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Introduction to the Special Issue: Business of Empire in the Atlantic

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Abstract

This introduction to the special issue *Business of Empire in the Atlantic* contends that business organizations (partnerships and chartered or joint-stock companies), exploitative frameworks (free trade, monopolies, and royal prerogatives) and business practices coexisted in the Atlantic for over two hundred and fifty years. There was no linear development towards the best and most efficient business model, but rather the development of hybrid forms of business and concomitant economic exploitation. The second contention is that the mechanisms through which hybrid forms of business developed in the Atlantic, and the way that transnational business networks stood at the core of these hybridities, need to be understood in a context of interconnected arenas of negotiation in Europe and in the colonies themselves. Thus, we underscore the need to continue thinking about the Atlantic as a non-linear, transnational, and uncontained space, where business innovation took place alongside and simultaneously with developments in 'national' political economies.

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Atlantic History – colonial trade – business organization forms – business practices – political economy

The conceptualization of the Atlantic as an historical subject and the subsequent explosion of Atlantic studies after the historiographical interventions of David Armitage and Bernard Bailyn in the early twenty-first century have obfuscated the post-Second World War efforts to portray the Atlantic as a socially and economically entangled space.[1] In the 1950s and 60s this historical subject was not dominated or defined by the historiography pertaining to the British experience in North America, the Caribbean or West Africa, but was instead informed by the Portuguese construction of an Atlantic, or South Atlantic, system in which Europeans, 'Brazilians', native peoples of South America, 'Angolans', 'Cape Verdeans', people from São Tomé and Africans participated to varying intensities and fulfilled different roles.[2] Shortly afterwards, although still in the 1960s, this conceptualization was followed by a second wave of Atlantic studies which presented the transatlantic slave trade, in an overall evaluation, as an Atlantic phenomenon extending across and beyond imperial boundaries and covering the entire colonial experience in the Americas. Nonetheless, most of these historiographical insights were developed by historians interested primarily in the British experience of the Atlantic with the slave trade and outputs of slave labour being prominently connected to the question of the mutual influence of slavery and the British Industrial. This was a discussion initiated by Eric Williams in the 1940s that is still ongoing.[3]

1 David Armitage, "Three Concepts of Atlantic History", *The British Atlantic World, 1500–1800*, eds. D. Armitage and M. J. Braddick (Basingstoke: Palgrave Macmillan, 2002), 11–27; Bernard Bailyn, *Atlantic History: Concept and Contours* (Cambridge, MA: Harvard University Press, 2005).

2 C. R. Boxer, *Salvador de Sá and the Struggle for Brazil and Angola, 1602–1686* (London: Athlone Press, 1952); Frédéric Mauro, *Le Portugal et l'Atlantique au XVIIe siècle* (Paris: SEVPEN, 1960); Pierre Chaunu, "Brésil et Atlantique au XVIIe siècle", *Annales. Économies, Sociétés, Civilisations* 16, no. 6 (1961): 1176–1207; Manuel Nunes Dias, *O descobrimento do Brasil: subsídio para o estudo da integração do Atlântico Sul* (São Paulo: Livraria Pioneira Editora, 1967).

3 Eric Williams, *Capitalism and Slavery* (Chapel Hill: The University of North Carolina Press, 1944); Richard Sheridan, "The Plantation Revolution and the Industrial Revolution, 1625–1775", *Caribbean Studies*, 9, no. 3 (1969), 5–25; Roger Anstey, "Capitalism and Slavery: A Critique", *Economic History Review*, 21, no. 2 (1968), 307–320; Stanley Engerman, "The Slave Trade and British Capital Formation in the Eighteenth Century: A Comment on the Williams Thesis", *Business Studies Review*, 46, no. 4 (1972), 430–443; R. Keith Aufhauser,

For historians, the fifteenth-century Portuguese and Spanish definitions of an Atlantic space allowed for analyses and interpretations that were not only innovative when first conceived of in the 1950s and 60s, but that have also continued to inform important works on the development of a South Atlantic complex. Significantly, the combining of an analysis of metropolitan institutions and of how these institutions interacted with their colonial offshoots was balanced with clear insights from the colonial societies themselves.[4] The colonial societies were seen as being part of a metropolis-colony relationship, but also as constituting a world of colonial entanglements beyond the control of the central state.[5] This perspective led to research into the autonomous participation in colonial societies by heretofore understudied autochthonous and subaltern groups (native Americans or enslaved Africans) in their own right.[6] This resulted in the Atlantic being geographically re-defined as a world where not only Europe, the Americas, and Africa met, but where links to the Pacific and Indian Oceans were seen as crucial for understanding social and economic developments in the Atlantic itself. In this historiographical perspective, the Atlantic Islands (the Azores, Madeira, the Canary Islands, Cape Verde, and S. Tomé) and the Caribbean (particularly the Spanish Caribbean) became focal points for conceptualizing and implementing an 'Atlantic' idea.

"Profitability of Slavery in the British Caribbean", *Journal of Interdisciplinary History*, 5, no. 1 (1974), 45–67; Robert Thomas and Richard Bean, "The Fishers of Men: Profits of the Slave Trade", *The Journal of Economic History*, 34, no. 4 (1974), 885–914; Sven Beckert, *Empire of Cotton: A New History of Global Capitalism* (London: Penguin Books, 2015); Sven Beckert and Seth Rockman eds., *Slavery's Capitalism: A New History of American Economic Development* (Philadelphia: University of Pennsylvania Press, 2016); Trevor Burnard and Giorgio Riello, "Slavery and the New History of Capitalism", *Journal of Global History*, 15, no. 2 (2020), 1–20.

4 Stuart B. Schwartz, *Tropical Babylons: Sugar and the Making of the Atlantic World, 1450–1680* (Chapel Hill: University of North Carolina Press, 2004); Laura de Mello e Souza, Júnia Ferreira Furtado e Maria Fernanda Bicalho (orgs.), *O governo dos povos* (São Paulo: Alameda, 2009); Laura de Mello e Souza, *O sol e a sombra: política e administração na América portuguesa do século XVIII* (São Paulo: Companhia das Letras, 2006).

5 Stuart B. Schwartz, *Sugar Plantations in the Formation of Brazilian Society: Bahia, 1550–1835* (Cambridge: Cambridge University Press, 1985); Stuart B. Schwartz, *Slaves, Peasants and Rebels: Reconsidering Brazilian Slavery* (Urbana: University of Illinois Press, 1992); Luíz Felipe de Alencastro, *The Trade in the Living. The Formation of Brazil in the South Atlantic, Sixteenth to Seventeenth Centuries* (New York: SUNY Press, 2018) trans. Luíz Felipe de Alencastro, *O tratado dos viventes: formação do Brasil no Atlântico Sul* (São Paulo: Companhia das Letras, 2000).

6 Joseph C. Miller, *Way of Death. Merchant Capitalism and the Angolan Slave Trade, 1730–1830* (Madison: University of Wisconsin Press, 1988); Pedro Puntoni, *A guerra dos bárbaros: povos indígenas e a colonização do sertão nordeste do Brasil, 1650–1720* (São Paulo: Editora Hucitec – EDUSP, 2000); Catarina Madeira Santos, "Écrire le pouvoir en Angola: les archives ndembu (XVIIe-XXe siècles), *Annales. Histoire, Sciences Sociales*, 64, no. 4 (2009), 767–795.

Prior to the birth of Atlantic history for the new millennium, however, the historiography on the Iberian world was already aware that the Atlantic was not a contained space and that the Iberian Atlantic system's survival had been heavily dependent on economic and societal changes taking place not only in Europe but also elsewhere in the world. The changing consumption patterns among African elites meant that the transatlantic trade in enslaved Africans demanded a growing diversity of products for the consumption markets in Africa, ranging from manioc, textiles and fortified wine to currency (cowrie shells) for internal exchanges. This demand in the African consumption markets entangled the slave trade with the Indian Ocean through textile production and the collecting of cowrie shells, and with the outputs of commercial agriculture from the Atlantic Islands (fortified wine) and later Brazil (*cachaça*).[7] The imbalance in trade experienced by the Europeans in the Euro-Asian trade, and particularly with China, simultaneously opened up a worldwide demand for silver, a phenomenon that brought American bullion production, exported either through Europe or directly through the Pacific, with Asia into the equation.[8]

The multi-directional relationships, exchanges, circulations and entanglements that ensued after the end of the fifteenth century, first in the South Atlantic and later expanding to the Caribbean and North America, created a world of opportunity for many in search of a better life or greater wealth – or both. This special issue focuses on analysing business organizations involved in commercial enterprises (partnerships, chartered and joint stock companies) in the Atlantic, across different empires and over time, in an attempt to identify and interpret general patterns characterizing the seventeenth- and eighteenth-century Atlantic business experience. Our analysis is based on the idea that most of the business organizations and trading

7 Alencastro, *O tratado dos viventes*, 251 and 256–259; Luíz Felipe de Alencastro, "The Economic Network of Portugal's Atlantic World", *The Portuguese Oceanic Expansion*, eds. Francisco Bethencourt and Diogo Ramada Curto (Cambridge: Cambridge University Press, 2007), 118–119; José C. Curto, *Enslaving Spirits: The Portuguese-Brazilian Alcohol Trade at Luanda and Its Hinterland, c. 1550–1830* (Leiden: Brill, 2004), 57–59.

8 Dennis O. Flynn and Arturo Giráldez, "Cycles of Silver: Global Economic Unity through the Mid-Eighteenth Century", *Journal of World History* 13, no. 2 (2002): 391–427; Giorgio Riello, *Cotton: The Fabric that Made the Modern World* (New York: Cambridge University Press, 2013); Tatiana Seijas, *Asian Slaves in Colonial Mexico: From Chinos to Indians* (Cambridge: Cambridge University Press, 2014); José Gasch-Tomás, *The Atlantic World and the Manila Galleons* (Boston: Brill, 2018); Miki Sugiura ed., *Linking Cloth/Clothing Globally: The Transformations of Use and Value, Eighteenth to Twentieth Centuries* (Tokyo: Hosei University, 2019); Manuel Perez-Garcia, "Beyond the Silk Road: Manila Galleons, Trade Networks, Global Goods, and the Integration of Atlantic and Pacific Markets (1680–1840)", *Atlantic Studies*, 5 (2021), 1–11; Cuauhtémoc Villamar, *Portuguese Merchants in the Manila Galleon System: 1565–1600* (London: Routledge, 2021).

practices in the Atlantic were widely used by different actors, sometimes operating within transnational networks, who took advantage of information circulating on markets, commodities, routes or prices to avail themselves of new business opportunities, while also adapting to changing economic and political circumstances.[9] This adaptability translated into the various business organizations becoming associated with diversified business practices and ultimately contributed to a deep intertwining of the Atlantic economies.

The definition and development of the first Atlantic system, centred in the South, originates with the Iberians who began with the occupation of the Atlantic Islands (the Canary Islands, Madeira, the Azores, Cape Verde and S. Tomé) and was followed by the arrival of Columbus in the Caribbean (1492) and the 'discovery' of Brazil (1500). The experience of settlement in the Atlantic Islands proved to be crucial as this was where colonizing institutions such as the Portuguese royal land grant system (based on the donatory captaincy and *sesmarias*, or the granting of plots of land in full ownership) and the Spanish *encomienda* were first tried out before being implemented in the New World.[10] These were part of the institutional framework for the subsequent development of intensive commercial agriculture based on coerced and slave labour, first on the Atlantic Islands (the Canary Islands, Madeira and S. Tomé), and then in the Caribbean and Brazil, while in New Spain and Peru the *encomienda* also underpinned silver mining. In turn, these commercial interests translated into investments and the funding of enterprises that played a prominent role in fostering settlements in new territories and in financing their subsequent economic exploitation through the plantation complex (cash crops) or the extraction of resources (initially silver and brazilwood, and later cochineal, gold and precious stones).[11] Transcending the boundaries of the emergent Portuguese

9 Karel Davids, *Global Ocean of Knowledge, 1660–1860: Globalization and Maritime Knowledge in the Atlantic World* (London: Bloomsbury, 2020).

10 On the *sesmarias*, see António Vasconcelos de Saldanha, *As capitanias do Brasil: antecedentes, desenvolvimento e extinção de um fenómeno atlântico* (Lisbon: Comissão Nacional para as Comemorações dos Descobrimentos Portugueses, 2001). The extensive literature on the *encomienda* includes Silvio Zavala, "La Encomienda Indiana", *El Trimestre Económico* 2, no. 8 (1935): 423–451; see also John Elliott, "The Spanish Conquest and Settlement of America", *The Cambridge History of Latin America,* ed. L. Bethell (Cambridge: Cambridge University Press, 1984), 147–206.

11 Alberto Vieira, "Sugar Islands: The Sugar Economy of Madeira and the Canaries, 1450–1650", *Tropical Babylons: Sugar and the Making of the Atlantic World,* ed. Stuart Schwartz (Chapel Hill: University of North Carolina Press Books, 2004): 42–84; P. J. Bakewell, *Silver Mining and Society in Colonial Mexico: Zacatecas, 1546–1700,* (Cambridge: Cambridge University Press, 1971); L. F. Costa, M. M. Rocha and R. M. Sousa, *O Ouro Do Brasil,* (Lisbon: Imprensa Nacional-Casa da Moeda, 2013).

and Spanish empires, commercial interests were framed in the early stages by the right that the Iberian monarchs claimed over both the distribution of various traded items and certain maritime routes. The Crown, in turn, granted the right to exploit them to private investors in many cases. Based on the assumption that business activities cannot be disentangled from those undertaking them, Portuguese and Spanish Atlantic commercial enterprises between the fifteenth and eighteenth centuries encompassed two types of business organization, and these in turn translated into a wide range of business practices.

The two business organizations deployed by Portuguese and Spanish Atlantic actors comprised, firstly and foremost, the firms established by varying constellations of partners (family members, coreligionists, or fellow merchants) for varying durations and operating under various regimes of liability. Secondly, they were made up of chartered companies, some of which were arguably of a joint-stock nature. These companies were conceived of in the seventeenth century as a solution for specific military or economic circumstances and were thus exceptions rather than the norm in the exploitation of colonial trade. Of the few companies established in this time frame, the most important was the *Companhia Geral do Comércio do Brasil* (1649–1657).[12] These two business organizations (firms/partnerships and chartered/joint stock companies) worked together and simultaneously in the same spaces, competing and, at the same time, cooperating in the many facets of commercial colonial exploitation.

In the Portuguese context, firms and chartered companies participated in the political economy created by the monarchy within three major frameworks. The first of these – maritime trade with the overseas territories, strongholds, and trading posts – was based on the jurisdiction that the Crown claimed over the sea in the early fifteenth century. This was considered a special right granted by the king to subjects, both metropolitan and non-metropolitan, and later evolved into a 'colonial exclusive' when rules excluding foreigners from participating in the colonial trade were introduced in the late 1500s.[13] In contrast to Spanish trade with the Americas, Portuguese trade was open to all subjects and all metropolitan ports and, also unlike in Spain, was not the exclusive right of specific merchant guilds. This distinction between the Iberian empires

12 Leonor F. Costa, *O transporte no Atlântico e a Companhia Geral do Comércio do Brasil, 1580–1663*, 2 vols. (Lisbon: Comissão Nacional para as Comemorações dos Descobrimentos Portugueses, 2002).

13 The exclusive right over the sea was first claimed by the Portuguese Crown in 1443 and confirmed by a papal bull in 1455. For an overview, see Susana Münch Miranda, "1468, The Guinea Monopoly: Pluricontinental Economic Development", *The Global History of Portugal: From Prehistory to the Modern World*, ed. de C. Fiolhais, J. E. Franco and J. P. Paiva (Brighton: Sussex Academic Press), 174–177.

remained throughout the Early Modern period. Indeed, the Portuguese Atlantic remained open to all subjects even when Lisbon became the staple port city for trade with Brazil between 1649 and 1756.[14] With the exception of short-lived periods when trade with certain peripheral regions in the South Atlantic was monopolized by chartered companies, the Portuguese were free to trade in the Atlantic as long as tradable goods were channelled through a metropolitan port, preferably Lisbon, for the purpose of collecting customs duties.[15]

The second framework derived from the property rights that the Crown claimed over various economic activities and certain tradable items. In the case of the Atlantic, these monopolies encompassed the trade in enslaved Africans, salt, and African gold and spices; the extraction of natural resources (brazilwood, ivory and diamonds); and whaling, the economic exploitation of which the Crown routinely handed over to entrepreneurs (organized in firms) under short-term contracts. Because these monopolies were sensitive to the vicissitudes of the empire and the vagaries of the political economy, not all of them endured. Trade in sub-Saharan Africans is an example of a royal monopoly that persisted for some two hundred years but that did not last into the eighteenth century. Dating back to the mid-fifteenth century, this trade was inextricably linked to the emergence of agricultural capitalism (in other words, the plantation complex) and its continual demand for labour.[16] The growth in the slave trade increased rapidly after the 1570s in the wake of the dissemination of sugar production from the Atlantic Islands (Madeira and S. Tomé) to Brazil and the proliferation of *engenhos* in the latter. At the same time, growing demand for labour from the Spanish Indies also contributed to Portuguese slave traders' dominance in the South Atlantic and the Caribbean. Over time, the exploitation of the transatlantic slave trade underwent a series of changes. Until the 1580s, slave traders operated freely, first on the West Coast of Africa and, after 1575, in Angola, provided they procured a royal licence and paid customs duties. Thereafter the king awarded the monopoly on supplying Brazil with enslaved Africans to a consortium of merchants.[17] This changed,

14 Jorge Pedreira, "Os homens de negócio da praça de Lisboa de Pombal ao Vintismo, 1755–1822" (PhD diss., Universidade Nova de Lisboa, 1995), 53–61; Leonor F. Costa, Pedro Lains and Susana Münch Miranda, *An Economic History of Portugal, 1143–2010* (Cambridge, Cambridge University Press, 2016), 125–126.

15 Costa et al*, An Economic History of Portugal*; Rui Marcos, *As companhias pombalinas: contributo para a história das sociedades por acções em Portugal* (Coimbra: Livraria Almedina, 1997).

16 Costa et al*, An Economic History of Portugal*, 76–79.

17 Miguel Geraldes Rodrigues, "Between West Africa and America: The Angolan Slave Trade in the Portuguese and Spanish Atlantic Empires (1560–1641)" (PhD diss., European University Institute, 2019).

once again, in 1669, when the Crown formally relinquished its property rights, though it nevertheless continued to levy customs duties on the slave trade.

The third framework comprised the short-term contracts used for collecting taxes (so-called tax farming), whereby the central government chose to forego direct collection to smooth out revenue streams or to avoid the high costs of monitoring tax officials. Since indirect taxation was the Crown's main source of revenue, it is not surprising that tax farming primarily involved collecting customs duties levied on trade passing through the major Portuguese Atlantic ports. In the eighteenth century, direct taxes (such as tithes) and indirect taxes (levied on the internal circulation of goods) opened new opportunities for tax farmers, especially regarding revenues generated by the Brazilian economy.[18]

Earnings in these three core frameworks of exploitation varied substantially, which also affected the social and economic profile of those engaging in them. The South Atlantic attracted the attention of a very heterogeneous group of people. Although the market may have been dominated at times by the Lisbon merchant elite, the absence of institutional barriers (including merchant guilds) meant that metropolitan and non-metropolitan merchants and traders could engage in a wide-ranging number of commercial ventures. And while tax farming and the exploitation of monopolies were almost exclusively in the hands of the Lisbon business elite, the considerable financial risks these activities entailed for firms meant some of them ended up going bankrupt.[19]

Even after the introduction of the legal framework that excluded foreigners from participating in the Portuguese South Atlantic system, various ways for non-subjects of the Portuguese Crown to engage in various enterprises in Brazil and Angola continued to exist. Their engagement could be direct and through special licences or contracts to exploit certain monopolies, or it could be indirect and channelled through frontmen or in partnership with a Portuguese associate.

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18 Maria Manuel Torrão, "Rotas comerciais, agentes económicos, meios de pagamento", *História geral de Cabo Verde*, ed. Maria Emília Madeira Santos, Vol. 2, (Lisbon, Instituto de Investigação Tropical/Instituto Nacional de Promoção Cultural, 1995), 17–123; Zelinda Cohen, "Subsídios para a história geral de Cabo Verde: os contratos de arrendamento para a cobrança das rendas e direitos reais das ilhas de Cabo Verde, 1501–1560", *Stvdia* 53 (1994): 317–364; Cristina Seuanes Serafim, *As ilhas de São Tomé no século XVII* (Lisbon: Centro de História de Além-Mar, 2000); Filipa Ribeiro da Silva, *Dutch and Portuguese in Western Africa: Empires, Merchants and the Atlantic System, 1580–1674* (Leiden, Brill, 2011); Pedreira, "Os homens de negócio"; João Paulo Salvado, "The Rise and Fall of a Lisbon Family Business, 1710–1773: The Case of the House of Torres, *Itinerario* 43, no. 1 (2019): 146–172.

19 David Grant Smith, "The Mercantile Class of Portugal and Brazil in the Seventeenth Century: A Socioeconomic Study of the Merchants of Lisbon and Bahia, 1620–1690" (PhD diss., University of Texas at Austin, 1975); Pedreira, "Os homens de negócio"; Salvado, "The Rise and Fall".

In this context, and because of its openness, the Portuguese South Atlantic provided fertile ground for investments by the family firms and partnerships that constituted the main form of business organization for colonial trade. Tax farming and monopolies, in turn, were dominated by partnerships, which were the best institutional vehicle for pooling capital and sharing risks.

Whereas the core Portuguese businesses combined trade, the exploiting of royal monopolies and tax farming, the Spanish Atlantic was structured around trade and the renting-out of monopolies the Crown claimed as its own, with trade with the Spanish West Indies being the most important. But while the Spanish Atlantic trade was underpinned by a jurisdictional claim on the sea like that of the Portuguese Crown, the kings of Castile and León handled their property rights differently, with access to trade with the *Indias* being granted to merchant guilds (*consulados*) to exclude all other subjects.[20] Although this practice started as an exclusive right of the merchant guild of Seville (1543), it was later extended to the merchant guilds of Mexico City (1592) and Lima (1613).[21] The Crown of Castile's choice to grant exclusive access to the Atlantic trade preceded and partly informed the practices later followed by the Dutch Republic and England. In other words, this meant that they transferred the exclusive rights of trade in the Atlantic to corporate organizations such as the Dutch West India Company (WIC) or the Royal African Company (RAC). Unlike these corporations, however, the Spanish merchant guilds for the Atlantic trade operated in free internal competition, with family firms and partnerships all competing for a share of the Atlantic exchanges.

This legal and regulatory framework was exemplified by the *Carrera de Indias*, a shipping route organized in a compulsory convoy system, with two annual merchant fleets connecting Spain (Seville and later Cádiz) to New Spain (Vera Cruz) and Peru (Nombre de Dios-Portobello), and whose organization and protection fell under the responsibility of the Crown.[22] While exclusive trading

20 Alfonso García-Gallo, *Los origines españoles de las instituciones americanas: estudios de derecho indiano* (Madrid, Real Academia de Jurisprudencia y Legislación, 1987): 670–671.

21 Antonio García-Baquero González, *Cádiz y el Atlantico, 1717–1778: el comercio colonial español bajo el monopolio gaditano*, Vol. 1 (Cádiz: Diputación Provincial de Cádiz, 1988), 94–97. For an overview, see J. L. Gasch-Tomás and Susana Münch Miranda, "Imperial Economies", *The Iberian World, 1450–1820*, ed. F. Bouza, P. Cardim and A. Feros (London: Routledge, 2019), 431–448.

22 The literature on the *Carrera de Indias* and its organization is extensive. Although published over 60 years ago, *Seville et l'Atlantique, 1504–1650* (Paris: SEVPEN, 1955–1960) by Pierre and Huguette Chaunu remains a classic. See also García-Baquero, *Cádiz y el Atlantico*; Ana Crespo Solana, *La Casa de Contratación y la Intendencia General de la Marina en Cádiz, 1717–1730* (Cádiz: Universidad de Cádiz, 1996); Manuel Bustos Rodriguez, *Cádiz en el sistema atlántico: la ciudad, sus comerciantes y la actividad mercantil, 1650–1830* (Madrid: Sílex, 2005).

rights may have been granted to the *consulados*, other merchants, including non-subjects of the Spanish kings, actively traded with the Spanish Americas, both legally and illegally. Participation in the *Carrera* by non-members of the *consulados* was made possible by the fact that the Crown never relinquished its prerogatives and routinely issued licences to subjects and non-subjects outside the guilds. At the same time, foreigners also entered partnerships with members of the *Consulado de Cargadores a Indias* or used them as frontmen to trade with Spanish America.[23]

The second exploitative framework in the Spanish Atlantic stemmed from the monopoly rights claimed by the Crown, with the exploitation of these rights being vested in the realm of private enterprise, and the main business opportunities comprising, firstly, the introduction of enslaved Africans into the Spanish Caribbean, the Spanish American mainland and the Rio de la Plata, and, secondly, the American tobacco monopolies created in the eighteenth century. Access to the monopoly on supplying slaves to Spanish American markets was mediated either through a licensing system or through monopolistic contracts (*asientos*) awarded to business consortia by public tender.[24] The Spanish Habsburgs' financial woes resulted in these monopolistic contracts becoming the preferred way of awarding this business from the 1660s to the late-eighteenth century (1789).

Over time, the system of relatively free trade and the exploiting of monopolies that characterized the Iberian experience was severely challenged by the chartering of commercial companies for the Atlantic, some of which became joint-stock companies, and of which the WIC, the Royal Merchant Adventurers into Africa and the RAC are perhaps the best known examples.[25]

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23 J. M. Oliva Melgar, "La metrópoli sin territorio: crisis del comercio de Indias en el siglo XVII o pérdida del control del monopolio?", *El sistema atlántico español (siglos XVII-XIX)*, ed. C. Martínez Shaw and J. M. Oliva Melgar (Madrid: Marcial Pons, 2005); García-Baquero, *Cádiz y el Atlantico*, Vol. 1, 102; Maria Nélida García Fernández, *Comerciando con el enimigo: el tráfico mercantil anglo-español, 1700–1765* (Madrid: Consejo Superior de Investigaciones Científicas, 2006); Xabier Lamikiz, *Trade and Trust in the Eighteenth-Century Atlantic World: Spanish Merchants and Their Overseas Networks* (London: Boydell & Brewer, 2010); Xabier Lamikiz, "Transatlantic Networks and Merchant Guild Rivalry in Colonial Trade with Peru, 1729–1780: A New Interpretation", *Hispanic American Historical Review*, 91, no. 2 (2011), 299–331.

24 Georges Scelle, *La traite négrière aux Indes de Castille: contrats et traités d'assiento,* Vol. 2 (Paris: Librairie de la Société du Recueil J.-B. Sirey, 1906); Enriqueta Vila Vilar, *Hispanoamérica y el comercio de esclavos* (Seville: Escuela de Estudios Hispanoamericanos, 1977).

25 William Pettigrew, *Freedom's Debt: The Royal African Company and the Politics of the Atlantic Slave Trade, 1672–1752* (Chapel Hill: University of North Carolina Press, 2013); Julie Svalastog, *Mastering the Worst of Trades: England's Early Africa Companies and their Traders, 1618–1672* (Leiden: Brill, 2021).

These companies have often been perceived as purely commercial enterprises and as more efficient than the Iberian business organizations. Looking more closely, however, we can see that the various Atlantic companies shared some commonalities. Firstly, they were more than purely commercial companies as they devoted a considerable share of their assets to paying for violence either through maritime harassment of competitors or through territorial conquest. This was particularly the case in West Africa (slave trading posts), where slave markets were the target, but also in Brazil and on some of the Caribbean islands. Secondly, these companies were unable to provide services comparable to those offered by their Iberian counterparts in terms of colonial governance and administration. Indeed, colonial government in the orbit of the Dutch and English expansion in the Atlantic did not become successful until a colonial administration and bureaucracy were able to be developed outside these companies' orbits. For that reason, the companies failed to sufficiently connect and partially integrate markets in Africa, South and North America and the Caribbean before the eighteenth century. Lastly, these companies' lack of economic success drove some of them into bankruptcy in the seventeenth century or else into temporary mergers, only for them to be reinvented in the eighteenth century as a means of gathering pools of privileged (chartered) private capital, rather than as joint-stock companies.[26]

Contrary to the Iberian cases, though, where cheap metropolitan capital was unavailable and where plantation societies in Brazil and S. Tomé had to develop their own resilience and relative independence or fall into the hands of the Lisbon elite, cheap capital investment in the Americas and the Caribbean led in the Dutch, British and French cases to a growing dependency between the colonies and the metropolis. In Amsterdam and London, in particular, the threat of debt hung over the heads of most planters in these colonies, but also over planters living in colonies that fell under the sovereignty of other empires. This debt stemmed from mortgage funds set up for the purpose of financing the plantation complex and, consequently, colonial society at large.[27]

However, the ways in which business activities were organized within 'national exclusives' were not impervious to change, nor were business models

26 Svalastog, *Mastering the Worst of Trades*, 56; Erik Odegard, "Recapitalization or Reform? The Bankruptcy of the First Dutch West India Company and the Formation of the Second West India Company, 1674", *Itinerario*, 43, no. 1 (2019), 88–106.

27 J. P. van de Voort, *De Westindische plantages van 1720–1795: financiën en handel* (s.l.: s.n., 1973); Nuala Zahedieh, *The Capital and the Colonies: London and the Atlantic Economy, 1660–1700* (Cambridge: Cambridge University Press, 2010); Bram Hoonhout, *Borderless Empire: Dutch Guiana in the Atlantic World, 1750–1800* (Athens: University of Georgia Press, 2020).

exclusive to the political economies that had once created them. Indeed, by the eighteenth century, the interests of the Iberian states and businesses became aligned through the chartered and joint-stock companies. Portugal, for example, established two joint-stock companies to exploit agricultural resources in certain peripheral areas of Brazil (Pernambuco and Paraíba, and Grão-Pará and Maranhão) and control trade flows to the metropolis.[28] In turn, and for similar reasons, the Spanish Crown created five chartered and joint-stock companies in the Atlantic so as to extend the exclusive right to trade with the Americas to subjects of the Crown. These chartered companies included the Company of Caracas (*Real Compañía Guipuzcoana de Caracas*, 1728), which was created at the behest of Basque merchants,[29] and the *Real Compañía de La Habana* (1740), which was granted a monopoly on tobacco imports from Cuba to ensure the supply of tobacco leaves to the domestic tobacco monopoly.[30] However, the fundamentals of the political economy of the Portuguese and Spanish empires remained unchanged despite the formation of these companies. Similarly, the English established an almost complete monopoly on trade with the colonies for English merchants through the seventeenth-century Navigation Acts, the rules of which remained largely unchanged until 1786.[31] The United Provinces allowed mortgage funds to function as the only players in commissioned trade between indebted planters and European domestic markets in exchange for a brokerage fee (commission). This kept the Dutch domestic market free from mercantilist policies but did impose a financial stronghold exclusive on the Dutch and, partially, on the British, French and Danish plantation complex, as well.[32]

28 On these companies, see, respectively, *Companhia do Grão-Pará e Maranhão* (1755–1778) and *Companhia de Pernambuco e Paraíba* (1756–1779), Manuel Nunes Dias, *A Companhia Geral do Grão-Para e Maranhão, 1755–1778* (São Paulo: Universidade de São Paulo, 1971); António Carreira, *As companhias pombalinas de Grão-Pará e Maranhão e Pernambuco e Paraíba* (Lisbon: Presença, 1983).

29 Maria Montserrat Gárate Ojanguren, *La Real Compañia Guipuzcoana de Caracas* (San Sebastian: Sociedad Guipuzcoana de Ediciones y Publicaciones, 1990).

30 Maria Montserrat Garaté Ojanguren, *Comercio ultramarino e ilustración: la Real Compañía de Habana* (San Sebastian: Real Sociedad Bascongada de Amigos del País, 1993); Idem, *Cuba: Tabaco y hacienda imperial, 1717–1817: un siglo de gestión del estanco: funcionarios, ilustrados y militares* (San Sebastian: Real Sociedad Bascongada de Amigos del País, 2019).

31 Ralph Davis, "English Foreign Trade, 1700–1774", *The Economic History Review* 15, no. 2 (1962): 296–297; Nuala Zahedieh, *The Capital and the Colonies: London and the Atlantic Economy, 1660–1700* (Cambridge: Cambridge University Press, 2010), 35–54.

32 Van de Voort, *De Westindische plantages*, 79; Pepijn Brandon and Ulbe Bosma, "De betekenis van de Atlantische slavernij voor de Nederlandse economie in de tweede helft van de achttiende eeuw", *Tijdschrift voor Sociale en Economische Geschiedenis*, 16, no. 2 (2019), 30–45, trans. Idem, "Slavery and the Dutch Economy, 1750–1800", *Slavery & Abolition*, 42, no. 1 (2021), 43–76.

This general overview of the way the 'national exclusives' and their exploitation of the Atlantic evolved between the fifteenth and eighteenth centuries does not account, however, for all the variations in the specific features of the national political economies of the different Atlantic empires. As is argued by twenty-first-century Atlantic history, historians zooming out of the national systematization of the political economy and moving to a cis-Atlantic conceptualization of this system can identify several variations and even contradictions within these general trends.[33] This cis-Atlantic business is then often portrayed as resulting mainly from illegal activities and represented in the margins of an overall, clearly (and nationally) defined context.[34] However, the articles in this special issue attest otherwise.

The first contention in this collective work is that business organizations (private firms and chartered or joint-stock companies), exploitative frameworks (free trade, monopolies, and royal prerogatives) and assorted business practices coexisted in the Atlantic for over 250 years, concurrently, simultaneously, within one political economy or across different empires. Indeed, there was no linear development towards the best and most efficient business model, as Ron Harris claims for Asia.[35] On the contrary, multiple models of economic exploitation coexisted alongside each other, serving different goals, using different mechanisms, and provoking diverse outcomes for the imperial economies and their actors. Often, strict boundaries (between, for example, chartered companies and private merchants) were blurred in favour of hybrid forms of business that better served the goals of the individuals involved. For the purpose of this special issue, we define these hybrid forms of business as the ability to combine different business organizations, exploitative frameworks and business practices within the boundaries of legality established by the 'colonial exclusives'. These hybrid forms reflect a significant degree of understanding of the conditions needed to participate actively and successfully in the exploitation of the Atlantic, with this understanding morphing, in turn, into adaptive responses to challenges posed by the Atlantic system itself (for example, the highly transnational networked nature of Atlantic social and economic history) and serving to increase the gains attributable to private entrepreneurs and the power of colonial institutions.

The second contention is that the mechanisms through which hybrid forms of business developed in the Atlantic, and the way that transnational business

33 Armitage, "Three Concepts", 18.

34 Special issue on illegal trade and illegality in the Atlantic: Karwan Fatah-Black and Matthias van Rossum (org.), *De Nederlandse smokkelhandel, 1600–1800*, *Tijdschrift voor Sociale en Economische Geschiedenis*, 13, no. 1 (2016).

35 Ron Harris, *Going the Distance: Eurasian Trade and the Rise of the Business Corporation, 1400–1700* (Princeton: Princeton University Press, 2020).

networks stood at the core of these hybridities, need to be understood in a context of interconnected arenas of negotiation in Europe and in the colonies themselves. Thus, we underscore the need to continue thinking about the Atlantic as a non-linear, transnational, and uncontained space, where business innovation took place alongside and simultaneously with developments in 'national' political economies.

One of the moments of business hybridity in the Atlantic arose with the shift in the exploitation of the monopoly on trading and transporting enslaved Africans to the Spanish Americas that occurred in the early 1660s, when the Spanish monarchy replaced the licensing system by a monopolistic contract. This change was inextricably linked to the Portuguese Restoration War (1641–1668), which led Philip IV to ban the rebellious Portuguese from the Spanish Indies and to put an end to the dominance they had enjoyed under the previous licensing system. Alejandro García-Montón explains the process through which two Genoese merchant bankers, Domenico Grillo and Ambrosio Lomellino, subjects of the Spanish Habsburgs, albeit non-Castilians, obtained exclusive rights to this trade.[36] With no direct access to the African slave markets, however, Grillo and Lomellino went on to contract out the trading and shipping of slaves to foreigners, and specifically the Dutch and the English, as seen in the agreements that the Genoese entered into with independent merchants and chartered and joint-stock companies alike.[37] Alongside this business hybridity, the significance of this monopolistic contract lies in the fact that it opened the door to foreigners wanting to use the supplying of enslaved Africans as a pretext for carrying out contraband trade with the Spanish Indies.

Transnational business in the Atlantic took multiple forms, with the two most important being the often-illegal trade between colonies, and legal investment, where coreligionist and familial networks took up a large share of Atlantic gains into their own spheres, while also contributing to the sustainability of specific empires. These gains were attained through a multiplicity of complementary activities that included trade, shipping, credit, insurance, investment in real estate (houses, mills, plantations) and tax farming.[38] Silvia Marzagalli showcases the diversity of these portfolio

36 Alejandro García-Montón, *Genoese Entrepreneurship and the Asiento Slave Trade, 1650–1700* (London: Taylor & Francis Group, 2021).

37 Alejandro García-Montón, "Seducing Smugglers: The Spanish Empire's Incentives for Legitimate Trans-Imperial Slave Trade, 1640s–1670s," in this issue.

38 David Hancock, *Oceans of Wine: Madeira and the Emergence of American Trade and Taste* (New Haven: Yale University Press, 2009); Silvia Marzagalli, "The Atlantic World Between Markets and State in Eighteenth-Century France: The Sephardim Firm Gradis in Bordeaux", in this issue.

investments from the perspective of the Gradis family of Bordeaux. However, familial networks organized in institutionalized firms were just one type of private firm deeply linked to the exploiting of these resources. Private firms with unrelated partners also thrived and were particularly active in auctioning colonial contracts across distinct systems.

Transnational business networks were of paramount importance for interloping empires. Cátia Antunes, Susana Münch Miranda, and João Paulo Salvado reveal, for example, the inner workings of a Dutch firm in Lisbon. The business operations and practices of De Bruijn and Cloots proved to be an effective means of exploiting a Portuguese colonial exclusive through a range of both legal and illegal means. The authors unveil the diverse ways in which the partners participated in the Portuguese colonial trade, including associating with firms in other European markets and choosing to operate through agency forms and agents in Brazil.[39]

The hybridity of Atlantic business was not, however, a phenomenon shaped only by European businesses. In West Africa, too, hybridity within the different African political economies forced historical actors into uneasy forms of coexistence. In the Gulf of Guinea, for instance, where European powers were also driven by African polities to compete in the same regulated markets (whether at forts or castles or in factories or open markets), those engaging in company trade or in private trade as company employees and their African partners were forced to find creative and hybrid business solutions to protect their individual interests. This was often a difficult balancing act. While the examples of such balancing acts abound, Ouidah would seem to stand out as the most representative space in West Africa where these types of negotiated business spheres were most developed, as well documented by Elisabeth Heijmans.[40]

This special issue portrays the complexities that arose in the Atlantic when economic exploitation became a priority. These complexities, in turn, were the direct consequence of a set of solutions devised by economic agents for dealing with the multiple challenges resulting from the restrictions of the political

39 Tijl Vanneste, *Global Trade and Commercial Networks: Eighteenth-Century Diamond Merchants* (London: Pickering & Chatto Publishers, 2011); Cátia Antunes, Susana Münch Miranda and João Paulo Salvado, "De Bruijn & Cloots of Lisbon: Insights into a Dutch Firm in the Exploitation of the South Atlantic, 1713–1727", in this issue.

40 Elisabeth Heijmans, The Agency of Empire: Connections and Strategies in French Overseas Expansion, 1686–1746 (Leiden: Brill, 2020); Elisabeth Heijmans, "Intersecting Interests: French Slave Trading Merchants and Private Trade in the Fort of Ouidah (1774–1788)", in this issue.

economy that European states and African polities imposed on colonial spaces and markets. The association between different business organization forms, on the one hand, and hybrid business frameworks and practices, on the other hand, bear switness to the dynamism of the Early Modern Atlantic and to the resilience of economic actors across and beyond the institutional borders of empire.