CHAPTER SEVEN

DOING BUSINESS WITH WESTERN AFRICA: PRIVATE INVESTORS, AGENCY AND COMMERCIAL NETWORKS

The European entrepreneurs and businessmen in the Republic and Portugal as well as their agents overseas were the basis of the complex system of interactions described earlier in this study. In Chapter Seven we pay special attention to the economic activities of these private investors in the Western African trade. Here, we examine the European entrepreneurs and businessmen based in the Republic and Portugal who financed the insurance of ships and cargoes for the Western African trade and operated in the long-distance circuits connecting Western Africa with Europe and the Americas.

Our analysis is based on the economic activities of certain merchants that we use as case studies. The selection of these merchants is based on the number of relevant primary sources available. A wide set of data, including the insurance and the commercial partnerships established between entrepreneurs and businessmen of different cultural backgrounds as well as commercial agreements, labor contracts and powers of attorney will allow us to discuss the level of cross-cultural interactions for the Western African trade. Thus, the research findings presented in this chapter will contribute to the debates on early modern business history, especially those linked to trade, diasporas, mercantile networks, cross-cultural trade and private entrepreneurship,

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1 As a consequence of this methodological approach not all notarial contracts concerning the Western African trade between c. 1590 and 1674 will be referenced in the text or the footnotes.
2 The analysis of the entrepreneurs, businessmen and agents of the Republic is based on a set of 494 notarial contracts from the GAA. This set comprises notarial acts regarding the business activities of the merchants of this Dutch port with the Western Coast of Africa during the period of 1590–1674. This set includes contracts for the following places in Western Africa: Senegambia, Guinea-Bissau region, Cape Verde, Sierra Leone, Grain, Gold, Ivory and Slave Coasts, São Tomé and Principe, Loango, Kongo, and Angola. The study of the insurers, merchants and agents operating from Portugal is based on monopoly contracts and correspondence collected from the AHU, the notarial contracts from the IAN/TT and the ADP.
and will show the economic advantages of diasporas on the building of the Atlantic economy.

In this chapter, we also identify the various categories of commercial agents controlling the trade in the Dutch and Portuguese posts and settlements in Western Africa and the networks set in place by these insurers, merchants and commercial agents. Based on original data, we demonstrate that many of these business and financial networks were not based exclusively on family ties, ‘national’ solidarities or imperial political and geographical unities. We also argue that many of these networks had a cross-cultural, supra-national and trans-imperial character. Finally, the research findings presented here indicate that the commercial organization of the private entrepreneurship was far more efficient than the commercial organization of the state-sponsored trading companies or the commercial monopolies under royal management.

The analysis of the Dutch case is divided into three periods: i) c. 1590–1623; ii) 1624–1638; and iii) 1639–1674. This chronological division is necessary since, after the establishment of the WIC in 1621–1624, private merchants were prohibited from trading with Western Africa and other areas in the Atlantic, and were forced to remove their assets and personnel from the commercial entrepôts within a period of two years (by 1623). However, the Company did not respect this grace period, provoking many complaints from the private merchants.

These commercial restrictions were in use until 1638 for Brazil and 1648 for North America and Western Africa. However, from the early 1640s onwards, the signs of economic decline started to emerge and the WIC’s incapacity to conduct trade and guarantee the transport of enslaved Africans and African goods in the inter-continental routes led to a gradual opening of its monopoly to private businessmen. Therefore, after the 1640s, and especially during the 1650s and 1660s, there was a revival of private investment from the Republic in Western Africa. Thus, in the first and third periods we focus on the economic activities of the private entrepreneurs, businessmen and agents operating in Western Africa, while in the second period we examine the activities of the WIC, its insurers and its commercial employees. In

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4 See, for example: GAA, NA 201/137: 1622–07.