L. MÜLLER, *Consuls, corsairs, and commerce*, cit., p. 137.

and Livorno became important destinations. The structure of the Swedish trade in Lisbon in 1750 shows that sawn goods made up roughly a quarter of Sweden's export value.²⁷

Concerning markets for sawn goods, southern Europe was Sweden's most important market. Yet, exports of sawn goods to southern Europe was a strange business. First, there are remarkable differences between destinations for sawn goods origination in different parts of Sweden. For Stockholm, southern Europe accounted for a half or more of sawn goods exports. In 1731-1735, 51 percent of the Stockholm sawn goods went there, in 1751-1755, as much as 76 percent, and in 1781-85, as much as 78 percent. Sawn goods from Gothenburg were exported mainly to nearby Britain. And regions in southern Sweden: Småland, Gotland and Blekinge, exported timber to the southern Baltic.²⁸

How shall we explain the fact that Stockholm exported sawn goods to the most distanced markets, while the Gothenburg on the west coast exported sawn goods to nearby England? There are two features that will help us to understand the paradox. Partly, deals were used as stowing material for iron cargoes. Bar iron was simply too heavy for loading a vessel and it had to be balanced by a lighter commodity. Yet this is not enough explanation. Major markets for iron was England, while, the majority of sawn goods went to the Mediterranean. Moreover, many ships from Stockholm, northern Sweden and Finland sailed to the Mediterranean loaded only with sawn goods.

The Swedish historian Staffan Högberg observed a striking difference in the organization of bar iron exports and exports of sawn goods. Regarding iron, the trade was carried out by specialized iron exporters who paid freight to ship-owners. In this way, the economics of shipping and the economics of iron trade were separated. But cargoes of sawn goods were usually owned by ship-owners. About 80 percent of owners of sawn goods sent to Portugal in 1760-1780 were, too, ship-owners of the ships carrying these goods.²⁹ This indicates that the trade in sawn goods was, probably to a large extent, complementary to shipping business. Ship-owners had difficulties in finding suitable cargo to southern Europe, thus they loaded their ships with sawn goods, apparently not a very profitable commodity but cheap to acquire and easy to sell. Shipping business and trade in sawn goods were intermixed, making it difficult to separate profits made in timber sales. The linkage between trade in sawn goods and Swedish carrying trade in southern Europe may also explain the paradoxical strong role of Stockholm in this business. Stockholm was the center of Swedish shipping business, home of biggest ship-owners. Unfortunately, there are no detailed studies of the profitability of Swedish firms trading with southern Europe that could unveil the business logic of this trade. The overall picture, the volumes, and directions of trade are known, but we do not know how profitable or loss-making the businesses were.

We may notice that the overall values of Sweden's trade with southern Europe (the Mediterranean, Iberian Peninsula and France) were relatively meager, especially

²⁷ L. MÜLLER, *Consuls, corsairs, and commerce*, cit., p. 103.

²⁸ S. HÖGBERG, *Utrikeshandel och sjöfart på 1700-talet*, cit., p. 138.

²⁹ *Ibid.*, pp. 126-129, table 4.7.

when we look at the imports. If we exclude France, the statistical values for import trade stay at about 5 percent. This is an astonishingly low figure, regarding the active mercantilist policy in the Mediterranean. This is even more astonishing if we look at the total tonnage under Swedish flag employed in the area. In spite of the relatively modest trade values, something between one fourth and one-third of the Swedish tonnage was employed in southern Europe (table 3). The reason for Swedish ships to be there was not Swedish commodity trade but tramp shipping.

Tab. 3. Swedish shipping in southern Europe 1739-1753 and 1769-1813 (France, Spain, Portugal and the Mediterranean)

Period	Incoming (annual averages in heavy lasts)	% of Swedish tonnage	Outgoing (annual averages in heavy lasts)	% of Swedish tonnage
1739/43	9456	35.5	9829	34.4
1744/48	10620	32.9	9066	25.5
1749/53	14250	41.5	13535	34.5
1769/71	17793	27.1	16194	22.0
1774/75	22995	40.1	22443	35.4
1776/80	19884	28.7	18932	26.6
1781/82	21112	26.2	23111	25.2
1787/88,90	20192	37.7	17107	34.4
1791/95	16840	30.4	24914	28.4
1796/00	16173	25.8	20102	21.5
1801/05	15280	22.2	19782	19.5

Source: E.F. HECKSCHER, *Den svenska handelsjöfartens ekonomiska historia sedan Gustaf Vasa*, Uppsala 1940, p. 24.

SWEDEN'S NEUTRALITY AND SWEDISH SHIPPING IN SOUTHERN EUROPE

The Swedish Navigation Act has been pointed out as the pillar of Sweden's eighteenth-century shipping policy. Its major purpose was to replace the Dutch shipping in carrying of Portuguese and Mediterranean salt to Sweden after the Great Northern War. In this meaning the major measure of Sweden's eighteenth-century shipping policy concerned, indeed, trade with southern Europe. However, the Act itself was just an expression of Swedish mercantilism, it was not related to the economic rationale of this trade. The outdrawn struggles and ongoing attempts to abolish the Navigation Act during the whole century indicate, in fact, that the Act was perceived by many as an inefficient and costly institution.

Nevertheless, the long-term development of Swedish shipping industry in southern Europe does not necessarily relate to the Navigation Act, as suggested by Heckscher. There were two other key factors. First, the Swedish shipping had low

running costs in comparison with other marines. In 1768, the Swedish economist Johan Westerman (ennobled Liljencrantz) wrote an interesting work on comparative advantages and disadvantages of Swedish shipping, which paid much attention to conditions in the Mediterranean. The reason naturally was the significance that the Mediterranean carrying trade had for the Swedish merchant marine. He focused very much on the issues of crew costs, ship-building, and running costs. And obviously, the Swedish sailors and ships were cheaper. The advantage was not so apparent regarding the shipbuilding, in spite of the fact that Sweden was the producer of naval stores and sawn goods. Yet, Westerman paid also much attention to commodity structure of Swedish trade, import and export duties, etc. In spite of an interesting contemporary comparison of different merchant marines, he does not provide a conclusive explanation of the economy of Swedish shipping.

It seems to me that in the volatile conditions of the international trade in the eighteenth century the pure focus on cost and income balance of shipping does not help much. Instead, I would like to point out the role of protection costs of shipping as the second crucial factor for the understanding of the place of Swedish carrying trade in the Mediterranean. The ships under Swedish flag had two major advantages regarding protection costs: the peace and trade treaties with the Barbary states, and Sweden's neutrality in the conflicts between France, Spain, and Britain. The protection of Swedish flag unquestionably reduced the risk of losing cargo to corsairs and belligerents. This entailed also lower insurance premiums in comparison with the competition. Freight rates doubled during the wartime periods, which mean that neutral ships could double their incomes. The risk-reducing strategy and low protection costs appear also being the competitive advantage of Swedish shipping in southern Europe.

Evidence for the protection cost argument is the close correlation between the activity of Swedish ships in southern Europe and the fluctuation between war and peace times. The best source for tracing such a correlation is registers of Algerian passports. As mentioned above the passports were introduced by the peace treaties between Sweden and the Barbary states. The issuing of the passports was strictly controlled, to avoid abuse of neutral Swedish flag. Thus the registers are a reliable source.

According to the regulations, southern Europe here was understood as all destinations beyond Cape Finisterre in north-western Spain.³⁰ This means, actually, that all Swedish vessels sailing in the Mediterranean, nearby Iberian Peninsula, in the Atlantic, and the Indian Ocean were registered in Algerian passport registers. The Swedish Algerian passport registers cover the period between 1739 and 1831 and contain information on 30,546 passports, representing the number of Swedish voyages (realized or intended) beyond Cape Finisterre. The registers include information on the name of the ship, tonnage, captain, ship-owner, home port, number of guns, destination, and date of issue and return of the passport.

The data indicates there had been no big increase in Swedish shipping until the 1750s. There were about 150 Swedish ships per annum applying for the passport. It

³⁰ *Reglemente om Algeriske Sjöpass, 12 januari 1730*, R.G., MODÉE, *Utdrag utur alle ifrån 1729 års slut utkomne Publique handlingar, Placater, Förordningar... Etc.*, Stockholm 1746, pp. 803-807.

seems also that the policy implemented in the decades after 1721 did not leave such a deep impact in this dataset. The situation became to change in the years of the Seven Years' War, in which Sweden participated in Prussia, but it did not engage in maritime warfare. There was an increase of voyages during the Seven Years War from 156 voyages in 1756 to 212 in 1764. The next significant boom occurred during the American Revolutionary War, from 222 voyages in 1775 to 441 in 1782, and the third increased during French Revolutionary Wars, from 257 voyages in 1792 to 717 in 1804. Peace periods 1763-76, 1783-1793 show stagnation and decline. The fall in 1788-90 is related to the interruption of Swedish foreign trade during the Russo-Swedish War 1788-1790. The correlation between wartime and increases in the number of voyages and stagnation or declines in the number of voyages during peacetime confirms that the Swedes effectively exploited neutrality.

Another evidence of the close correlation between Swedish shipping activities and naval conflict is the data on entries of ships entering the Mediterranean ports. The best data available are the entries in the port of Marseilles between c. 1710 and 1790 (for details see the introduction above). The two Scandinavian flags (Danish and Swedish) made for almost 3,000 entries. There is a clear correlation between the Scandinavian activities and Anglo-French conflicts, with large activity especially during the American Revolutionary War.

The data confirm that Swedish carrying business was increasingly important and neutrality of the flag did play an important role. Yet, the number of voyages or entries does not say anything about how this business was organized on a daily level, what kind of ships were employed and how big crews were. All this is of importance for the understanding of how the carrying trade functioned.

Tab. 4. Swedish Algerian passports returned, according to the date of return, 1777-1785

Year	Totally issued	Returned same year	Second year	Third year	Fourth year	Fifth year	Sixth year
1777	253	29	162	44	8	3	1
1778	287	41	128	45	22	3	1
1779	282	40	122	67	20	6	5
1780	320	40	172	68	21	3	1
1781	373	49	190	85	22	4	3
1782	441	25	267	74	20	11	2
1783	339	35	208	50	23	4	2
1784	370	44	225	48	17	7	2
1785	389	49	192	96	10	3	4
Total	3054	352	1666	577	163	44	21
	100%	11.5%	54.6%	18.9%	5.3%	1.4%	0.7%

Source: Algerian passport registers, Kommerskollegium (Board of Trade) Huvudarkivet, Sjöpassdiarier, C II b, (Swedish National Archives, Stockholm), 1777-1785. The difference between total numbers of issued passports and the sum of returned passports is explained by missing return dates. Some passports were never returned.

Table 4 indicates the average length of Swedish voyages to southern Europe. The table is based on Algerian passports issued between 1777 and 1785, the extended years of the American Revolutionary War, and it includes information on over 3,000 voyages. It looks at the year of the return of the passport.

An interesting question of the economy of Swedish shipping in southern Europe is the comparative productivity of Swedish ships. A standard comparative measure of productivity in shipping is the tons-per-man ratio or men-per-100-tons ratio. Such ratios have been established both for a long-term increase in labor productivity of European shipping and for comparative purposes of situations in different merchant marines and different areas.³¹ To calculate it we have to have a picture of average tonnages and average crew on Swedish ships employed in southern Europe.

Swedish vessels sailing to southern Europe were large in comparison with other marines. The average tonnage of vessels in my sample of 1,257 vessels was also about 90 lasts, (c. 220 metric tons). For comparison, the English ships sailing to the Mediterranean had tonnages between 100 and 150 tons. Yet it should be noted that there were in English tonnages big differences among the different destinations; for example, vessels employed in the coal trade between Newcastle and southern England were much bigger than 100-150 tons.³² These in average big Swedish vessels were manned by comparatively small crews (about 14 men), giving ratios of 20-23 tons per man.³³ The averages of English, Dutch and French ratios varied between 10 and 18 tons per man. The total labor productivity in Sweden's Mediterranean shipping was also very high. But this cannot be seen as a prime competitive advantage of the Swedes. The high labor productivity was related to the problematic composition of Swedish cargoes – bulky and cheap commodities requiring big transport capacity. Moreover, the averages veil great variance among vessels. There were many small crafts carrying valuable cargoes (packets). But Swedish vessels carried also bulky grain cargoes from Sicily or salt cargoes from Spain, Sardinia, and Sicily. Thus, the impressive figures of productivity ton per man indicate competitiveness of Swedish shipping, but they also hide the problem of Swedish export-import composition.

The eighteenth-century shipping combined high volatility on demand side with stable costs of the business. Demand for transport and profits were unpredictable due to the political situation. As mentioned, wartimes could fetch doubled freight rates in comparison with peacetime. This was matched by stable and predictable running costs (capital costs, shipbuilding costs, and low wages).

³¹ See for example J. LUCASSEN, R.W. UNGER, *Labour productivity in Ocean shipping, 1450-1875*, in "International Journal of Maritime History", 2000, n. 2, pp. 127-141.

³² For details of the analysis see L. MÜLLER, *Consuls, corsairs, and commerce*, cit., p. 154-159.

³³ The data are based on a sample of 150 Swedish ships entering Cadiz 1777, 1785 and 1795. L. MÜLLER, *Consuls, corsairs, and commerce*, cit., p. 157. The exact figure is 14.2 men per vessel. A sample of 117 Swedish vessels entering Marseilles in 1750-1762 gives an average of 14.7, indicating a small decline in men per ship between 1750-62 and 1777-1795. The database of Swedish ships entering Marseilles 1750-62 has been kindly provided by Xavier Labat Sait-Vincent.

Due to the fact that an average ship had a long life,³⁴ the shipbuilding costs over the years of a ship's life (annual depreciation of capital) were low. The combination of long-term predictable costs (capital costs, wages, outfitting costs, repair costs, insurance premiums, charges, and duties), and speculative and unpredictable incomes is typical for the shipping industry. In this sense, the situation of Swedish vessels in the Mediterranean 1750-1800 did not differ from present-day shipping business. This also indicates that the carrying trade under a neutral flag was a highly speculative business. The few existing studies on company level appear to confirm this picture.³⁵

To get a more exact picture of the profitability we need more studies both on the national and company level. Undoubtedly the income from shipping activities was significant even on the level of the national economy. And it is the most probable explanation of why the Swedish-and Danish-vessels were so prominent in the late eighteenth-century Mediterranean. It is estimated, that during the French Revolutionary and Napoleonic Wars the freight income from Swedish shipping made a half of Sweden's total export income.³⁶

CONCLUDING REMARKS

In spite of the geographical distance, the economic contacts between Scandinavian countries and the Mediterranean were strong. The position by the late eighteenth century was an outcome of different factors: foreign policy, mercantilism, development of commodity market, neutrality of Swedish and Danish flags, as well as environmental change.

The political interests did, indeed, played a crucial role in shaping the conditions of this exchange, even if they did not provide a profitable economic basis for it. There was the factor of Sweden's foreign policy, looking for allies in the Ottoman Empire, France, and Portugal. There was the ambitious trade policy of Swedish mercantilism, of "salt-welfare", of promotion of iron exports, and building up a merchant marine. But the mercantilist policy was highly controversial and criticized by contemporaries. It does not explain the expansion in the late eighteenth century. More reasonably this was connected to the demand for salt on herring-fishing Sweden's western coast, and the demand for Danish and Swedish neutral shipping capacity in wartime.

In the paper, I stressed the difficult composition of Sweden's trade, with its bulky and relatively cheap export and import commodities, and regulated markets. It was a combination of commodity trade and the tramp shipping in the Mediterra-

³⁴ J. KILBORN, *Fartyg i Europas periferi under den industriella revolutionen. Den svenska utrikes handelsflottan 1795-1845*. (licentiate, unpublished) Göteborg 2009, p. 47.

³⁵ For Swedish-Finnish firms see J. OJALA, *Productivity and Technological Change in Eighteenth and Nineteenth-Century Sea Transport: A Case Study of Sailing ship Efficiency in Kokkola, Finland 1721-1913*, in "International Journal of Maritime History", 1997, n. 1, pp. 93-123. For Danish firms see O. VENTEGODT, *Redere, rejser og regnskaber. Et par flensborgske partrederiregnskaber 1783-1812*. Flensborg 1989.

³⁶ L. SCHÖN, *En modern svensk ekonomisk historia. Tillväxt och omvandling under två sekel*. Stockholm 2000, p. 60.

nean, around the Iberian Peninsula and even across the Atlantic that made Sweden's trade in southern Europe viable. In tramp shipping, Sweden could exploit its peaceful relations with the North African states and its neutrality in Anglo-French Wars. We might conclude that Swedish and Danish protection costs in this kind of trade were competitive in comparison with other nations. Yet this was not an exclusive or original strategy. The Dutch were major neutral carriers for longer time. They disappeared first in 1780, due to the Fourth Anglo-Dutch War.

The neutrality of the Scandinavian flags was a competitive advantage until 1806-1807. Then Denmark and Sweden were drawn into the wars with disastrous consequences. With the arrival of Pax Britannica, in 1815, the markets for neutral carriers disappeared and so did the Scandinavian ships in tramp shipping in the Mediterranean. The structural shifts in European and global trade and shipping in the nineteenth century confirm that the eighteenth-century shipping and trade between southern Europe and Scandinavia were related to the specific historical situation. In the late nineteenth century, the Scandinavian shipping once again became more global, but the Mediterranean did not play a significant role in this narrative.