

Atlantic Entrepreneurship:
Cross-cultural business networks, 1580-1776¹

Cátia Antunes
c.a.p.antunes@hum.leidenuniv.nl
Leiden University

1. Introduction

The importance of the Atlantic Ocean in the development of Early Modern economies has been stressed in a growing number of studies since the 1960s.² Some aspects of the contacts between different cultures and continents however, have enjoyed little attention. One of these is the individuals behind the Atlantic economic system: merchants, businessmen and entrepreneurs.

The histories of families and business networks engaged in the Atlantic have to be mainly classified as monographic and often focus on a specific economic activity, such as the trade in sugar, tobacco, slaves, or a specific religious congregation.³ We miss however, a comprehensive study on business networks in the

¹ This essay is the first public attempt to present a project that we would classify as ‘work in progress’. For this reason, it should not be seen as a final draft of an article, but solely as an attempt to systematize an on-going research. We thank you in advance for all your comments and suggestions.

² D. P. Mannix, *Black cargoes: a history of the Atlantic slave trade, 1518-1865* (New York 1965). P. D. Curtin, *The rise and fall of the plantation complex: essays in Atlantic history* (Cambridge 1990). P. C. Emmer & F. S. Gaastra (eds.), *The organization of interoceanic trade in European expansion, 1450-1800* (Aldershot 1996). J. J. MacCusker, *Essays in the economic history of the Atlantic world* (London 1997). P. C. Emmer, *The Dutch in the Atlantic economy, 1580-1880: trade, slavery and emancipation* (Aldershot 1998). J. J. MacCusker & K. O. Morgan (eds.), *The Early Modern Atlantic economy* (Cambridge 2000). A. J. R. Russel-Wood, *Government and governance of European Empires, 1450-1800* (Aldershot 2000). H. Pietschmann, *Atlantic history: history of the Atlantic system, 1580-1830. Papers presented at an international conference, held 28 August – 1 September 1999 in Hamburg* (Göttingen 2002). J. Postma & V. Enthoven (eds.), *Riches from Atlantic commerce: Dutch transatlantic trade and shipping, 1585-1817* (Leiden 2003). P. A. Coclanis (ed.), *The Atlantic economy during the seventeenth and eighteenth centuries: organization, operation, practice, and personnel* (Columbia 2005).

³ On the Quakers see: J. M. Price, *Capital and credit in British overseas trade: the view from the Chesapeake, 1700-1776* (Cambridge MA, 1980), chapter 3. O. U. Janzen, ‘A Scottish venture in the Newfoundland fish trade, 1726-1727’, O. U. Janzen (ed.), *Merchant organization and maritime trade in the North Atlantic, 1660-1815* (St. John’s Newfoundland 1998), 133-154. R. C. Nash, ‘The Huguenot Diaspora and the development of the Atlantic economy: Huguenots and the growth of the South Carolina economy, 1680-1775’, O. U. Janzen (ed.), *Merchant organization and maritime trade*, 75-106. L. M. Cullen, ‘Irish businessman and French courtier: the career of Thomas Sutton, comte de Clonard, c. 1722-1782’, J. J. McCusker & K. Morgan (eds.), *The Early Modern Atlantic Economy*, 86-104. J. I. Israel, ‘The Jews of Dutch America’, P. Bernardini & N. Fiering (eds.), *The Jews and the expansion of Europe to the West, 1450-1800* (New York & Oxford 2001), 335-349. S. Marzagalli,

Atlantic as a whole and their impact on the construction of the Atlantic system, on the one hand and on the rise of European colonial powers, on the other hand.⁴

In order to fulfill this void in the current literature, we propose to study the business networks that contributed to the building of the Atlantic system at its different stages, as well as their impact in European economic primacy before the Industrial Revolution. Contrary to most of the studies on Early Modern business networks, we wish to engage in the analysis of cross-cultural business networks and not so much on business networks built on kinship, religious or professional affiliations.⁵ We will pay special attention to the partnerships established among Dutch merchants and Portuguese Jewish merchants operating from Amsterdam between the end of the sixteenth and the end of the eighteenth century.

In the last quarter of the seventeenth century, cross-cultural business partnerships set in the context of the Amsterdam market and once mainly dedicated to trade, gave up a significant part of their commercial activities. Many of the individuals that had been involved in the construction of the Atlantic trading networks gave up those activities by shifting their capital investments to the purchase of land in the Americas or by placing their investments in chartered commercial or insurance companies, banks or in titles of public debt.

The shift from cross-cultural commercial capital into a more institutionalized international investment provoked a series of changes in the Atlantic system. These alterations contributed to a slowly but steady move from a commercially oriented Atlantic system into an institutionalized imperial system, where trade was but one of the many activities controlled by an overwhelming central European state.

2. Sources

‘Atlantic trade and Sephardim merchants in eighteenth-century France: the case of Bordeaux’, P. Bernardini & N. Fiering (eds.), *The Jews and the expansion of*, 268-286. J. D. Sarna, ‘The Jews in British America’, P. Bernardini & N. Fiering (eds.), *The Jews and the expansion of Europe*, 519-531.

⁴ A first attempt has been made by D. Studnicki-Gizbert, *A nation upon the Ocean Sea. Portugal’s Atlantic Diaspora and the crisis of the Spanish Empire, 1492-1640*, (Oxford 2007).

⁵ L. Fontaine, ‘Antonio and Shylock: an essay on credit and trust in eighteenth-century France’ (given as the Tawney Memorial Lecture at the Economic History Society Conference in Lancaster, 1996). J. F. Boscher, ‘The Gaigneur clan in the seventeenth-century Canada trade’, O. U. Janzen (ed.), *Merchant organization and maritime trade*, 15-52. Y. Kaplan, *An alternative to modernity. The Sephardi Diaspora in Western Europe* (Leiden etc. 2000), 155-167.

The study of the Atlantic business networks requires the analysis of a body of commercial documents, sanctioned by the existing laws of the time. This paper relies mainly on the information collected from the commercial contracts elaborated by the notaries of the city of Amsterdam since 1580 through 1776. The amount of notarial deeds in Amsterdam exceeds 500.000 contracts since the 1570s through the nineteenth century. Our selection is therefore based on a sample of about 16.600 commercial contracts for the above mentioned chronology, translating therefore realities inherent to the Amsterdam entrepreneurial community. We will pay special attention to the Sephardic Jewish group (referred to in the sources as the Portuguese Nation of Amsterdam) and a mainly Dutch non-Jewish group (composed by individuals of different Christian backgrounds). Any possible extrapolation beyond this scope or any chance for possible comparisons to other business metropolis will not be studied here, but kept in the realm of possibilities for future comparative research.

An Early Modern commercial deed established the legal basis of an agreement between two or more parties that wished to engage in a transaction. The contract was elaborated by the notary and signed by the parties in the presence of witnesses, who would be called to testify to the agreement in case of disputes over the matters settled in the first instance.

We have classified as commercial contracts a whole array of notarial deeds concerning property and financial transactions. We have excluded from our research testaments, marriage settlements and urban renting contracts due to their particular nature. Therefore, our analysis has taken special interest in the following typology of contracts: statements, agreements, labor contracts, freight contracts, powers of attorney, commercial credit, bottomries, insurances (maritime and otherwise), loans, mortgages, bills of exchange and purchasing notes for shares, bonds and titles of public debt.

The problems posed by this set of documents are infinite and only a few can be methodologically solved. The information that we can capture is often incomplete, far from uniform and all but systematic. Be as it may, they remain one of the few Early Modern sources for the study of business behavior and entrepreneurial development before the Industrial Revolution.

The typology of the commercial contracts is provided by the Early Modern notaries themselves. We have adopted that same typology in an attempt to protect the

integrity of the sources and the information they convey. Nonetheless, when assessing the importance and development of networks, historians are forced to classify the sources according to their level of relevance to the subject of their study.

In this case, we are particularly interested in the levels of connectedness between the different individuals operating in a specific network. That connectedness is determined by the amount of trust and risk each individual is willing and able to take upon him/herself in order to participate in a certain business venture. Having that in mind, we have built a hierarchical classification of the commercial contracts, being level 1 the less complex and requiring the less risk and therefore demanding the lowest amount of trust between the different parties (see table 1).⁶

Table 1. Hierarchical classification of commercial contracts, 1580-1776.

Levels	Type of contract
1	Statements/ Agreements / Labor Contracts
2	Freight Contracts
3	Powers of Attorney
4	Commercial Credit
5	Bottomries / Insurances
6	Loans / Mortgages
7	Bills of Exchange
8	Shares / Bonds / Titles of Public Debt

The connectedness between different groups of businessmen can be measured by the above mentioned classification of the commercial contracts and by the number of parties with different backgrounds in each contract. The multiculturalism of the contract increases with the amount of individuals involved in a certain transaction. At

⁶ R. A. East, 'The business entrepreneur in a changing colonial economy, 1763-1795', *Journal of Economic History* (Supplement), 6 (1946), 19-32. P. Mathias, 'Strategies for reducing risk by entrepreneurs in the early modern period', C. Lesger & L. Noordegraaf (eds.), *Entrepreneurs and Entrepreneurship in Early Modern times: merchants and industrialists within the orbit of the Dutch staple market* (The Hague 1995), 11-32. N. Zahedieh, 'Credit, risk and reputation in later seventeenth-century colonial trade', O. U. Janzen (ed.), *Merchant organization and maritime trade*, 53-74. P. Mathias, 'Risk, credit and kinship in early modern enterprise', J. J. McCusker & K. Morgan (eds.), *The Early Modern Atlantic Economy*, 15-35.

the same time, the higher the level of multiculturalism in a particular commercial agreement, the more important that contract becomes in the establishment of cross-cultural business networks.

It may come as a surprise for many that this study includes solely commercial contracts, which implies a mainly private approach to the study of cross-cultural business networks in the Atlantic. In an age dominated by chartered companies engaged in all kinds of colonial entrepreneurship, it seems almost counterproductive to only analyze the business concerning private initiative. As we will explain later in this paper, although the presence of chartered companies in the Atlantic was a reality, their success has been broadly questioned.⁷ Either one agrees with the negative assessment of the role played by chartered companies in the building of an Atlantic system or not, research has demonstrated that private entrepreneurship in competition with the monopolies imposed by different European powers was one of the main features of the Atlantic economic development.⁸ Therefore, although chartered companies will make part of this study, they will be mainly considered in relation to the needs, expectations and investments of the private sector.

Dutch and Portuguese merchants in Amsterdam acted economically and socially apart, using their own religious, ethnic and family networks.⁹ However, some individuals in both groups went beyond their 'natural' partnerships, classified by Y. Ben-Porath as 'the F-connection', that is to say their families, friends and firms.¹⁰

⁷ The debate about the success of the WIC as a commercial company has been split in two directions. The first debate reasons that as monopolistic company, the WIC was less successful than the Dutch East India Company (VOC). As a bureaucratic organization and as a commercial enterprise, the WIC was never able to attain the status of the VOC. The second direction in the debate is the performance of the WIC when compared to the presence of Spanish, Portuguese, French and English competitors in the Atlantic. Piet Emmer, Jan de Vries and Ad van der Woude claim that the WIC was of little importance to the Atlantic as a whole when compared to the presence of other European powers. See: J. de Vries & A. van der Woude, *The First Modern Economy: success, failure, and perseverance of the Dutch Economy, 1500-1815* (Cambridge, 1997), 479. P. C. Emmer, 'The Dutch in the Atlantic economy, 1580-1880: an introduction', P. C. Emmer *The Dutch in the Atlantic Economy 1580-1880: trade, slavery and emancipation* (Aldershot, 1998), 1-10, 1. Other historians claim that the WIC and the Dutch presence in the Atlantic were considerable and therefore important as an object of historical study. See: J. Postma & V. Enthoven (eds.), *Riches from Atlantic Commerce: Dutch transatlantic trade and shipping, 1585-1817* (Leiden & Boston, 2003).

⁸ C. Schnurmann, 'Representative Atlantic Entrepreneur: Jacob Leisler, 1640-1691', J. Postma & V. Enthoven (eds.), *Riches from Atlantic Commerce*, 259-286.

⁹ P. W. Klein, *De Trippen in de 17e eeuw: een studie over het ondernemersgedrag op de Hollandse stapelmarkt* (Assen 1965). D. M. Swetschinski, *Reluctant Cosmopolitans. The Portuguese Jews of seventeenth-century Amsterdam* (London etc. 2000), chap. 3. C. Antunes, *Globalization in the Early Modern period: the economic relationship between Amsterdam and Lisbon, 1640-1705* (Amsterdam 2004), 108-129.

¹⁰ Y. Ben-Porath, 'The F-connection: families, friends, and firms and the organization of exchange', *Population and Development Review*, 6 (1980), 1-30.

They often got involved in long-term joint ventures that crossed the boundaries of their traditional networks. For those who crossed their cultural alliances, there was a whole new world to explore.¹¹

In spite of the different religious backgrounds and the political context at the time, Dutch and Portuguese Jewish businessmen were able to create, maintain and improve their intra-group relationships to serve their economic goals. The Dutch penetration in the Brazil and West African trade, before the creation of the chartered companies, is a case in point. The partnerships established with the Portuguese Jews gave the Dutch a certain degree of competitive advantage inside the Portuguese empire in the Atlantic, but it also opened new doors for the Dutch expansion in the region.

The Portuguese Nation, on the other hand, was generally welcomed in the Dutch empire, being the source of much capital investment and know-how used in West Africa, Suriname and the Caribbean to spur the plantation system in the Dutch colonies. Furthermore, Dutch ports, especially Amsterdam, protected the socio-economic and cultural identity of these former New Christians, some of them forced to leave Iberia after the crack down by the Iberian Inquisitions on their families, capital and assets.¹²

It is important to understand that these cross-cultural networks were balanced and called for a more or less equal status for different partners. In practice, that was not always the case, but the rule seems to point out to a situation where hierarchies inside the networks did not exist. That is not to say that there was not a hierarchy between the networks, but in their midst and between individuals, that was not the case. This confirms Casson's theoretical stand that *'a network comprises a web of long-term co-operative relationships between firms. It is distinctive because the relationship between the firms is not authoritarian like an employment relationship, and it differs from a spot market relationship because it involves a long-term commitment. It is intermediate between firm and market because, like the employment relationship, it is long-term, whilst like the spot market relationship, it involved firms of equal status'*.¹³

¹¹ C. Antunes, *Globalization in the Early Modern period*, 106-128.

¹² B. Netanyahu, *The Marranos of Spain from the late 14th to the early 16th century* (New York 1966).

¹³ M. Granovetter, 'The strength of weak ties', *American Journal of Sociology*, 78 (1973), 1360-1380. M. Casson, 'Economic Analysis of Social Networks', in *Actas del X Simposio de Historia Economica. Análisis de Redes en la Historia Económica*, Bellaterra: cd-rom, 2005, p. 3.

3. Cross-cultural networks

When Philip Curtin published his book on cross-cultural trade in 1984¹⁴, he identified three main problems that made this kind of business engagements risky and potentially disastrous. The first problem was language. Curtin argued that the absence of a common language might make communication difficult and hinder good relations and therefore prosperous commercial transactions. This hindering of communications potentially increased the amount of resources needed to come to an agreement on the commercial terms of a specific contract.¹⁵

Curtin points out a second problem. The amount of uncertainty in a certain commercial cross-cultural contract increased due to the cultural differences between two different groups. These differences would include religious practices, lifestyle and daily behaviors. The host society might tolerate these differences in the foreign community but not when the latter was forced into direct contact with the former.¹⁶

The third problem was posed by the universal distrust of aliens coming from a foreign land. The language barriers and the cultural differences were translated into a communal fear of all that was exterior to the original host society. Therefore, aliens were seen as untrustworthy and sometimes even dangerous.¹⁷

Even though problematic, Curtin states that cross-cultural trade has been a reality since pre-classical times. Many of the difficulties faced by cross-cultural relationships were surpassed by the establishment, through negotiation, of a series of institutional frameworks (diplomatic treaties, for example) that might be used to smooth the overall obstacles posed by language barriers, cultural differences and general mistrust on the part of the host community.¹⁸

In the case of the relationship between the Amsterdam merchants and the Portuguese Jewish community the obstacles mentioned by Curtin seem to have had little impact. Portuguese had been a *lingua franca* during the fifteenth and sixteenth centuries and most of the merchant communities throughout seventeenth-century

¹⁴ P. D. Curtin, *Cross-cultural trade in world history*, Cambridge etc.: Cambridge University Press, 1984.

¹⁵ *Id.*, 2.

¹⁶ *Id.*, 2.

¹⁷ *Id.*, 2.

¹⁸ *Id.*, 2.

Europe were able to understand Portuguese, at least at a rudimentary level. The Portuguese expansion and the consequent contacts with peoples around the globe contributed for a broader understanding of the Portuguese as a language of commerce and exchange. A good example of the overall presence of the Portuguese language and culture was the role played by the Portuguese factory in Antwerp, responsible for most of the Portuguese colonial re-exports during the sixteenth century.¹⁹

Portuguese was also a language closely related to Spanish. The fact that the Low Countries had been integrated in the Empire of Charles V and often administered by Spanish aristocrats meant that a reasonable understanding of Spanish was common in the Low Countries at the time. Although this understanding was probably more common among the elites, the maritime communities often trading or serving in the war fleets of the kings of Spain would have been able to master some Spanish and by doing so, understand a fair amount of Portuguese.

The Portuguese Sephardic community on the other hand was a Diaspora and as such accustomed to travel and to integrate in foreign cultures. When Spain expelled the Jews in 1492, most of the families crossed the border into Portugal, beginning there a new life. Others left to different cities in the Mediterranean and in the North of Africa.²⁰ Although massively and forcefully converted to Christianity by the end of the century by initiative of the Portuguese king, and henceforth named New Christians, many of the Portuguese and Spanish Jews remained in Portugal. It is only with the event of the Portuguese Inquisition during the sixteenth century that many were forced to leave the kingdom and settle elsewhere in Europe.

The Diaspora of the Iberian Jewry led them to different destinations in and outside of Europe. The new possessions of the Iberian kingdoms in the Atlantic Islands, the West Coast of Africa, Mid- and South America, as well as in Asia, presented the perfect opportunity for a new start, physically far away from the religious and political decision centers, but still in a known cultural environment, where most of these migrants were able to recreate their personal stories and therefore engage in a new life away from the limits imposed by the issues surrounding their 'purity of blood'.

¹⁹ H. Pohl, *Die Portugiesen in Antwerpen, 1567-1648: zur Geschichte einer Minderheit* (Wiesbaden 1977).

²⁰ H. Beinart, 'La Diaspora Sefardi en Europa y especialmente en la cuencia del Mediterraneo', *Judios y Cristianos en la Cuenca Mediterránea: Hispania Sacra*, 40 (1988), 911-931. A. Levy, *The Sephardim in the Ottoman Empire* (Princeton 1992). J. Israel, *Diasporas within the Diaspora: Jews, Crypto-Jews, and the world maritime empires (1540-1740)* (Leiden 2002), 67-96; 151-184; 291-311.

If some of the New Christians left for the empire, others joined the already prosperous communities in the Mediterranean or the newly started settlements in northern European cities. The late sixteenth-century communities grew mostly in Rouen, Antwerp and Hamburg, where the New Christians held a redistributive function in the activities surrounding the re-export of colonial products originally sent from America or Asia to Seville or Lisbon.²¹ Although operating outside of Portugal, many of the Portuguese communities in northern Europe ended up being formally or informally agents of the kingdom of Portugal and its empire, as was the case of the family Nunes da Costa.²²

Many of the New Christians that settled in northern Europe belonged to a commercial and maritime elite meaning that they shared some familiarity with traveling and adapting to strange environments. This ability to blend into foreign societies required a certain expertise in communication skills, and thus demanded certain knowledge of the local languages.

When Antwerp fell in 1585 after a long siege threatening to ruin most of its commercial elite, Protestant and Portuguese Jewish merchants fled the city and took refuge among Protestant and Jewish communities spread throughout northern Europe. The majority of these wealthy refugees ended up in London, Hamburg and some of the towns of the Northern Netherlands.

The economic growth of the Northern Netherlands and particularly of its maritime towns and cities attracted many of the Antwerp refugees that after short stays at other commercial centers decided to settle in Amsterdam. Dutch historians are divided on the extent to which these Antwerp refugees contributed to the growth of the Dutch economy as a whole and of the city of Amsterdam in particular. Clé Lesger argues that the presence of the Antwerp refugees in Amsterdam endowed the city with enough capital, commercial know-how and broad world networks, all decisive factors in the building of Amsterdam as the largest commercial and financial centre in the seventeenth century.²³ Oscar Gelderbloom, on the other hand, claims that the sample of Antwerp merchants he studied seemed to have had little capital when they arrived in Amsterdam. Gelderbloom argues further that most of the refugees' capital was earned in Amsterdam and the reason for the immigration flow was that the city was

²¹ H. Pohl, *Die Portugiesen in Antwerpen*.

²² C. Antunes, *Globalization in the Early Modern period*, 130-162.

²³ C. Lesger, C., *Handel in Amsterdam ten tijde van de Opstand: kooplieden, commerciële expansie en verandering in de ruimtelijke economie van de Nederlanden ca. 1550 – ca. 1630* (Hilversum 2001).

already blooming and therefore made attractive for fortune seekers and ambitious characters.²⁴

We agree with Gelderblom in his assessment of Amsterdam's situation once the Antwerp refugees arrived. Indeed, Amsterdam was already following a growing curve, mostly due to its participation in the Baltic trade, leaving many of the other traditional Dutch ports behind.²⁵ However, Lesger's argument that the refugees' contribution was essential for Amsterdam's Golden Age and to the general expansion of the Dutch Republic as a major commercial and military naval power cannot be dismissed. In fact, the power of the networks brought by Protestant and Jewish merchants all over the world provided Amsterdam with the contacts, capital and knowledge of an expanding world. Similar arguments are brought forward by Jonathan Israel and Maurits Ebben in their work on the Portuguese Jewish and New Christian networks operating in the Dutch and Habsburg empires.²⁶

The Portuguese Jewish community of Amsterdam, although composed of some of the families that escaped the fall of Antwerp and immigrated in the last quarter of the sixteenth century also grew based on a new immigration wave originated in Iberia after the Union of the Crowns of 1580.²⁷ The rise of Amsterdam as financial and commercial capital of the world allied with a wholeheartedly intervention by the Iberian Inquisitions generated a new exodus from Iberia and even from Brazil, where by the end of the sixteenth century the Portuguese Inquisition had been very active.²⁸

The evidence of the Amsterdam notarial archives show that some of the commercial contracts under examination were written in Portuguese, especially before 1640. However, many of those concerned the internal relationships of the Portuguese Jews. Good examples are the marriage contracts or the testaments of members of the

²⁴ O. Gelderblom, O., *Zuid-Nederlandse kooplieden en de opkomst van de Amsterdamse stapelmarkt (1578-1630)* (Hilversum 2000).

²⁵ M. van Tielhof, M. van, *De Hollandse graanhandel, 1470-1570. Koren op de Amsterdamse molen* (Leiden 1995).

²⁶ M. Ebben, *Zilver, brood en kogels voor de koning. Kredietverlening door Portugese bankiers aan de Spaanse kroon, 1621-1665* (Leiden 1996). J. Israel, *European Jewry in the Age of Mercantilism, 1550-1750* (London etc. 1998).

²⁷ In 1580, Philip II took hold of the Portuguese Crown and with it of the Portuguese kingdom and empire. After a dispute for the Portuguese throne, left heirless after the death of King Sebastião, Philip II was the best candidate for the throne once his mother had been the sister of the famous King Manuel. Portugal remained an independent kingdom and head of its empire. Philip II chose to call the annexation of the neighbouring kingdom a simple Union of the Crowns.

²⁸ *Primeira visitaçãõ do Santo Ofício às partes do Brasil pelo Licenciado Heitor Furtado de Mendonça. Denúncias da Bahia 1591-1593* (São Paulo 1925). *Primeira visitaçãõ do Santo Ofício às partes do Brasil. Denúncias e confissões de Pernambuco 1593-1595* (Recife 1984).

community. These were mostly saved by Dutch notaries who spoke and understood Portuguese and would thus be able to mediate between the parties. However, the commercial contracts seem to have been mainly written in Dutch and therefore made accessible to the majority. We would argue, then, that the language obstacle pointed out by Curtin as a problem for cross-cultural trade was a weak impediment in the relationship between Dutch and Portuguese Jewish merchants.

The problem of cultural differences and behavior argued by Curtin as an obstacle to cross-cultural trading relations seems to have had little impact on the Dutch-Portuguese Jewish relationship. The Portuguese Jews were able to build a synagogue and circulate freely through the streets of Amsterdam at any time. They had freedom of movements, religious congregation and although living mainly around the St. Anthoniszbreestraat, also known as the Jodenbreestraat, no legal framework stopped them to live somewhere else in the city. On the other hand, the clothing habits of the Portuguese Jewish elite seem to have fit the fashion trends of the time, especially if we look at the paintings of the male members of the Lopes Suasso family.²⁹ Nothing would distinguish these men, women and children from their Amsterdam counterparts. Simultaneously, the status of ‘melting pot’ attributed to seventeenth-century Amsterdam would have provided enough physical cover for the presence of the Portuguese Jews in the city.

One of the things that might have called the attention of many for the Portuguese Jewish group was the fact that many had black servants. Although slavery was forbidden in the Dutch Republic as a whole, many Portuguese Jewish families kept their domestic slaves, referring to them simply as domestic servants with the city authorities, which considered this group as part of the extended family of the *pater familias*. It is only when disagreements brook out into serious physical aggression between the domestic slaves of different households that we are able to identify the true origin of many of these domestic servants and the way they were included in the family unit. However, little is known of the relationship between these slaves and the rest of the family or the daily reaction of the city authorities to the presence of these so-called servants.

A second cultural difference that might have distinguished the Portuguese Jews from many of their Amsterdam counterparts was the role played by Portuguese

²⁹ D. Swetschinski & L. Schönduive, *De familie Lopes Suasso. Financiers van Willem III. The Lopes Suasso family, bankers to William III* (Zwolle 1988).

Jewish women in their husbands' businesses. Many of the Portuguese Jewish women that married important merchants were economically independent from their spouses. More often than not, they would invest their dowry on the firm of their husbands and although many would only care about this investment in case of divorce or at the moment of settling the spouse's testament after an early death, others demanded a role in the management of the commercial activities of the family business. Little is known of the actual managerial competence and financial power of these women; however, their names appear often associated to the family business as individual investors, negotiating either in their own name or in the name of their underage children. Although this may have been a widely spread practice among Portuguese Jewish women, it was not uncommon to have similar participation on the part of women belonging to certain segments of the Amsterdam commercial elite, though some protestant groups condemned vividly women's participation in the world of business. So once again, Curtin's argument on the dangers of cultural differences does not seem to have been a factor that might have distinguished the Portuguese Nation from its non-Jewish counterparts.

Last but not least, Curtin implies the existence of a third problem related to cross-cultural relationships: the problem of exclusion and mistrust of outsiders. Once again, we would argue that this impediment would not apply for the potential contacts between the Portuguese Nation and the hosting society. Amsterdam was the seventeenth-century model of an Early Modern 'melting pot'. The city had been on the cross-roads of several protestant refugee waves, mostly from Catholic dominated areas. On arrival, many of the Protestants split into dissent groups of the main protestant structures and slowly but steadily, the number of religious immigrants grew.³⁰ The Thirty Years' War helped to increase the amount of refugees in the whole of the Northern Netherlands, particularly in the maritime provinces of Holland and Zeeland. The war refugees, many of them fleeing either armies, religious persecution or both took refuge in the main Dutch cities looking for work, which they found in the booming shipping activities in Europe and overseas.³¹ The high wages of the Republic also attracted specialized workers, many of them originated in the smaller fishing and

³⁰ P. Benedict, *The faith and fortunes of France's Huguenots, 1600-1685* (Aldershot 2001).

³¹ The Amsterdam's marriage registers show that in the years 1661-1665, 18.5% of the seamen married in the city were Germans. P. C. van Royen, *Zeevarenden op de koopvaardijvloot omstreeks 1700* (Amsterdam 1987). J. Lucassen, *Immigranten in Holland, 1600-1800: een kwantitatieve benadering* (Amsterdam 2002).

trading ports of Scandinavia and the Baltic. All in all, Amsterdam was a multicultural city, where language, religion, and cultural particularities did not threaten the host community, all too happy to receive the newcomers since they were known to perform the trades and jobs the common Dutch were not able or willing to do.

Given the characteristics of Amsterdam in the beginning of the seventeenth century, it is difficult to conceive of a Dutch hosting society averting the Portuguese Nation either for their language, religion or social behavior, if any was visible. Therefore, we would argue that although Curtin's premises may be viewed as general and mostly accurate, they did not translate the reality of late sixteenth and early seventeenth century Amsterdam. Although it might be too daring to state that the Portuguese Nation was integrated and perfectly functioning as part of Dutch society, it may be stated that they worked within Dutch society achieving economic and cultural success, as well as political leverage, three possible criteria to measure social integration in a host society.³²

As we were able to see, the obstacles considered by Curtin as hindering factors for cross-cultural business relationships seem to have been mostly absent from the interactions of the Dutch and Portuguese Jews operating from Amsterdam. Nonetheless, other limitations may have characterized the relationship between these two groups. To understand the exchanges between Dutch and Jewish merchants we will turn our attention to the portrayal of the networks created between these two groups while operating in the Atlantic. In order to characterize these networks we have chosen three possible criteria to assess the impact of these connections in the formation of the Atlantic system.

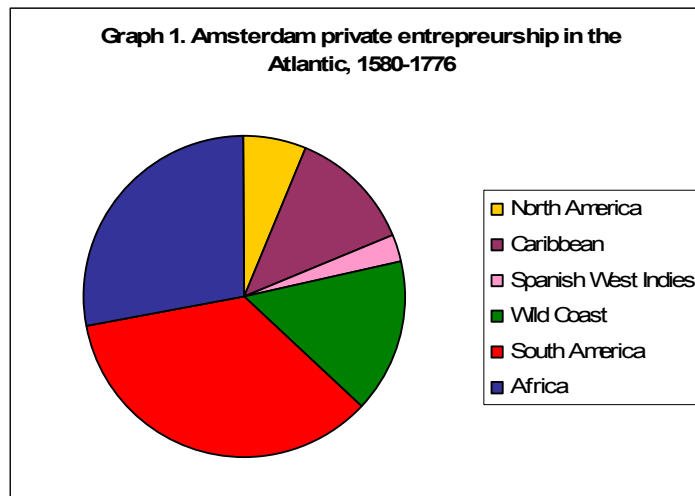
The first criterion concerns the zoning of the contracts. We will analyze the main areas of engagement of cross-cultural networks in the Atlantic and explain the preponderance of these regions in detriment of others. The second criterion will pertain to the composition of the networks. We will be particularly interested in the cultural composition of the different networks and the proportion of mixing in the different areas and through time. The third and last criterion will be framed by the typology of contracts used by the different networks in the different regions. As stated earlier, the hierarchical typology expressed in table 1 will help us create a regional hierarchy and a chronological development of the complexity of the cross-cultural

³² O. Vlessing, 'The Portuguese Jewish merchant community in seventeenth-century Amsterdam', C. Lesger & L. Noordegraaf (eds.), *Entrepreneurs and entrepreneurship*, 223-243.

business relationships established between Dutch and Portuguese merchants operating from Amsterdam between 1580 and 1776.

Zoning and Composition

Amsterdam's private investment in the Atlantic was confined to six main regions: North America, the Caribbean, the Spanish West Indies, the Wild Coast, South America and Africa. Generally, in the period 1580-1776, Amsterdam private entrepreneurs directed their investment mainly to the Caribbean islands, the Wild Coast, South America and Africa. North America and the Spanish West Indies, although important to a minority of investors never attained as much interest as the other four areas (see graph 1).



Source: Gemeente Archief Amsterdam (henceforth GAA), Notarieel Archief (henceforth NA).

Looking closer at Amsterdam's private interests in the Atlantic during the life span of the first Dutch West India Company (WIC), created in 1621 and bankrupted in the 1670s and the beginning of the second WIC in 1674, we notice a shift somehow contrary to what one might expect when private individual investment is forced to face corporate chartered monopolistic commercial goals.

On the eve of the creation of the WIC in 1621, some voices rose against the idea of a chartered company for the Atlantic. These echoes came mostly from private entrepreneurs already operating in the Atlantic mostly to the West Coast of Africa,

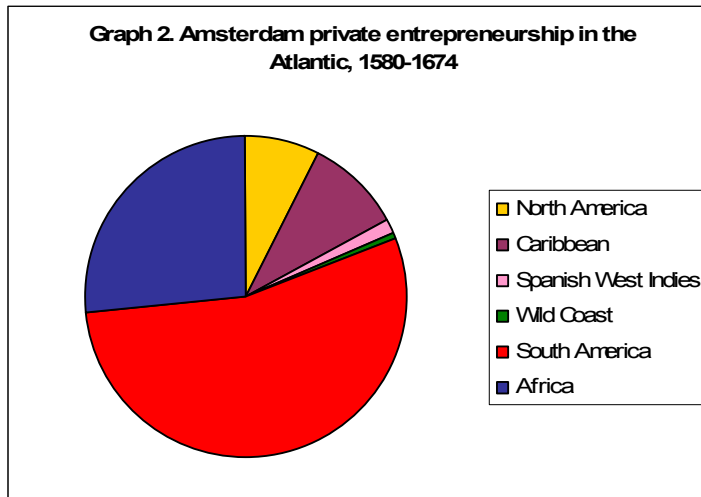
Brazil and North America, with or without the knowledge and cooperation of the Portuguese and the Spanish. Little is known about this opposition and the political and economic reasons behind it. However, it was clear to some of the merchants of the opposition party that they were not willing to withdraw their investments from the area unless the newly formed company would pay significant damages and allow a fair amount of time for the group to relocate their investments.

We did not find the evidence for or against the actual fulfilment of the demands of the private merchants *vis-à-vis* the WIC. What we know is that private entrepreneurship in the Atlantic for the period of the first WIC was mainly active in the areas where the company tried the hardest to wage a full scale war against the Portuguese and Spanish Atlantic empires, considered by some historians, a global war against Iberian might.³³ This aggressive stand by the WIC should be seen as a sign of Dutch corporate interest in the Atlantic in the general movement of Dutch expansion overseas during the Golden Age, and simultaneously as a weapon to fight for the independence of the United Provinces of the Northern Netherlands by hurting one of the main sources of income of the Spanish Crown, which for the period 1580-1640 also held sway over Portugal and its empire overseas.

The WIC had two main goals. In the first place, the rapid acquisition of species, gold or silver, by interfering with the routes of the Spanish silver imports either by capturing the silver galleons or by establishing direct trading relationships with the Spanish West Indies, or by prying on the Portuguese gold and ivory trading outpost in the West coast of Africa. In the second place, the company wished to take hold of the sugar profits provided by the Portuguese plantations in Brazil and inherently control the sources of slave work force in Africa. Although these goals seem to have been straight forward and original on the part of the company, we would argue that they were less the product of the goals set by the WIC itself, but by the already existing knowledge and previous Dutch presence in the above mentioned areas prior to the creation of the company. To a certain extent, the corporate WIC was taking hold of mainly pre-existing private know-how and experience. This being the case, it would explain that in spite of the presence and aggressive stand of the WIC in Africa, Brazil and the Caribbean, private entrepreneurship was mainly directed to

³³ P. C. Emmer, *The Dutch in the Atlantic economy, 1580-1880*, 1.

those same areas, as much as that had been the case before the formation of the company (see graph 2).



Source: GAA, NA.

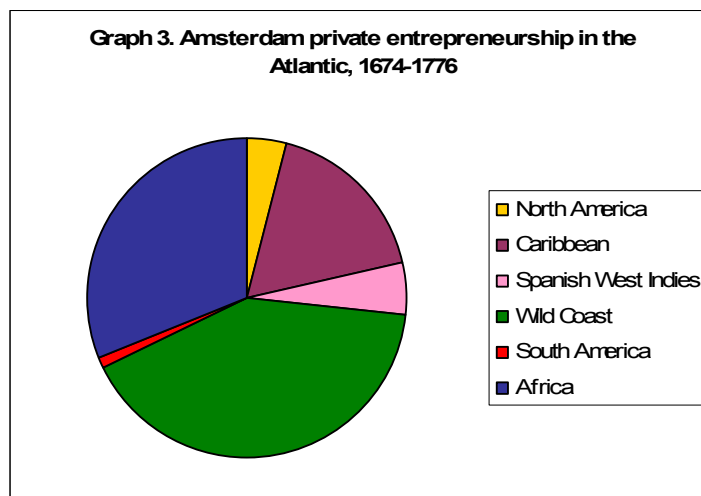
One might expect that the presence of private and corporate interests in the same business (trade), taking place in the same geographical area might have been the source of conflict. That seems to have been the case, but only at a very local level. This because the WIC, contrary to the Dutch East India Company (VOC) was unable, as chartered company to impose, survey and enforce its monopoly. From the outset, the WIC had been under funded, faced with opposition from different political and economic interest groups and much at odds with the political position of the States General in The Hague on what concerned the Dutch relationship with the Habsburg dynasty. Therefore, and given the circumstances, the WIC needed the cooperation of the private sector to uphold its goals and to fulfil its original charter. Private shipping, crews and troops were often sub-contracted from private merchants, more often than not on credit, leaving the company and the private group supporting it heavily dependent on each other's successes and failures.

The disastrous economic and military intervention of the WIC in Brazil and the failure of the Dutch presence in Angola drove the company to technical and practical bankruptcy, since the corporate economic structure had been plagued by the issuing of permanent and incessant war against Portugal, spending much of the resources assigned to it by both shareholders and extraordinary subsidies by the States General. The Hague refused to renew the company's privileges and only after the

French invasion in the beginning of the 1670s did the States General agree to a new chartered company for the dealings in the Atlantic.

In the life cycle of the first WIC (1621-1674), the company had conquered and lost the North Eastern Brazilian *capitanias*, as well as Luanda and adjacent territories in Angola, the Islands of São Tomé and Príncipe and some of the settlements in the Cape Verde archipelago. However, the company was able to hold its tenuous presence in the Slave and Gold Coast, especially after the conquest of Castelo da Mina, renamed by the Dutch Elmina and Goere, both important slave entrepots in the West coast of Africa, maintaining its grasp on the Wild Coast in what would become later the colony of Suriname and clinging to the territorial acquisitions in the Caribbean.

As had happened in the period previous to 1674, private entrepreneurship accompanied the WIC holds. As graph 3 clearly shows, Africa, the Wild Coast and the Caribbean became the main stages for Amsterdam's private Atlantic investments in the areas mostly controlled by the company. Once again, private interests were able if not to break, at least to tame, the monopoly withheld by the company in the Atlantic. We would argue that one was unable to survive without the other. The private resources were paramount for the material successes of the company, whilst the presence of the company was a safeguard for vested private Dutch interests in the region.



Source: GAA, NA.

So far we were able to understand that generally private and corporate entrepreneurship competed for the resources offered by the Atlantic. Either by clear

and upfront competition or by long-term cooperation, private and corporate interests found a way to co-exist in the same line of business in the same area of interest. If before 1674, the main areas of intervention had been the West coast of Africa and Brazil, after 1674 and after the loss of Brazil, Dutch interests focused mainly on the Caribbean and the Wild Coast and on the stabilization of their holdings on the slave trading posts in the West coast of Africa.

Following the zoning of the general Amsterdam private interest in the Atlantic between 1580 and 1776, we turn now to the specific cross-cultural private partnerships built around the Atlantic business. For the period 1580-1674, we noticed earlier that Brazil and the West coast of Africa had been the main areas of investment for the private interests operating from Amsterdam. However, table 2 shows that cross-cultural trade was more intense in the areas where Amsterdam's private interests in general were less important, in this case in North America and the Spanish West Indies, where cross-cultural trade represented 37.7% and 33.3% respectively of the total Amsterdam private entrepreneurship in these areas. Cross-cultural entrepreneurship in South America (mainly Brazil) and the West coast of Africa were far under this level with 28.1% and 17.1% respectively.

Table 2. Amsterdam-based cross-cultural private entrepreneurship in the Atlantic, 1580-1776.

Areas	Period				Average Cross-Cultural (%)
	1580-1674		1675-1776		
	Total	Cross-Cultural (%)	Total	Cross-Cultural (%)	
North America	122	37.7	37	43.2	40.5
Caribbean	159	22	162	48.8	35.4
Spanish West Indies	21	33.3	22	44.9	39.1
Wild Coast	9	22.2	384	65.1	43.7
South America	878	28.1	11	54.5	41.3
West Coast Africa	433	17.1	34	11.8	14.5
Average Cross-Cultural (%)		26.7 (28.7 exc. Africa)		44.7 (51.3 exc. Africa)	35.8 (40 exc. Africa)

Source: GAA, NA.

The cross-cultural private intervention in the Spanish West Indies and North America calls for an explanation, since these were the areas where neither WIC nor private entrepreneurs seem to have been very active between 1580 and 1674. There

are four possible arguments that may explain this fact. In the first place, it is valid to argue that private cross-cultural partnerships were needed in North America and the Spanish West Indies because private entrepreneurs were looking for a new area of business and therefore willing to divert the added risks from their natural networks in order to avoid the collapse of their other businesses. But if that was the case, historians need to change their argument on what concerns the high risks involved in cross-cultural trade. Perhaps what was highly risky was not the network in itself and its social composition, but the goals set by cross-cultural partnerships, in this case the establishment of a presence in areas that demanded heavy investment and therefore a higher amount of risk for an investor's overall operation. If we accept the high investment risk posed by these new areas, we cannot ignore that they were the most peaceful in the Dutch Atlantic at that point, since full scale war was mostly being waged in the South Atlantic.

A second possible argument to be made, and somehow contrary to what we have defended above, the fact that the Spanish West Indies and North America were the least dangerous areas in the Atlantic between 1580 and 1674, that may be the reason why cross-cultural networks were more intense in those areas. If we do not contest the current historical opinion that cross-cultural partnerships were more dangerous than same-group partnerships, we will argue that only in a more or less stable environment was it possible for these cross-cultural networks to thrive. Therefore, a geographical area that did not impose many obstacles in itself, would be the perfect environment for the development, maintenance and success of these business arrangements.

In the third place, one can argue that the lack of interest by the WIC in these areas opened the window for private investors. The absence of a corporate competitor might have been attractive to private entrepreneurs, reducing their transaction costs and allowing for a larger margin of risk, transferred to the cross-cultural nature of the firm.³⁴

Last, but not least, perhaps the cross-cultural private interest in North America and the Spanish West Indies has to be sought not so much on the social composition of the partnerships, but on the nature of the business itself. Amsterdam was a staple

³⁴ D. C. North, *Institutions, institutional change, and economic performance* (Cambridge 1990), 118.

market³⁵ and we would argue that that was one of the main characteristics of private entrepreneurship associated with the European trades. Being the city a distribution and re-distribution centre, that made business know-how in general and private know-how in particular drift to the idea of staple markets and distribution functions, mostly associated with the economic and financial successes of the European internal markets. The role played by the private investment in North America and the Spanish West Indies seem to have fulfilled this role. In fact, Amsterdam firms participated in local trading routes with both the indigenous population and European settlers, insuring the provision of food-stuffs and primary consumption goods locally produced and transported through the local networks. This transposition of a business model was not new for the Amsterdam merchants. In fact, the system they used in the Mediterranean and the Baltic were identical, though running at different paces and adapted to the local demands imposed by existing political powers.

During the period after 1674 through the end of our chronology, cross-cultural trade increased in the Atlantic in general, except in Africa, reaching well above the 40% of the total private investment originating from Amsterdam. One would expect a strong participation of cross-cultural partners in the Caribbean, the Wild Coast and in Africa, since these were the priority areas for Dutch private investors. Although that seems to have been the case for the Caribbean and the Wild Coast, where cross-cultural trade represented about 48.8% and 65.1% of the total private investment in these areas, Africa only reached 11.8% of cross-cultural trade, following a trend already noted in the period before of very low cooperation between cross-cultural partners. Surprising is the level of about 54.5% of cross-cultural trade for South America after the recovery of Brazil by the Portuguese in 1654.

Contrary to what happened in the former period, cross-cultural partnerships seem to match the general Amsterdam private interests in the Atlantic. One possible explanation for this coincidence is that private investment in the Atlantic in general was following the general trend of Dutch business in the European markets. The rise of England as a major maritime power and the slow take-over of Dutch traditional commercial markets and routes forced Dutch entrepreneurs out of the trading routes and into the financial markets. The commercial might of the Republic was slowly

³⁵ T. P. van der Kooy, *Hollands stapelmarkt en haar verval* (Amsterdam 1931). C. Lesger, *Handel in Amsterdam ten tijde van de Opstand*.

replaced by strong investments in the financial sector, as was the case of the financing of state expenses, especially for war.³⁶

If the business shift noticed in the European markets was successful, there was little impediment to use the same business strategy and models in the Atlantic colonies. The transition from a staple commercial market to the center of a financial market provided Amsterdam with the resources needed to respond economically to the threats posed by the English expansion. The cross-cultural private investments in the Atlantic after 1674 prove this trend, where we discern a shift from commercial partnerships into financial partnerships as we will demonstrate when we analyze the nature of the contracts closed between cross-cultural partners (see section below).

The shift from commercial to financial activities in the Atlantic following the developments already noted in the European context can be perceived as positive because the experience acquired by the private entrepreneur in Europe mostly among partners provided by his kinship or religious networks was used as a source of know-how in the Atlantic, improving therefore the possibility of success, by decreasing the levels of risk involved in each transaction. Nonetheless, even if know-how and experience might have been essential for the reduction of risk, failing to meet local demands and specificities of the Atlantic might have gravely endangered the position of cross-cultural partners and their financial transactions.

Generally, the reallocation of business goals from trade to capital investments changed the relationship between cross-cultural partners. In the case of trade, partnerships lasted as long as a power of attorney would determine (for months or years) or as short as a freight contract (for a single voyage). Capital investments, however, demanded long term commitments. Cross-cultural partners were subjected to a lengthy and time-consuming process. They needed to gather the resources for the investment, they were forced into a lawfully protection of that investment and finally they were forced to wait for the returns of that same investment, which it could take several years. Therefore, the risk involved in a commercial transaction was significantly smaller in the short term than a financial transaction because the latter required a higher degree of entanglement between the parties. Nevertheless, in the long term, financial investments were safer than commercial enterprise and, due to their longevity, less time consuming and therefore more cost effective.

³⁶ D. Swetschinski & L. Schönduvel, *De familie Lopes Suasso*. J. Israel, *European Jewry in the Age of Mercantilism*, 101-118.

A striking 54.5% of cross-cultural trade dominated the Amsterdam private investment in South America, though the WIC had lost Brazil in 1654. This predominance of cross-cultural trade for this destination can be explained by the lack of interest by the WIC in the area and by the growing participation of the English in the re-export of gold from Brazil. The only possibility for outside participation in these exchanges was a cross-cultural effort to profit even from a small part of this trade. Although the incidence of cross-cultural private dealings for South America after 1674 was high, their significance in the general Atlantic context is almost irrelevant.

According to table 2, all the regions in the Atlantic witness a significant growth in the percentage of cross-cultural trade in the period before and after 1674, exception made for the West coast of Africa. This lack of cross-cultural engagement might have been a three-fold problem. Firstly, cross-cultural partnerships were less needed in the Amsterdam market than they were required *ad hoc*. Voyages to Africa could be organized in Amsterdam without heavy participation of alien partners because all the contacts one needed to accomplish trade were present in Africa and not in Europe. Locally, Dutch merchants and Portuguese Sephardic merchants joined forces to establish contacts with the local African authorities and populations, being the Portuguese often the intermediaries between the Dutch and the local Africans.³⁷ Therefore, cross-cultural partnerships need to be sought at the local level and certainly not at the European level.

Secondly, West Africa was a trading region for most Europeans, exception made to the Portuguese. The general interest relied on the import of ivory, gold and slaves that were either sent to Europe, in the case of the ivory and gold, or to the American continent, in the case of the slaves. This trade did not require high financial investments because these were products acquired with direct transactions of other products of either European or African origin, acquired through the local intra-African routes. In this case, and contrary to what happened with the commercial context in the Americas, African trade demanded little direct capital investment, except on ships, crews and provisions. Furthermore, the lack of actual colonial settlement in the West

³⁷ F. R. da Silva, *A Inquisição em Cabo Verde, Guiné e S. Tomé e Príncipe (1536-1821)* (unpublished MA-thesis, Lisbon 2001). F. R. da Silva, *Dutch and Portuguese in the West Coast of Africa: conflict and cooperation, 1580-1674* (work in progress as Ph.D. candidate at Leiden University, under supervision of P. C. Emmer). T. Green, 'Further considerations on the Sephardim of the Petit Côte', in *History in Africa* 32 (2005), 165-183.

Coast of Africa also decreased the amount of capital needed to start communities of settlement, with adjacent agricultural production and a costly administrative system.

In the third place, the African trade, especially after 1674 was the only true monopoly that the WIC was able to fully control. The company was responsible for the slave trade and imports into the Dutch and, periodically, the English colonies in America, although experts claim that the Dutch WIC never really attained the primacy achieved by the English Royal African Company. This well-run monopoly must have put some restraint on the private initiative at large and on the cross-cultural investment in particular. Especially after 1674, with a shift from trade to capital investment and the irrelevance of direct capital investment in Africa, cross-cultural partnerships focused their interest in other areas of the Atlantic where the policy of colonial settlement were being fully waged. That was the case of the Caribbean islands and the Wild Coast.

In general, Amsterdam's private investments in the Atlantic for the period 1580-1776 averaged 35.8%, although the average for the American continent reached the 40%. In this chronology there was a shift from the period 1580-1674 to the period 1675-1776. In the former, cross-cultural investments represented roughly one quarter of the total private interest in the Atlantic, averaging around 44.7% for the later period, although for this last period more than half of the total private investment in the American continent was cross-cultural by origin.

The increase from roughly one quarter before 1674 to more than half after 1674 of private cross-cultural entrepreneurship in the Americas was the result of a shift from commercial to financial investment in general as part of a structural change in the Dutch economy as a whole.³⁸ These financial investments were to be expected given the change in the general Dutch attitude in the Atlantic. This change was characterized by a period of warfare and an ideology of maintenance of commercial entrepôts, slowly replaced by a clear determination to build colonial settlements. The establishment, development and maintenance of the colonies demanded higher and long-term investments that due to the risk involved in the short term and the period of

³⁸ J. G. van Dillen, *Van rijkdom en regenten: Handboek tot de economische en sociale geschiedenis van Nederland tijdens de Republiek* (The Hague 1970). C. A. Davids & W. Fritschy, L. A. van der Calk (eds.), *Kapitaal, ondernemerschap en beleid. Studies over economie en politiek in Nederland, Europa en Azië van 1500 tot heden* (Amsterdam 1996). J. de Vries & A. van der Woude, *The First Modern Economy*.

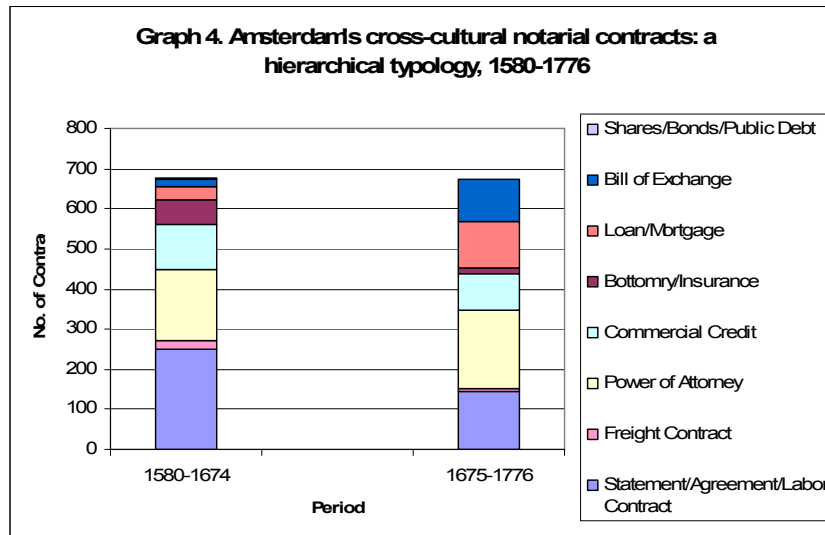
waiting for returnable profits were facilitated by cross-cultural partnerships better than they would have been by private single-handed or single-grouped partnerships.

Typology and Complexity

The general shift from commercial to financial cross-cultural partnerships from 1580 through 1776 can be assessed by looking closely at the legal composition of these partnerships. Following the hierarchical system presented on table 1 (see introduction) according to which the type of contracts enlisted at level 1 were the least risky and therefore demanded a less amount of trust between the parties, through level 8 that held contracts considered very risky and requiring large amounts of trust between the different parties.

In order to test the hypothesis of a commercial/financial shift we need to see if the amount of commercial contracts, that is to say, agreements, freight contracts and powers of attorney during the period 1580-1674 were slowly replaced by contracts of a financial nature, such as powers of attorney, commercial credit, loans, mortgages, bills of exchange and purchasing notes for shares, bonds and titles of public debt for the period 1674-1776.

Graph 4 shows the type of contracts settled by cross-cultural partners from 1580 to 1776. We notice that the commercial contracts in the bottom of the columns were mainly constituted by agreements, statements, freight contracts, powers of attorney and some commercial credit. The instruments of financial transactions such as insurances, loans, mortgages and bills of exchange made only a very small part of the general cross-cultural transactions before 1674. This data backs the hypothesis that during the period of the first WIC (1580-1674), private cross-cultural entrepreneurs established in Amsterdam were mainly interested in trade and commercial exchanges.



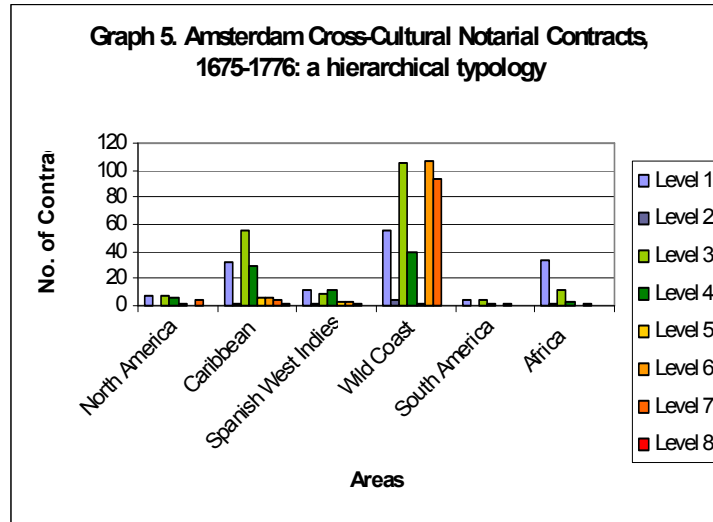
Source: GAA, NA.

The situation changes significantly in the period after 1674, during which cross-cultural contracts signed in Amsterdam for the Atlantic are mostly financial in nature. The powers of attorney in this context refer to the purchase or allowance of credit, acquired through loans or mortgages. Commercial credit is still of some significance, but significantly less than in the period before. There is a very significant increase in contracts pertaining the acquisition or transaction of loans, mortgages and bills of exchange, once again justifying the idea that there was a shift from a mainly commercial private entrepreneurship in the Atlantic to a general financial initiative.

One of the reasons we have pointed out for this shift was the growing interest of Amsterdam investors in the establishment, maintenance and development of colonies. As graph 5 shows, the areas of strongest capital investment, either through financial contracts or powers of attorney are the areas where the Dutch established their territorial colonies, in this case, in the Caribbean and the Wild Coast. In these areas, financial services were rudimentary and the settlers needed outside support for their economic activities. For example, much of the commercial credit was given to the settlers for the purchase of slaves, mostly imported by the WIC from the West coast of Africa.³⁹ Mortgages and personal loans were used in the acquisition of land and the preparation of the soils for a plantation system. The bills of exchange

³⁹ P. C. Emmer, 'The Dutch and the making of the second Atlantic system', P. C. Emmer, *The Dutch in the Atlantic economy*, 11-32. (Previously published in B. L. Solow, *Slavery and the rise of the Atlantic system* (Cambridge 1991), 75-96).

supported further the flexibility of credit in the colonies, although the investment in the Atlantic as a whole was far from secure, as it is implied by the consequences of the crash in the stock exchange in 1773, where many of the planters of Suriname and investors in Amsterdam lost much of their returns, sending a shock wave to the financial market in Amsterdam.



Source: GAA, NA.

For the cross-cultural entrepreneurs with interests in the Atlantic, the shift from a commercial to a financial system of partnerships implied a significant change in the character of the cross-cultural relationships established between Dutch and Portuguese Sephardic merchants. The commercial contracts of the 1580-1674 chronology required a lower degree of trust than the financial contracts of the period after 1674. The degree of trust was lower because the commercial joint ventures agreed upon before 1674 were less risky than the financial partnerships of the long eighteenth century. Financial partnerships were riskier since they forced partners into a longer relationship. The cycle of borrowing, lending and waiting for returnable profits was longer and therefore spread the risk for a longer period of time. On the other hand, the fact that there was a longer period of time in which the partnership had to be active, that mean that risk would be more or less evenly spread throughout the life span of the partnership, whilst in commercial partnerships the relationship was shorter, being the amount of risk higher.

The shift from commercial to financial cross-cultural goals in the Atlantic also indicates a more or less structural change from a mobile commercial investment to a

more capital intensive institutionalized investment. This institutionalization of capital forced entrepreneurs into a long term economic cycle that might have been a challenge for the healthy development of cross-cultural partnerships, but that in the end rewarded the last standing firms with the possibility of steady returnable profits due to the association of long term partnerships with long term steady capital investment.

The institutionalization of capital to be used in the development of the Atlantic might have been a phenomenon originating in the private cross-cultural entrepreneurial group. However, general studies of the Atlantic economy imply the heavy investment and interest of central European states in this area. Being that the case, one could only expect that the central state would have been able to take some advantage of this institutionalization of capital investment in the area. This link between central state intervention and capital investment will be dealt with later on in our research.

4. Conclusion

Cultural differences between Dutch merchants and their Portuguese Jewish counterparts do not seem to have interfered in the partnerships both groups created to defend their interests in the Atlantic, since the proportion of the private cross-cultural trade in the area grew from one quarter to more than half in the period between 1580 and 1776. This large proportion of cross-cultural joint ventures questions the current historical assumption that cross-cultural trade was more dangerous and less efficient than trade based on partnerships ruled by kinship.

Cross-cultural partnerships were not only efficient and widely used as business rational choices, but also as an appropriate instrument to counteract the actions of the corporate interests of a commercial company. The co-existence of cross-cultural entrepreneurship in the Atlantic and the WIC questions the idea of eternal competition between private and corporate interests. As we have demonstrated with the data presented above, private and corporate interests seem either to have tolerated each other's presence in the Atlantic or even cooperated, although the individual goals of each of these business interests might have been divergent. Commercial expansion and consequent colonization appear to have profited from this close relationship.

The growing complexity in the cross-cultural partnerships that intervened in the Atlantic points us in the direction of a certain shift from commercial activities to financial activities. This shift provoked a move from mobile to institutionalized capital that remains to be seen as part of a structural alteration during the Early Modern period or a characteristic of cross-cultural partnerships in general. If this change was structural one needs to find the relationship between this shift and the role of the European state in the centralization of colonial power in the Atlantic. If this was only a characteristic of Early Modern cross-cultural networks, then we would argue that business multiculturalism might have been one of the engines behind the Early Modern globalization process.