

1 *Politics and Economy: Nationalizing Economics*

The Constructive Power of Non-Knowledge

The British and French Empires in the Mediterranean were trade empires. They were mercantilist empires. On the one hand, this is obvious. On the other hand, however, to describe a form of prevailing economics as “mercantilist” does more to start a series of questions than to clarify matters. Without entering into the ongoing and renewed debate about the term “mercantilist” itself and its usefulness, I will define it here as the “nationalization of economics.”¹ And I will treat the question of nationalization as an epistemic one: It is the crystallization and hardening of the distinction between “internal” and “external” that defines this form of economics. But while most research on mercantilism concentrates either on trading practices or, within the history of ideas, on theoretical treatises that discuss matters such as bullionism or the balance of trade, here I take a step backwards. I first start with the central perceptual structure organizing all mercantilist communication, the distinction between the trade of “our” nation and that of others. Without that, Thomas Mun could never have calculated a balance of trade, nor could any import/export regulation have functioned. The hardening of that distinction, and its exposition in everyday trading communication, is a distinctive phenomenon of the period, as comparison with the Middle Ages will demonstrate. Only in the second stage, will I address ideas and discourses, investigating the general frames of thought of Empire that governed and directed the

¹ For classical works on “mercantilism,” cf. Heckscher, *Mercantilism*; Cole, *Colbert*; Cole, *French mercantilist doctrines*. For the current renewal of the discussion cf. the special issue of *The William and Mary Quarterly* 69, 1 (January 2012); Isenmann (ed.), *Merkantilismus*; Stern and Wennerlind (eds.), *Mercantilism reimagined*. Here, Sirota, “The church,” 197, has already pointed to the concept of “nationalization.” More strongly concentrated on economic language and ideas are Magnusson, *Mercantilism*; Finkelstein, *Harmony*, but the question of the “national” does not play a role in that literature and the link to practice is missing.

differing French and British conceptions of rule in and of the Mediterranean. In so doing, I follow the heuristic assumption that those empires themselves emerged via a bottom-up process that involved the continual specification of “nation non-knowledge,” through asking and answering questions about the national. This happened in an osmotic relationship with framing and circumferential imperial discourses, but this imperial thought was changing more slowly and it remained detached from everyday practice.

The national form of distinction that began to dominate Mediterranean trade was a question of operative (non-)knowledge, while imperial discourse was moving toward epistemic knowledge. On a very basic level, one had to know the nation to which a given ship, sailor, passenger, cargo or captive being ransomed by pirates belonged. The nationalization of economics meant, first of all, the transformation of something that had hitherto been in a state of nescience into a specified unknown. From the highest level of imperial bureaucracy – the royal courts, the admiralties – to the London port officers and the *Chambre de commerce* in Marseille, the question “what nation is he or it from?,” was a constant traveling companion for each man on a ship and each consul in the Mediterranean port cities, and it dictated everyday decision-making and politico-economic planning. The British and French did not ask about the national in the same way, however, and that national distinction was embedded in different general frames of thought. In the following, I compare both trade empire mercantilisms from the perspective of “non-knowledge about the national.” This is an approach different and complementary to macro- and microhistorical research on imperial economics in general and on Mediterranean commerce in particular. Macro-historical approaches tend to presuppose the category of the nation in their narratives: “The Dutch,” “the French” and “the English” conduct trade; but how those categories were themselves new, and to some extent arbitrary, and how they created paradoxes and were an object of continual discussion and interrogation, is not taken into account.² Microhistorical works, on the other hand,

² To give just one prominent example: the category of the nation is a blind spot in the narratives of Jonathan Israel, where the nation is a preformed category and not an object of historical investigation itself (cf. Israel, *Dutch primacy*; Israel, *Conflicts of empires*). For research more considerate of the dimensions of intellectual history cf. Hont, *Jealousy of trade*; Cheney, *Revolutionary commerce*; Reinert, *Translating empire*.

are familiar with how to look into the concrete realities of investigation into the national, but they are usually less interested in administrative standards and practices in addition to the overarching imperial concepts that were still the rules of the game. Even for a single actor, “the national” was intrinsically important in a myriad of interactions. The emphasis is put here on the osmotic relationship between practice *and* theory. I combine the macro and the micro, and focus on the mercantilism of empires. Because of that, other figures, groups and institutions play a minor role here, even if, in purely economic terms, they were very important. For example, the Greek, Jewish and Armenian trading diasporas (among others) were many things, but not imperial actors. There were no mercantilist norms, ports, or institutions that inquired in a comparable form into, say, Greek nation-non-knowledge in the Mediterranean.³ What one may hope to learn by this third approach beyond the micro/macro opposition is, at first, somewhat tautological. It is how these empires, by defining and searching for the unknown national, were searching and finding themselves by defining what they are. I am interested in the constructive power of non-knowledge, something that might seem to be a paradox. The void of unknowns seems to be the least firm ground to build an empire upon. Yet it was precisely through the continual consideration of the question about the national and the nation abroad that the limits of the empires in question became visible at all. In addition, we must also consider the extent to which the category of “state” was connected to those of “nation” and of “economy.”

This has to be seen within what one can define as a two-level system of Mediterranean trade. On the first level, European merchants were, and saw themselves as, competing against each other. The second is the parasitic corsair economy. As the corsairs gained most of their whole societies’ wealth from piracy or its functional equivalent, maintaining the threat of piracy but allowing its replacement by regular payments according to international peace treaties, states started to protect “their” merchants in different ways against their European and corsair competitors. The protection of merchants – in the Mediterranean cities as well as at sea – was thus an important economic factor on the first level, a transaction cost, shared between the merchants themselves and

³ Cf. Trivellato, *Familiarity*; Eldem, *French trade*; Aslanian, *From the Indian Ocean*; Greene, *A shared world* and Greene, *Catholic pirates*.

the states. It was also possible to borrow or “buy” a nation’s flag, or even use it without formal permission, and therefore take advantage of a given nation’s protection. This was actually in the interest of the states themselves because they obtained valuable duty payments from each shipowner or captain flying their nation’s flag. This could also be detrimental for a state, however, if there was abuse or the unauthorized use of a nation’s protection. From this, we see that the two-level system was transforming into a three-level system: competing European merchants, competing states/nations, parasite corsairs. How these various circles interacted with each other will be seen in the following.

Norms as Specifiers of National Non-Knowledge

In theory and in practice, the English normally distinguished between the particular interests of merchants and a general interest of “the nation,” while the French usually used “the state” in that second position.⁴ That seemingly small, but fundamental difference in wording (“nation” vs. “state”) has to be kept in mind when studying the meaning of the national in the Mediterranean Empires’ trade organization and competition. The French increasingly conceived of their trading houses in the Mediterranean, protected by their consuls, as a part of

⁴ Cf. as examples for the English case: Petty, *Britannia languens* (1689), 10f: “Trade is either National or Private . . . Private Trade hath regard to the particular Wealth of the Trader, and doth so far differ in the scope and design of it from the National, that a private Trade may be very beneficial to the private Trader, but of hurtful, nay of very ruinous Consequence to the whole Nation”; Cary, *Essay* (1695), 1: “It being possible for a Nation to grow Poor in the Main whilst private Persons encrease their Fortunes”; Praed, *Essay* (1695), 51. Cf. in contrast to the French case: Éon, *Commerce honorable* (1646), 3: “le commerce est une des principales & des plus essentielles parties de l’État. Car comme l’État consiste dans l’assemblage de diverses personnes, le Commerce & le Gouvernement sont les deux parties qui le composent.”; Pottier de La Hestroye, *Restablissement* (1715), 117: “il faut scavoir demesler l’interest général qui s’accorde toujours avec l’interest de l’État et l’interest particulier qui est presque toujours opposé à celui de l’État.” Because the French production of more general treatises starts only later in the eighteenth century (aside from Montchrestien etc.), the *state* centered perspective is obvious in all prior publications such as the *Advis*, the *Testaments politiques*, the state finance projects like that of Vauban or Gueuvin de Rademont, and in the texts of John Law (*Œuvres*). Pierre de Boisguilbert, for example, always used “la France,” “l’État,” “le roi” as point of reference in his late seventeenth- and early eighteenth-century texts, but nearly never “nation.” I checked virtually all works before the physiocracy 1750 watershed as listed in *Économie et population*.

the state's extensions overseas. The internal/external distinction took the form of an invisible appendage of state borders abroad. The English mercantilist conception of trade did not subordinate merchants' activities to the *state* as much, but it did integrate forms of state power into their commercial network. English merchants acted more as agents of their nation than their state. While this is a difference encountered throughout all sources in the following, in a striking parallel the fundamental guiding standards emerged for both England and France around 1650/60.

Defining the Unknown

A very important process of reform and legislation around 1660 provided the pivotal moments for England and France, when respective shifts occurred, turning economic activities in a state of nescience about "nation" into one where the nationality (of merchants, sailors and ships) became *the* central specified unknown.

England

The 1660 Second Navigation Act⁵ and the 1662 Act of Frauds,⁶ together with the system of peace treaties and sea-passes, marked a decisive point of the nationalization of English seafaring in the Mediterranean. The first 1651 Navigation Act had been an "experimental law" to some extent, and, even though it had been strongly influenced by the lobbying of the Levant Company, only with the 1660/62 combination of laws did legislation achieve enduring decisiveness and incorporate important clauses concerning the southern trade.⁷

This occurred through the transformation of a state of nescience embedded in former practices into specifications of non-knowledge about the nationality of sailors. Those regulations required that English merchants who wanted to import from or export to the Mediterranean "beyond Malaga," had to provide an English ship with a minimum of two decks, armed with sixteen guns with at least thirty-two

⁵ "An Act for the Encourageing and increasing of Shipping and Navigation," *Statutes of the realm 5* (1819), 246–250.

⁶ "An Act for preventing Frauds and regulating Abuses in His Majesties Customes," *Statutes of the realm 5* (1819), 393–500 = 14 Car II c. 11.

⁷ Harper, *Navigation laws* remains unsurpassed for the history of the legislation itself (citation on p. 53).

men, with the master and at least $\frac{3}{4}$ of the crew needing to be English.⁸ The Navigation Act was rigid insofar as it allowed the seizure of foreign ships and their goods; the Act of Frauds dealt with the discipline and fine-tuning of the English ships themselves. The Mediterranean clause of the Act of Frauds only concerned the merchants who mostly conducted trade between Livorno, Spain, Portugal and England; the Levant Company – founded first as Turkey Company in 1580/81, and provided with a renewed charter in 1662 – was not affected. The Englishness of the company’s trade had already been secured by virtue of the company being closed to both foreigners and naturalized merchants until 1753. Even beyond the question of nationality, the company could only be joined by “meer merchants,” a restriction which remained firm despite frequently recurring complaints.⁹ This stabilized the “Englishness” of the factories’ personal in the Levant (Constantinople, Aleppo, Smyrna) probably more effectively than the French did.¹⁰

As for incoming ships until the 1740s – mostly between 1675 and the early eighteenth century – there were numerous cases when merchants applied to the Treasury to be freed from the one percent duty as they had lost men during the voyage due to several problems. These applications demonstrate how rigorously the surveyors of the Navigation Act and the Customs Commissioners controlled the ships in the English port cities. Mostly the problem was that the overall number of men was too small.¹¹

The one percent duty of the Act of Frauds concerned the character of the ship to be armed and suitable for defense, an armed condition that had to be maintained by English men for their English ships. To better understand the meaning of those norms, one has to take a short look at its pre-1660 history. Following 1617, when the Barbary corsairs attacked English ships and port cities on the Western English coast for the first time, the English government raised £40,000 over the next three years, in order to finance warships and men against this new

⁸ 14 Car II c. 11, § 33. ⁹ Schulte Behrbühl, *Deutsche Kaufleute*, 226–233.

¹⁰ Cf. Wood, *Levant Company*, 136–140; Matterson, *English trade*, 222–242.

¹¹ Cf. cases from the 1670s to 1742: CTB V, 99, 1133; CTB VI, 616f., 644; CTB VII, 305, 349, 364, 375f., 533, 645; CTB VIII, 2135, 2147; CTB IX, 1, 2166f.; CTB IX, 485, 1247f., 1259f.; CTB XI, 252, 268, 332, 366; CTB XII, 155, 249, 271; CTB XIII, 145, 312, 343f., 360, 384; CTP II, 73, 108; CTB XXXI/2, 108; *Journals of the Board of Trade and Plantations* IV, 379–385; CTBP II, 223; CTBP III, 161, Nr. 20; CTBP V, 137; CTBP V, 148.

threat.¹² The government seized the money through fixed sums demanded from the port cities in proportion to the amount of their trade which the London administrators had calculated from past customs records.¹³ Some of the cities, apparently first of all London, but also Weymouth, decided to raise that money through a one percent duty on import and export customs. This was probably a repurposed technical practice that the port's financial administration had utilized before.¹⁴ Others simply collected the required money from their merchants. Nearly all complained that the London center's pretended knowledge of local trade was false and outdated, not least because of the current losses caused by the corsairs. The local character of the duty also created several unintended problems within the inner-English competition of the outport cities.¹⁵ Perhaps because of that experience and due to intense discussions about the similar and related ship money (1635–1640),¹⁶ the solution of a duty on imported and exported goods – even if still remembered¹⁷ – was not chosen during the 1620s

¹² Hebb, *Piracy*, 21–42. The Merchants of the East India, the Turkey, Spanish, Barbary, French Eastland, Muscovy, West Country and Flanders Companies all wrote a petition to Sir Thomas Smith asking for help and defense against the corsairs (March 9, 1617, PC 2/28, f. 581). The idea was to hold “a continued Force and strength [sic]” (John Digby, April 30, 1617, SP 14/91, f. 78), and for that purpose £ 40,000 should be collected by the City of London and other port cities by a “proportionable contribution” (the same, April 30, 1617, SP 14/91, f. 79).

¹³ City of Southampton to the Council, February 22, 1619, SP 14/105, f. 195; “... wee suppose that the other Ports of the Kingdome doe contribute according to the proportion” (City of Bristol, February 28, 1619, SP 14/105, f. 222; Dartmouth, March 6, 1619, SP 14/107, f. 12).

¹⁴ Exeter, March 20, 1619, SP 14/107, f. 65v: the first step was a “ticket ... certifying that everyone ... have paid their due upon this collection” before being allowed to “receave ... goode or marchendizes ... in or out”; Weymouth, March 10, 1619, SP 14/107 f. 23r mentions explicitly the “Customes ... of ... one upon every hundred which is the charge as they have heard that upon the like occasion is taken in London and elsewhere.”

¹⁵ For example, the Dorchester merchants withdrew their trade from Weymouth because of the local one percent duty. See Weymouth to the Council, June 8, 1619, SP 14/109 f. 153 and May 30, 1620, SP 14/115, f. 85. Other merchants complained about being charged twice for the same purpose if they conducted trade in two cities (Barnstable, June 17, 1620, SP 14/115, f. 137).

¹⁶ State of research: Langelüddecke, “Ship money.”

¹⁷ The members of the Algiers Commission, Paul Pindar, Kenelm Digby and John Wolstenholme recalled on March 15, 1631 that “About 12 years since ... order was taken to leuie one percent of the merchant goods to raise such a some” for the purpose of suppressing the pirates, but the commissioners judged that now there would be “no hope of raising money in that way” (SP 71/1, f. 111r).

and 1630s when the corsair problem was growing.¹⁸ Only twenty-three years later, in 1642, just a year after the Long Parliament had prohibited Charles' ship money, was the so-called Algiers (*Argiers*) duty adopted for that solution. It was, however, moved to the national level: the one percent was now to be levied in every English port city. While paying ship money for a royal navy was unpopular, such a duty to deal with the problem of piracy was accepted.¹⁹ The 1642 solution decentralized the necessary knowledge about the amount of trade by ordering that local customs officers assess the levy according to current circumstances instead of calculating in London a proportion from past data meant to be valid for the present and through its national character; the unintended problems involving increased inner-English port competition were resolved. The 1642 duty act was extended several times.²⁰ While the money not used for ransoming captives was finally allocated to financing the navy in general, the 1659 overview of England's revenues still listed the one percent duty.²¹ Those solutions prior to 1660 were not linked to the rules of nationality concerning the ships and their men. It was first (in 1617–19) an answer based instead on the old feudal concept of the defense of the realm to which the cities had to contribute. The second step, the national tax of 1642, still had its roots of legitimacy in this concept of the defensive obligation of the king against the realm's enemies and of his subjects to contribute the financial means to this aim.

The 1660/2 standards represent the sublimation and projection of the earlier defensive character of state violence against foreign threats into a mercantilist internal/external distinction by inquiring into and controlling the national character of commerce. Paragraph 33 of the

¹⁸ Gray, "Turkish piracy"; Barnby, "The sack"; Hebb, *Piracy and Matar, Britain and Barbary*, 38–75.

¹⁹ Matar, *Britain and Barbary*, Appendix 1, 173–176 for a recent print of the Act. Hebb, *Piracy*, 27f. was the first (and nearly only) to see a parallel between financing the navy against the threat of piracy and the ship money, but his study stops before the Algiers tax and the continuity of the one percent duty from 1617 to the 1660/62 Acts is not seen.

²⁰ Prolongations: January 28, 1644/45 Firth and Rait (eds.), *Acts and ordinances*, vol. 1, 609–611; July 7, 1645, *ibid.*, 731–732; May 11, 1647, *Journal of the House of Lords* 9 (1646), 182–185; March 26, 1650, Firth and Rait (eds.), *Acts and ordinances*, vol. 2, 367f.; June 26, 1657, Firth and Rait (eds.), *Acts and ordinances*, vol. 2, 1123–1130.

²¹ 'The income of England,' April 7, 1659, in: *House of Commons journal* 7 (1659), 627–631.

Act of Frauds set minimums on the type of English ship capable of being a “swimming defence machine” on its own. Now the duty worked by forcing merchants to use such “swimming little exclaves of England” in the Mediterranean – if not, the duty served as a contribution to necessary convoy shipping sponsored by the crown. The distinction between foreigners and Englishmen, present in the ports and – at least theoretically – in the whole Mediterranean, pointed in an abstract manner back to those older roots of the defense of the realm. The economic and prohibitionist impact of the 1660/62 regulations was high. Transport between the Mediterranean and Britain was nearly completely monopolized by British ships.²²

From an epistemic point of view, the watershed of 1660/2 transformed the state of nescience about nationality into a central specified unknown. Non-knowledge about the nationality of each person on each ship in the Mediterranean was now of importance. It was specified as a problem and formed *the* central directive rules of Mediterranean commerce.

Eighteenth-century merchant handbooks transmitted those norm specifications as they had developed and practiced during the seventeenth century and following the 1701 Union. According to this, “British-built ships” were:

Ships of the Built of Great Britain, Ireland, Guernsey, Jersey, or the British Plantations in Africa, Asia, or America, and whereof the Master and three fourths of the Mariners are British, that is, his Majesty’s Subjects of Great Britain, Ireland, and his Plantations, and three fourths of the Mariners such during the whole Voyage, unless in Cases of Sickness, Death, etc.²³

A “stranger” was someone:

born in a foreign Country, under the Obedience of a strange Prince or State, and out of the Allegiance of the King of Great Britain; or a British Man born, who has sworn to be subject to any foreign Prince; though if such British-born Person, returns to Great Britain, and there inhabits, he must be deemed as British, and have a Writ out of Chancery for the same: And likewise the children of all natural-born Subjects, though born out of the Allegiance of his Majesty, etc. and all Children born on board any Ship belonging to, or in any Place possessed by, the South-Sea Company, are to be deemed natural-born Subjects of this Kingdom.²⁴

²² Cf. below n. 69. ²³ Crouch, *Guide*, 131, 142. ²⁴ *Ibid.*, 145.

Evidently, similar to the Navigation Act itself, handbooks like that of Crouch reflect an already strong Atlantic orientation, but at the time of the handbook's publication, the Southern-European trade still represented a good third of Britain's foreign commerce and non-European trade only another third. London remained the uncontested British center of Mediterranean commerce,²⁵ and even more so, "as much of a third of New England's adverse balance of payments with the mother country came from available returns from the Spanish, Portuguese, and Mediterranean markets."²⁶

Probably nowhere else besides the kingdom's naturalization records do we find more precise definitions of "Englishness/Britishness" and "strangers" than in these foreign trade records and merchant handbooks.²⁷

France

The French parallel to the English combination of the Navigation Act, Act of Frauds, as well as war and convoy shipping, were the almost exactly contemporaneous French reforms of the 1660s regarding Mediterranean shipping and the central port of Marseille. Most significant for our purposes was the prominent edict of March 1669.²⁸ This edict laid the ground for the status of Marseille as a free port and its monopoly over the Mediterranean for French imports and (less so) exports. If one reads its text, especially the first section, one sees how the edict uses the old concept of *commercium*, as exchange between peoples and "even the most opposite spirits who become conciliated

²⁵ Imports and exports to and from Southern Europe and the Mediterranean – the Barbary risk zones – each made up between 26 and 30 percent of all foreign trade in 1663/69, 1699/1701, 1722–1724, 1752–1754. Exports only make up 26.6 percent. While its absolute volume remained quite stable throughout the eighteenth century, its share in the overall growth foreign trade sank to 19.4 percent in 1752–1755 (imports) and to 14/17 percent (imports/exports) in 1772–1774, cf. Davis, "English foreign trade 1660–1700," 164–165; Davis, "English foreign trade, 1700–1774"; French, "London's overseas trade," 482; French, "London's domination," 29. More recent survey articles are usually neglecting the southern and Mediterranean commerce, cf. Engerman, "Mercantilism."

²⁶ Morgan, "Mercantilism," 183. Cf. Lydon, *Fish and flour*, 8 and passim.

²⁷ Cf. for comparison with the Atlantic perspective Zahedieh, "Economy," 55; Braddick, "Civility and authority," 128. Kidd, *British identities*, 250–286 focuses on Gothicism for its Atlantic dimensions.

²⁸ For its text cf. Julliany, *Essai*, vol. 1, 221–228, and *Lettres instructions et mémoires de Colbert*, vol. 2, 796–798.