PART 2

European Perspectives

Scandinavia

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To consider the overseas corporation as global protagonists is part of a much-needed turn in which global historians are not just discussing the potential of global history but are using its methodological approaches and insights to provide new answers, and new frameworks. It is now almost ten years since Peer Vries, after having discussed the state of the field of global history, stated that 'It is time to bother less about cooking books and focus on the actual cooking'.¹ However, different European corporations provide very different clues to a new, integrated, history of the corporation as such – that affects this volume's aim of exploring the corporation as a global actor, but is even more important for its endeavour to elucidate the formation of the corporation as a global process in and of itself.²

To include Scandinavian overseas corporations, such as their East India Companies, Levant Companies, African Companies and West India Companies, slightly changes the picture of European overseas ventures. These corporations were established in countries with much less successful colonial and imperial ventures than that of the British ones. As such, they add to the variety, and 'messiness' of early modern globalisation. The Swedish East India Company, for example, focused solely on trade with China; it was a chartered company, but acted as a small interloper in the trade with an expanding and powerful Asian empire. The crucial fact, however, is not only that the European corporations differed, they also affected each other, which is why they should not be studied separately. Rather, they show how the global history approach of going beyond the nation state offers a new view on an old story. Indeed, one could argue that the British corporations are difficult to understand without taking into account cooperation and competition with other actors, including local and regional actors and networks – as well as other European corporations.

1 Peer Vries, "Editorial", *Österreichische Zeitschrift Für Geschichtswissenschaften* 20, no. 2 (2009): 5–22.

2 William A. Pettigrew & David Veevers (eds.), *The Corporation as a Protagonist in Global History, 1500–1750*, 2.

British, European or Global?

As this volume argues, the early modern expansion of trade was not an exclusively European process. As non-European agency is crucial for understanding this historical development, the theoretical framework needs to reflect that insight, in particular concerning what types of institution are considered as corporations, and to what degree such a definition can be argued for supported by studies of only one country, region or empire. To apply this framework to any and all corporations in the early modern world would be methodologically and ontologically questionable. Even extending this to a sociology of *European* early modern corporations involved in the global trade – a large qualification indeed – is a tall order, considering the diversity of ambitions, institutional organization and evolution of the countries and corporations involved. Rather, this book suggests a sociology of *a* global corporations, in which the British makes for a conventional but interesting example.

Being clear about the degree of generality this framework ascribes to is particularly important because of the current imbalance in the number and impact of studies of British overseas ventures – especially those in South Asia. Such studies have provided much of the basis for the frameworks of overseas companies and imperial expansion. However, the British conversion of a corporation into a company state, its regional reach, and vast colonial empire makes it an unusual, perhaps even exceptional, development, rather than a general blueprint for what an overseas venture, or a European early modern international corporation, looked like. The introduction gives pride of place to works on the two most well-researched corporations in early modern Europe, those of Britain and the Netherlands. Given that this volume aims to ‘confront and adapt these traditional narratives’ one must take care to qualify which statements can be generalised and which are actively misleading.³ A framework based on the British in India would have much trouble explaining the experience of Scandinavians in China, despite being a European corporation in Asia.

Power, Agency and Governance

This volume offers a welcome reminder of the dangers of the problems of analysing corporations between 1550–1750 in the light of nineteenth-century

3 Pettigrew and Veevers (eds.), *The Corporation as Protagonist*, 10.

imperial corporations. These corporations were subordinate to state authority not just at home, but also abroad.

This age has been seen as an 'equilibrium' during which European and non-European states and empires interacted on roughly equal terms. That recalls the classic paradigm developed by Holden Furber of an early modern 'age of partnership' between Asia and Europe, which was itself a revision of the idea of European dominion. It is this equilibrium that Sanjay Subrahmanyam challenged with his idea of the 'age of contained conflict', describing a world permeated by violence where 'conflict was never far from the surface'.⁴ In this vein, works such as that of Linda Colley stress the fragility of Europeans in early modern contact, and François Gipouloux argues, 'we must abandon the dichotomy between dynamic – if not to say, aggressive – European powers and passive – even subordinate – Asian countries'. Historian Takeshi Hamashita has taken this one step further, stating that China was the economic centre and driving force of the early modern world.⁵

This book aims to 'recast Europe from the "knowing" subject to the object of Global History' and see 'how the seemingly European enterprises were reshaped by their engagement with non-Europeans'.⁶ To drive this point home, this needs to come through clearly in the rhetoric. In statements such as '[corporations] brought English people and cultures to non-European contexts and helped alter their character', it is easy to misread where the agency lies.⁷ Rather than stating that 'Trading corporations codified constitutional practices at home [...] and *exported* these to non-European context', one could argue that these practices as shaped in the meeting with other contexts – at times even *imported*.⁸ Not only did British corporations rely upon the agency and initiative of their non-European customers and suppliers, but also on their governance and the local institutions.

This inevitably leads to the theme of governance; power was wielded not just by the corporations over their employees, they were also being controlled.

4 Sanjay Subrahmanyam, *The Political Economy of Commerce: Southern India 1500–1650* (Cambridge: Cambridge University Press, 1990); Holden Furber, 'Asia and the West as Partners Before "Empire" and After', *The Journal of Asian Studies* 28, no. 4 (1969).

5 Linda Colley, *Captives: Britain, Empire and the World 1600–1850* (New York: Random House, 2002); François Gipouloux, *The Asian Mediterranean: Port Cities and Trading Networks in China, Japan and South Asia, 13th–21st Century* (Cheltenham: Edward Elgar, 2011); Takeshi Hamashita, *China, East Asia and the Global Economy: Regional and Historical Perspectives*, ed. Mark Selden and Linda Grove (New York: Routledge, 2008).

6 *Ibid.*, 28.

7 *Ibid.*, 26.

8 *Ibid.*, 24.

In Canton, the British obeyed the same rule as the smaller groups as the Swedish and the Danish East India Companies, when trying to change these rules they often cooperated with other European trade groups. At the same time, there were times when the European groups disagreed on the best policy in relation to the local institutions, and they were constantly struggling to keep their sailors from deserting and joining competing companies.⁹ The various European groups consistently related to each other, as competitors as well as partners. Not only did the employees hail from various countries, there was also movements between companies. The Swedish East India Company is an example of this mutability. When first established, it was perceived as an illegal continuation of the Ostend Company, and many of its officers had previously been working in chartered companies of other companies.¹⁰

The governance of the corporations shifted from the formal to informal, and they were adaptable and overlapping organisations – but so were the corporations and institutions that the overseas corporations encountered. In short, to what degree were the corporations porous and flexible, and to what degree were they rather penetrated? It could be stressed more when these processes of negotiations were an effect of local institutional strength. Buildings, for example, could be a manner in which the corporations gradually established institutional consistency, but it also demonstrates adaptation to local institutions and non-European power. In China and Japan, the trade buildings were not forts, but prisons, and they were rented, never owned. Whether the houses were rebuilt into the European style, as in Canton, or kept in the Japanese style, as in Hirado and Deshima, the foreign quarters in the Pearl River and in the bay of Nagasaki were not controlled by the corporations. Also here should multiplicity of actors should be stressed. The Dutch and British were not alone in these foreign areas, but had to relate their adaptation, acquiescence as well as their ambitions to the other foreign groups there. In Nagasaki, this other group was primarily constituted of Chinese trades, who were restricted to a parallel foreign quarter.¹¹ In the case of Canton, the many foreign groups present at the same time, deeply affected how the space was governed – they were

9 Paul A. Van Dyke, 'Operational Efficiencies and the Decline of the Chinese Junk Trade in the Eighteenth and Nineteenth Centuries: The Connection', in *Shipping and Economic Growth 1350–1850*, ed. Richard W. Unger (Leiden: Brill, 2011).

10 Leos Müller, 'Scottish and Irish Entrepreneurs in Eighteenth-Century Sweden. East India Trade and Iron', in *Irish and Scottish Mercantile Networks in Europe and Overseas in the Seventeenth and Eighteenth Centuries*, ed. David Dickson, Jan Parmentier and Jane H. Ohlmeyer (Gent: Academia Press, 2007).

11 Masashi Haneda, ed., *Asian Port Cities, 1600–1800: Local and Foreign Cultural Interactions* (Singapore and Kyoto: NUS Press in association with Kyoto University Press, 2009).

all governed by the same rules and the Swedes knew that they benefited from Chinese strength.

The frameworks of trade, both the local structure and the global institutions, could be as much about attempting to regulate and prevent flows of trade and of global contact as it could be about encouraging it. In addition, not only were the early modern trade corporation porous and flexible, they were also part of network where the unofficial and official institutions worked together – smuggling and official trade could work side by side, or even be carried out by the same agents. Neither Asian nor European power was absolute, and this was a well-known fact. For example, the profit of the Swedish East India Company relied on its place as an interloper: the majority of its import was tea, which was smuggled to the British Isles – most of it to Scotland, where the Gothenburg tea auctions were openly advertised.¹² Thereby, many corporate practices and spaces were something imposed upon them, rather than an effect of the corporation's actions, and the trade was carried out in relation to other corporations and with illicit and self-organised trade networks.¹³

The Importance of Networks, Social Relations and Gender

The classic conundrum of networks is to explain their impact, not just show their existence. Here, the particularity of these corporate British networks is argued for, as being both community, network and court. However, the same point can be argued for the guilds of Europe, as well as of East Asia. The question is that when 'Europeans and non-Europeans joined global networks, they adopted the group's norms and values'.¹⁴ Now, did multi-ethnic and multi-confessional networks really have one joint norm, or is this rather a case when the British adapted and changed in the connections, like other groups before them? One essay shows that social permeability of the borders if the corporation constituted an advantage, as it made the company flexible, and that its

12 Leos Müller, 'The Swedish East India Company – Strategies and Functions of an Interloper', in *Small Is Beautiful?: Interlopers and Smaller Trading Nations in the Pre-Industrial Period*, ed. Markus A. Denzel, Jan de Vries, and Philipp Robinson Rössner (Stuttgart: Franz Steiner Verlag, 2011); Derek Charles Janes, 'Fine Gottenburgh Teas: the import and distribution of smuggled tea in Scotland and the north of England c. 1750–1780', *History of Retailing and Consumption* 3, vol. 2, (2016).

13 Cátia Antunes and Amélia Polónia, *Beyond Empires: Global, Self-Organizing, Cross-Imperial Networks, 1500–1800* (Leiden: Brill, 2015).

14 Pettigrew and Veevers (eds.), *The Corporation as Protagonist*, 6

strength lay not in a strict framework but the durability of a changing one.¹⁵ However, while the networks under that umbrella, such as family ties, friendship, trade diasporas or close partnership, could have supported the corporations – but these ties could have been stronger than the corporate umbrella itself. For example, British ships carried letters both for the Swedish and Danish East India companies, but not just in an official capacity, but also unofficially, through personal ties. Is it a given that the historical actors considered the corporation the main channel for information, and as encompassing other types of connections and networks? If there was a global community, as suggested here, and its networks were global and non-national, can their existence support a distinct British corporate sociology and governance?

Social relationships, such as families, could indeed 'support' the corporations' networks, but it could also have been the key constituent, shaping and transforming them to a larger degree than the corporate ties did. Here, it is stated that places with a very uneven sex ratio present a difficulty for gender analyses, but it is rather the other way around. In the case of the Swedish, as well as other European, trading ventures in China and Japan, the local norms for masculine behaviour was a constant and crucial aspect of the commercial and personal interaction, and one to which all needed to adapt. The masculinity discourse emerging during the seventeenth century in Europe, and which was gradually integrated with ideas of imperial and colonial masculinity during the eighteenth century, clashed with similar notions in the Qing empire.¹⁶ In addition, local gender relations were also classed. One could see the prostitutes in the foreign quarters in Japan and China as a sign of corporate power, as done in one of the essays of this volume.¹⁷ But it is equally possible that it was a sacrifice of a lower-class minority, and a sign of local hierarchy – it was an accepted price to pay to keep 'barbarian' sexuality at bay, and money coming in.¹⁸ The restrictions on the interactions between European men and East Asian women provide a contrast to the European discussions on whether to encourage European men to marry non-European women and settle or not, because neither in Canton nor in Nagasaki were European men allowed to do so. This is another case where it is questionable if the corporate network was the most significant.

15 Pettigrew and Veevers (eds.), *The Corporation as Protagonist*, 74.

16 Lisa Hellman, *Navigating the foreign quarters: everyday life of the Swedish East India Company employees in Canton and Macao 1730–1830* (Stockholm: Department of History, Stockholm University, 2015).

17 Pettigrew and Veevers (eds.), *The Corporation as Protagonist*, 207.

18 Paul A. Van Dyke, 'Floating Brothels and the Canton Flower Boats 1750–1930', *Review of Culture* 27 (2011).

First, such marriage patterns might be connected to corporate behaviour, or to international trade in general. Second, to argue that the corporation would always be strengthened by social, personal and gendered ties, is not to consider the non-European view. For example, if men converted, or married local women, that affected their identity in the eyes of the local authorities both in the Ottoman empire and Siam.

The Circulation of Knowledge

It is high time to integrate the histories of trade with those of knowledge circulation, as many ideas of empire and the exotic was created in multiple conversations both within and outside Europe. If an aim is to question and reshape the idea of European agency in relation to corporations, a good example is the Swedish Levantine Company. It was never a commercial success, but the discussions preceding its establishment in 1738 made use of the century-long diplomatic contacts with the Ottoman empire, and the resulting circulations of knowledge. That gave rise to a lot of similarities. As argued in chapter one, 'Europeans and non-Europeans sized one another up in the sixteenth and seventeenth centuries with profound mutual suspicion expressed in remarkably similar language'.¹⁹ However, these circulations of knowledge were not only carried out in encounters with non-Europeans, but also among various groups of Europeans.²⁰ Presentations of non-Europeans, as well as of European traders, were translated, copied and exchanged throughout Europe. Plays and pamphlets depicting Chinese or Ottomans which circulated in Scandinavia, for example, could be influenced by, or even copied from, French texts. Such discussions were not only reflecting English liberal thinking, but formed part of a broader European movement.²¹ While the corporation may have facilitated the exchange of knowledge, it did so alongside multiple other personal or academic networks.

This is particularly clear in the case of religion. While corporations changed from the mid sixteenth to the mid eighteenth century, it is possible to question whether they really 'provided the main institutional framework to organise and police the commercial, political and religious lives of their members'.²²

19 Pettigrew and Veevers (eds.), *The Corporation as Protagonist*, 43.

20 For examples of the diverse views of India, see Sanjay Subrahmanyam, *Europe's India Words, People, Empires, 1500–1800*, Harvard University Press: 2017.

21 Jürgen Osterhammel, *Die Entzauberung Asiens: Europa und die asiatischen Reiche im 18. Jahrhundert* (München: C.H. Beck, 1998)

22 Pettigrew and Veevers (eds.), *The Corporation as Protagonist*, 137.

Nevertheless, that religion was an integrated part of governance is a welcome development in the history of trade and global history. That role could be particularly interesting to follow in corporate behaviours in places where Christianity was either banned, or restricted, by local authorities. This could result in ecumenical practices, such as the sharing of graveyards by Catholics and Protestants in eighteenth-century China, or joint sermons by different East India company chaplains as they lay at anchor in different parts of the world, as well as how the religious rhetoric was used to presenting oneself. As religious policies and practices clearly demonstrate the porous nature of the corporations' social structure, and how both practices of – and knowledge on – religion and trade were circulation by multiple European and multiple local actors, it highlights the limitations of discussing corporations within a national framework.

Conclusion

This is a book detailing the sociology of global corporations, rather than a global sociology. Several chapters drive home the point of the shared social norms at work in these trade connections, and their importance.²³ Indeed, one can discuss what the key driving force of these connections, and the process of globalisation really is – the social norms and practices or the corporations enabling and encompassing them? Rather than arguing for a sociology of the corporation that is distinctive, in the sense of being distinguishable from trade overseas, of within the country, what made the sociology of these corporations global was the great degree to which their norms were shared with other groups. Cultural and linguistic hybridity, intermarriage, the controlling use of religion, information flows and the circulation of knowledge are present in other European and non-European ventures. In all of these aspects, the British were affected by the fact that they acted in relation to non-European networks, the diaspora trade networks, and other European corporations.²⁴

This volume argues that the corporations helped structure a system that included foreign as well as local actors.²⁵ However, if there were any particular European trade norms at this time, it is likely that the key to these norms were adaptation. Leonard Blussé and Femme S. Gaastra suggested many years ago that, for several companies, 'Local conditions eventually dictated the point at which the relations between the Europeans and non-Europeans settled on

23 Pettigrew and Veevers (eds.), *The Corporation as Protagonist*, 165–166.

24 Pettigrew and Veevers (eds.), *The Corporation as Protagonist*, 56.

25 Pettigrew and Veevers (eds.), *The Corporation as Protagonist*, 28.

the scale between dominance and servitude'. They argued that adaptation to Asian circumstances is not a point of weakness, but the very basis of success.²⁶ This point has also been raised in research on the Dutch company in Japan.²⁷ A key phrase in this volume that the corporations were 'uniquely predisposed to subordinating themselves to foreign states'.²⁸ That is most certainly true for the Swedes in most of their overseas ventures during the seventeenth and eighteenth century. In China, both the Swedish and the Danish company relied on Chinese power to get access to the Canton trade, and were the most profitable during the era when the local government was the strongest. Indeed, discussions on the *doux commerce* might even have been a way of circulating knowledge of foreign trade norms to other traders, the own government or board of directors. Arguments for the untrustworthiness traders from other cultures can be found around the world, but they coexisted with functional trade. Thus, the combination of these seemingly contradictory notions was a global phenomenon. From the 1680s and onwards, for example, the Qing government encouraged foreign trade while there was a national debate on trade in relation to the public good.²⁹ There are multiple cases when Chinese merchants complained of the behaviour of foreign merchants. Chinese traders who, just as their European partners, acted under a state monopoly. In Sweden, there was even a notion that the Chinese concepts of 'virtuous trade' could curtail imperial ambitions of the Dutch and the British, and give 'pure and commercial' ventures like that of the Swedes their proper place. The eulogy over the company director Nicholas Sahlgren states how virtuous he was to be a trader, rather than a colonialist or explorer.³⁰ To explicitly state the strength of non-European rulers was to argue for the necessity of adaptation. As argued in this book, overseas governance was intentionally left weak in order to keep the agents on the ground flexible. Because those who decided if an adaptation was successful were not the Europeans, but those evaluating their efforts. Therefore, the ideas and practices that made overseas corporations successful

26 Leonard Blussé and Femme S. Gaastra, eds., *Companies and Trade: Essays on Overseas Trading Companies during the Ancien Régime* (The Hague: Leiden University Press, 1981).

27 Adam Clulow, *The Company and the Shogun: The Dutch Encounter with Tokugawa Japan* (New York: Columbia University Press, 2013).

28 Pettigrew and Veevers (eds.), *The Corporation as Protagonist*, 24

29 Manhoung Lin, *China Upside Down: Currency, Society, and Ideologies, 1808–1856* (Cambridge: Harvard University Asia Center, 2006).

30 Joachim W. Liliestråle, 'Åminnelse-Tal ... öfver Directeuren Af Svenska Ost-Indiska Compagniet ... : Nicol.Sahlgren Hållit För Kongl. Vetenskaps- Academien Den 25 Februarii 1777' (Stockholm, 1777); Lisa Hellman, 'Using China at Home: Knowledge Production and Gender in the Swedish East India Company, 1730–1800', *Itinerario* 38, no. 1 (2014).

might not have differed that much from those that helped Chinese overseas traders succeed in the Indian Ocean trade.

This volume demonstrates how British corporations were global actors, as well as agents in the process of early modern globalisation. As the Swedish example highlights, however, the power dynamics in the corporations varied not only over time, but also between the various European actors. Indeed, the overseas companies must be considered in relation to other endeavours, such as the self-organised networks, as these consistently cooperated as well as competed. This approach underlines how the history of European expansion and trade is difficult to write from a nation-based perspective, not only because it includes non-European actors, but also because of the multiplicity and variety of the European ones. The next step, to elucidate the role of the corporations in early modern trade, is thus to introduce solid comparisons, as well as to highlight cooperation as well as conflict with various European and non-European actors.

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