

# Import trade in Hamburg, 1733–1798

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# Hamburg's position in 18<sup>th</sup> c. European long-distance trade

## ◆ Situated on the estuary of the Elbe river

- ◆ Gateway function between inland and overseas trade, comparable to many other major harbours on the Eastern Atlantic and the North Sea
- ◆ Population: 1700 about 70000, early 19<sup>th</sup> c. 130000, i. e., about 50 per cent larger than the port cities of France, but much smaller than London and Amsterdam

## ◆ Major role in German overseas trade

- ◆ Waterway connection with Saxony, Brandenburg, Silesia
- ◆ High tolls on the Rhine until 1830 benefitted Hamburg
- ◆ Amsterdam may have handled about half of Germany's overseas trade in the 18<sup>th</sup> century, Hamburg about a third, Bremen being the most important minor port

## ◆ Colonial trade

- ◆ German states had no colonies in other continents
- ◆ Hamburg handled trade between its German hinterland on the one hand and ports with colonial connections and Mediterranean markets on the other hand
- ◆ From the 1730s to 1780s 50-60 per cent of recorded overseas imports came from France and consisted chiefly of sugar and coffee (41 and 24 per cent in 1781–89, respectively)

# The dataset

- ◆ almost 187.000 declarations of values of imported goods in *Mark banco* (Hamburg's paper currency) from 36 complete years between 1733 and 1798
  - ◆ Made available in electronic form by Schneider / Krawehl / Denzel (2001)
  - ◆ Original sources are import toll ledgers (*Admiralitätszoll- und Convoygeld-Einnahmebücher*)
- ◆ Information recorded
  - ◆ Date
  - ◆ Name of owner of goods (usually a merchant residing in Hamburg)
  - ◆ Origin of cargo
  - ◆ Good

# Coverage

- ◆ Overseas imports from the White Sea and from ports to the west of the mouth of the Schelde river, including the British Isles
  - ◆ excludes imports from the United Provinces and Scandinavia / Sound
  - ◆ excludes overland trade
- ◆ Exemptions
  - ◆ Trade with grain and coal
  - ◆ Transit trade
  - ◆ Imports of goods destined for the consumption of town burghers
- ◆ Recorded values correspond to about a third of what French consuls believed to be the total amount of Hamburg's trade (Jeannin 1971)
  - no bad news: this includes inland trade, which should be complementary to overseas trade → import coverage seems to be around 2/3

# Standardization of commodity descriptions — aggregation

- ◆ Original transcription contains 6900 different terms
- ◆ Standardization and correction yielded 2300 different designations of individual items or composites of several items declared jointly
- ◆ These individual items were then coded into 262 groups
  - includes notably the aggregation of individual types of textiles, iron goods, goods made of non-ferrous metals, less important dyestuffs, household goods and medicaments
- ◆ For the presentation of the commodity structure of imports these groups were coded into 40 major groups
- ◆ For 44 commodities the availability of price information allowed estimation of real import quantities (see below)
  - distinguishes separate proveniences of some goods, such as cotton and alum
- ◆ About 7 per cent of import values cannot be categorized
  - “diverse merchandise”, “retail goods”, “manufactures”, “Indian goods”, “drogues” (dyes, medicaments), and scattered goods that were not categorized (1.1 per cent)

# Calculation of real import quantities

- ◆ For 44 commodities import values can be deflated using price information from the Hamburg price current (Gerhard and Kaufhold 2001)
  - Expansion of database needed to improve correspondence between price specification and regional structure of import trade
    - E. g. sugar: price of Brazilian sugar — most sugar came from Saint-Domingue (Haiti)
- ◆ Coverage
  - ◆ No prices exist for industrial goods, such as textiles, and the share of textiles in total import value declined over time (probably due to import substitution)
    - From 2/3 during the late 1730s coverage of import values with respect to prices rises to about 85 per cent between the 1770s and the mid-1790s
  - ◆ As a sensitivity test imports without price information are deflated alternatively with the import price index and the price of German linen (assuming strong integration of markets for different types of textiles)
- ◆ Limitations
  - ◆ The price current records large price ranges; Gerhard and Kaufhold give means
  - ◆ Values in ledgers were seemingly calculated using “customary” prices

# Known deficiencies

## ◆ Probable under-registration of dyestuff trade

in 1736–1768 Hamburg's imports of dyestuffs from Britain correspond to only about 15 per cent of British exports of these commodities to Germany (Engel 2008)

## ◆ Probable under-registration of tea trade

◆ The share of recorded imports of tea in total import value was at an order of magnitude of 0.5 per cent

◆ The names of major tea dealers of Hamburg cannot be retrieved in the toll ledgers

## ◆ Comparison with Dutch exports to Germany, 1753–1789/92 (van Nierop 1915)

Growth rates of trade flows are much smaller in the case of overseas imports of Hamburg than in the case of Dutch exports to Germany → growing under-registration over time? (however, I do not know a critical analysis of the Dutch ledger of 1753)

## ◆ Possible explanations of under-registration

◆ Transit trade (or shift from import trade using local services to transit trade)

◆ Rival satellite ports: Altona, Harburg (creations of territorial states in the immediate vicinity of Hamburg; merchants from Hamburg seem to have used these facilities as well to reduce trade costs)

## A small consistency test: sugar

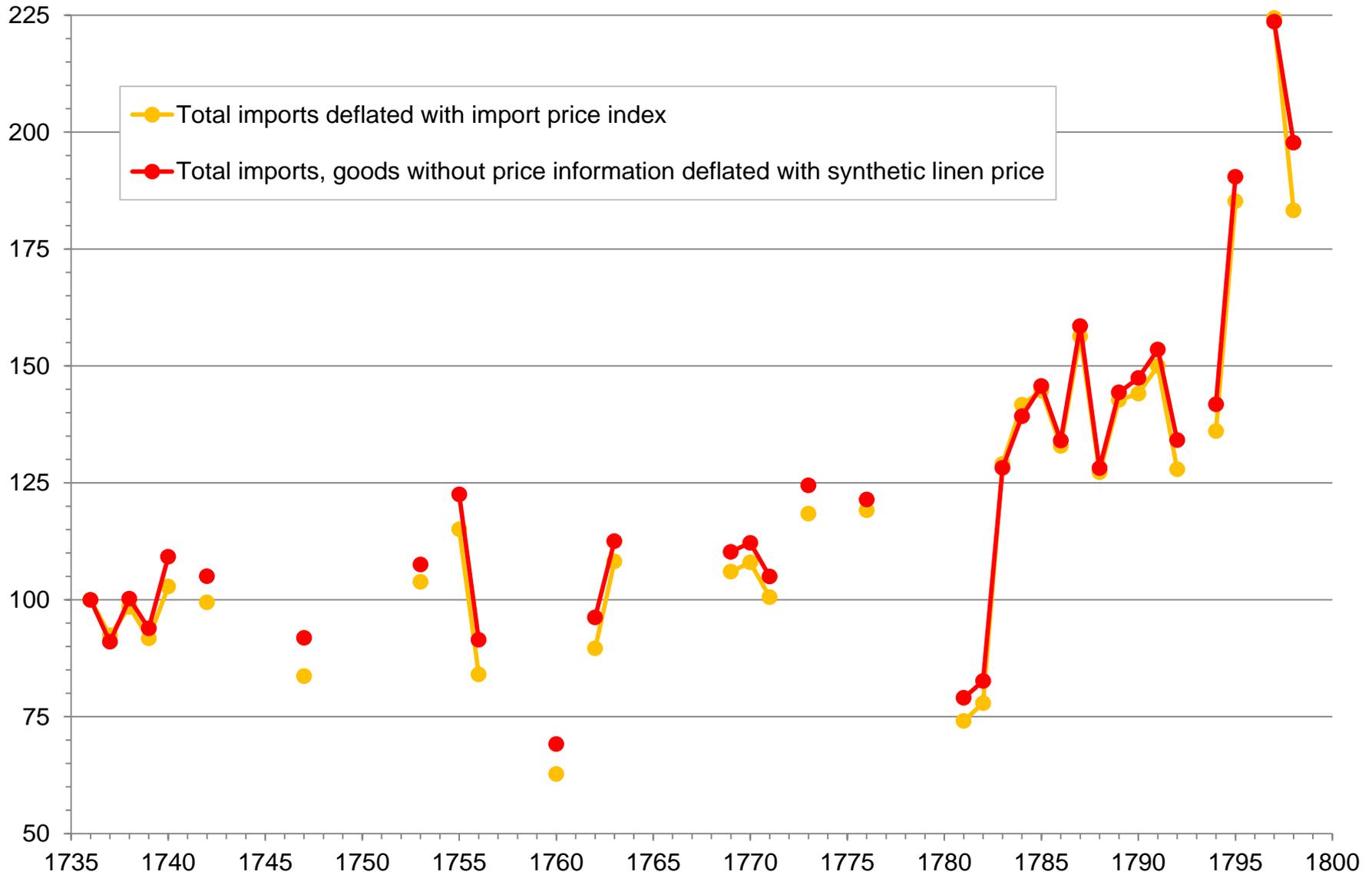
Sugar trade, million pounds (French re-exports: Stein 1980)

	early 1740s	mid-1770s
French exports to Germany	17	41
Imports of Hamburg from France	17.5	17

- ◆ trend growth of recorded total sugar imports of Hamburg 1736–1798 0.9 per cent p. a. (estimated quantities)
- ◆ Shift from clayed sugar to muscovado: price differential about 30 per cent; summary correction produces the following revisions
  - ◆ Sugar imports from France in the mid-1770s are raised to 22 million pounds
  - ◆ Trend growth rate 1736–1798 is raised to 1.0 per cent p. a.
- ◆ Guesses concerning the number of sugar refining plants in Hamburg ... suggest growth of this industry at 0.6 (1750–1784/1807) to 1.1 per cent p. a. (1727–1784/1807)
- ◆ Reports from French consuls suggest little growth of Hamburg's sugar trade c. 1753–1790 (Jeannin 1971)

# Real overseas imports of Hamburg, 1736–1798

(Fisher index, 1736=100)



# Real overseas imports of Hamburg, 1736–1798

## Comments

- ◆ Growth rate of import quantities 1736–1798 0.9% (1736–1794 0.7%)
  - ◆ Consistent with existing information concerning linen exports (0.7 per cent)
  - ◆ Aggregate income in Germany probably increased with population: 0.5 per cent  
→ Increase in openness!
- ◆ No steady trend! (In particular, c. 1755–1783 was characterized by stagnation)
  - ◆ Explanations: (1) import substitution in textiles; (2) trade diversion in the wake of heightened competition between rivalling ports along the North Sea coast; (3) Hamburg was a major profiteer of the fall of the Dutch entrepôt in 1795
- ◆ Major war-related shocks
- ◆ Shift of commodity composition
  - ◆ growth of import quantities of colonial commodities 1.6 per cent
  - ◆ decline of import quantities of wine and Mediterranean groceries -0.7 per cent  
explained by shifts in relative prices → (qualified) support of Great Divergence thesis
  - ◆ growth of imports of colonial commodities cannot be explained by relative price shifts (and income growth) → changes in preferences resulting from consumer revolution / development of regional export industries through an industrious revolution

# Conclusion

- ◆ Already by the 18<sup>th</sup> century Hamburg handled an sizeable proportion of Germany's overseas trade
- ◆ Given the fragmentary nature of Dutch data, toll ledgers from Hamburg contain precious information on Germany's external trade
- ◆ Despite numerous shortcomings if handled with care this data source allows the development of series that
  - ◆ provide a consistent picture of Germany's international economy, c. 1730s–1790s
  - ◆ respond to major issues of 18<sup>th</sup>-c. economy history, such as the Great divergence and industrious revolution hypotheses
- ◆ More consistency tests may be conducted using recent work on exports of other trading partners of Germany / Hamburg
- ◆ Substantial conclusion: There was an increase in openness in a period of stagnating per capita income, but trade growth seems to have been modest compared to other countries (e. g. France)