

Remittance business and SOIC, 1760-1783

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- ”Den hiskelige engelska National Skulden fordrar dryg beskattning, som efter engelska principer faller tyngst på förmögigt folk och på öfverflöds Varor, hvaribland Theer med skäl räknas. Hvilka därföre äro belastade med så tung consumtions avgift, at det lönar sig at från Sverige och Dannemark, där Theer eljest, i anseende til längre och farligare väg, naturligtvis borde vara dyrare, ändock med förmon til England inpractisera dem...” Peter Johan Bladh 1780??

- ”Under Americanske kriget med England, deruti både Frankrike och Holland vore invecklade, var svenska flaggan, såsom neutral, mycket eftersökt. Svenska Ost-Indiska Compagniet, som förut hade en föga lönande rörelse, vant på kort tid ganska ansenliga summor derigenom att Englands och Hollands handel på China för krigets skull måste inskränkas, hwilket i hast föranlänt et lindrigare inköpspris i Canton, men en ansenlig förhöjning i Thépriset både i England och Holland til förmån för den som hade thé att til berörde orter aflåta.” Johan Westerman Liljencrantz 1786 (1878)

- Plassey plunder (great divergence betw the West and India)
- 1756-1763, EIC becomes from a monopoly trading company Bengal's tax collector
- Tax income- EIC, employees, private merchants, "nabob" (Robert Clive)
- Remittances of money to Britain
- No silver; purchases of Indian goods,
- A rise of European-dominated credit market in south-east Asia

Bengal-Canton-London

- Bengal *diwani* financed:
 - British purchases of Indian goods for European markets
 - British purchases of Indian goods for Asian markets, bills of exchange, and eventually purchases of tea in China
 - Profit in EIC trade, private trade and duties and accis duties in Britain
 - well established evidence that the Bengal money financed purchases of teas and that tea cargoes actually functioned as a means of transfer of Indian revenues.

- England's trade statistics, 1772-74
 - tea imports £848,000 per annum
Indian calicoes £697,000
 - American tobacco £518,000.
 - sugar imports £ 2.3 mil
- Tea trade (duties, sales taxes) (Boston Tea Party 1773)

Cuenca-Esteban (2007), Huw Bowen, Brian Tomlinson

- Cuenca-Esteban (2007) shows that EIC trade with China exceeded that of EIC with India.

Relevance of this for Scandinavian history?

Two EIC companies:

Danish Asiatic Company with stations in India
(Tranquebar, Serampore) and large Canton trade

Swedish Company, trade in Canton

Feldbæk, Ole, *India Trade under the Danish Flag
1772-1808*. Scandinavian Institute of Asian Studies. Lund
1969

F. study shows that remittances was an important source
of credit for both DAC and Danish private merchants (after
1772). His results incorporated in Cuenca-Esteban (2007)

- Unfortunately nothing about Scandinavian business in Canton, which was, at least from 1760, much more significant than trade in India, for both DAC and SOIC.

Table 1: The figures for black tea purchases by Europeans (in piculs)

	EIC ships	private ship	French ships	DAC	SOIC	VOC
1763	30,928 (9)	77 (1)	13,652 (3)	23,764 (3)	21,401 (3)	25,844 (3)
1766	69,292 (14)		16,289 (3)	9,349 (1)	10,194 (1)	No data

Table 2: The Danish Asiatic Company payments in Canton,
1732-1807

Period	Silver (%)	Lead (%)	Bills of exchange (%)	Loans (%)	Bottomry loans (%)	Canton account (%)
1732-56	90.27	6.24	1.25	0.61	1.55	0.18
1756-63	74.55	4.57	14.23	0.45	0.62	0.41
1763-72	81.60	5.16	4.76	0.79	0.34	7.95
1772-76	56.35	7.06	28.96	0	2.74	4.63
1776-84	46.54	6.70	24.66	3.24	5.42	10.88
1784-93	60.89	3.55	9.00	18.97	2.19	4.30
1793-02	80.12	3.37	0.52	4.58	5.84	5.49
1802-03	53.01	4.57	1.74	14.30	8.10	17.07

- Paul A. Van Dyke, *Port Canton and the Pearl River Delta, 1690-1845*, (PhD Dissertation, USC, Los Angeles, 2002) Appendix AA, and AB (2 of 6), pp. 671 and 676. Number of ships in brackets. 1 picul=60.5 kg
- Figures for 1770s indicate even larger Scandinavian role
- Kåre Lauring, "Kinahandelen – et spørsmål om finansiering," in: *Søfart, Politik, Identitet, tilegnet Ole Feldbæk*. (Kronborg, 1996), 222. In addition to the mentioned entries there was insignificant percentage of opium import in the 1776-93 years.

What about SOIC? Did Swedes pay their teas in the same way as the British and the Danes?

- Analysis of accounts c. 1760-1786
- Detailed picture of return cargo values (Canton office accounts in tael)
- 87% value in return cargoes: teas
- (SOIC=tea trader)
- 1762-66 purchased return cargoes in average 249,000 tael per vessel (c. 2.24 mil dollar smt)
- 1772-86, indicates slightly lower average return cargo value of 232,000 tael (c. 2.09 mil dollar smt)
- Two ships per annum

Table 3: SOIC's cargo values 1762-66

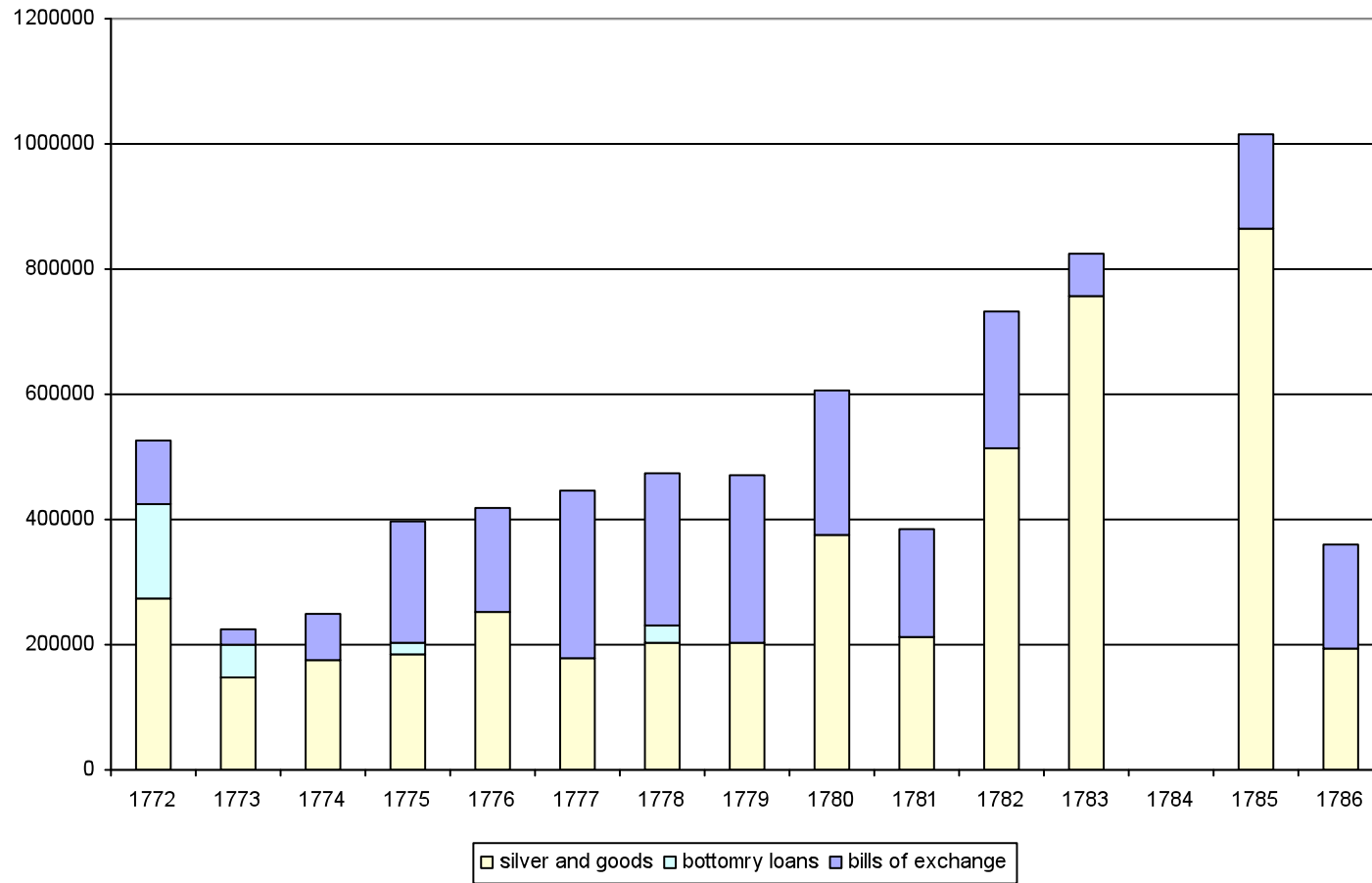
Year	<i>Ship</i>	Value (tael)	
1762	<i>Riksens ständer</i>	250,430	
1763	<i>Stockholms slott</i>	247,462	
1764	<i>Prins Carl</i>	247,429	
1765	<i>Stockholms slott</i>	267,122	
1766	<i>Riksens ständer</i>	260,757	
1766	<i>Prins Carl</i>	222,045	
average		249,207	

- 1769-83, Gtbg export cargo values between 1,000-2,000 dollar smt, completely insignificant figures in comparison with purchase values of return cargoes (c. 2 mil. dollar smt).
- The Canton factory balance sheets show that the Swedish company imported normally between 150,000 and 250,000 tael in silver per annum, with exception of 1780s (300,000 tael, cmp.250,000 tael per ship

Table 4: Entries in the balance account of the SOIC's factory
in Canton, 1772-86 (in tael)

	Silver, lead and other goods (tael)	Silver and goods (%)	Bottomry loans (tael)	Bottomry loans (%)	Bills of exchange (tael)	Bills of exchange (%)	Sum (tael)
1772 (1)	275,010	52	149,711	28	102,564	20	527,285
1773 (1)	148,978	66	51,208	23	25,344	11	225,530
1774 (1)	175,780	71	0		73,243	29	249,023
1775 (1)	183,777	46	19,110	5	194,618	49	397,505
1776 (1)	253,451	61	0		164,385	39	417,836
1777 (1)	178,933	40	0		267,552	60	446,485
1778 (1)	203,964	43	26,048	6	244,162	51	474,174
1779 (1)	203,827	43	0		267,421	57	471,248
1780 (2)	376,466	62	0		229,622	38	606,088
1781 (1)	211,826	55	0		173,527	45	385,353
1782 (2)	512,869	70	0		218,618	30	731,487
1783 (3)	756,917	92	0		67,602	8	824,519

Diagram 1: Sources of payments in SOIC's purchases, 1772-86 (%)



- Source: Balansräkningar för kontoret i Kanton, 1772-86, Göteborgs universitetsbibliotek: Svenska ostindiska kompaniets arkiv, arkiv nr H 22:15, (available on line: <http://www.ub.gu.se/samlingar/handskrift/ostindie>) In parenthesis number of silver shipments per annum. Column “Silver, lead and other goods” includes all costs of cargo from Cadiz.

- Bottomry loans important source of credit in 1772 and 1773
- Bills of exchange (Wexel conto) made up to 50% (150-250,000 tael) of payment in 1775-81
- Similarity with the DAC is clear
- Were the bills to paid on London?
- the balance account of 1773 mentions bills drawn on the firm Toten & William Wilson in London
- More data needed

- Paul Van Dyke's research shows the Canton credit market with very active Swedish supercargoes: Jean Abraham Grill, Michael Grubb, Jacob Hahr, (Peter Johan Bladh) borrowed cheap money in Macao to lend to the Chinese in Canton.
- Invested in junk trade, as well as in commodity trade (opium from India)
- Moreover...

- “...As to the Sum you intend to send home by our Company if you are contented with Five shillings per Spanish Dollar for bills on 3 or 4 months sight, drawn on the Company agent in London, please do advise Mrs. Chambers & Hahr thereof by the first opportunity ... As to the Sum you intend to remit home by the way of Canton in the year 1770, the best you can do, is to write about it to Gottenburg, by the homeforbound Ships this year from Madras or other places, and then you may get an answer in time... You know that your friends Sandberg & Grubb [Michael Grubb] are both Directors of the [Swedish] Oost-Indian Company, or if else you choose to employ your humble servant you may depend on my best endeavours
- J A Grill to George Smith, trader in Macao, Nov 1768

- A letter does not not provide a quantitative evidence of the role of SOIC in the remittances via Canton. Nevertheless, considering SOIC's importance in Canton trade in th 1760-1784, limited number of actors (two-three supercargoes annually) we may presume that SOIC did play a crucial role in transfer of money from Bengal via Canton to London.