

How to wage a mercantilist war? Lessons from the Second Hundred Years War

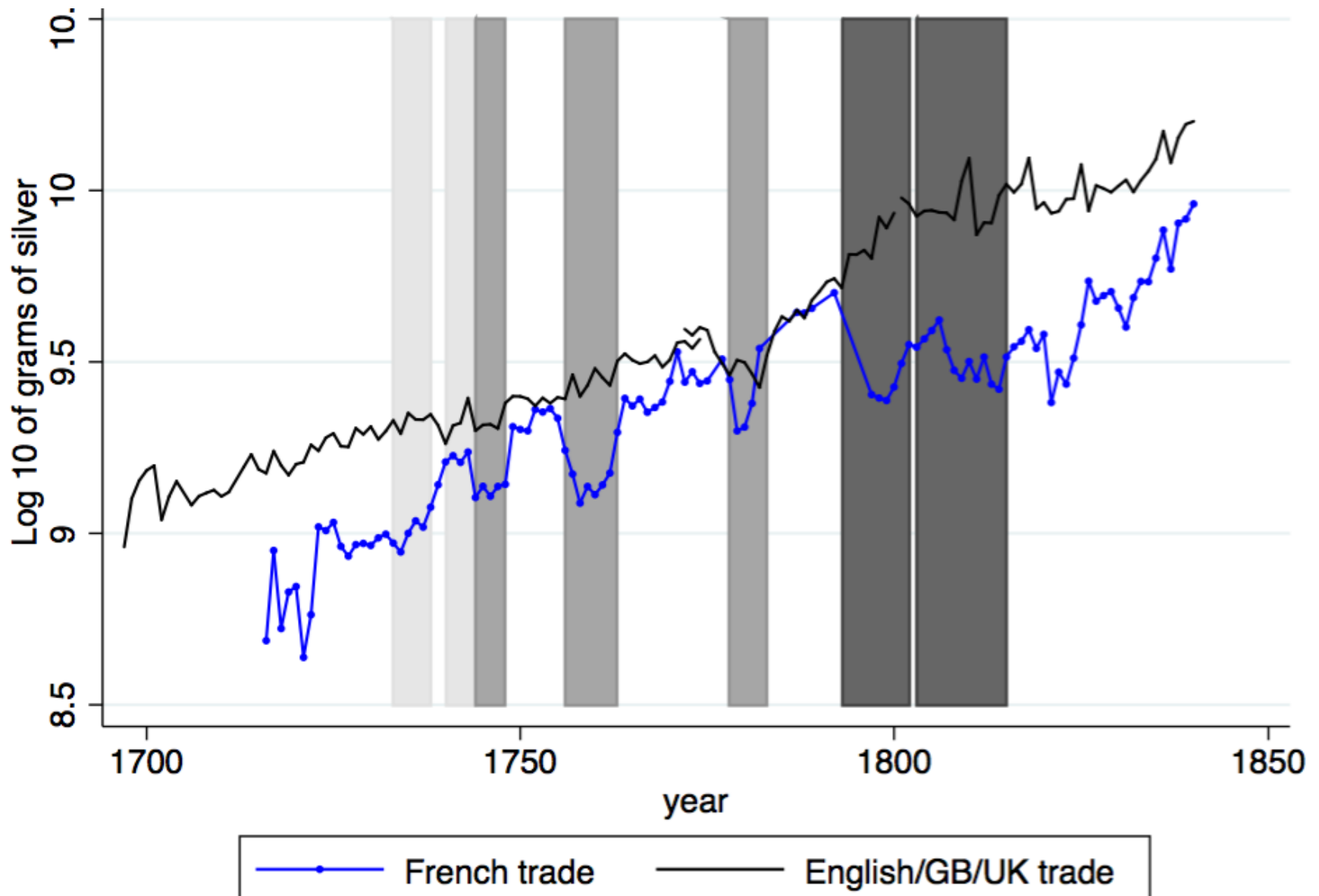
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Introduction (1)

- *European nations were nations of eternal war* (Jefferson, 1823).
 - Indeed, from 1700 to 1825, 2 years out of 3 experienced conflict between major european powers (<https://ourworldindata.org/war-and-peace/>)
 - Rivalry between Great-Britain and France was central (« 2nd Hundred Years War » 1688-1815)
- There were many reasons for this situation. Yet...
 - Especially after the death of Louis XIV, mercantile rivalry was an important motivation of Anglo-French wars. (Crouzet 2008, Wallerstein 1980...).
 - Each nation was jealous of the other's commercial success and the British believed war was a good way to curtail them
 - The French could not believe it, because they did not have much naval success
 - an extreme version of protectionism and mercantilism
- BTW, whether AR France was “protectionist” is an open question
 - Sure, there were prohibition and the state intervened
 - But exterior tariffs were rather low. Though we do not know that much about them.
 - It is interesting to contrast protectionism and mercantilism

Total French trade and Anglo-French wars

note : inflation was low before 1792



Introduction (2)

- Question of this paper: how come some wars were successful at disrupting French trade and not others ?
- Why do we care?
 - Important to understand the effect of wars in general
 - Important to understand (and contrast) the geopolitical history of the 18th and 19th century
 - Important to understand the globalization/deglobalization cycle from 1490s to 1840s

Introduction (3)

- What do we know about the effect of wars?
- Most of the work is on the 19th and 20th century
 - No agreement on the exact effect, but most believe there are long-lasting effects of war (Blomberg & Hess (2004), Glick & Taylor (2005), but not Barbieri & Levy (1999)...)
- The only one of 18th century : Rahman (2007) on the importance of naval power
 - O'Rourke (2006) has remarked on the importance of the Napoleonic blockade (mainly price-based evidence)
 - Juhasz (2014) on the importance of infant-industry protection effect of the Napoleonic wars
 - The resilience of French trade has been remarked by historians (Riley (1984))

Introduction (4)

- What do we add?
 - We look into the mechanism of trade disruption
 - Though this is an unfinished paper
- Outline
 - Dataset
 - Historical overview
 - Naval supremacy and colonies
 - The role of neutrals
- Conclusion
 - The policy toward neutral shipping is central to success
 - We hope we will find why when we look at the composition of trade

Dataset (1)

- Where do the data come from?
 - French data: Bureau de la Balance du commerce (created in 1713)
 - Big administrative change in the 1780s. Continuity of the data up to 1821, with numerous gaps
 - By partner * goods (from 250 to 3000 depending on the year) * ports (up to 1789)
 - Before 1749, there is no national « by goods » data
- You can play with it on our « datascapex » : <http://toflit18.medialab.sciences-po.fr>
- It does fit the Benford's law

Entrées

Marchandises.	Pais	Valueur de chaque espèce.	Total.
A			
Andore	carabe. Hollande	16710.	20068.5
	Hollande	81.5	
	Nord	72.	
	Portugal.	72.	
	Allemagne	875.	
jaune	Hollande	58.	8133.
	Nord.	2,200.	
Amecons	Hollande		125.
Amidon	Danemark	257.	19599.11
	Hollande	50,278.16	
	Nord	143318.15	
	Suede	2115.	
Andas	Hollande		129,250.
Andois	Espagne	12245.5	14101.
	Flandre	62.	
	Italie	123315	
	Portugal.	580.	
Ancres de fer.	Angleterre	25.	70911.8
	Espagne	33325.8	
	Hollande	9677.	
	Italie	18210.	
	Levant	800.	
	Nord	5200.	
Suede		36611.	
Anis	Espagne	13037.5	16209.9
	Italie	2892.4	
	Levant	280.	

Sorties

Marchandises.	Pais.	Valueur de chaque espèce.	Total.
A			
Andore	gris. Hollande	55.	55.
Amecons	Espagne		560.
Amidon	Allemagne	1148.12	50,836.12
	Angleterre	361.12	
	Espagne	1677.	
	Flandre	40,451.16	
	Hollande	045.	
	Italie	3177.	
	Levant	158.	
	Nord	210.	
Savoie		45.12	2,352.
	Suisse	2,352.	
Amidonum	Levant		716.
Andois	Allemagne	180.	6,066.12
	Angleterre	120.11	
	Danemark	427.4	
	Flandre	620.10	
	Hollande	848.8	
	Nord	1504.1	
	Savoie	97.10	
	Suede	1612.16	
Suisse		1138.10	
Ancres de fer.	Levant		2,560.
Anis	Allemagne	112.	6,070.5
	Espagne	1,119.	
	Flandre	85.16	
	Italie	4156.	
	Portugal.	337.9	

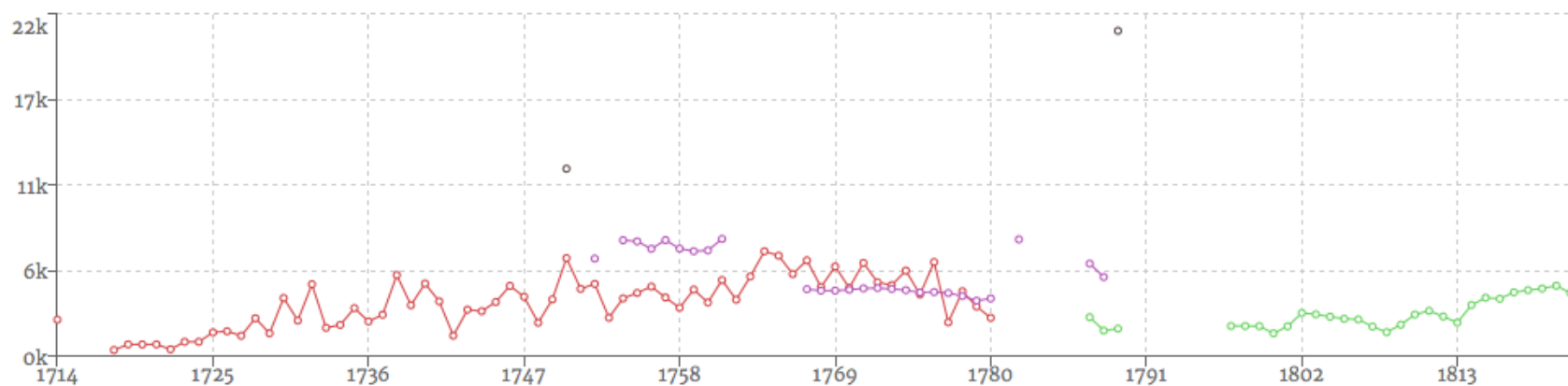
Total flows - (source type: Local) ✕

Total flows - (source type: National par direction) ✕

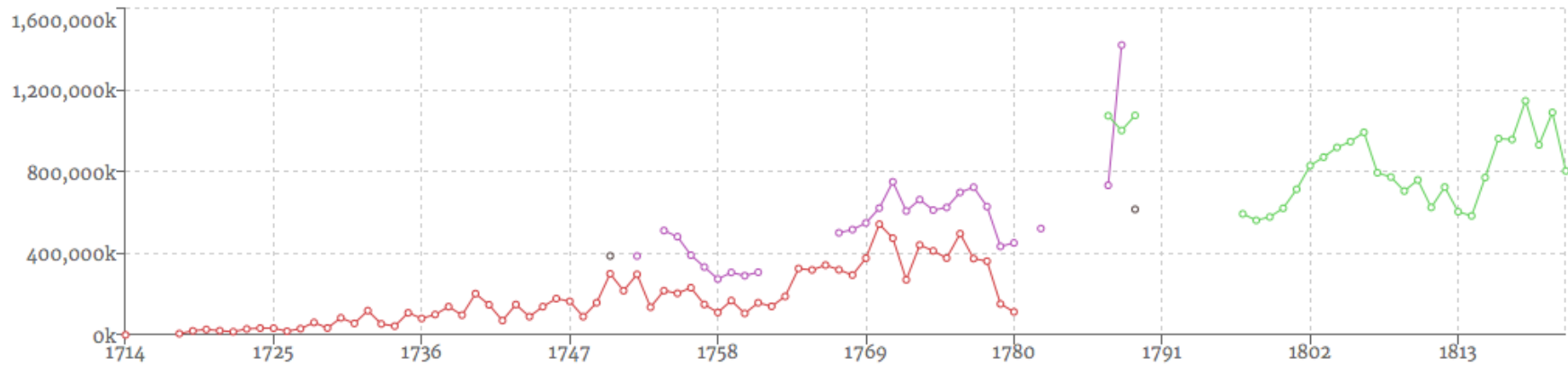
Total flows - (source type: Objet Général) ✕

Total flows - (source type: Résumé) ✕

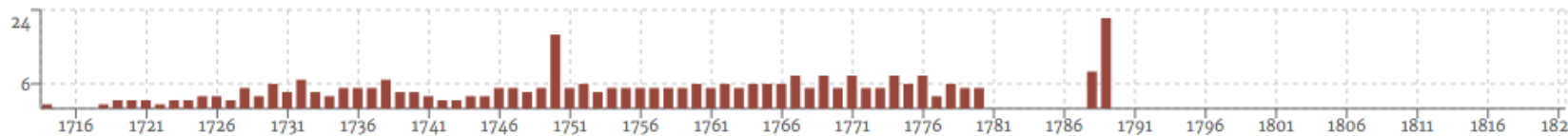
Number of flows per year



Total value of flows per year

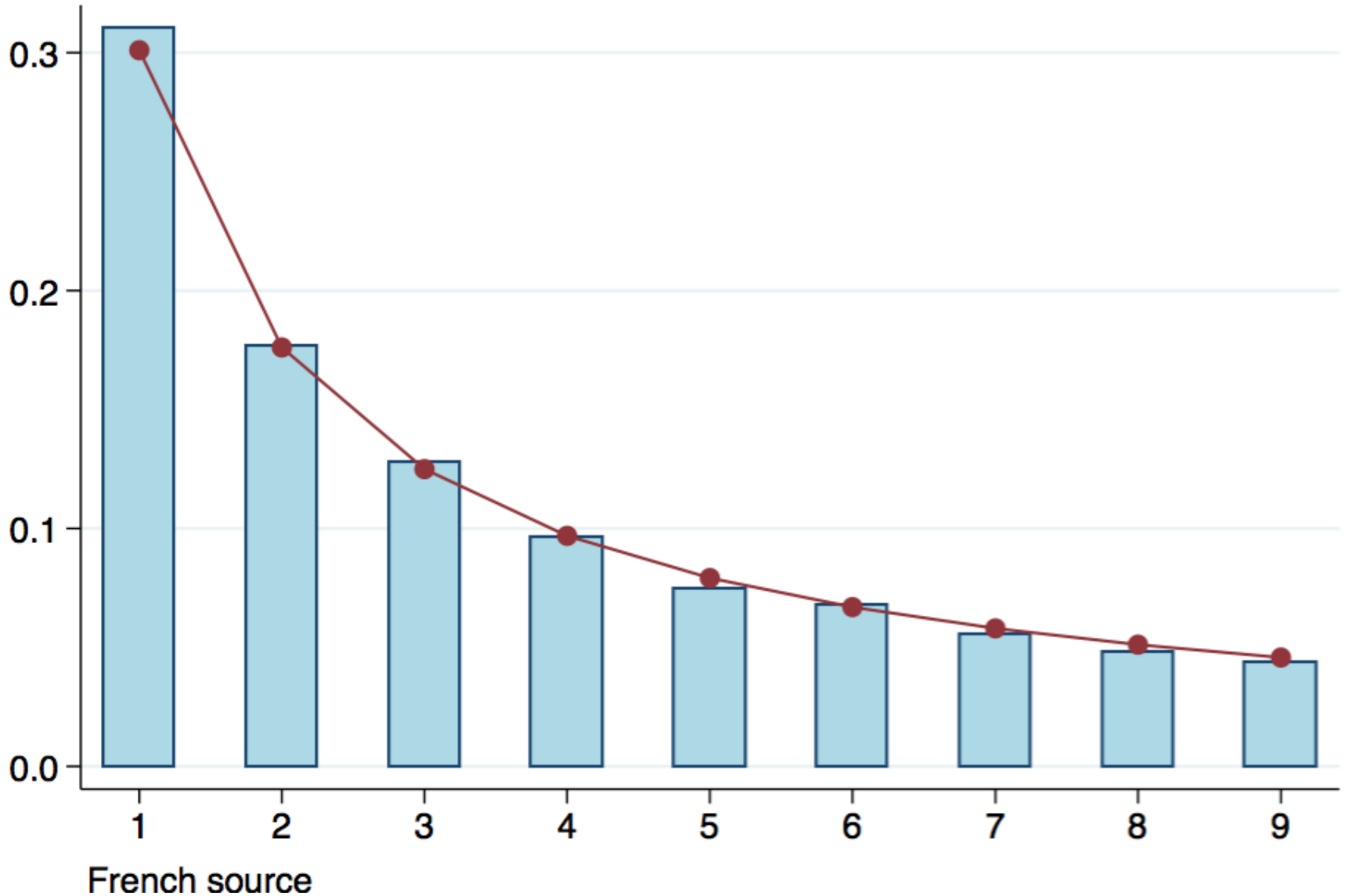


Total number of directions per year



Frequency of the first digit

observed and expected



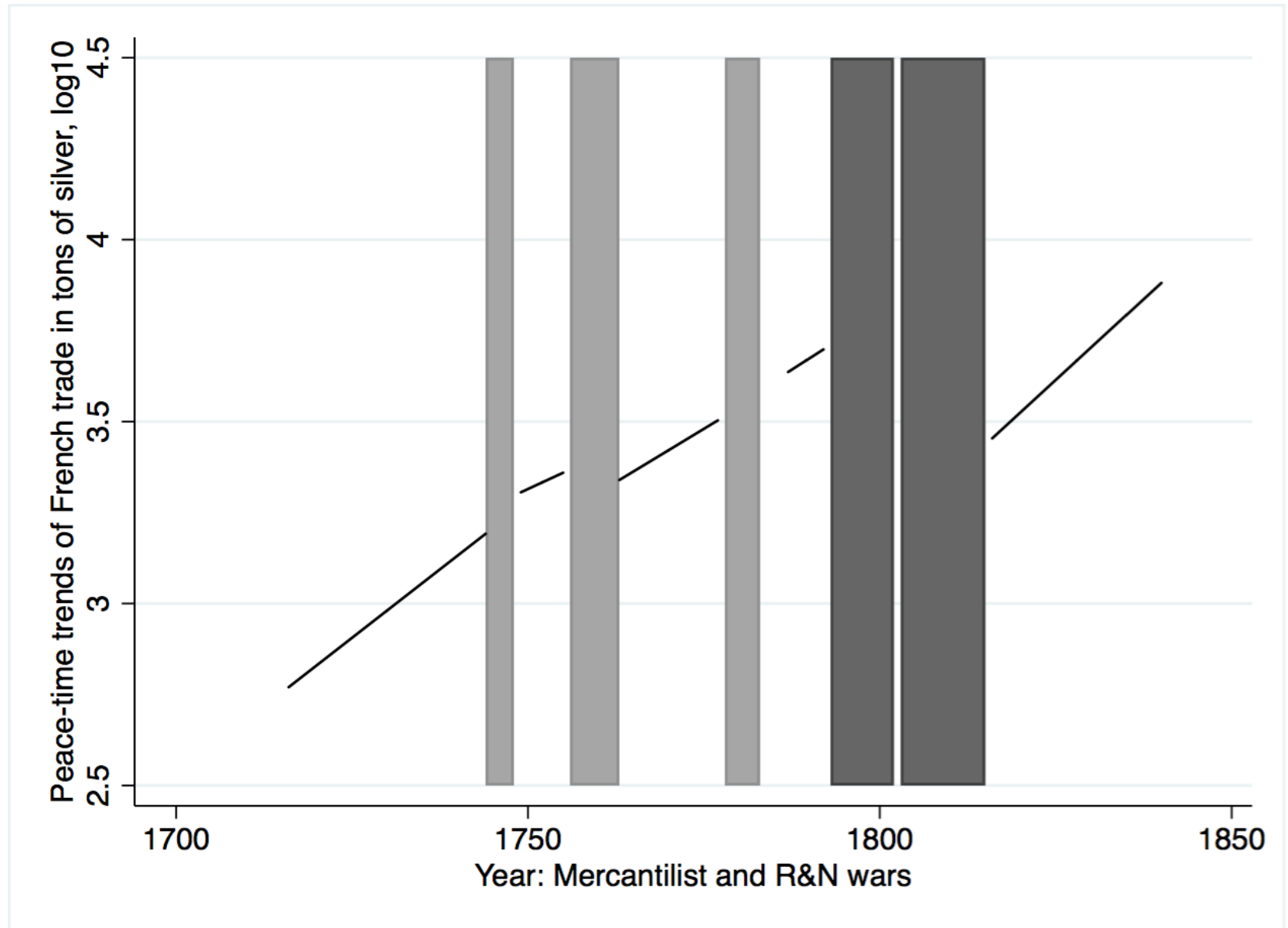
Dataset (2)

- We are limited in the number of trade partners
 - They were groups of countries
 - We need a consistent classification throughout
 - Suisse, États-Unis: what you would expect
 - Outre-Mers: French Colonies ; Levant : North Africa and the Ottoman Empire (including the Balkans)
 - Allemagne (including Alsace and Lorraine before 1792)
 - Angleterre, Espagne, Portugal (including empires)
 - Empereur (mainly current-day Belgium before 1794, mainly Austria afterward)
 - Hollande (including Belgium after 1815)
 - Nord: everything north of Hollande (main trade partner: Hanseatic Cities)
 - Italie: geographical expression

Historical overview (1)

- A long list of wars between France and Britain. The main ones :
 - War of the Polish Succession (1733-1738)
 - War of the Austrian Succession (1740(44)–1748)
 - Seven Years War (1756–1763)
 - War of American independence (1775(78)–83)
 - French Revolutionary Wars (1792–1802)
 - Napoleonic Wars (1803–1815)
- With contrasting effects on French trade
 - Trend by time periods
 - Loss function : $\text{Loss} = (\text{Expected value based on past peace trend} - \text{Observed value}) / \text{Expected value based on past peace trend}$
 - Two innocuous wars: War of Austrian Succession and War of American Independence
 - Two disruptive wars: Seven Years War and R&N War

Peace-time trends of French total trade



War and Peace trends of French total trade

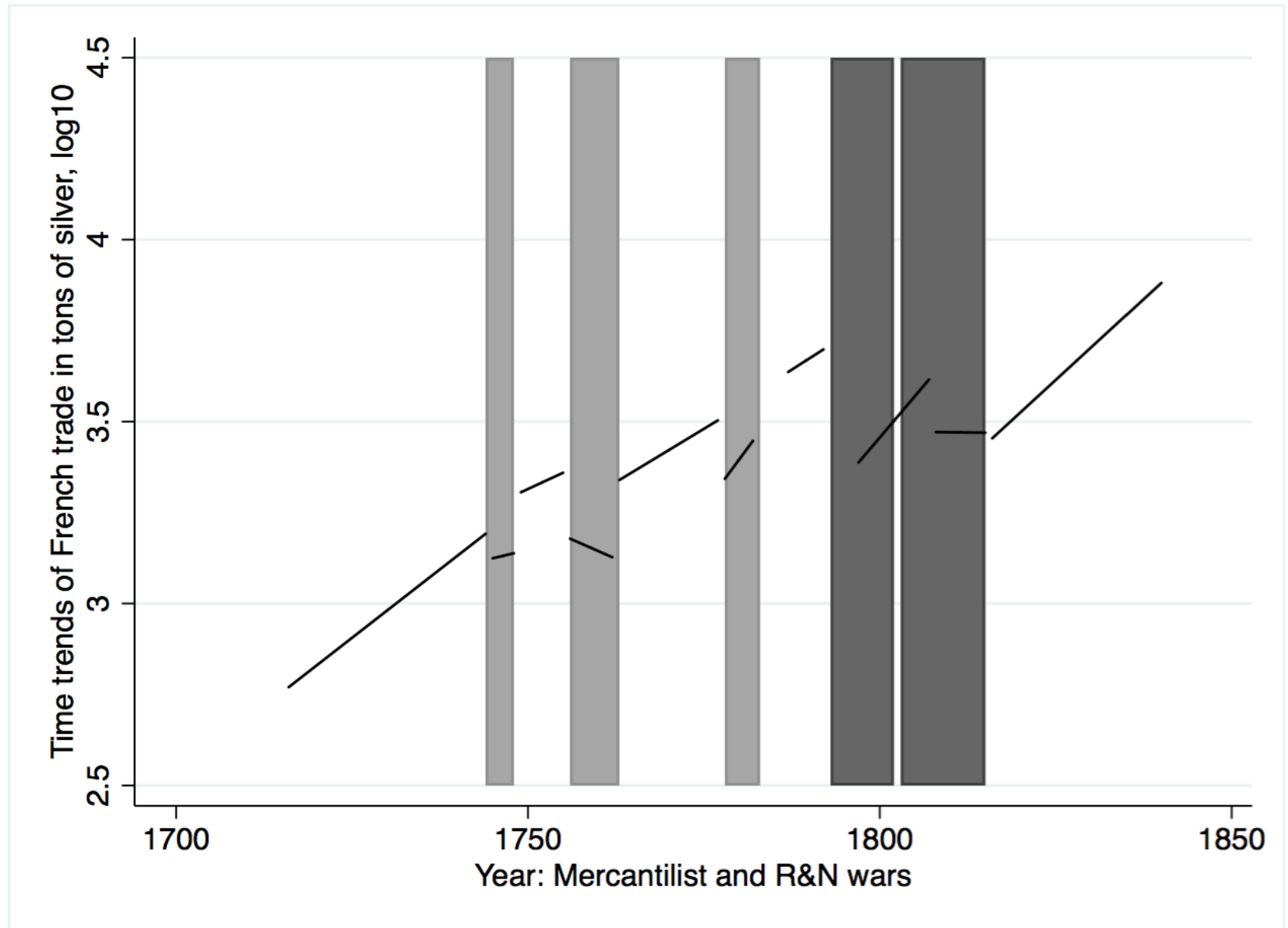
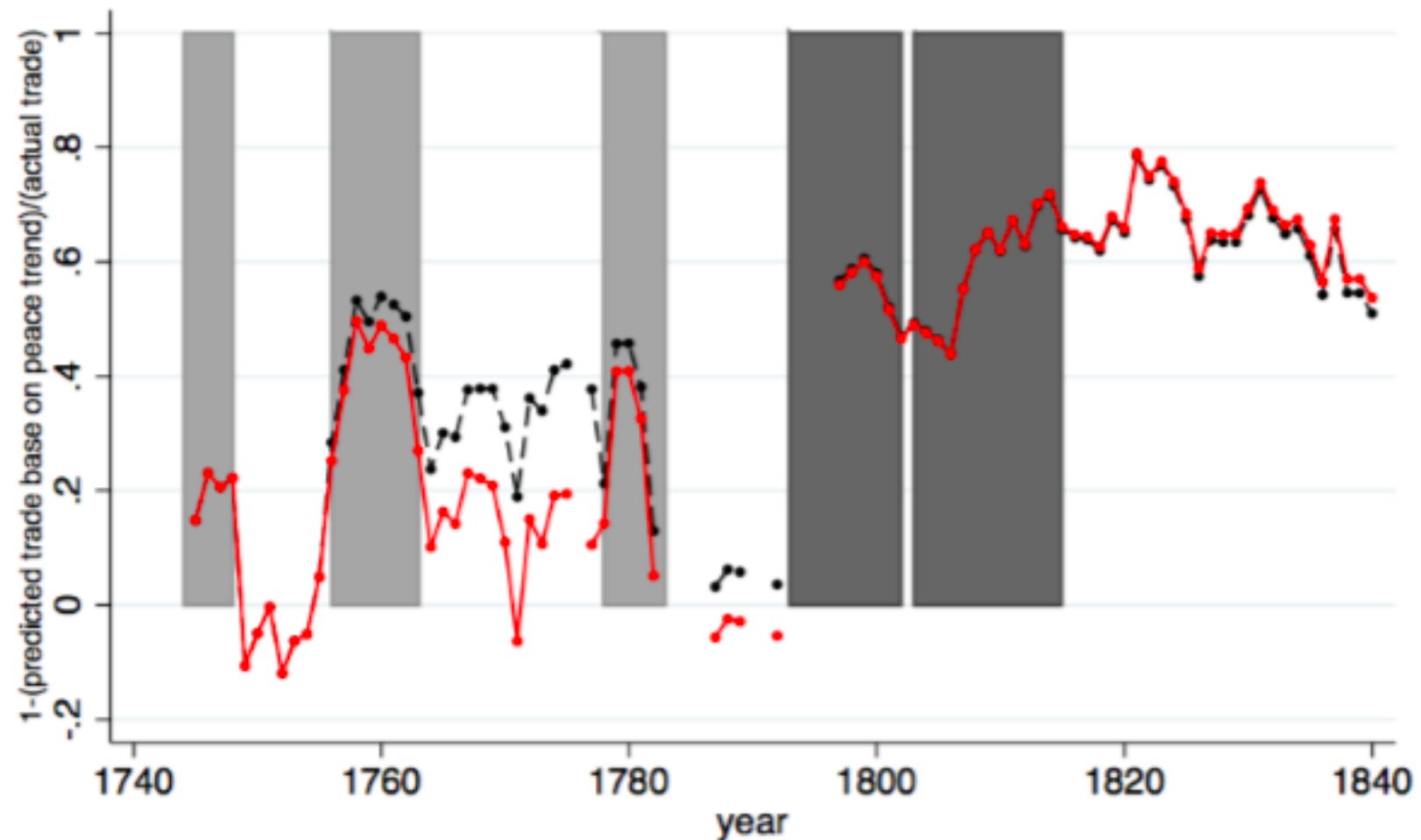


Figure 3: Annual Loss Function



- Using all past peace periods for the peace trend
- Using the preceeding peace period for the peace trend

Figure 4: Mean Loss Function

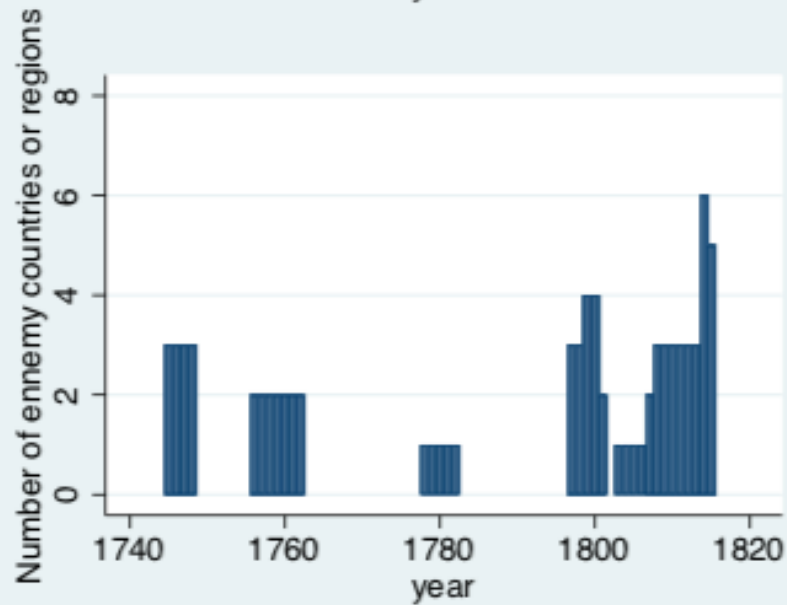
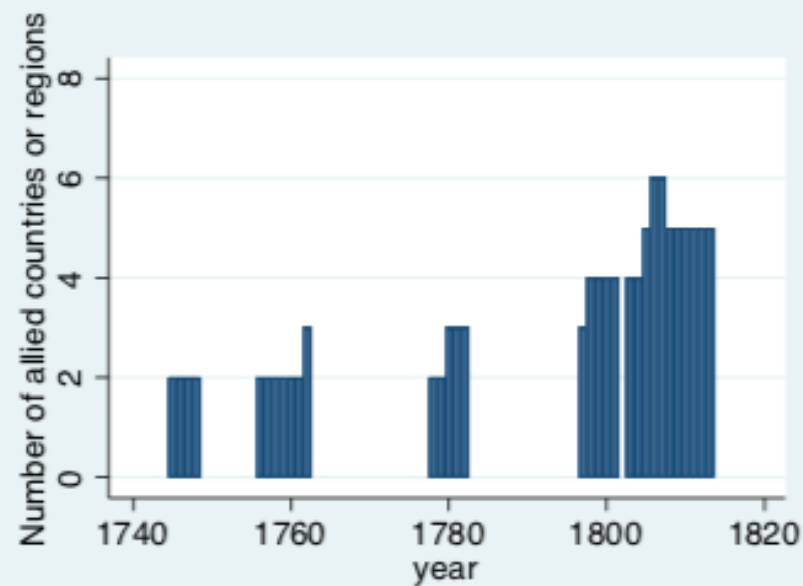
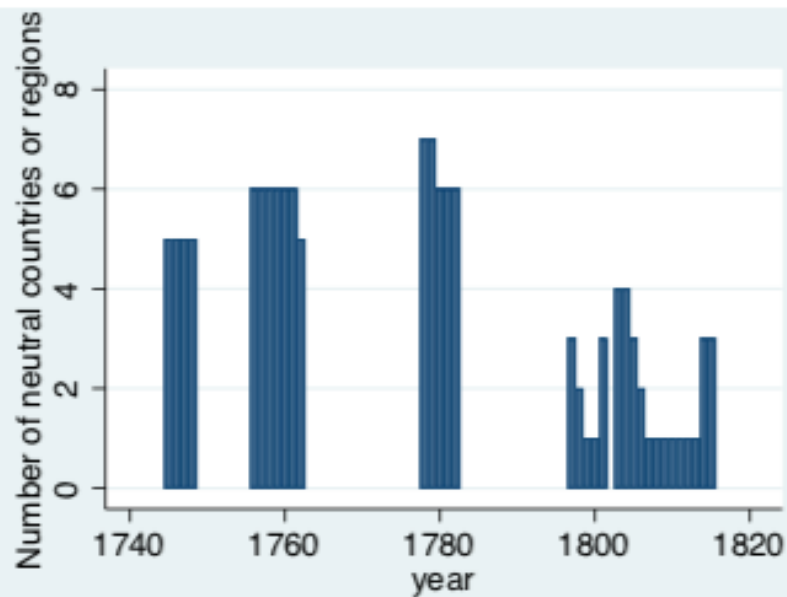


Historical overview (2)

- Changing loyalties, especially during the R&N Wars
- Changing share of neutrals

Country	Foe	Neutral	Ally
Allemagne	1792-1800 1814-1815	1801-1804	1805-1813
Angleterre	1793-1815	1792	
Espagne	1793-1794 1808-1815	1792 1795	1796-1807
Empereur	1792-1800 1805 1809 1813-1815	1801-1804 1806-1808	1810-1812
États-Unis	1798-1800	1792-1797 1801-1815	
Hollande	1793-1794 1814-1815	1792	1795-1813
Italie	1792-1796 1814-1815		1797-1813
Levant	1798-1801	1792-1797 1802-1815	
Nord		1792-1807 1814-1815	1808-1813
Outre-mers			1792-1815
Portugal	1793-1797 1799-1800 1807-1815	1792 1798 1801-1806	
Suisse		1792-1797 1814-1815	1798-1813

Figure 2: Number of protagonists



Naval supremacy and the loss of colonies

- With basically four observations, one cannot hope to uncover robust statistical relationships
 - Still, we can check the coherence of usual explanations for the disruptions of French trade.
- Naval supremacy
 - Rahman (2007)'s argument
 - Modelski and Thompson (1988)'s data
 - Does not seem to work
- Loss of colonies
 - Based on 1788 French imports
 - Does not seem to have been the main explanation before the R&N Wars

Figure 5: Naval Supremacy Ratio

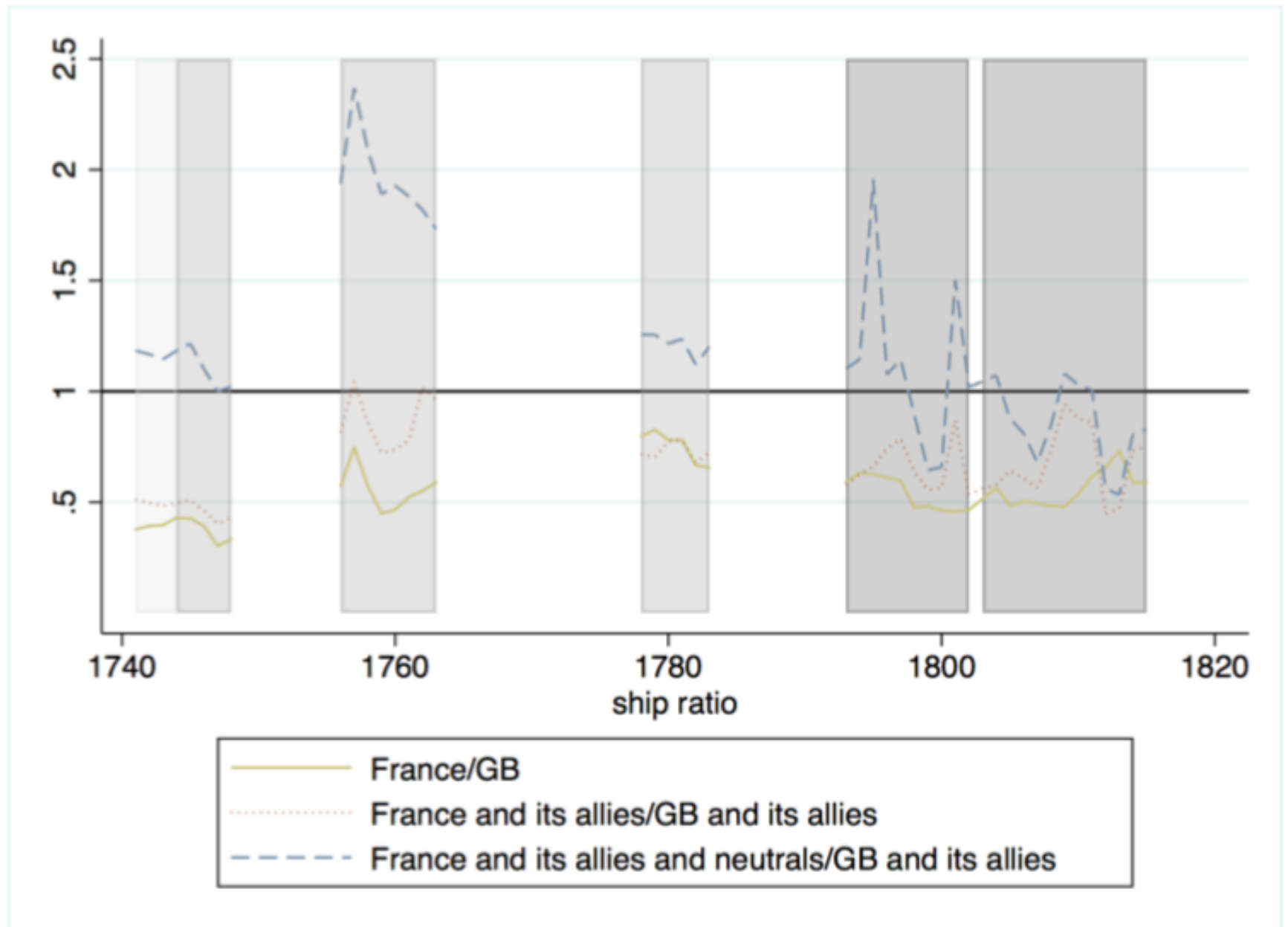
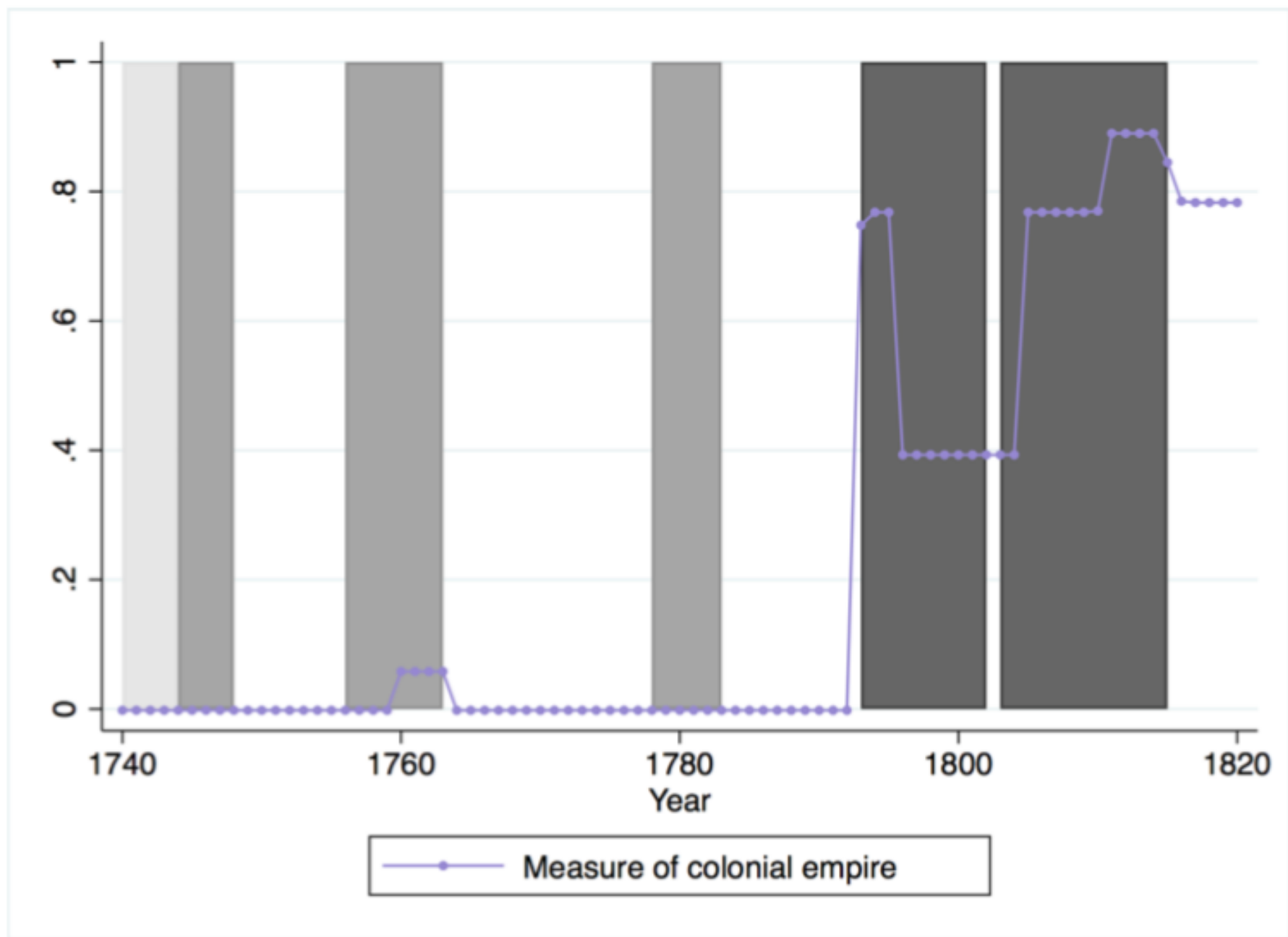


Figure 6: Colonial empire loss



Role of neutrals (1)

- Three levels of war on enemy trade during maritime wars
 - Obviously, enemy ships are fair game
 - So one would use neutral ships
 - Sometimes, enemy cargos on neutral ships were fair game
 - So one would use false papers and neutral pretend-owners
 - Even more rarely, goods from enemy territory on neutral ships, with neutral owners were fair game
 - The Neutral were not happy about it
 - During the eighteenth-century, there are many conflicts on what is allowed or not, basically between the British and Neutrals
- Mercantilist wars
 - War of Austrian Succession
 - The British did not fight neutral trade very strongly
 - Seven Year War
 - 1756 : Rule of the War of 1756 and the Doctrine of Continuous Voyage
 - The British claimed the right to seize neutral shipping to look for contraband and exercised it
 - War of American Revolution
 - Idem, but the League of Armed Neutrality (1780) was more or less respected

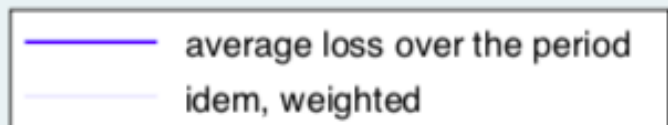
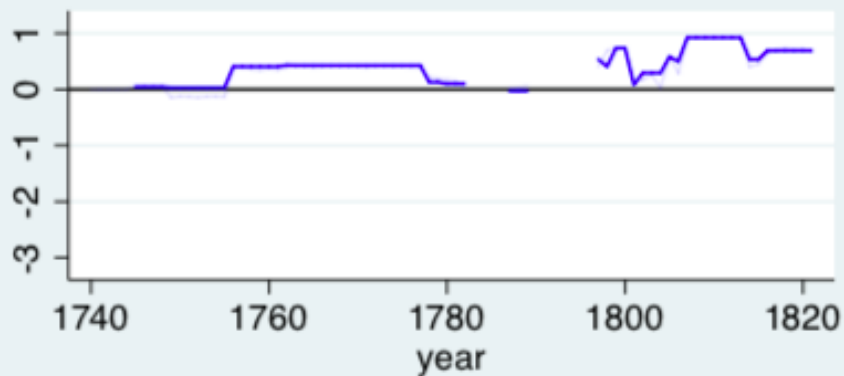
Role on neutrals (2)

- Revolutionary and Napoleonic wars
 - Very soon in 1793, most British goods were prohibited in France. The British side adopted a policy of blockading the coast of France.
 - Both took action vs neutral shipping
 - 1794: League of Armed Neutrality between Danmark and Sweden
 - They agreed to provide naval protection to their shipping
 - Late 1800: They are joined by Russia and Prussia.
 - The British blockaded them (not Prussia) and bombed Copenhagen to end the League in 1801
 - Decembre 1806: Berlin decree.
 - Prohibition of all British goods and ships coming directly from Britain or her colonies were to be turned away from French ports
 - Througout Napoleonic Europe (including Russia, Prussia, Portugal, Denmark in 1807 and Sweden in 1810)
 - November 1807 neutrals would have to put into British ports if they wanted to ship goods to France
 - Napoleon retaliated by declaring that any neutral ship putting into a British port was fair prize, and could be seized.
 - Embargo Act / non-Intercourse Act : the US move to autarcy for 14 months
 - The system starts unravelling in 1810 (Russia out)

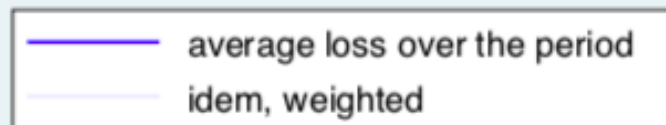
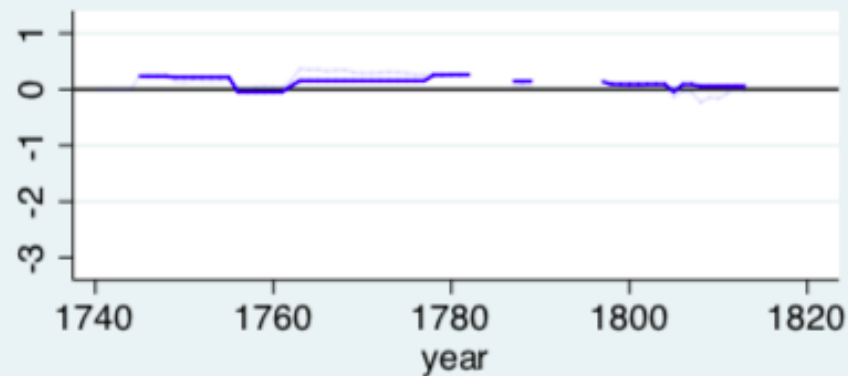
Role of neutrals (3)

- So, to sum up.
 - The British were tough on neutral trade during the 7YW and the R&N War.
 - The French gave them a hand during the Napoleonic period
- That fits...
 - Polarization during the R&N War
 - Look at the mean country-specific trade loss function by trading zone. The trade loss function has been computed based on all preceding peace periods
 - Empereur and Hollande out during the R&N War

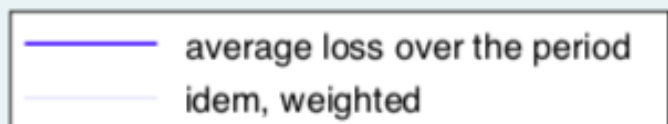
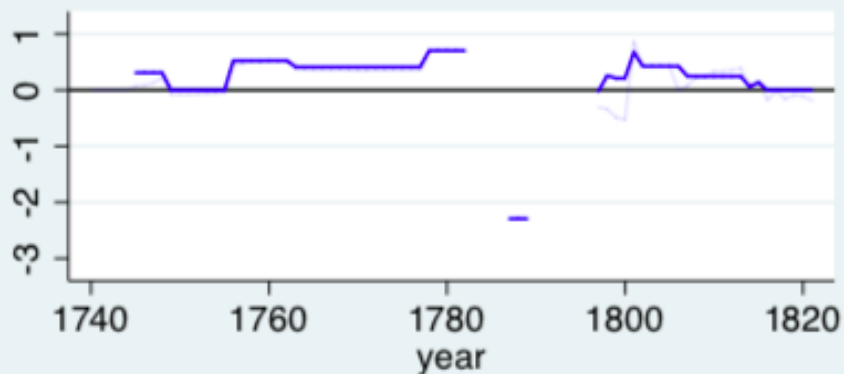
Total trade with neutrals



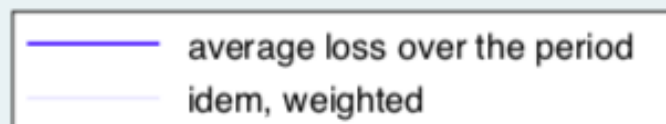
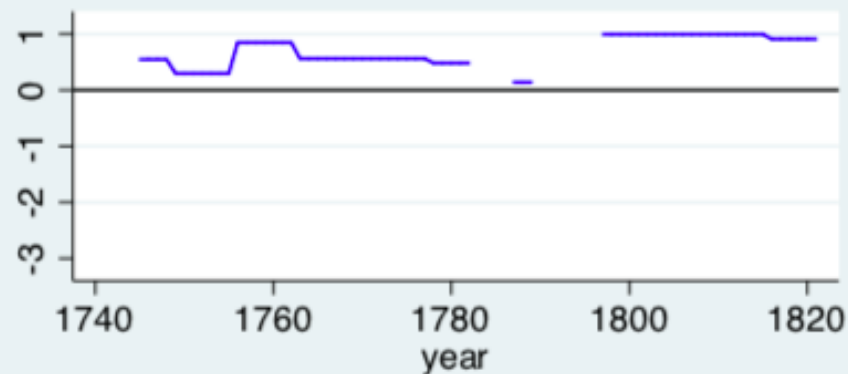
Total trade with allies



Total trade with foes



Total trade with colonies



Conclusion

- The policy toward neutral shipping is central to success
 - And you need the enemy's collaboration
- Outline
 - Dataset
 - Historical overview
 - Naval supremacy and colonies
 - The role of neutrals
- I did say it was not finished
 - Is the US a new type of neutral ?
 - Look at the merchandise composition of trade
 - Hypothesis : you need to be able to change the structure of trade of your foe to inflict long-lasting damages