

## 4 Commission Trade

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### 4.1 Why Commission Trade Mattered

A key business area, apart from the shipping business, which aspiring wholesale merchants often became involved in during their establishment phase was the commission trade.<sup>1</sup> Engaging in commission trade – in French conducting “commerce par commission” – meant that a merchant professionally bought and sold goods on the account of other merchants, on commission. Such business was conducted regularly by wholesale merchants in long-distance trade. Most often, it was conducted by either a factor, who was permanently employed by a merchant firm to conduct commission trade on their behalf in another city, or by a commission agent, who was acting on his own behalf and in his own name while offering his commission services to and conducting business for a greater number of different customers. The latter role was gladly taken on by merchants during their establishment phase because it provided a very suitable springboard and basis both in terms of establishing a merchant network and of gaining profound knowledge in the trade with various goods in preparation for a prospering career as a settled wholesale merchant. However, even after they settled down, merchants often continued in this business field because it was lucrative and relatively stable, and it provided the opportunity to be involved in manifold international enterprises.

The individual commission agent acted under his own name and vouched with his own reputation for the success of the respective business enterprise while conducting business for and on the account of other merchants and companies.<sup>2</sup> Referring to the French terms and designations, a “commissionnaire” [commission agent] was “a *négociant* [merchant], who undertook commercial operations on account of a third party known as

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<sup>1</sup> See Hancock, *Citizens of the World*, 81. See Trivellato, *The Familiarity of Strangers*, 153–176. See Henninger, *Bethmann*, 102–134. On commission trade in general, see Davies, Kenneth G. “The Origins of the Commission System in the West India Trade (The Alexander Prize Essay).” *Transactions of the Royal Historical Society* 2 (1952): 89–107. Regarding the legal aspect of commission trading, see Landwehr, Torsten. *Das Kommissionsgeschäft in Rechtswissenschaft, Gesetzgebung und Rechtspraxis vom 16. bis zum Ende des 18. Jahrhunderts*. Frankfurt a.M.: Peter Lang, 2003.

<sup>2</sup> On the role of commission agents and the difference between commission agents and merchant factors, see Häberlein, “Trading Companies.”

*le commettant* [the customer or client] receiving thereby a commission that represented his remuneration.”<sup>3</sup> Since this chapter deals with Luetkens’ French trading partners and the French letters within the Luetkens archive, the knowledge of the French terms is not only helpful but indispensable. As the most simple and direct illustration of this fact we can refer to the forms of address that many of Luetkens’ correspondents chose for the address fields of their letters to Luetkens. As was typical during that time, we do not find street names as part of these address lines, but instead we often find the profession of the addressee mentioned on the address wrapper. In Luetkens case, he was referred to as a “négociant” or “negotiant” by his correspondents, supplemented by the information in whose house he was staying and therefore where he was reachable by mail at that time and in which city he was residing, for instance “chez Mons. Egmunth à Lorient”.<sup>4</sup> Thus, from the address line of the letter itself the people derived not only the merchant’s place of residence but to some extent also the form of business that this merchant was undertaking at that time. As the address fields therefore indicated to the contemporaries, Luetkens was introduced as a merchant, a négociant, who conducted his own trade while residing in the houses of other merchants. This means he was not employed as a factor by one particular firm but worked as a commission agent on travel for various firms. One of his main customers and partners in Hamburg were the merchants Hertzner & van Bobartt. They in turn acted as “his true and undoubted agents and attorneys [in the city and whom he had therefore granted] [...] full power and authority during such time [i.e. the time of his travels] to manage his affairs in general both active and passive of what denominations whatsoever they may be, as occasion requires, and in particular to accept and pay bills of exchange, promising and binding himself to both their acceptance for good and approve the same and also to fulfil and actually and really to pay the same when due as if he himself has done the same.”<sup>5</sup> This is a perfect description of the operational framework of a commission agent.

As the address lines indicate and as this whole chapter will inform us in detail, Nicolaus Gottlieb Luetkens fell in the category of the commissionaires during his establishment phase. He was a commission agent who acted on his own behalf but primarily traded on the account of other merchants while staying in the merchant houses of already established French, Dutch, Swiss, and French-German merchant firms in France,

3 See Lamarchand, Yannik, Cheryl McWatters, and Laure Pineau-Defoix. “The Current Account as Cognitive Artefact: Stories and Accounts of La Maison Chaurand.” In *Merchants and Profit in the Age of Commerce, 1680-1830*, edited by Pierre Gervais, Yannick Lemarchand, and Dominique Margairaz, 13-32. London: Picking & Chatto, 2014, here 16 (italics in the original). See also from a contemporary perspective “Commissionär.” *Oekonomische Encyklopädie*, edited by Johann Georg Krünitz. 242 volumes. Berlin, 1773-1858, vol. 8, 251; “Factor.” *Oekonomische Encyklopädie*, edited by Johann Georg Krünitz. 242 volumes. Berlin, 1773-1858, vol. 12, 21-22. See also “Commissions=Handlung.” *Oekonomische Encyklopädie*, edited by Johann Georg Krünitz. 242 volumes. Berlin, 1773-1858, vol. 8, 253.

4 The complete address reads for instance: “Monsieur N.G. Lutkens / Negotiant à Hambourg / chez Mons. Egmunth à Lorient.” Letter from Bethmann, Johann Jakob to Luetkens, Nicolaus Gottlieb, August 10, 1744, TNA, HCA 30/234.

5 Attestation issued by the ruling authorities of Hamburg with translation, letter of attorney with translation, brought into court 23 October 1745, as part of the as part of the *Additional Hearings and Attestations*, TNA, HCA 32/143/17.

for which he took commissions. The houses he traded with had been established in Bayonne, Bordeaux, La Rochelle, Nantes, Brest, Morlaix, Saint Malo and Paris. During his travels through France, he visited these cities one after another, covering the entire French Atlantic coast from south to north with his business trip. In these houses, he was primarily responsible for both “buying and selling of commission goods and acted as a consignor for trade goods” for other merchants.<sup>6</sup> His client base, however, was not limited to France only, but as a commission agent active in France he also offered his services to several merchants and merchant firms outside France, mainly the Hanseatic cities, Hamburg and Bremen, but also Amsterdam, London, San Sebastian, Bilbao, Basel or Gdansk. He therefore traded with France, the Netherlands, Great Britain, Spain, Switzerland and Poland simultaneously.

Furthermore, regarding France, Luetkens did not limit his trading activities to only one single city, but as a travelling merchant he visited several trading cities and spent time in several merchant houses during the time he spent in France. Apart from the fact that this helped him to expand his network of trading partners and clients further, it also provided him with access to and trading opportunities in a wide range of different products of the French market. In short, as a travelling commission agent, Nicolaus Gottlieb Luetkens offered his services from many different places in France, in different kinds of goods, and for a wide range of different customers and trading partners. The latter factors turned him into a very attractive trading partner not only for foreign merchants investing in French trade but also for the French merchants themselves. They could draw on him for the purpose of boosting their own domestic and international circulation of goods, but also found a suitable partner in him as a purchaser and distribution agent for the re-export of French colonial goods and the export of local French Goods to the north-western European and Baltic trading markets.

All of these factors were crucial for Luetkens' establishment phase. For the merchant himself, commission trade represented a promising business for two more reasons. First, in commission trade in contrast to high-risk trade, which will be presented in the next chapter, the risks were comparably moderate. It was a solid business field. Income and revenues in commission trade were also moderate but relatively stable, which provided Luetkens with a certain basic capital and provision and therefore a solid foundation for his business activities in France and subsequently for his future career.<sup>7</sup> The reason for the latter was that although a commission agent bought and sold goods for other merchants or firms, he was not generally liable for losing bargain that might eventually occur through the sale of the respective merchandise, for instance if the sale did not turn out as profitable as the customers expected. The consequence that a commission agent had to bear from a potentially loss-making business, if he was not himself a shareholder in these goods, was that the amount of his commission fee turned out to be lower. The same applied in the opposite case, where his commission increased if his clients made large profits from the respective enterprises. On the downside, however,

6 Lamarchand/McWatters/Pineau-Defoix. “The Current Account,” 16.

7 Hancock concludes that “commission merchandizing was a middling business.” Hancock, *Citizens of the World*, 81. See also *ibid.*, 124-125. See also Henninger, *Bethmann*, 102-134. See also Roseveare, *Markets and Merchants*, 20-21.

the commission merchant was liable and carried legal responsibility for the smooth handling of the whole business enterprise and the shipping of the goods. This meant that he had to ensure that the goods he bought were of good quality and not damaged and that they would also survive shipping without damage.<sup>8</sup>

This latter liability was fairly important because not only did the sale of the merchandise depend on it, but he in fact was forced to pay the incurred costs for any damage. In maritime legal terms, this was referred to in English as average, or as the contemporaries called it in other languages, the merchant had to pay for any occurring “havarie” in German or “avarie” in French with regard to the goods.<sup>9</sup> It was therefore not unusual for commission agents to procure insurances for the ship and also for the goods transported on these ships.<sup>10</sup> The latter fact was also the reason why the combination of being both a commission agent and a shipowner was a lucrative as well as reasonable decision. From the letter episodes analysed in this chapter, we will get a good impression and an insight into the work and the many rights and obligations of a commission agent. We will also be presented with the particular problems and challenges that could occur with regard to the problem of average. In the final analyses, we will learn about how the merchants still were able to cash in on their businesses.

In general, it must be stressed that because of their intermediary role as middlemen, commission agents would understandably enough always have a strong interest in procuring lucrative businesses for their clients, not only because of their liabilities but particularly because of the fact that with every commission business the agent's own reputation was at stake, too, and he wanted to continue business with his clients. Furthermore, if everything went well, the agent was rewarded with a respectable amount of commission fee.<sup>11</sup>

The typical commission rate for commission agents during the 18th century was 2 to 2.5 %, which might appear rather low to the modern reader at first sight.<sup>12</sup> Considering the stability and regularity that commission trade offered for merchants, however, the appeal of this business field especially for aspiring, not yet established merchants was nevertheless very high. Commission trade allowed Nicolaus Gottlieb Luetkens and many other merchants during the time to gradually increase and top up their capital stock to lay the foundation for a successful career.<sup>13</sup> In fact, in the year 1745, and already starting

<sup>8</sup> See Trivellato, *Familiarity of Strangers*, 153-154. See Henninger, *Bethmann*, 113.

<sup>9</sup> In the definition of the Krünitz encyclopedia: “Eigentlich versteht man unter Haferey nur denjenigen Schaden, welcher einem Schiffe und den darauf geladenen Waaren durch außerordentliche Zu- und Unglücksfälle, von ihrer Einladung und Abfahrt an, bis zu ihrer Rückkunft und Ausladung, zustößt, und durch eine allgemeine Contribution nach Proportion des Preises sowohl aller im Schiffe eingeladener Güter.” *Haferey.* *Oekonomische Encyklopädie*, edited by Johann Georg Krünitz. 242 volumes. Berlin, 1773-1858, vol. 21, 99-100. Regarding the different other contemporary meanings of average, “Havarie” or “Haferey” in German, “Avarie” in French, see *ibid.*

<sup>10</sup> See Denzel, *Handbook of World Exchange Rates*, 198-206. See Kiesselbach, *Seever sicherung in Hamburg*.

<sup>11</sup> See Weber, *Deutsche Kaufleute*, 181-191. See Weber, “German Merchants.” See also Roseveare, *Markets and Merchants*, 21-21.

<sup>12</sup> Weber, *Deutsche Kaufleute*, 186; Grassby, *Business Community*, 234; Hancock, *Citizens of the World*, 125.

<sup>13</sup> See Henninger, *Bethmann*, 112-115. See Jeannin, “Distinction des compétences.”

during his travels through Europe, as his capital gains and conto currents reveal, which are the current book accounts he upheld together with other merchants, Luetkens' own capital stock had already grown to such a great extent that he was also able to start expanding his business from commission trade to trading on his own account, or rather he started to combine both, which was to become his main practice after opening up his own trading house in Hamburg at the end of the year 1745. As we learn from a later quote about the merchant Luetkens in a contemporary book dealing with the French colonies, it can even be assumed that later in his life he upheld direct connections to the French colony in Saint Domingue, about which he "was informed very well due to the fact that some his main trading branches of trade were tied to it".<sup>14</sup>

At that time in 1745, as the starting point to this flourishing trade in later years, he had already begun to draw on his own factor in France, whom he had employed at the time of his departure from France and who had taken over his businesses for him in France.<sup>15</sup> Before that time, he himself was the mainstay of his commission trade. So, at the end of his establishment phase, he already upheld a strong, close and direct connection to France, from which he would benefit tremendously in later years. As a kind of transitional solution and approach, combining both commission trade and own-account trading, is the practice of conducting joint enterprises. We can already observe this in the Luetkens archive with regard to Luetkens' business activities in France in 1743-1745. It basically meant that his clients not only placed a commission order with him but at the same time offered him shares in the procured goods. Encountering this practice in the Luetkens archive is another explicit hint at the fact that Luetkens was already approaching the end of his establishment phase. In the letter episode analysed in this chapter, we will be dealing with precisely such an example of a business enterprise where Luetkens as a commission agent in the beginning only took care of the procurement and purchase of a cargo of sugar on the account of four customers. At the end of the episodes, however, the two final owners and shareholders engaged in this enterprise, namely the merchants on whose account the goods were later finally sold, were his partners Hertzer & von Bobartt and himself, both being assigned a 1/2 share in the goods. This enterprise is a perfect example for illustrating Luetkens' activities on the eve of his establishment. It is important to understand in this regard that even though Luetkens finally held a certain share of his own in these goods, he was nevertheless

<sup>14</sup> Hilliard d'Auberteuil, Michel René. *Betrachtungen über den gegenwärtigen Zustand der französischen Colonia zu San Domingo*, translated by Johann Andreas Engelbrecht. Leipzig: J.F. Junius, 1779, dedicated to Nicolaus Gottlieb Luetkens, 3-4.

<sup>15</sup> On the important transition from commission trading to own-account trading for young merchants, see Hancock, *Citizens of the World*, 81. See also Gervais, "Early Modern Merchant Strategies," 10. Regarding Luetkens' capital gains and his shared conto currents with other merchants, see his account memorials in TNA, HCA 30/232 (255 in total, including conto currents, sales contracts and other account documents). See for instance a book of his capital gains and his conto current with his uncle Anthony: "Capitall Conto von N.G. L & Anth. Luetkens", 1743-1744, in TNA, HCA 30/232. The same conto current, listing debit & credit, was also kept by his uncle, who, as was common practice, would send this account to his nephew after each year (or after several months) to compare and settle their accounts. See in this regard in detail "Herrn Nicolaus Gottlieb Lutkens in Lorient suo Conto Courrent, London d. 31. December 1744." TNA, HCA 30/232.

also granted the commission fee by his partner Hertzer & von Bobartt for their share in their goods, illustrating the general benefits of commission trade. All things considered, such an enterprise was therefore a very lucrative business if everything went according to plan.

Although the typical commission rate only amounted to 2 or 2.5%, we furthermore should not underestimate the capital gains that could be won through commission businesses, and in this regard, too, the letter episode presented will be conclusive. Just the commission fee for a commission transaction could easily amount to large revenues, if the amount of actual goods that a merchant took the commission for on the account of another merchant or company was correspondingly high. In the letter episode analysed, Luetkens took the commission for the purchase of 348 hogsheads, “barrique” in French, large wooden casks of sugar, which were worth 379,936 Mark and for which he therefore expected a commission fee of 2,164 Pound Sterling, as the invoice of the purchase bill, the *Factura*, to his brother reveals.<sup>16</sup>

As these figures at the same time vividly demonstrate, moreover, another great challenge for commission agents was that they had to take care to ensure sufficient funds and financing for their commission transactions on behalf of their clients and on their own behalf, for which they heavily relied on the finance and credit sector and financial bill transactions through the exchange of bills of exchange. To quote Markus Denzel, merchants relied on a “system of cashless payment”, which made it possible to buy and sell goods on credit.<sup>17</sup> Bill transactions were the only way that commission agents with limited capital stocks could engage in such large-scale business operations at all.<sup>18</sup> Such financial transactions are to be seen as the linchpin and the supporting scaffold of commission trade, while for other merchants, namely merchant bankers, such banking business could of course represent the main business area they engaged in. For merchants during establishment and beyond, finance and credit business was therefore a necessary concomitant element of commission trade, which is why the cashless payment system will also be analysed in the following explanations of Luetkens’ business activities. For these financial transactions Luetkens drew on particular merchant houses and private banks within his merchant network, relying mainly on merchants and merchant bankers in Bordeaux, Paris, Amsterdam and Hamburg. While conducting his commission trade, he was therefore not only dependent on the cooperation of other merchants with regard to finding trustworthy partners for procuring goods, but he was also dependent on finding trustworthy partners to finance his businesses. Taken

<sup>16</sup> The “*Factura Verk[auf]s. Rechn[ung]. über 348 Oxh[oft]. braune Zucker*” was inserted into the letter from Luetkens, Nicolaus Gottlieb to Luetkens, Anton, June 26, 1744, TNA, HCA 30/232, Letter Book I, no. 197.

<sup>17</sup> See Denzel, Markus. *A Handbook of World Exchange Rates, 1590-1914*. London/New York: Routledge, 2017, xxii-lvii, particularly xlvi-xlv. See also the comprehensive study by Denzel, Markus A. *Das System des bargeldlosen Zahlungsverkehrs europäischer Prägung vom Mittelalter bis 1914*. Stuttgart: Steiner, 2008.

<sup>18</sup> See Weber, *Deutsche Kaufleute*, 181-186. See Henninger, *Bethmann*, 112-115. See Grassby, *Business Community*, 82. See Morgan, “Introduction,” 89-90. See also Gelderbloom, Oscar. “The Governance of Early Modern Trade: The Case of Hans Thijss, 1556-1611.” *Enterprise & Society* 4, no. 4 (2003): 606-39.

together, these two aspects directly lead us to the another main reason why commission trade represented such an important mainstay of Luetkens' establishment phase.

Another reason for partaking in commission trade was that through these trading activities Luetkens was not only increasing his financial resources, but he was also extending and strengthening his network. He filled his pocketbook of correspondents – which has survived in his archive – during this travels, which helped him to establish a firm foothold in the Atlantic trading sector.<sup>19</sup> By getting in touch, staying in contact and trading with some of the leading merchant houses of 18th century trade, commission trade allowed Luetkens to get a foot in the door of Atlantic trading markets. This was not only a market that was highly competitive but was also shaped by many restrictions while at the same time holding ready certain privileges for foreign merchants. As we learnt in the previous chapter about the shipping industry, one major restriction was that foreign merchants were not allowed direct trade with the colonies.<sup>20</sup> Due to the mercantilist policies of France, they had been excluded from colonial trade since 1671, which was the time when the exclusive system started.<sup>21</sup> By means of commission trade, however, they were provided with yet another commercial practice apart from investing in the shipping business, which allowed them to skilfully counterbalance this restriction and circumvent legislative hurdles and therefore to gain access to this trading sector, the trade in colonial goods, essentially by the backdoor. The concrete way of how this commercial practice worked in this regard will be analysed in detail in this chapter. I am going to show how Luetkens and his trading partners coped with and took advantage of the particular regional, juridical and commercial conditions prevailing in France and northern Europe with regard to regional and trade customs. Furthermore, we will find out how these men developed their own strategies and approaches to exploit and capitalise on these conditions by means of the commission trade.<sup>22</sup> For this purpose they made extensive use of letters, which is not only why we are still able today to reconstruct their trading activities today in great detail, but which also points us to another irrefutable fact, which is in turn highly significant with regard to this chapter and to the general subject of this book. It shows us the immense significance that letter-writing practice played for these merchants' business activities and their personal advancement.

## 4.2 Commission Trade and Letters

In order to conduct a lucrative commission trade as well as to be able to procure the financing for their endeavours, the merchants needed to conduct an effective and convincing letter-writing and correspondence practice. The way they achieved this goal will

<sup>19</sup> *Pocketbook of correspondents*, TNA, HCA 30/232.

<sup>20</sup> See Weber, *Deutsche Kaufleute*, 167, 193. See also Weber, "The Atlantic Coast of German Trade." See also Huhn, *Handelsverträge*, 34.

<sup>21</sup> See Marzagalli, "Trade across religious boundaries in Early Modern France," 183-184.

<sup>22</sup> Regarding French commercial law, codes and customs of trade and the legal framework, see in general Stanziani, Alessandro. *Rules of Exchange: French Capitalism in Comparative Perspective, Eighteenth to Early Twentieth Centuries*. Cambridge: Cambridge University Press, 2012, 38-58.

be the third point discussed and analysed in the chapter. In essence, business practice and letter practice have to be seen as interdependent when dealing with 18th-century trade customs. They were literally the two sides of the same coin. Letters were used to conduct business, and business in turn relied heavily on the warranties and negotiation opportunities provided by letters.

The significance and actual power of letters went so far that business letters in many ways served as material substitutes for the merchants that had sent them. This characteristic, as recent research has shown, was not limited only to business letters but applied to many other letter types, too, such as family or love letters.<sup>23</sup> For merchants, this embodiment meant concretely that they conducted business and financial transactions on the basis of their representation in the letters, as a material manifestation of the actions performed, whereby the written word had binding character. This means that the letters were not only instructions to conduct certain actions but that in many ways the material artefact actually performed many of these actions. As the Krünitz encyclopaedia aptly put it, crucial was that in the business letter “the written word alone authorised business”, which means that the letter was a sufficient tool to conduct business based on it. The letter was effective “paratam executionem”, “ermächtigt zur Ausführung” in German.<sup>24</sup> If a merchant therefore authorised a payment in his letter, the letter at the same time represented the medium and means by which this payment was conducted and to which the receiver would at the same time refer as the payment instrument. Often but not exclusively the letters for this purpose also enclosed a letter of exchange. In this regard, the letter served as a material substitute, an extension of the merchant sender, who used the letter as an empowering instrument and tool to conduct his trade with the receiver of the letter. Both merchants, the sender and the receiver of the letter, naturally regarded the letter as a medium bearing concrete powers and the ability to directly authorise and perform certain trading activities, a medium they relied on and in which they trusted. In this way, business letters often literally equalled money, and correspondence at the same time became a crucial trading floor in its own right for the parties involved. The ability to act via letters was in this regard not something that only modern-day research ascribes to these letters and to the merchant's action performed on the basis of them as in fact this view was clearly shared by merchants of the 18th century. As the contemporary mercantile writer Johann Carl May wrote in his mercantile letter manual *Versuch in Handlungsbriefen und großen kaufmännischen Aufsätzen* from 1765, it was widely accepted among merchants of the time that letters themselves had the power “to buy for us, to speak for us and to sell for us”, “für uns kaufen, reden und verkaufen” in German, which aptly captures and reveals the special significance that letters held for the merchants of the age.<sup>25</sup>

23 See Pearsall, *Atlantic Families*. See the project: Material Identities, Social Bodies: Embodiment in British Letters c.1680-1820, a Leverhulme Trust funded project based in the School of History and Cultures at the University of Birmingham, <https://socialbodies.bham.ac.uk>, accessed 20 October 2020.

24 “Die bloße Handschrift eines Kaufmannes zieht paratam executionem nach sich.” “Handels=Mann, Kaufmann, Negociant, L. Mercator, Fr. Marchand, Négociant.” *Oekonomische Encyklopädie*, edited by Johann Georg Krünitz. 242 volumes. Berlin, 1773-1858, vol. 21, 747-754, here 753.

25 May, *Versuch in Handlungsbriefen*, 1. See Faulstich, *Die bürgerliche Mediengesellschaft*, 85.

It is important to understand this fact not only in order to understand the form and character of 18th century business letters, but also in order to understand why we need to regard letter writing as a distinct form and communication layer of conducting business in the 18th century. Business letters were a concrete trading floor, being not only a necessary supplement to trading on spot but a general driving force and a coordination tool underpinning it. At the same time, the letters represented a communication medium, which was used for additional trading operations enabling and processing further the trade activities that these merchants undertook in the harbours, marketplaces, bourses or counting houses of the trading cities. Such further trading operations included banking, financing and exchange operations, sales negotiations, accounting operations, namely debiting or crediting, and speculative transactions. Correspondence needs to be regarded as a pivotal site of conducting trade in the Early Modern Period. Especially with regard to the business field of the commission trade this fact will become especially apparent in this chapter. It will become obvious how closely intertwined both processes, business practice and letter practice, were in actual mercantile practice.

As the explanations will show, commission trading was ultimately only possible and implementable through the skilful interplay and combination of both the mercantile activities on location, such as buying and selling of goods in French ports, and an effective letter-writing practice, which was responsible for all the coordination and negotiation tasks involved in the respective commission enterprise. Thus, with the help of letter practice the merchants gave instructions to each other with regard to the respective businesses on location; they supervised, controlled and monitored the purchasing, storing, the transport and the selling of these goods; and they also gave guidance and took decisions with regard to how to proceed further in the respective businesses, for instance with regard to settling the partners' accounts after the enterprise. As the letter episode will show in an exemplary fashion, it was therefore not uncommon but a typical business procedure in commission trade that several merchants were fulfilling several different tasks in several different cities at the same time as part of the business at hand, with the commission agent acting as the nerve centre, the string puller and coordinator of the whole business enterprise. In the letter episode we will encounter different merchants fulfilling different tasks and roles. We will encounter merchants as clients, as commission agents, as financiers, as advisers and consultants, and as the actual buyers in the French port. In fact, the buyer did not necessarily even have to be the commission agent himself, as he may have commissioned another merchant to buy on his behalf. We will furthermore encounter merchants as loaders and unloaders of the goods, as the ship-owners, as insurers and finally as the re-sellers of the goods.

In order to understand the significance of letter practice for commission trade and business in general, we simply have to imagine for once the sheer number of people who were involved in commission enterprises and imagine the efforts that were needed and necessary to coordinate and communicate among each other regarding the different actions involved in the enterprise that different people needed to perform. All this coordination, which was important for the successful implementation of the commission enterprise, was conducted primarily on the basis and by means of correspondence. Letters were therefore ultimately nothing less than the finetuning tools, the linchpin and mainstay of commission trade. For Luetkens, it was the primary tool on which he based

his business in France and this fact applies not only to commission trade but also to many other mercantile fields of activity in which he was active during that time.<sup>26</sup>

For Luetkens' commission trade activities in France, however, as will be shown, writing letters was of particular importance because on the one hand it allowed him to work together and to establish contacts with many well-established merchant houses of the time in Europe, while on the other hand freeing him from the general need to meet all his trading partners personally for every trading transaction or joint enterprise they were conducting together. It was even not uncommon for him to approach and correspond with merchants or merchant houses or banking houses that he had never personally met before, but to which he still established contacts, often supported by and on the basis of letters of recommendation that were issued to him by other merchants, as a kind of seal of quality underpinning his trustworthiness.<sup>27</sup>

The advantage of not having to rely on face-to-face interaction, but on face-to-letter-interactions, clearly helped him to get a foot in the door of Atlantic merchant networks of the time. Luetkens nonetheless tried his best eventually to visit as many of his trading partners as possible at least once during his travels, which was in essence also one of the motivations behind his travels. Correspondingly, he tried to introduce himself and thus strengthen the relationship with his trading partners and correspondents by means of a personal visit. For his concrete trading activities, however, he relied heavily on his face-to-letter interactions, which represented the written continuation of the oral conversations the merchants conducted during their meetings in person. As the contemporaries called it, letters were used for the continuation of their conversations in the form of a "distant conversation" ["weit entfernten Gespräche"] in order to also ensure the "continuance of [...] friendship".<sup>28</sup> The latter point at the same time leads us to the next benefit of commission trade in combination with letter practice. Apart from allowing him to expand his network, letter practice was furthermore important for Luetkens' commission activities because it allowed him to stay mobile when conducting his businesses, while at the same time he was still able to pursue and conduct several concrete business ventures in various goods together with his merchant partners in different cities in France and beyond at the same time.<sup>29</sup> His letter practice served him as the command centre for his commission activities, with which he was able to establish a lucrative business in France and beyond, which in turn served him as his foothold for his establishment phase.

26 See also Trivellato, "Merchants' letters," 81-84. See Trivellato, *The Familiarity of Strangers*, 153-176.

27 See *inter alia* *letters of recommendation*, TNA, HCA 30/232.

28 Letter from Bethmann, Simon Moritz to Luetkens Nicolaus Gottlieb, April 17, 1744, TNA, HCA 30/234. Letter from Bethmann, Simon Moritz to Luetkens, Nicolaus Gottlieb, March 3, 1744, TNA, HCA 30/234. See also Hunold, *Die Allerneueste Art Höflich und Galant zu Schreiben*, 53: "[D]en Mangel der mündlichen Unterredung durch schriftliche Correspondence ersetzen."

29 Regarding the importance of business trips for young merchants, see Ruppert, *Bürgerlicher Wandel*, 86-90. See also Weber, *Deutsche Kaufleute*, 187. Johann Jakob Bethmann's business journey (1744-1745) represents a good comparative example to Luetkens' travels, see Henninger, *Bethmann*, 129-134. See Butel, "La maison Schröder et Schyler." See also Weber, *Deutsche Kaufleute*, 187. Regarding the importance of mobility for Hamburg merchants, see Weber, *Deutsche Kaufleute*, 17, 21. See Butel, "La maison Schröder et Schyler."

Commission trade, on the basis and by the help of letter practice, laid the foundation for Luetkens' goal to become actively involved in the trading sector of France and also its Bourbon ally Spain, which formed the basis for his mercantile success in France. It also promoted and strengthened international cooperation and networking, allowing Luetkens to establish and uphold strong ties to France and Spain, but also to the Netherlands, England, Poland, Switzerland and of course to Hamburg, which served as the basis for his success. His activities as a commission agent subsequently laid the foundation for his future career and trading activities as an established merchant. Commission trade had allowed him to make a name for himself, to establish a good reputation within his business circle and, last but not least, to increase his capital stock, which once more served as a major building block for his career as a wholesale merchant, paving the way for his establishment. In short, commission trade was the crucial foundation on which he based and built his career as a wholesale merchant. Therefore, it was also a major means of enforcing his claim to become an established, respectable merchant of the Atlantic trade community, which is why dedicating a whole chapter to the business practice of commission trade is mandatory for this book.

There is, however, yet another overarching reason why writing a chapter on commission trade is not only necessary for this book, but also very helpful for understanding Luetkens' business portfolio during his establishment phase. This reason is that commission trade, as an umbrella category, encompassed, encapsulated and required various further different business operations as concomitant operations. These business operations can be regarded as crucial independent parts and skills of Luetkens' general business portfolio coming together in his commission trade. These included the general trade in commodities, but also commodity speculation. In the episode, for instance, we will see that Luetkens invested in Spanish Prize goods. Furthermore it included finance and insurance businesses, exchange businesses, the shipping industry and accounting procedures, which all came together and ran like clockwork to make the commission trade work. In short, by analysing Luetkens' commission trade activities, I am provided with a special focus and a workable analytical solution that allows me to demonstrate and subsume in a nutshell many of the business activities that Luetkens and his partners were engaged in during the time of Luetkens' establishment phase. In this way I am able to provide a representative cross-section of Luetkens' and his partners' business portfolios without the need to elaborate on each of these activities and analyse each of his numerous business endeavours individually, which would by far exceed the scope of this chapter and the book in general.<sup>30</sup> Last but not least, we have to direct our special focus and attention on commission trading because this commercial practice served as the ultimate core of his business activities during his establishment phase.<sup>31</sup>

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30 This assessment at the same time should imply that further in-depth analyses of his several business activities are most certainly not only possible but worthwhile and would be highly welcomed by the author. In the *Final Remarks* of this book, I am commenting on such further research opportunities that the Luetkens archive offers for further research e.g. for Economic History.

31 See also Hancock, *Citizens of the World*, 81. See Trivellato, *The Familiarity of Strangers*, 153-176. See as another good comparative example to Luetkens' case also Henninger, *Bethmann*, 102-134. See Butel, "La maison Schröder et Schyler."

The Entry Books of the Hamburg Admiralty and Convoy Duties, *Admiralitäts- und Convoygeld-Einnahmebüchern* of the Hamburg *Admiralitätskollegium*, stored at the *Staatsarchiv Hamburg*, the Hamburg State Archive, list all duties on imports to Hamburg from foreign ports during the 18th century, beginning in 1733. The name of the Hamburg merchant house “Luetkens & Engelhardt” is ubiquitous in these large leather-bound books speaking of the second half of the 18th century. These entries are not restricted to a short time span but appear over and over again in these books starting after the founding of the merchant house till the time when Luetkens became senator of the Free and Imperial city of Hamburg. The books provide a vivid and in fact impressive testimony of the role and influence that the Hamburg merchant house of Luetkens & Engelhardt had in the Hamburg sugar trade during the 18th century. In his renowned pioneering study on German Merchants in Atlantic trade, Klaus Weber listed the merchant house of Luetkens & Engelhardt already for the year 1753 as the third-largest sugar merchant in Hamburg, after the renowned Huguenot merchant firms of Pierre His and Pierre Boué in Hamburg, with a total turnover worth 272,900 Mark Banco.<sup>32</sup> Weber, however, nonetheless concluded that the Hamburg sugar trade was dominated and controlled by Huguenot merchants only, overlooking in his book the important role of Hamburg-born Nicolaus Gottlieb Luetkens for the Hamburg sugar trade during that time. In general, the merchant Luetkens remains a blank sheet in current research. The Entry Books of the Hamburg Admiralty and Convoy Duties provide us today, however, with hard evidence that the accomplishments of Luetkens’ establishment phase, the network he built during that time and the business practices he had established during the 1740s laid the foundation for his prospering career and his later commercial success in Hamburg. The numbers show that the assiduous efforts the merchant undertook in 1744 and 1745 in order to make a name for himself and to establish a strong foothold in Atlantic trade bore fruit and paid off quickly after his settling down in Hamburg. His remarkable commercial success as an established merchant in Hamburg later in life, still primarily due to and based on the trade in colonial goods, especially French sugar, can be directly attributed and traced back to his early successes during his establishment phase when he prepared the ground, from which he got off to a flying start as soon as he opened the doors of his own merchant house in Hamburg together with his business partner Ehrenfried Engelhardt.

In the first part of this chapter, after this introduction, I will elaborate in detail on the characteristics, the trade structures and customs as well as the specific regional, social, juridical and religious conditions that Luetkens, as a foreign merchant residing and travelling in France, found in French trade. Luetkens and his trading partners in

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<sup>32</sup> Admiralty records of the Staatsarchiv Hamburg, Entry Books of the Hamburg Admiralty and Convoy Duties, *Admiralitäts Zoll und Convoy Einnahme. Staatsarchiv Hamburg*, Admiralitätskollegium, 371-2, F6, vol. 18 (De Anno 1753) and vol. 25 (De Anno 1769). See Weber, *Deutsche Kaufleute*, 248-250. Ulrich Pfister and Markus Denzel (among others) have worked intensively on these Admiralty records. See Pfister, “Hamburg’s import trade.” See Denzel, Markus A. “Der seewärtige Einfuhrhandel Hamburgs nach den Admiralitäts- und Convoygeld-Einnahmebüchern (1733–1798).” *Vierteljahrsschrift für Sozial- und Wirtschaftsgeschichte* 102, no. 2 (2015): 131-160.

France and the rest of 18th-century Europe utilised these conditions for their trade activities and in many ways, though certainly not in all ways, they profited from them; structures and conditions, which these men at the same time also decisively created, shaped and sometimes altered through their own actions, but which they in any case perpetuated through their presence in France or through becoming actively involved in French trade.<sup>33</sup> The latter fact is also the reason why I will not only describe and contextualise these structures and conditions in general, but I will always try to link these conditions to Luetkens' concrete activities in France, including both his business and his travel activities, with which he reacted to and therefore also shaped the economic and social circumstances in France. Therefore, in this chapter, we will also get a more accurate picture of Luetkens' travels in France and of the goals he pursued with his travels and his business. Through this we will also learn about his and his trading partners' concrete approach and strategies to overcome the legislative hurdles and difficulties prevailing for foreign merchants in France.

It will become most apparent what significant role letters played within this process and for the performance of mercantile trading activities in general. As the historian Toby L. Ditz once aptly put it, every trading custom was primarily a product of practice, which was particularly shaped and maintained through "mercantile correspondence [...] as a dynamic site where ongoing negotiations and arguments which produced and altered a remarkably labile 'custom'."<sup>34</sup> Correspondence was the fuel that kept the whole system running. The way the practice worked, how letters became effective tools of trading activity, will be presented in the chapter, followed by an exemplary illustration of this way of working on the basis of a concrete polyphonic letter conversation reconstructed from the Luetkens archive. Thus, in the second part I will present a letter episode that revolved around the purchase of a cargo of sugar that Luetkens purchased as commission agent with the help of several of his trading partners and correspondents. He then offered this sugar as commission goods to several of his trading partners, primarily to his Hamburg trading partners, the merchants Hertzer & von Bobartt. From this episode, the practices, structures and conditions of 18th-century French trade, shaping the trading activities of foreign merchants will become obvious, and furthermore we will learn about the subtleties of commission trade. We will learn about the loopholes that Luetkens and his partners used for their businesses, about the different trading operations and activities necessary for this undertaking, such as commission purchases, financial transactions, the consignment of merchandise, the chartering and re-exporting, and about the people involved in this kind of trade.<sup>35</sup> Last but not least, we will learn about the language register of business and trade during the 18th century and about common ways and means of negotiation and persuasion practices the historical protagonists used in the course of the trading procedures, which were mediated through and for which they used their letters.

After having learned about the typical ways and means of mercantile corresponding in business, that is, how business letters were typically written during that time, in

<sup>33</sup> Regarding this interrelation, see also Ditz, "Formative Ventures," 64.

<sup>34</sup> Ibid.

<sup>35</sup> See furthermore Lamarchand/McWatters/Pineau-Defois. "The Current Account," 16.

the third part of the chapter we will be presented with an exemplary practical example of this letter style and practice from actual business practice in the form of a reconstructed letter conversation. This letter exchange will point us to the effectiveness of the letter style in practice. At the same time, both the general introduction to the mercantile business letter style but particularly the practical example will finally also present us with the first practical principle of persuasion that we encounter as a shaping element of 18th-century letter practice and business practice from the Luetkens archive. In this chapter, I present as the practical principal of persuasion governing the letters the principle of persuading through showing efficiency. Since the episode will also be informative about potential problems and setbacks that occurred during the course of such business transactions and the whole procedure of commission trade, however, I will also be able to present a second practical principle of persuasion that becomes apparent from the Luetkens letters. This practical principle came into force whenever the first principle was disturbed, that is, if any events occur that endangered the original plan or if something unexpected happened. In all of these instances Luetkens resorted to using drastic measures. Whenever problems occurred, the merchant wrote letters of complaint, indignation, warnings and rebuke. These letters allow us to derive the second practical principle of persuasion that becomes apparent from the Luetkens letters: the principle of the sledgehammer method.

Both the language of efficiency and the drastic language of complaint and indignation in these letters highly are what intrigued me in the first place while sorting and reading in the archive. The languages of pragmatic efficiency and of complaint represented my moment of surprise crucial for this chapter, in all their particular historical specificity and with regard to the systematic force standing behind them and to their effectiveness and significance for people's trading actions and strategies. These factors aroused my interest in these letters and subsequently served as my starting point for the thick description in this chapter.

### 4.3 A Commission Agent in France

In 1743, exactly during the time when Nicolaus Gottlieb Luetkens gained his first experiences in France and only one year before his second long business trip through France began, the French intendant Louis-Urbain-Aubert de Tourny, Intendant de Guyenne, was asked by the French Secretary of State of the Navy, Jean-Frédéric Phélypeaux, 1st Count of Maurepas, to produce a report about the Hanseatic trading community and the activities of Hanseatic merchants residing in Bordeaux, "au sujet des négociants hanséates de Bordeaux". In his letter to "le comte de Maurepas", Tourny reported the following observations:

"Regarding their trade, faculties, character and behaviour [“facultés caractère et facon de se conduire”], I will have the honour of telling you on the first object that it consists, on the one hand, in sending to foreign countries both the aliments of the kingdom, such as wines, spirits, dried plums, syrups, salt, and the products of the French colonies such as sugar, indigo, coffee, cacao, cotton; on the other hand, in importing

from foreign ports the goods or aliments which the kingdom might require, such as wood for construction or for casks, copper, iron etc. They all seem to be pursuing this trade [...] only in commission; although there may be some who pursue it on their own account [...] I have not had, according to the various intelligences which I have sought to collect [...], but favourable testimonies to give you. They are considered people of probity, intelligent, and enjoy the confidence of the public ["gens de probité, intelligens, et ont la confiance du public"] which makes the credit of a merchant. As far as taxes are concerned, they are not treated differently from the French, and comparing the profit of their trade [...] with their capitation and the tenth part duty of industry [...] you will easily recognise that they are not overloaded with coin, their profit is often even a fourth or a third part smaller [than the profits of the French merchants]."<sup>36</sup>

Tourny's report provides us with an accurate description and summary of the status and the role that Hanseatic merchants played in French trade. It also presents us with the ways of commerce these merchants were mainly engaged in, actually not only speaking of Bordeaux in 1743, but speaking of the whole of France during mid-18th century. Among the Hanseatic merchants, Hamburg merchants occupied the leading position ahead of Bremen and Lübeck merchants. The report aptly depicts the three main pillars of Hanseatic trading activity in France during the 18th century. The three pillars at the same time present the three main reasons explaining the successful integration of these foreign merchants into the French economy, the Atlantic merchant community and market.<sup>37</sup> The latter is the reason why Tourny's report offers a valuable starting point for the following explanations of the factors having an impact on the Hanseatic trading activities in France. He provides the basic foundation for starting the thick description.

As Tourny described it, the basic features and characteristics of Hanseatic trade in France were, firstly, that Hanseatic merchants acted as commercial intermediaries in the trade with French colonial goods, which they re-exported, and French domestic goods they exported to their home ports or other crucial ports of North-European sales markets. In return, the merchants mainly imported construction goods to France.<sup>38</sup>

Secondly, in order to act as intermediaries they made use of commission trade, which, thirdly, earned them the respect of the French merchants, who held them in high regard and who allowed them access to their mercantile circles, which again facilitated

<sup>36</sup> Lettre de Tourny, intendant de la Généralité de Gienne, à M. le comte de Maurepas, ministre d'État, au sujet des négociants hanséates de Bordeaux. Arch. dép. de la Gironde, C. 4438. – Minute pap. s. date [fin 1743], de la main de Tourny, as found in: Leroux, Alfred. "Documents historiques concernant la colonie austro-allemande de Bordeaux." *Archives historiques du département de la Gironde* 51 (1916-1917): 258-257, here: No. XXX 1743, 270-271. In parts also quoted in Henninger, Bethmann, 112.

<sup>37</sup> See Weber, *Deutsche Kaufleute*, 154-224. See Weber, "German Merchants." See Augeron/Even, *Les Étrangers*. See also Kellenbenz, Hermann. "Der deutsche Außenhandel gegen Ende des 18. Jahrhunderts." In *Die wirtschaftliche Situation in Deutschland und Österreich um die Wende vom 18. zum 19. Jahrhundert*, edited by Friedrich Lütge, 4-60. Stuttgart: Fischer, 1964.

<sup>38</sup> See also Höfer, *Deutsch-französische Handelsbeziehungen*. See also Huhn, *Handelsverträge*.

their actions as intermediaries.<sup>39</sup> The three factors cannot be considered independently from each other but they worked together like clockwork. In the following explanations, I will present all three basic elements of Hanseatic trade activity and integration in more detail, focussing on the case of Hamburg merchants and particularly basing my explanations on Luetkens' activities and his commercial agenda. I will supplement Tourny's report with further information about the major strategies that Hamburg merchants used to successfully implement their basic trading approach. That is, as regards their intermediary role, I will highlight the importance of mobility for Hamburg merchants.

I will furthermore add and highlight the crucial strategy of Hamburg merchants to become involved in and integrated into Protestant merchant networks in France and Europe. These networks are today known in research under the term and concept of the Protestant International in research.<sup>40</sup> The Hamburg merchants under investigation in this book primarily addressed Huguenot merchants as trading partners in France. This followed a common pattern among merchant groups of the 18th century that has already often been observed by historians and that has been highlighted for several coreligionist networks. Apart from Protestants it has also been prominently researched for Jewish and Armenian merchants. The main argument as to the reason for such coreligionist networks has been put forward by Bosher, who concluded in his pioneer works that only "in a network of relatives and [...] fellow Protestants [...] did a merchant normally feel that his contracts and funds, ships and merchandise, were in good hands".<sup>41</sup> During the Early Modern Period, a shared religious affiliation between French Huguenots in France and in the diaspora, and the Reformist, mostly Calvinist merchants, and the Lutheran merchants from other parts of Europe served as a binding force and element that engendered mutual solidarity and created a foundation of trust, or rather a leap of faith that facilitated trade among them.<sup>42</sup> The Huguenot minority in France on the other hand also profited from the outside help of foreign Protestants for their own trading activities, which is why they opened their doors most often without hesitation

39 See Butel, "Les négociants allemands de Bordeaux." See Marzagalli, "Négoce et politique des étrangers." See Weber, *Deutsche Kaufleute*, 16, 21-22, 176-178, 190. See Weber, "German Merchants." See Leroux, Alfred. *La Colonie Germanique*.

40 Regarding the "Protestant International" in France, see Marzagalli, "Trade across religious boundaries". See Marzagalli, Silvia. "Commercer au-delà des frontières confessionnelles dans la France de l'époque moderne." In *L'économie des dévotions. Commerce, pratiques et objets de piété à l'époque moderne*, edited by Albrecht Burkhardt, 347-373. Rennes: Presses Universitaires de Rennes, 2016. See the pioneer work by Lüthy, Herbert. *La Banque protestante en France et la révocation de l'édit de Nantes à la Révolution*, 2 vol. Paris: S.E.V.P.E.N., 1961. Regarding German merchants profiting from the Protestant International, see Weber, *Deutsche Kaufleute*, 304.

41 Bosher, John F. *Business and Religion in the Age of New France, 1600-1760*. Toronto: Canadian Scholar's Press 1994, 143. See Marzagalli, "Trade across religious boundaries," 172.

42 See Weber, Klaus. "La migration huguenote dans le contexte de l'économie atlantique: l'exemple de Hambourg." In *Hugenotten und deutsche Territorialstaaten. Immigrationspolitik und Integrationsprozesse / Les États allemands et les huguenots. Politique d'immigration et processus d'intégration*, edited by Guido Braun and Susanne Lachenicht. 125-136, Munich: Oldenbourg, 2007. See Bosher, "Huguenot Merchants."

to the Hamburg merchants and employed them as intermediaries.<sup>43</sup> As has to be noted in this regard, however, shared religious practice or worship played a rather marginal role in the establishment of these Protestant networks. The networking rather followed the pragmatic approach of forming partnerships of like-minded entrepreneurs with a common goal. The crucial building block of the networks was that “members of these networks had ampler possibilities of sanctioning opportunistic behaviour of kin and coreligionists.”<sup>44</sup>

As regards the commission trade, I will elaborate further on the importance of a broad product portfolio and the importance of sufficient liquidity for commission agents, the latter of which was ensured through financing and banking businesses, which were both points that Tourny had already observed in his report, but which he did not describe in detail.<sup>45</sup> As a third element crucial for commission trade, added to Tourny’s explanation, I will present letter practice as the ultimate linchpin and nerve centre of this entire business sector, which furthermore also leads over to the last point on Tourny’s list. Last but not least, with regard to promoting mutual appreciation, I will highlight the importance of certain letter practices that were performed to win over and to ensure mutual respect among the merchants in the international community. These furthermore greatly helped to support and underpin the impression that Hamburg merchants were welcomed guests in France, or even more, why a Hamburg merchant like Luetkens residing in France for two years was in many ways already regarded as one of their own. As Tourny described it, merchants such as Luetkens enjoyed the “confidence of the public” and were therefore not much different to the French merchants.<sup>46</sup>

Consequently, I will present the importance of a shared European language register of business and trade as well as, on the other hand, the importance of the practice of choosing and writing in different languages (German, French, Dutch) in mercantile correspondence. Most often the French language was used by these men for writing standard business letters, that is, writing about general business purposes and for dispute resolution. German or Dutch were used for writing letters dealing with more personal matters, but also for business purposes depending on the respective correspondent.<sup>47</sup> Having identified and presented all these crucial factors and building blocks

43 See Mondot, Jean, Jean-Marie Valentin, and Jürgen Voss, eds. *Deutsche in Frankreich, Franzosen in Deutschland 1715–1789. Institutionelle Verbindungen, soziale Gruppen, Stätten des Austausches / Allemands en France, Français en Allemagne 1715–1789. Contacts institutionnels, groupes sociaux, lieux d'échanges* (Bei-hefte der Francia, 25). Sigmaringen: Thorbecke: 1992. Weber, Klaus. “Making Frenchmen Loyal Germans: Huguenots in Hamburg, 1685–1985.” In *Enlarging European Memory: Migration Movements in Historical Perspective*, edited by Mareike König and Rainer Ohligers. 59–69. Stuttgart: Thorbecke, 2006.

44 See Marzagalli, “Trade across religious boundaries,” 173.

45 See Doerflinger, Thomas M. “Commercial Specialization in Philadelphia’s merchant Community, 1750–1791.” *Business History Review* 57 (1983): 20–49. Regarding the benefits of a broad product portfolio as a commission agent, see Weber, *Deutsche Kaufleute*, 249. Regarding the “necessary funds to engage in foreign trade” and the importance of creating an “initial stake”, see Hancock, *Citizens of the World*, 240–241. See also *ibid.*, 124–125.

46 See *Lettre de Tourny* quoted above.

47 The same practice can be found, though in reverse order, in the case of the letters of Johann Jakob Bethmann analysed in Henninger, *Bethmann*, 81–82.

of Hamburg commercial activity and integration in France, we will have gained sufficient knowledge, the necessary thick contextual framework, to be able to understand the events happening in the letter episode. One final note regarding Tourny's observations, however, still needs to be made at this point. Naturally, Tourny concluded at the end of his report that the overall share that Hanseatic merchants held in the overall trading volume of Bordeaux was rather low. Any other information would have diametrically opposed the purpose of his report to his superior, which was to show that the Hanseatic merchants were no threat to the mercantilist policy of the French king and monarchy, which certainly was the most important piece of information that Maurepas wanted to hear. Undoubtedly, it is true that the overall share that Hanseatic merchants had in the French market during that time was comparably low in comparison to the trading activities of their Bourbon trading partners. This fact, however, does not imply or exclude the possibility that the foreign merchants still earned a great reputation and large sums of capital and profits through their businesses in France. Quite on the contrary, many Hanseatic merchants in fact made their fortunes in France during that time and used the trade opportunities in France as the foundation and the springboard for their careers as wholesale merchants.<sup>48</sup> One of these merchants was Nicolaus Gottlieb Luetkens.

## Seizing Opportunities

The reasons why Hamburg merchants acted as commercial intermediaries within the French economy were twofold. First, foreign merchants were excluded from direct trade in colonial goods due to the *droit d' exclusive* or *l'exclusive*, the French mercantilist law that limited all trading activities with the colonies to French merchants only.<sup>49</sup> As pointedly summarized by Silvia Marzagalli, the core aspect of this crucial regulation and new law was that "foreign ships were excluded from colonial ports, and French exports to the colonies were exempted from all duties. Duties on French colonial imports were reduced from 5 percent to 3 percent. These decisions laid the basis of what was later labelled as the "exclusive system," a policy excluding foreigners from colonial trade and obliging colonies to trade exclusively with the ports and merchants of the mother country."<sup>50</sup> The *droit d' exclusive* was introduced in 1671 under Jean-Baptiste Colbert as chief minister of finance between 1665 and 1683 during the reign of Louis XIV and as part of the French mercantilist agenda.<sup>51</sup> In 1685, the *droit noir* followed, even banning all non-Catholics from the French colonies, which lead to expulsion.

48 See Butel, "Les négociants allemands de Bordeaux." Many examples can also be found in Weber, *Deutsche Kaufleute*, 154-224.

49 See Weber, *Deutsche Kaufleute*, 56. Regarding the *Droit d'Exclusif* in detail, see Tarrade, *Le commerce colonial de la France*, 83-112. See Marzagalli, Silvia. "The French Atlantic World in the seventeenth and eighteenth centuries." In *The Oxford Handbook of the Atlantic World, c. 1450-c1820*, 235-251. Oxford: Oxford University Press, 2011. See also Fontaine, Laurence. *L'économie morale: Pauvreté, crédit et confiance dans l'Europe préindustrielle*. Paris: Gallimard, 2008.

50 Marzagalli, Silvia. "The French Atlantic World," 184-185.

51 See *ibid.*, 243.

These legal restrictions forced all foreign merchants to focus their trade on the re-export of colonial goods to the north-eastern markets and, as Tourny put on record, on the export of French domestic goods, particularly wine, to foreign countries as well as on the import of construction materials like timber or iron to France. The demand for the heavy materials was very high in France during that time due to the ongoing expansion of the French fleet and shipbuilding sector and also through the continual need for maintenance and repair work on the French fleet.<sup>52</sup> The latter, in turn, points us to the second reason why and how Hamburg merchants acted as intermediaries within the French trading sector. Thus, secondly, the Hanseatic merchants occupied the business sector of commission trade in the role of commercial intermediaries also because they were openly admitted to this role and welcomed with open arms by the French merchants and economy. The reason for this, however, goes beyond the mere fact that France was dependent on the import of construction goods. Rather, it was mainly due to the fact that with regard to French products in particular the French merchants found suitable and highly welcomed trading partners, customers and buyers of their goods in the Hamburg and foreign merchants. Thus helped them to balance the economic surplus in France and generate even more capital from a market that was already heavily saturated. As trading partners French and foreign merchants could generate capital in commission trade and the shipping industry that would have otherwise been forfeited. Consequently, the French state and economy allowed the foreign merchants to participate in the trade with French surplus and enabled the re-export to the north-eastern ports of Europe, the Baltic and to the hinterland and the inner European market.

Foreign merchants in France, with the Hamburg merchants at the forefront, in the end took care of more or less all the surplus in domestic and colonial goods that flooded the French markets during that time. The continuous very high demand for colonial consumer goods such as sugar, coffee or tobacco in the domestic markets of France during the Enlightenment was easily met by French merchants. Allowing foreign merchants to furthermore help with the re-distribution of their surplus goods to foreign markets therefore created even more trade opportunities and profits. In the end, France supplied large parts of all of Europe's consumer societies with the sought-after consumer goods during the age of Enlightenment. "Half of the sugar and most of the coffee shipped to Europe was produced in the French Caribbean and was redistributed to European and Mediterranean consumers through French ports."<sup>53</sup>

Foreign merchants in France helped to manage and profit from that saturation of the French market, held a decisive share in the continuing good economy of France and therefore strengthened France as one of the leading economic heavyweights of the 18th century.<sup>54</sup> The business sector of commission trade combined with the shipping industry, which provided the necessary logistic infrastructure for the re-export, turned

<sup>52</sup> See Weber, *Deutsche Kaufleute*, 229.

<sup>53</sup> Marzagalli, "Trade across religious boundaries," 169.

<sup>54</sup> Regarding this surplus see Pourchasse, "French Trade," 19. See Pourchasse, *Le Commerce de Nord*, 267-289, 291-327. See Pourchasse, "L'immigration négociante," 317-332. See Butel, *L'Économie française*, 77-82. See Weber, *Deutsche Kaufleute*, 158.

the French surplus into good profit for all participants.<sup>55</sup> As another contemporary of Tourny and Luetkens, whose name is unfortunately unknown, aptly concluded, by taking this particular role and occupying this business sector, foreign merchants became indispensable parts of the French economy and likewise earned the respect of the French merchants. This fact prompted the unknown writer to the very accurate assessment that the foreign merchants in France were in the end “of immense value for our economy [“d'une utilité infinite pour le commerce”], it is certain that the economy would shrink without them, and who among our merchants could do the kinds of business that they are doing [“les memes affaires qu'ils fond”]?”<sup>56</sup> The latter assessment, in turn, aptly depicts the second reason and motivation behind the readiness of Hamburg merchants to become actively involved as intermediaries in French trade. Hamburg merchants definitely did not only occupy this business sector simply due to a lack of alternatives, but they engaged in it because they were called and they were needed and there was a clear demand for their involvement, which always serves as a good basis for success in business.

## Privileges

A clear indication of the fact that the foreign merchants enjoyed this special status as welcomed guest in France was that the merchants found, apart from the exclusion from direct trade, often very favourable conditions for conducting business in France. They enjoyed certain privileges, which not only applied to Hanseatic merchants, but also to merchants from Switzerland, from the United Provinces of the Netherlands and the Holy Roman Empire. I concentrate on Hamburg merchants. By French commercial law and regulated through special peace and commercial treaties between the powers, foreign merchants from Hamburg were allowed to rent their own business facilities and warehouses in the French cities [“Niederlassungsfreiheit”].<sup>57</sup> Hamburg merchants were exempted from paying the Dixième [“Zehnt”]. For one year of residence, the merchants were furthermore exempted from paying further general taxes, like the capitation tax [“Kopfsteuer”], which they, however, had to start paying for the following years.<sup>58</sup> The Hamburg merchants in French ports were exempted from many customs duties or only had to pay very low duties on certain imports ranging between 3-3.5%. They also were exempted from special taxes such as the *Droit de tonneau*, “Faß-Geld” in German. The fact that the word “exempted” is omnipresent in the preceding paragraph underlines that the French economy and trade policies, against all premature expectations about mercantilist economy systems, put forward clear incentives for foreign merchants to trade in the ports of French Atlantic trade. “The need to boost the re-export of colonial goods made authorities [...] lenient toward the constant immigration from Protestants

55 See *ibid*.

56 *Remarques sur l'état des Hanséates de Bordeaux, en 1711*, ADG, C 4473, quoted in Butel, Paul. “Le négoci international en France au XVIII siècle.” In *Le négoci international: XIIe-XXe siècle*, edited by François M. Crouzet, M., 140-152, Paris: Economica, 1989, here 140.

57 See Weber, *Deutsche Kaufleute*, 159-165; see Huhn, *Handelsverträge*, 34.

58 See Weber, *Deutsche Kaufleute*, 159-165; see Huhn, *Handelsverträge*, 34; see Wurm, *Neutralität*, 11-21. See also Stanziani, *Rules of Exchange*, 38-58.

from northern Europe to Bordeaux [and other French ports of Atlantic trade], where, by all counts, they integrated well into the local merchant community.”<sup>59</sup> Even by law, the merchants therefore often became an integral and indispensable part of the French economy.

Another legal right and possibility to become actively involved in the French economy, granted to foreign merchants in France in general, was that they were allowed to open joint merchant houses, that is, establish private partnership firms in France together with a French merchant or with merchants from other neutral states, merchant “nations” as the contemporaries called it, who were already established in France.<sup>60</sup> Thus, foreign merchants were allowed to find a French, Swiss, German, Spanish or Dutch business partner in France and to establish a nationally mixed merchant house together, “gemischte-nationale Gesellschaft” in German. Since this practice was a clear incentive especially for merchants during their establishment phase, we will hear more about it in the chapter on Luetkens’ search for a business partner for his merchant house. Particularly the latter opportunity of joint merchant houses was gladly taken up by foreign merchants who tried to get a foothold in French trade and to establish their business there. In the episode analysed in this chapter, we will find several such mixed merchant houses involved in the respective business enterprise, such as for instance the banking house Tourton, Baur & Comp. in Paris, the merchant house of Luttman & von Bobart in Nantes, and the merchant house Bethmann & Imbert in Bordeaux. All of these were renowned merchant houses within French trade during that time, even though one of the partners was a foreign merchant now established in France.<sup>61</sup> The advantage of such merchant partnerships for both partners becomes apparent in view of the previous explanations. Both partners joined forces, shared capital and gained access to each other’s trading networks, which allowed the French merchant to include re-export activities in his portfolio while the foreign trading partner found a solid basis for commission trade. Today, it would be called a win-win situation, which is also why this business model became very popular in the 18th century. Another characteristic that all of the mixed partner firms presented above shared, apart from their binational nature, and a characteristic that furthermore constituted a defining feature for all commercial networking activities that Hanseatic merchants conducted in France, leads us to the question of how the foreign merchants themselves reacted to the prevailing conditions in France and what concrete ways of their own they found to approach the particular situation in France: All merchants mentioned were of the Protestant denomination.

59 Marzagalli, “Trade across religious boundaries,” 187.

60 The latter included merchants from other parts of the Holy Roman Empire, from the United Provinces, Spain or Switzerland. See Weber, *Deutsche Kaufleute*, 190. Regarding the general characteristics of such private partnership firms during the 18th century, see Hancock, *Citizens of the World*, 106.

61 Read more on these merchant houses in the further explanations.

#### 4.4 The Protestant International

The most apparent pattern pursued by foreign merchants in France was that they deliberately joined forces, traded and associated particularly with merchants that shared their religious affiliation. This strategy is also represented in the step to establish nationally mixed, but mono-confessional partnership firms with French Huguenot merchants. In more general terms, too, networking with coreligionists was formative for many of the trading activities of foreign merchants in France. A shared religious affiliation served as a fundamental bond and connection between the foreign merchants and the merchants living in France and in many other parts of Europe. This meant for Hamburg merchants that as Protestants they traded, associated, and networked mainly with French, Dutch, Swiss or other German Protestants in France. They also traded with merchants from other religions, across cultures and confessions, where opportunity arose.<sup>62</sup> However, regarding the merchants represented in the Luetkens archive, almost their entire network consisted of Protestants in Europe.

The focus of the trade conducted by Luetkens in France rested on cooperation with coreligionists. The reason for this preference for a Protestant network “as most scholars insist [...] [was] that trust was generally greater within kindship and religious networks not [only] because of any inherent moral value attached to given ethnic or religious criteria, but because members of these networks had ampler possibilities of sanctioning opportunistic behavior of kin and coreligionists,” as pointedly summarized by Silvia Marzagalli.<sup>63</sup> The author at the same time emphasizes her view that the main reason behind this mono-confessional networking in practice was that these “networks were largely shaped by kindship, and that for this reason, they were also largely composed of coreligionists.”<sup>64</sup> The network was thus particularly based on pragmatic rather than only on religious grounds. The religious practice in fact often has to be seen as a rather subordinate cause. More important was the fact that the merchants all belonged to a shared and established community which led to a leap of faith towards each other. The faith, however, also had to be proved in practice. The same applied to family networks.

The Luetkens archive supports Marzagalli’s standpoint as regards the actual purpose behind the Protestant networks. Although almost all merchants in the Luetkens network were Protestants, religious practice, religious topics or worship play only a marginal role in their letters and also within the reports of their daily businesses in the letters. This does not mean that they had no religious persuasion at all; it only means that it did not play a major role in their letters and it was not a topic that had a place in business conversations.<sup>65</sup> In fact, the only times religion plays role relates to as-

62 In her works, Silvia Marzagalli emphasizes the importance of a focus that allows it to include cross-religious cooperation of merchants of the time. Protestant Merchants did in fact also trade with Catholic trading partners. However, for the most part, Luetkens’ activities and the activities of his network constituted virtually a textbook example of the functioning and the effects of the Protestant International.

63 Marzagalli, “Trade across religious boundaries,” 172-173.

64 Ibid., 174.

65 “Religion did matter, but not equally in all circumstances of life or in different kinds of business.” Ibid., 180.

sessing other merchants' reliability and trustability, which however again referred less to religion per se but to the religious networks the merchants were a part of. At the same time however the effects and consequences of the networking among the Protestant merchants in the Luetkens archive are undeniable and are clearly reflected in both letter and business practices. All previously mentioned merchant houses featuring in the Luetkens archive were without exception partnerships between Protestants. To be more precise, they represent merchant houses of Lutheran merchants, Swiss or Dutch Calvinist merchants, associating with French Huguenot merchants, who were members of the Reformed Church of France, *Église Réformée de France*.<sup>66</sup> Looking at many of Luetkens' correspondents and trading partners, as they are represented in his letter bundles and listed in his pocketbook of correspondents, we can confirm that Nicolaus Gottlieb Luetkens' business primarily rested on the collaboration with Protestant merchants not only in France but also in the rest of Europe. We find, apart from the French Huguenots, also exiled French Huguenots living in Switzerland, Swiss Calvinists and Dutch Calvinists, Lutherans in Hamburg, Bremen and Frankfurt, his uncle in London, and in one case even a Quaker, namely the house of John Furly in Amsterdam.<sup>67</sup> Since Luetkens' correspondents participated in similar networks, which they extended through their own trading partners and correspondents, it can be generally stated that this pattern had a huge influence and was a shaping element of the trading activities of the foreign merchants in France.

This particular pattern is today commonly known as a concept called the *Protestant International*, describing the supranational diaspora community of European Protestants during the Early Modern Period. The Protestant International refers to the networks, association and the solidarity community of Protestants across national borders, residing in and coming from different Protestant countries, Protestant cities or living as minorities in Catholic-ruled countries such as France.<sup>68</sup>

These merchants interacted in a kind of “imagined community”, a “cosmopolite diaspora” of Protestants.<sup>69</sup> As Marianne Wokeck put it “the Huguenot diaspora needs to

66 See Lachenicht, *Hugenotten in Europa und Nordamerika*, 14. Regarding the etymology of this term see *ibid.*

67 On Furly, see Bailyn, Bernard. "The Challenge of Modern Historiography." *American Historical Review* 87 (1982): 1-24, here 16-17. For Quakers, see Sahle, Esther. *Quakers in the British Atlantic World, c.1660-1800*. Woodbridge: Boydell & Brewer, 2021.

68 The term and concept were first introduced by Bosher and Lüthy. See Lüthy, *La Banque protestante*, vii-ix, 32. See Bosher, "Huguenot Merchants," 77-102, 77. See Lambert, David E. *The Protestant International and the Huguenot Migration to Virginia*. Bruxelles: Peter Lang, 2010, 9-10. For a good introduction regarding the Protestant International concerning France and its merchants, see Marzagalli, "Trade across religious boundaries." See also Marzagalli, "Commercer au-delà des frontières confessionnelles." For a good introduction to the Huguenot diaspora in a comparative perspective, see Lachenicht, *Hugenotten in Europa und Nordamerika*, "Einleitung," 11-44. For Huguenots in Britain, see Gwynn, Robin. "The Huguenots in Britain, the ›Protestant International‹ and the defeat of Louis XIV." In *From Strangers to Citizens. The Integration of Immigrant Communities in Britain, Ireland and Colonial America 1550-1750*, edited by Randolph Vigne, Charles Littleton, 412-424. Portland, Ore.: Sussex Academic Press and The Huguenot Society of Great Britain and Ireland, 2001.

69 Onnekink, David. "Models of an imagined community. Huguenot Discourse on Identity and Foreign Policy." In *The Huguenots: History and Memory in Transnational Context: Essays in Honour and Me-*

be conceptualized – not as a mere dispersion – but as layers of superimposed networks that cut across local and national boundaries.”<sup>70</sup> For the Protestants living in France during the 18th century and the Huguenots in exile, that is, the “France protestante à l’Étranger”, the Protestant International was vital not only for their trading activities, but in fact often even for survival and, speaking of the Protestants in France, it was vital with regard to their residency status.<sup>71</sup> The Huguenots, or “Français réformés” as the French Calvinists called themselves, represented a small minority in France during the 18th century. Catholicism was prevailing as the state religion.<sup>72</sup> The latter was the reason why Huguenots had been suffering from mass expulsion, persecution and exclusion since the 17th century. As the reason and legal justification for this persecution served the revocation of the Edict of Nantes in 1685, which formerly had allowed Protestants in France freedom of worship, but whose revocation forced hundreds of thousands of French Calvinists, approximately more than 400,000 in total, to flee and emigrate from France to avoid having to convert to Catholicism.<sup>73</sup> Protestants staying in

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*mory of Walter C. Utt*, edited by David J.B. Trim, 193-216. Leiden/Boston: Brill, 2011, here 198. The concept of “Imagined Communities” was first introduced by Anderson, Benedict. *Imagined Communities: Reflections on the Origin and Spread of Nationalism*. London/New York: Verso, 2006 [first published by Verso 1983]. See as regards most current research approaches on diasporas also Freist, Dagmar, and Susanne Lachenicht, eds., *Connecting Worlds and People: Early Modern Diasporas*. London/New York: Taylor & Francis, 2016. See also Lachenicht, *Hugenotten in Europa und Nordamerika*.

70 Wokeck, Marianne S. *Trade in Strangers: The Beginnings of Mass Migration to North America*. University Park, Pa.: Pennsylvania State University Press, 1999, xxii.

71 François, Étienne. “La mémoire huguenote dans le pays du Refuge.” In *Die Hugenotten und das Refuge. Deutschland und Europa*, edited by Frédéric Hartweg and Stefi Jersch-Wenzel, 233-239. Berlin: Colloquium Verlag, 1990, here 235. See Lachenicht, Susanne. “Huguenot Immigrants and the Formation of National Identities.” *The Historical Journal* 50, no. 2 (2007): 309-331. See Marzagalli, “Trade across religious boundaries”; see Weber, “La migration huguenote.”

72 The term Huguenots was originally introduced and used until the 19th century with a pejorative connotation by the Catholics. See Lachenicht, *Hugenotten in Europa und Nordamerika*, 14. See Grey, Janet G. “The origin of the word Huguenot.” *The Sixteenth Century Journal* 14, no. 3 (1983): 249-359. Today the term has a positive connotation and is commonly used in research.

73 See for a good general overview Lotz-Heumann, Ute. “Confessional Migration of the Reformed: The Huguenots.” *Europäische Geschichte Online (EGO)*, edited by the Leibniz-Institut für Europäische Geschichte (IEG), Mayence 2012. <http://www.ieg-ego.eu/lotzheumann-2012-en>, accessed June 04, 2019. See also Lachenicht, Susanne. “The Huguenots’ maritime networks, sixteenth-eighteenth centuries.” In *Connecting Worlds and People: Early Modern Diasporas*, edited by Dagmar Freist and Susanne Lachenicht, 31-44. London/New York: Taylor & Francis, 2016, here particularly 32-34. See already Scoville, Warren C. *The Persecution of Huguenots and French Economic development 1680-1720*. Berkeley: University of California Press, 1960. See also Van Ruymbeke, Bertrand. “Minority Survival. The Huguenot Paradigm in France and the Diaspora.” in *Memory and Identity: The Huguenots in France and the Atlantic Diaspora*, edited by Bertrand van Ruymbeke and Randy J. Sparks, 1-25. Columbia: University of South Carolina Press, 2003. See Nash, R. C. “Huguenot Merchants and the Development of South Carolina’s Slave-Plantation and Atlantic Trading Economy, 1680-1775.” In *Memory and Identity: The Huguenots in France and the Atlantic Diaspora*, edited by Bertrand van Ruymbeke and Randy J. Sparks, 208-241. Columbia: University of South Carolina Press, 2003, here 217-218. See Mentzer, Raymond A., and Bertrand Van Ruymbeke, “Introduction.” In *A Companion to the Huguenots*, edited by Raymond A. Mentzer and Bertrand Van Ruymbeke, 1-16. Leiden/Boston: Brill 2016.

France became “nouveaux catholiques”, which, however, did not prevent many French Protestants from continuing to practise their Protestant belief in secret.<sup>74</sup> The most common practice among French merchants from Protestant families emigrating from France was that “in most instances, at least one family member converted to Catholicism (if only nominally) and remained in France, thus protecting his family estate and business’ interests.”<sup>75</sup> The Protestant International in the rest of Europe on the other hand “lent cohesion to the Refuge”.<sup>76</sup> Yet, the highly remarkable fact remains that a hard core of Huguenots still decided to stay in France despite the circumstances. Many others returned to France after the conditions started to improve again slightly at the beginning of the 18th century, *inter alia* due to the effects of the Enlightenment.<sup>77</sup>

In the Luetkens archive, the group of remaining Huguenots in France is omnipresent. In general, however, it is more difficult to give precise figures for the total number of Huguenots living in France during the first half of the 18th century. Marzagalli noted that “there are no good sources to estimate their numbers in the century following the revocation of the Edict of Nantes, but by the 1780s there were as many Protestants in Nantes as a century earlier, and they were predominantly involved in trade.”<sup>78</sup>

A third group of Protestants that we find living, trading or travelling France in the 18th century, who immigrated even after the revocation of the Edict of Nantes, are the foreign merchants with Protestant backgrounds, whose influx to France continued unabated during the beginning of the 18th century and despite the adverse circumstances.<sup>79</sup> All three groups ensured the survival of Protestantism in Catholic France during the 17th and 18th century.<sup>80</sup> Until the year 1787, when Huguenots were officially given back the right of religious worship in France by an edict of toleration by Louis XVI and therefore also regained official status and civil rights as residents of France, the Protestants in France experienced, as Wolfgang Henniger aptly put it, a “time of simple survival without an organisational juridical framework”.<sup>81</sup> They were strictly forbidden

74 As “crypto-Huguenots, who, until the Toleration Act of 1787, had to hide their religious persuasion”. Marzagalli, “Trade across religious boundaries,” 188.

75 Marzagalli, “Trade across religious boundaries,” 186.

76 Wokeck, *Trade in Strangers*, xxii.

77 See Horn, Jeff. *Economic Development in Early Modern France: The Privilege of Liberty, 1650–1820*. Cambridge: Cambridge University Press, 2015, 185–186. See Henninger, *Bethmann*, 158–160. See already Leroux, Alfred. *Les Religionnaires de Bordeaux de 1685 à 1802*. Bordeaux: Feret & Fils, 1920, 21, 116, 121–125, 234.

78 See Krumenacker, Yves. “Les minorités protestantes dans le grandes villes francaises de l’époque moderne.” *Analele Universitatii Bucuresti* (2008): 101–114. See Marzagalli, “Trade across religious boundaries,” 186.

79 See Weber, “German Merchants”; “Atlantic Coast of German Trade.”; Butel, “Le négoce international”; “Les négociants allemands de Bordeaux.”; Marzagalli, “Négoce et politique des étrangers.” See in general Augeron/Even, *Les Étrangers*.

80 See also Krumenacker, Yves. “Des Négociants Protestants dans la France Catholique.” In *Commerce, Voyage et Expérience Religieuse XVIe–XVIIIe Siècle*, edited by Albrecht Burkhardt, Gilles Bertrand, Yves Krumenacker, 303–312. Rennes: Presses universitaires de Rennes, 2007.

81 Henninger, *Bethmann*, 158–160. Johann Jakob Bethmann and his Protestant identity furthermore serve as a good comparative example to the case of Luetkens. See *ibid*.

to practice their religion, to have their own church services, to hold baptisms, funerals or weddings. In fact, all Protestant marriages conducted in France were deemed irregular and therefore not recognized as legitimate by French officials, which will become relevant in the chapter on Luetkens' marriage.<sup>82</sup> In the end, the Huguenots and all other Protestants living in France during that time were forced to live a life of religious abstinence and, if at all, sufferance in France. This was why the Protestant International and its networks were ultimately the last stronghold and resource for cohesion for Protestants merchants in France but also the general reason why Protestantism persisted in France during the first half of the 18th century.

The justified question why the remaining Protestants were nonetheless tolerated in France during that time reveals how the Protestant International in the end worked for the merchants and why it enabled them to ensure their survival in France. The reason they were tolerated was that the Protestant merchant houses still represented a very strong economic power in France.<sup>83</sup> They "were tolerated as sources of financial capital and foreign ships" and because of their links with "relatives and partners in Holland and England", and in the Hanseatic cities.<sup>84</sup> Consequently, their residence was tolerated because they formed important pillars of the French economy contributing to the French fiscal system. The latter fact also explains the heavy financial loss that had resulted beforehand from the revocation of the Edict of Nantes for the French state, which led to the expulsion of hundreds of thousands of Huguenots, many of whom had been important economic actors.<sup>85</sup> The remaining or returning Huguenots of France of the 18th century represented only a small fraction of the overall Protestant financial power that had shaped France beforehand, but at least this small group of remaining and returning Protestants was deemed as worthy of sufferance by the French crown because of their economic power.

It is an astonishing fact that ultimately the revocation of the Edict of Nantes and the massive expulsion of Huguenots from France in the long run actually increased the economic strength of the remaining or returning Protestants in France, including the foreign merchants, during the first half of the 18th century, because due to the expulsion the Protestants subsequently formed the strong diaspora network that drove the success of their international trading activities. The French Huguenot merchants who emigrated found shelter and lived their lives dispersed throughout many different countries and cities in Europe and overseas. These merchants, however, did not break off or give up their contacts in France or Europe and they also continued trading by drawing on a huge network of their fellow countrymen in many other countries, thus gaining access to many different sales markets.<sup>86</sup> Both the merchants in France as well as the Huguenot merchants abroad formed a diaspora that allowed them rich and extensive

<sup>82</sup> See Weber, *Deutsche Kaufleute*, 177.

<sup>83</sup> See Horn, Jeff. *Economic Development in Early Modern France, 185-186*. See Scoville, *The Persecution of Huguenots*.

<sup>84</sup> Bosher, *Business and Religion*, 133.

<sup>85</sup> See Marzagalli, "Trade across religious boundaries," 185.

<sup>86</sup> See Henninger, *Bethmann*, 158-160. See Marzagalli, "Trade across religious boundaries," 170. See Bosher, "Huguenot Merchants," 93-94. See Lotz-Heumann, "Confessional Migration." See Lachennicht, "The Huguenots' maritime networks." See in general also Truxes, Thomas M. "Trading Dia-

trading opportunities in Europe and overseas, which served as the basis and reason for the commercial success of both groups.<sup>87</sup> In short, since the French Protestants were left to their own devices and often got no support from the French state, instead suffering expulsion or marginalisation, the Protestants made a virtue of necessity and helped each other out, worked together and formed an imagined community across borders in order to survive and make a living in France as well as abroad. The foundation of their trading activities therefore lay in their putting religious affiliation before nationality, and this was the reason why this group not only survived in France but also regained economic strength and went on to become one of the most powerful economic powers of the 18th century.<sup>88</sup>

“For the average Huguenot merchant of that time, religion was stronger than nationality, and he was usually ready to link his fate with American, Dutch, English, or any other Protestant merchant” – this was how the Protestant International worked and how it shaped the economic activities of both domestic French merchants as well as the activities of the Protestant merchants from other countries immigrating, living, travelling or working in France during the first half of the 18th century.<sup>89</sup> It is therefore no surprise that we find references to religious affiliations of certain merchants in mercantile letters, in court records or in letters of recommendation exchanged among Protestant merchants during that time. The Nantes merchant house of Ochs & Schweighauser, originally from Switzerland, were for instance referred to in a letter and in the same breath as “Protestants and one of the best merchant houses”, merchants are introduced as “Hamburgers and Protestants” or it is reasoned that “no one will take offence that the merchant is a Calvinist”.<sup>90</sup>

The reference to the Protestant faith served as a marker and at the same time as the badge of membership within the Protestant International. Of course, the merchants themselves did not use the analytical term themselves, yet they stuck to the principle behind it, referring to each other and expressing their confidence in each other by recommending each other and identifying each other as “Protestants” [“Protestanten”], “Lutherans” [“Lutheran”] or “Calvinists” [“Calvines”].<sup>91</sup> It thus becomes apparent that in-

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sporas.” In *Princeton Companion to Atlantic History*, edited by Joseph C. Miller, 456–62. Princeton: Princeton University Press, 2015.

87 See Cullen, Louis M. “The Huguenots from the Perspective of the Merchant Networks of Western Europe (1680–1720): The Example of the Brandy Trade.” In *The Huguenots and Ireland Anatomy of an Emigration*, edited by C. Edric. J. Caldicott, Hugh Gough and Jean-Paul Pittion, 129–150. Dun Laoghaire: Glendale Press, 1987.

88 See Krumenacker, Yves. “Des Négociants Protestants.”

89 Bosher, “Huguenot Merchants,” 93. As regards the importance of Protestant banking firms, see also Lüthy, *La Banque protestante*.

90 “Ochs & Schweighauser à Nantes So Protestanten und eines der besten Contoren.” Letter from Luetkens, Nicolaus Gottlieb to Engelhardt, Ehrenfried, March 8 1745, TNA, HCA 30/232, Letter Book I, no. 584. “ein Hamburger und Protestant.” Letter from Luetkens, Anthony to Luetkens, Nicolaus Gottlieb, May 3, 1744, TNA, HCA 30/235. “das er ein Calvines solches wird E.E. wohl so wenig als uns anstößig sein.” Letter from Hertzer & von Bobartt to Luetkens, Nicolaus Gottlieb, September 14, 1744, TNA, HCA 30/234. “he is of the Lutheran Religion” Examinations of Rieweert Frerecks, captain of the *Hope*, taken at Deal, 24 and 26 August 1745, TNA, HCA 32/115/14.

91 Ibid.

terreligious differences between the different Protestant denominations played a rather subordinate role in comparison to the general precondition of the collaboration of sharing the same Protestant persuasion. References to Catholics or “Jesuits” on the other hand served exactly the opposite purpose in the letters, which was to set boundaries and to set oneself apart from Catholic merchants.<sup>92</sup> The Protestant International, thus, fostered solidarity among the merchant and therefore became highly important for the merchants’ livelihoods.<sup>93</sup>

A rather practical effect and manifestation of the Protestant International highly relevant for Luetkens and his travels was that any foreign Protestant merchant travelling in France was welcomed in the houses of the French Huguenot community or mixed merchant houses. These houses represented the first points of call in a city for a merchant during his travels. At these houses, the travelling merchant found shelter and was offered a place to stay or to work during his travels. The local merchant houses often even allowed their guests to use their warehouses for conducting their own businesses or they conducted certain commission businesses together.<sup>94</sup> Last but not least, a typical custom prevailing within the Protestant International was to send each other’s sons as apprentices or as merchant clerks to other Protestant merchant houses abroad.<sup>95</sup> By all these means, the Protestant merchants in France and abroad were able to form an exclusive and effective enclave, which allowed them to conduct a lucrative business that at the same time secured their future and subsistence in France. The consequences and advantages for both groups, for the local Huguenots as well as for the foreign Protestant merchants in France, were obvious and ingeniously simple. For the French Huguenot merchants, the Protestant International ensured their survival because it was the basis providing them with economic and financial powers. For the foreign merchants travelling France, the Protestant International allowed them to set foot into the French market and to establish firm contacts with French companies and it provided them with manifold trading opportunities. Put in a nutshell, the shared religious affiliation among the merchants represented in this book was the necessary cement that helped these merchants to conduct and maintain their business activities in France and beyond. It was the backbone of their trading activities.<sup>96</sup>

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92 Luetkens for instance emphasized to the merchant Ochs that he will never “become a Jesuit”, Bethmann even used the word “Jesuit” in an insulting manner, referring to a “dubious Jesuitical spirit”, “niemahl ein Jesuite gewesen werde auch keiner werden.” Letter from Luetkens, Nicolaus Gottlieb to Ochs & Schweighauser, December 8, 1744, TNA, HCA 30/232, Letter Book I, no. 419. “denn ich mit Jesuitischen & zweydeutigen Menschen nicht liebe zu thun haben.” Letter from Bethmann, Johann Jakob to Luetkens, Nicolaus Gottlieb, November 12, 1744, TNA, HCA 30/234.

93 See also Cullen, “Merchant Networks.”

94 This common practice will become obvious from the case of Nicolaus Gottlieb Luetkens. See also Ruppert, *Bürgerlicher Wandel*, 86–94. See Butel, “La maison Schröder et Schyler.”

95 This custom was typical for the entire Early Modern Period and furthermore not limited to France. See Ditz, “Shipwrecked,” 63.

See Schulte Beerbühl, *German Merchants*, 88. See Häberlein/Künast/ Schwanke, *Endorfer*.

96 See Weber, *Deutsche Kaufleute*, 304.

The case of the merchant Nicolaus Gottlieb Luetkens confirms all elements and characteristics of the Protestant International. In fact, his example is an impressive testimony of the Protestant International. We learn from his list of correspondents and respective background searches that his network of correspondents in France as well as in many other European countries, in cities such as Hamburg, Bremen, Frankfurt, Gdańsk, Basel, Strasbourg, Amsterdam, London, St. Sebastian or Bilbao, mainly consisted of Protestant merchants. He traded with French Huguenot merchants in France and within the European Huguenot diaspora, as well as with Lutheran, Calvinist or Zwinglian merchants. These merchants established strong ties with him, as Mark S. Granovetter described it, on which he could build his network and success upon.<sup>97</sup> The shared network notwithstanding, it still needs to be stressed that the networks naturally were not immune to conflicts from the outside nor from within themselves. Yet, for such situations they found certain coping mechanisms and effective strategies within their community which will be shown and demonstrated in the analysis. Certain disputes and conflicts amongst these men in fact only occurred because the suspicion was raised that a merchant would break with the shared set of values of the Protestant community, which therefore led the others to question his entitlement to be a part of the group.

If we now take a concrete look at Luetkens' travel stations in France, the characteristics of the Protestant International will become very tangible. We will learn about Luetkens' actual travel itinerary and the purposes underpinning his travels. This part introduces us at the same time to yet another crucial feature and precondition of Hanseatic trade participation in France, which was mobility.

## 4.5 The Travel Route

Luetkens was highly mobile in France. He visited many cities and met more than a hundred trading partners and correspondents during the two years of his business trip. His route and itinerary notably reflect the effects of the Protestant International and they show a very clear mercantile plan and agenda behind it. In order to recreate his route, I drew on two kinds of sources and information. First, I consulted the letters, or more precisely the address lines written on the outside of the folded letters, letter packets or letter wrappers in the archive. As was common practice during the Early Modern Period, the address lines of business letters often mentioned the respective places and the merchant houses where Luetkens was staying at that particular moment in time. During that time, mail was usually collected paid for by the recipients at the local post offices at regular intervals. Merchants would at the same time use these occasions on

<sup>97</sup> Regarding the analysis of strong and weak ties, see Granovetter, Mark S. "The Strength of Weak Ties." *American Journal of Sociology* 78, no. 4 (1973): 1360–1380, here 1378. See Granovetter, Mark S. "Economic Action and Social Structure: The Problem of Embeddedness." *American Journal of Sociology* 91, no. 3 (1985): 481–510. See Freist, Dagmar. "Uneasy Trust Relations and Cross-Cultural Encounters on Trial – Migrants in Early Modern Europe." In *Agents of Transculturation: Border-Crossers, Mediators, Go-Betweens*, edited by Sebastian Jobs and Gesa Mackenthun, 63–84. Münster: Waxmann, 2013, here 70–72. See Greif, *Path to the Modern Economy*.

the regular postal days for sending off correspondence. All incoming mail of a respective merchant house was stored together and picked up together at the post offices, which underlines the importance of mentioning merchant houses as part of the addresses of the letters, particularly those addressed to travelling merchants. The efficiency of the postal services in France and beyond is demonstrated in the Luetkens archive by the simple fact that large proportions of the business letters actually sent actually reached Luetkens at his destinations. By combining the address lines with the dates mentioned in the letter, the dates of dispatch and arrival of these letters – usually mentioned in the upper right-hand corner of the letter text of 18th-century letters – and Luetkens' little despatch notes on the outer side of the folded letter, it is possible to reconstruct every travel station of Luetkens business trip between 1743–1745. The other source of information subsequently helped to confirm this detailed travel route. The second source I consulted was a report of one of Luetkens' later bookkeeper, Ludolph Jochim Köster, who testified before court in the case of the ship *Hope*.<sup>98</sup> Both sources of information for the most part are congruent, which is why the following map represents a rather accurate image of Luetkens travels in France. Taking a look at his route, at the cities and merchant houses he visited provides us with a precise picture of how Luetkens organised his travels, but in particular it also gives us clear hints as to what agenda the Hamburg merchant pursued with his travels.<sup>99</sup>

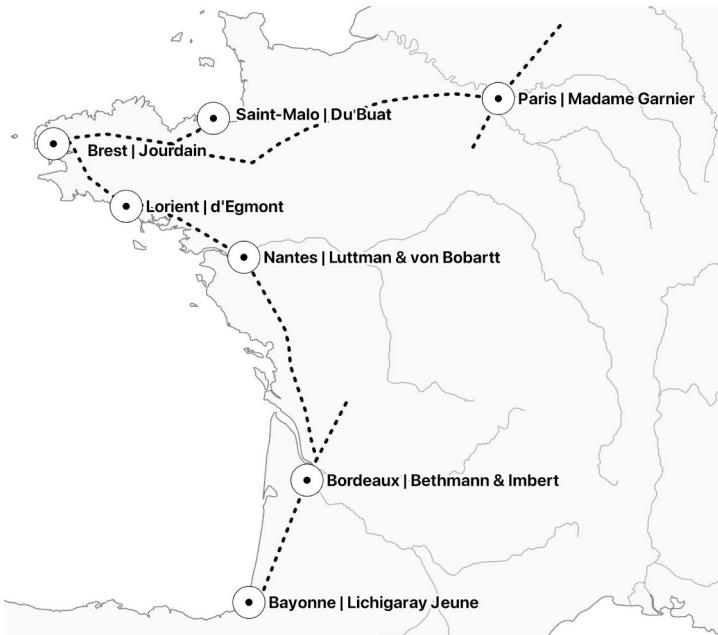
Luetkens apparently pursued a very thought-out plan with his travels. Particularly through the visual representation, the logic behind his travelling unfolds. During the two years that he stayed in France from the end of 1743 until the end of 1745, he travelled all the way along the French Atlantic coastline from South to North and along the way visited all the major ports of French Atlantic trade: Bordeaux, Bayonne, Nantes, Lorient, Brest, St. Malo, and Brest, before finally returning to Hamburg by land, with a last intermediate stop in Paris, the banking metropolis. In each of the cities, he visited one particular established merchant house, where he found a place to stay and to work for several weeks or months. As my enquiries revealed, all of these merchant houses were without exception Huguenot or Protestant merchant houses. The house of Bethmann & Imbert was a mixed company of a Huguenot and Lutheran merchant. Thimothée Lichigaray Jeune was a Huguenot, as were François Jourdain and Jean Du Buat. Pieter Luttmann & Elart von Bobart were a mixed company of a Lutheran and a Calvinist merchant. Elart's brother Christopher, in turn, lived in Hamburg and formed, together with Jobst Henning Hertz, the Hamburg merchant house Hertz & von Bobart. Jean Jacques d'Egmont was a "natif d'Ostende en Flandre", which means he was also a Calvinist.<sup>100</sup>

<sup>98</sup> Examination and attestation of Ludolph Jochim Köster, "a Bookkeeper in several Compting houses of this City", as part of *Additional Hearings and Attestations*, TNA, HCA 32/115/14.

<sup>99</sup> For comparison, see Van der Wal, *Heusch Letters*, 23–27.

<sup>100</sup> Regarding Bethmann & Imbert, see Henniger, *Bethmann*, 155–164. See also Klemenčič, Matjaž, and Mary N. Harris, eds. *European Migrants, Diasporas and Indigenous Ethnic Minorities*. Pisa: Plus-University Press, 2009, 24. See Zellfelder, Friedrich. *Das Kundennetz des Bankhauses Gebrüder Bethmann (1738–1816)*. Stuttgart: Steiner, 1994. Regarding d'Egmont, Jourdain and Jean Du Buat, see Département de Finistère. *Inventaire-sommaire des Archives départementales antérieures à 1790. Morbihan*:

Figure 9: The travel route of Nicolaus Gottlieb Luetkens in France reconstructed on the basis of Luetkens' letters and the attestation of Ludolph Jochim Köster.



Source: Map created with QGIS, made with Natural Earth.

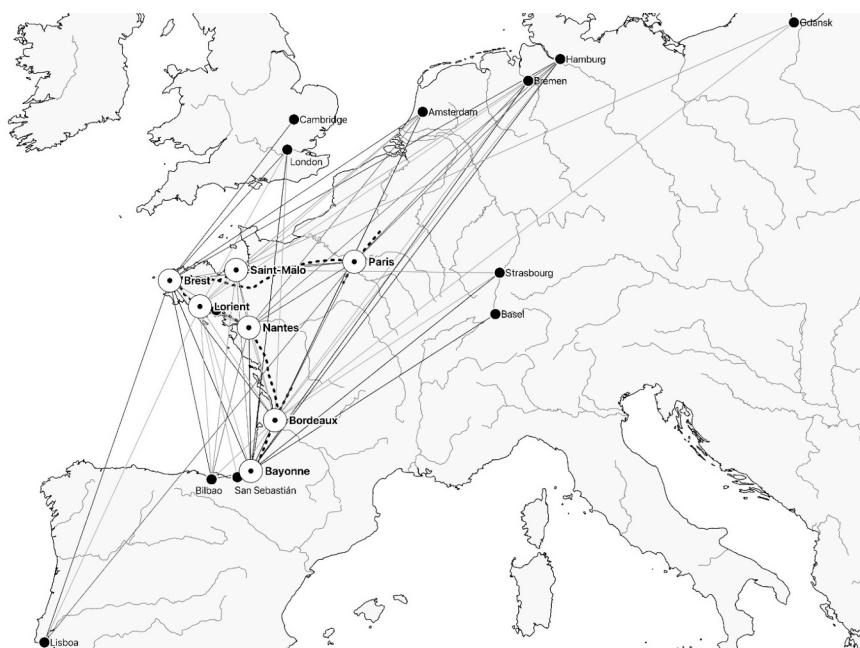
Luetkens' choice of places to address himself to therefore perfectly complies with the pattern of the Protestant International. In all these merchant houses, Luetkens worked as a commission agent, meaning that he conducted trade in his own name, but he particularly also traded in the name of the respective merchant houses where he stayed during that time. That way, his stay in these merchant houses did not only serve his own good, but was also advantageous for his merchant hosts, who would win a capable co-worker for their own business. It must also be stressed that during the time that he lived and worked in these houses he still kept in contact with all his other trading partners and correspondents, whom he actively involved in his commission trading activities and whom he brought into contact with his current hosts. He stayed flexible. Whenever he left the respective merchant houses after a certain period and travelled on to the next destination, he furthermore did not cut off his contact and trading activities with these merchant houses but kept them involved in all his future activities.

This way, Luetkens was able to gradually, little by little, intensify and solidify his business, expand and strengthen his network and expand his partner and customer basis. In short, he was able to expand his circle of correspondents and trading partners and expand his catchment area for his business while at the same time consolidating

Série E. Paris: Dupont, 1881. Regarding Hertzner & von Bobart see Baasch, *Geschichte von Hamburgs Handel*, 76. See also Lüthy, *La Banque protestante*, and Garrioch, *The Huguenots of Paris*.

his existing contacts and tightening his relationships with them, to establish close contacts and strong ties with them. This was the ultimate purpose behind his travel route and itinerary. Finally adding the respective correspondence networks to the map, covering his main correspondents out of more than 60 merchant houses represented in the Luetkens archive, we eventually arrive not only at a very comprehensive picture of Luetkens travels and communication channels, but also of his networking strategy and how it paid off in the end.<sup>101</sup> During and by means of his travels the merchant was able to build up a dense network of trading partners and correspondents in France and Europe that was furthermore closely interlinked with his hometown of Hamburg and many other important trading towns and cities of Europe.

Figure 10: Nicolaus Gottlieb Luetkens' network of main correspondents and trading partners.



Source: Map created with QGIS, made with Natural Earth

When asked about the ultimate reason behind Nicolaus Gottlieb Luetkens' travels in France, the court witnesses questioned in the case of the captured ship the *Hope* later stated for the record that Luetkens travelled "on account of his trade [...] into France, from one place to another, to pay a visit to his friends & correspondents there", as was testified by Alexander Arnold Lambrecht, an inhabitant and merchant of Hamburg,

<sup>101</sup> Find Nicolaus Gottlieb Luetkens' entire network of merchant correspondents and family members as represented in the letters of the Luetkens archive in the detailed catalogue entry in TNA Discovery, which I have compiled together with Amanda Bevan in 2017: <https://discovery.nationalarchives.gov.uk/details/r/C4249188-C4249192>.

who was questioned for the reason that he “was likewise at this time in France”.<sup>102</sup> Another witness, Daniel Richter Junior, who was questioned because he was “engaged in a compting house in Nantes” during the same time, which qualified him as a witness, stated in rather similar wording that Luetkens was “on his travells in France to see his fffriends & correspondents there on account of his trading affairs in one or other towns of trade”.<sup>103</sup> These testimonies served the purpose of giving the High Court of Admiralty the impression that Luetkens’ business trip in France in some ways had only been a flying visit. In any case, they play down Luetkens’ strong interconnectedness and integration into the French market as best possible. As the illustration reveals, the testimonies only represented half the truth. Looking at the map, we understand that Luetkens’ trip through France was surely not a mere flying visit but rather served the concrete purpose of establishing strong connections with France and its merchants and to establish a firm footing in the French market. By means of his travels and through his mobility as a travelling merchant and a commission merchant, he was able to integrate himself fully into the French market and its networks. He was able to gain a reputation in France and to establish a strong basis of contacts and trading opportunities there. This way, his travels created the most crucial foundation and foothold for promoting and finally for concluding his establishment phase after his stay in France.

As a matter of fact, he did know many of the persons he met, traded and corresponded with in France in the years 1743-1745 already beforehand. He had met some of them during his previous travels or had known them for months or years by corresponding with them, even dating back to his service as a clerk in the house of David Speelmeyer. Yet some others he met for the first time during his travels, like Ochs & Schweighauser, a Protestant, Swiss-German merchant house, with whom Luetkens established a long and lucrative trading partnership.<sup>104</sup> The merchant Ochs, originally from Basel, who is known in Switzerland till today, in fact became one of Luetkens’ frequent travel companions in France and the two of them kept in intensive contact even after Luetkens’ return to Hamburg, which once more shows the way of working and the importance of the Protestant International. Surely quite characteristic in this regard is Ochs’ response letter to Luetkens after the latter had informed him about the upcoming opening of his own merchant house in Hamburg. Ochs wrote that he was “glad to hear about your ultimate decision to settle down in Hamburg [“de vous finer à Hambourg”]. We wish you good luck with your house. We will be delighted to conduct a continuing correspondence with you [“cultive avec vous une correspondance suivie”].”<sup>105</sup>

No matter whether it was a new connection that he established or a long lasting relationship that was revived, the approach that Luetkens chose to cement the trading partnership and friendship with his partners in France in the end was the same. He

<sup>102</sup> Examination and attestation of Alexander Arnold Lambrecht, “an Inhabitant & merchant”, as part of the *Additional Hearings and Attestations*, TNA, HCA 32/115/14.

<sup>103</sup> Examination and attestation of Daniel Richter Junior, “in inhabitant & subject of this city”, as part of the *Additional Hearings and Attestations*, TNA, HCA 32/115/14.

<sup>104</sup> See Burghartz, Susanna, and Madeleine Herren. *Building Paradise. A Basel Manor House and its Residents in a Global Perspective*. Basel: Christoph Merian Verlag, 2021, i.a. 51, 134.

<sup>105</sup> Letter from Ochs & Schweighauser to Luetkens, Nicolaus Gottlieb, January 28, 1744, TNA, HCA 30/235.

used his travels in France to at least once pay his partners a personal visit in order to apply to them personally and to put a face to the name. Either, as was common practice, he went there for an evening dinner, including conversation and drinking with each other, or he spent several weeks in their houses to work with them. Both activities served the same purpose. He went there to consolidate the contact, to pledge allegiance to each other, and to create and foster lasting ties of business cooperation or even friendship. After the personal meeting, the partners returned to corresponding, in order to, as the contemporaries framed it, "compensate for the lack of the possibility of oral conversations by means of the written conversation"<sup>106</sup> It becomes apparent how Luetkens' travel activities and his letter exchanges formed a well-functioning system that brought him and ensured him the favour and benevolence of his trading partners and correspondents, which was crucial for all his trading activities during his establishment phase and still for the time later.

The fact that Luetkens apparently limited his contacts and his main trading partners per city to only one or two trading houses was last but not least also no coincidence but served exactly the same purpose. First, of course, as seen from a pragmatic point of view, this approach improved the clarity of his business transactions. Secondly and more importantly, however, it also followed a clear agenda. By limiting his business contacts and relationships in France to one or two merchant houses per city, he at the same granted these merchant houses a monopoly position within his own commercial network for his trade in this city, which was a strong display of trust. That is, for almost all trade that he for instance conducted in Bordeaux or for all enterprises involving Bordeaux goods, he worked together with the merchant house of Bethmann & Imbert, and the same applies for all the other merchant houses mentioned above in their respective places of residence. In this manner, he once more gained the favour of these merchant houses, who themselves returned the favour by serving him as loyal partners, involving him in many enterprises and regarding him as a firm and reliable trading partner. We are once more presented with a win-win situation for both parties, which fostered the relationship and further strengthened their sense of community.

The benefits for his partners resulting from Luetkens' presence in France were that they profited from additional manpower in their business during the time that he was living in their houses, while afterwards Luetkens still continued to be a reliable partner, procuring them with many further trading opportunities. As a commission agent, and particularly as a travelling commission agent, Luetkens furthermore represented, for the entire period of his travels and still after his return to Hamburg, a valuable contact person as a commercial intermediary for the further distribution, the re-export of their own goods to other French ports or, particularly importantly, to the Northern German and the Baltic trading markets.

For Luetkens himself, the benefits of this approach were equally obvious. He was given the opportunity and was welcomed to live and work in the French Huguenot and Protestant merchant houses established in France. Furthermore, he became actively integrated into their business and networks by means of joint trading activities and correspondence. Through these arrangements he gained indirect or sometimes even

<sup>106</sup> Hunold, *Die Allerneueste Art Höflich und Galant zu Schreiben*, 53.

direct access to the French market and was thus able to establish a firm foothold for his trade in France.

As Klaus Weber aptly summarised this point, himself focusing on Bordeaux merchants, Luetkens' nationality, as a representative of Hamburg merchants, was in this regard “no obstacle. Quite on the contrary, the international broadening of his personal and family relationships [led to and] was a necessity for overcoming the mercantilist trade barriers that otherwise would have completely excluded [him] [...] from the trade with the colonies [i.e. the direct trade in colonial goods]. The Huguenots in [France] [...] facilitated the social integration of the mostly Protestant German merchants.”<sup>107</sup> Also with regard to Luetkens' travels, it therefore becomes obvious how important the Protestant International was for him, for his travels and for his career. At the same time, it becomes clear how crucial the aspect of mobility was for his personal advancement in France and vice versa for fulfilling his role as an intermediary for his French partners. His mobility as a commission agent on travel turned him into a very attractive trading partner for the French and the other European partners, and this became a crucial asset for Luetkens' establishment phase.

A last clear benefit of his travel activity in France was that his travels helped him to establish a broad product portfolio for his business. This benefit is directly interlinked with the concrete practice of commission trade, which is why I can use it as a perfect anchor point to explain in more detail the peculiarities of this field of trade in the next section of this chapter.

## 4.6 A Broad Product Range and Specialization in Sugar

During the years 1744 and 1745, the merchant Nicolaus Gottlieb Luetkens traded in a great variety of different goods, domestic French goods such as wine as well as colonial goods like sugar, coffee or tobacco and even including colonial goods from the other colonial powers, for instance found on prize ships. Luetkens met with a lot of different people and called at a lot of different ports and cities during his travels, which all presented him with manifold business opportunities in various goods. The longer he travelled the longer the list of his product portfolio got.<sup>108</sup> It stands out that he nonetheless had certain preferences with regard to the main commodity groups he traded per port and city. Consequently, when visiting or trading with Bordeaux or Nantes he mainly traded in sugar and wine, whereas in St. Malo he traded in Indigo, and in the southern ports he mainly wound up the purchases of his ships. More generally though, it can be stated that Luetkens did not limit his business activities in a city or with a certain

<sup>107</sup> “Im Gegenteil, die internationale Ausweitung persönlicher und familiärer Beziehungen war eine Notwendigkeit zur Überwindung der mercantilistischen Handelsbarrieren, die deutsche Kaufleute andernfalls vom Handel mit den Kolonien ausgeschlossen hätten. Hugenotten in Bordeaux erleichterten die soziale Integration der größtenteils protestantischen Deutschen.” Weber, *Deutsche Kaufleute*, 304. See also Pourchasse, “L’immigration négociante.”

<sup>108</sup> Regarding the benefits of a broad product portfolio as a commission agent, see *ibid.*, 249. See Henninger, *Bethmann*, 112-134.

See Butel, “La maison Schröder et Schyler.”

business house to just one commodity. On the other hand, and this went hand in hand with the aforementioned fact, his broad product portfolio was also a result and an intrinsic characteristic of the main branch of trade apart from shipping industry that he conducted in France, which was commission trade.

As a commission agent he was as per his job assignment not bound to one customer in particular and not limited to one main group of commission goods in particular. Instead, he could decide on the basis of supply and demand and according to the order situation, which enterprise he wanted to invest in.<sup>109</sup> This freedom of choice, in turn, had the direct advantage that he could react immediately and thus take the chance whenever a trading opportunity showed up or when he was pointed to a particular trading opportunity by his trading partners. Trading as a commission agent also entailed that, whenever the workload allowed it, he could conduct and take care of several commission enterprises at the same time. The only fundamental condition and requirement that Luetkens had to fulfil was to make sure that he executed his orders properly and correctly and procured lucrative business enterprises for his customers. In short, he was bound to acting in the interest of his customers, which, if done right, furthermore strengthened his good reputation in the field. As Francesca Trivellato, who has worked extensively on the Early Modern Jewish merchant diasporas and particularly their commission trade activities, aptly summarised the tasks of a commission agent as follows: "a reputable agent was one who seized the best available market opportunities for his commissioner and served him loyally; he knew when and what to buy and sell, what ships to freight in order to minimize the risks of war and piracy, and what exchange rates were most favourable at any given moment."<sup>110</sup>

A commission agent's main goal and basically his *raison d'être* in business was therefore to procure good deals and enterprises for his customers and, since he was not limited to one product group in particular, he could offer his service with regard to any kind of goods or enterprise and with regard to every market opportunity that occurred and that he or his customers considered worthy of an investment. Furthermore, since he received orders from several different customers at the same time, Luetkens' product portfolio grew substantially and showed considerable variety and size. The range of different goods that Nicolaus Gottlieb Luetkens traded in during his time in France is in this regard exemplary and at the same time still intriguing. He traded in all different kinds of sugar, white, brown, Martinique, Saint-Domingue, or Prize sugars, as well as in coffee, tobacco, tea, rice, indigo, cochenille, cotton, furs, and even in ivory, all of which represent the commodity group of colonial goods.<sup>111</sup> As regards French domestic products, he traded in and thus took commission orders for all kinds of wine, brandy, and cognac, but he also traded in honey, wax and doeskin. The goods that he imported to France were those for which there was a high demand there, such as staple goods like wheat or building materials. This included wood for ships as well as "flustersteine",

<sup>109</sup> See Hancock, *Citizens of the World*, 81. See Trivellato, *The Familiarity of Strangers*, 153-176. See from a contemporary perspective Savary, *Der vollkommene Kauff- und Handelsmann [Le Parfait Négociant]*, "anderer Theil" [second part of the same book], 184-190.

<sup>110</sup> Trivellato, *The Familiarity of Strangers*, 153.

<sup>111</sup> Regarding these goods, see also Weber, *Deutsche Kaufleute*, 21.

paving stones. Importing heavy goods and re-exporting colonial goods, we can imagine the high margin of profit that resulted from these enterprises. For the sake of completeness, we should also add the Mediterranean goods in his product portfolio, about which we will hear in greater detail in the next chapter. The Mediterranean goods for which he took commission included for instance spices and valuable fabrics.

In view of this broad product range which Luetkens traded in during his stay in France, the relevance of the business branch of commission trade for making a living in France as a foreign merchant becomes apparent. By means of commission trade Nicolaus Gottlieb Luetkens was able to pick up and grasp any business opportunity, which he regarded as potentially lucrative and that came his way or was offered to him during his travels. The latter did not only ensure his subsistence in France but also served as another cornerstone for his career advancement. At the same time, he got to know and became familiar with the peculiarities of trade in a lot of different goods and could therefore literally test and find out which category of goods best suited him and his needs, which competence the contemporaries, too, regarded as highly important. As for instance Defoe emphasized, it was necessary for commission agents to “gain a good judgment in [many] wares and goods.”<sup>112</sup> In the course of his travels through France, while trading in different goods, the trade in and re-distribution of sugars eventually became Luetkens’ main field of activity. Towards the end of his travels in France and his establishment phase in 1745, we can clearly notice that the commission trade in French sugars represented his prime field of activity. This professional specialisation created the basis for his rise to the position of one of the city’s leading sugar merchants back in Hamburg during the time after his establishment phase.

The episode analysed in this chapter will present one of the many enterprises in Luetkens’ sugar trade that paved the way into this specialisation. The example will also show, apart from the insights into the functioning of commission trade, the reason why particularly the trade in sugar represented a profitable business field for Hanseatic merchants in this business sector. As a third point, concomitant to that, it will demonstrate yet another loophole for German traders to participate in French trade. They also invested in Prize goods and Prize ships, which had been captured by French privateers. This was a business that particularly young aspiring merchants often became heavily engaged in during the early stages of their career because it provided a “substantial source of business profit”.<sup>113</sup> On the whole, the episode will give us a good, detailed impression and at the same time an overview of how merchants like Luetkens became beneficiaries of the market opportunities of wholesale trade during the 18th century.

## Sugars and Prize Goods

Luetkens mainly traded in sugar. To explain and expand on the lucrative ness of the sugar trade, it helps if we take a closer look at the particular kinds of sugar that he traded in. Not only in the episode analysed but speaking of Luetkens’ activities in general, it becomes evident that Luetkens often, though not exclusively, re-exported raw,

<sup>112</sup> See Defoe, *Complete English Tradesman*, 9.

<sup>113</sup> Hancock, *Citizens of the World*, 244.

unrefined or partly processed sugars coming from the French colonies in the Caribbean or from the British colonies overseas once they had arrived on French mainland. He mainly traded in French brown sugars, which were called by the contemporaries and in price currents of the time *St. Domingue* or *Martinique* sugars or British *Jamaican* or *Barbados*.<sup>114</sup> The transport of unrefined sugars was much easier to handle for the merchants, because the filling of unrefined sugars into wooden casks was easier, more practicable and space saving, and therefore also more lucrative. Since the refining process of these sugars then took place in the sugar refineries in Hamburg, which processed the raw sugars into the finished goods of white sugar, the merchant simultaneously supported and boosted the domestic home economy and home industry.<sup>115</sup> So, Luetkens' trade was also highly beneficial for Hamburg and its industry. Luetkens, however, also traded in already refined French sugars, white sugars or "powdered sugar", which he re-exported to Hamburg. In the episode analysed, however, Luetkens traded in "Muscovado" sugars, called "sucre muscovado" in French and "Moscovies" in Dutch, sometimes also referred to as "English Barbados" sugars, because they came from Barbados. Muscovado sugar was unrefined or partly processed cane sugar with a strong molasses content, in French called *sucre de canne complet, non raffiné*. It had a moist texture and a rich dark brown colour, which is why it was often also simply referred to as brown sugar by the contemporaries, although it differs from our modern definition of brown sugar as this term today often refers to rock candy.<sup>116</sup>

The sugars were shipped and imported to Europe where, in the local sugar refineries, "further processing would produce pure white sugar. The muscovado sugar was first boiled with water and refined to remove the impurities. This hot sugar syrup was then poured into moulds and left to drain and crystallise. The moulds were cone-shaped, and the pure white sugar that came out was known as a loaf".<sup>117</sup> It was common practice, nationally subsidized and legally secured, that only French merchants imported French sugars coming from the French colonies. These sugars should then be processed in French refineries. The same procedure was used by merchants of the other colonial powers.<sup>118</sup> In practice, however, re-exports of raw sugars to Hamburg were also a frequent occurrence. Furthermore, by means of privateering, merchants also came into possession of sugars originating from the other colonial powers, as in the present

<sup>114</sup> See Stein, *French Sugar Business*, 107. See Weber, *Deutsche Kaufleute*, 55-56, 160.

<sup>115</sup> See Petersson, *Zuckersiedergewerbe und Zuckerhandel*, 41-59. See Weber, *Deutsche Kaufleute*, 227. See in particular Weber, "Atlantic Coast of German Trade."

<sup>116</sup> See Fraginals, Manuel M. *The Sugarmill. The Socioeconomic Complex of Sugar in Cuba 1760-1860*. New York/London: Monthly Review Press, 2008, 119-122. See Galloway, Jock H. *The Sugar Cane Industry: An Historical Geography from Its Origins to 1914*. Cambridge: Cambridge University Press, 2005, 108. See Ebert, *Brazilian Sugar*, 39-60.

<sup>117</sup> Discovering Bristol. An online history of the port and its people. "Bristol and Transatlantic Slavery-Luxuries from abroad – Plantation sugar", <http://www.discoveringbristol.org.uk/slavery/routes/america-to-bristol/luxuries-from-abroad/plantation-sugar>, accessed June 16, 2019. Regarding sugar plantations, see Dunn, Richard S. *Sugar and Slaves. The Rise of the Planter Class in the English West Indies, 1624-1713*. New York: The Norton Library, 1973. See in general Mintz, *Sweetness and Power*.

<sup>118</sup> See *inter alia* Jones, Donald. *Bristol's Sugar Trade and Refining Industry*. Bristol: Bristol Branch of the Historical Association, 1996. See also Morgan, *Bright-Meyler papers*, "Introduction," 110-151.

case of the episode analysed. The Muscovado sugars Luetkens traded in as a commission agent in this episode was formerly English-owned, coming from a British colony, but they changed over into Spanish and French hands. Eventually, they ended up in Luetkens' hands after the ship on which it was loaded was captured by a Spanish privateer during its voyage and brought into the French harbour of Brest. Luetkens bought these sugars at the Spanish Prize Court in St. Sebastian, repacked and loaded them onto one of his own Hamburg ships in Brest, and then re-exported them to Hamburg, which shows how allegedly neutral merchants got access to and profited from the contemporary circumstances.<sup>119</sup>

Sending this unrefined brown sugar to Hamburg, the underlying trade strategy was to outsource the further processing of this sugar from France to Hamburg, which generated further profits for Luetkens. Not only was it cheaper to draw on Hamburg refineries but in doing so the Hamburg merchants also actively strengthened the Hamburg's own domestic proto-industry, which yearned for the imported sugars from France.<sup>120</sup> The demand for refined sugars in the Hamburg consumer market and its surrounding areas was very high, which serves as the reason why we find a lot of sugar refineries on the banks of the river Elbe during the 18th and still in the 19th century. The refined sugar was then furthermore also exported to the German inland. As research has shown in this regard, the cooperation and mutual support between the Hamburg wholesale merchants and the sugar refineries, the "Zuckerbäckers", the sugar confectioners, as they were called in the 18th century Hamburg, was one of the important foundation stones for the success of the proto-industrialisation in Hamburg and beyond, which furthermore brought the merchants in France and Hamburg great profits.<sup>121</sup>

At the same time, this trading approach and practice ultimately also represented in certain ways a clear infiltration of the mercantilist policies of the French state, whose general politics and policies in fact aimed at the exact opposite. Originally, the French state and mercantilist system strived to limit all exports to manufactured goods. Due to the economic surplus in France and the saturation of the market, particularly with regard to colonial goods, the re-exporting activities of Hanseatic merchants were, however, explicitly approved by the French authorities because they resulted in additional revenues for the French state. The latter fact particularly held true for all those kinds of goods that represented in an actual sense a bonus as regards the total of French imports during that time. This brings us to the second point and particularity of Hanseatic trade participation in the re-distribution sector of colonial goods.<sup>122</sup>

As becomes apparent from Luetkens' trading activities in general, and also in the episode presented, one of the significant resources and opportunities for gaining access to sugars, and many other colonial goods in fact, was purchasing and trading in French Prize goods. Like Britain, France and Spain operated a fleet of privateers during the Early Modern Period, which seized enemy ships. After condemnation of these

<sup>119</sup> See Weber, *Deutsche Kaufleute*, 227, 277, 302.

<sup>120</sup> See *ibid.* See Petersson, *Zuckersiedergewerbe und Zuckerhandel*, 41-59.

<sup>121</sup> See *ibid.* in particular Weber, *Deutsche Kaufleute*, 277.

<sup>122</sup> See Pourchasse, "French Trade," 19; see Pourchasse, *Le Commerce de Nord*, 267-289, 291-327. See Bultel, *L'Économie française*, 77-82; see Weber, *Deutsche Kaufleute*, 158.

ships as legitimate Prizes in France, at the French Admiralty Court in Vannes for instance or in Spain at the Spanish Admiralty Court in St. Sebastian, the ships as well as goods were put for auction.<sup>123</sup> Foreign merchants trading in France and Spain were admitted at these auctions, which is why they often became heavily involved. In order to avoid customs duties, particularly the *ferme générale*, which could arise with regard to Prize goods, the foreign merchants still stuck to commission trade when investing and speculating in these goods. Luetkens bought Prize ships and he invested in Prize goods coming from Spanish and French privateering. When the British officials investigating the case of the allegedly neutral Hamburg ship the *Hope* later found out about this fact, they were not only not amused, but it also provided them with further proof of Luetkens' deep involvement in the French economy. Particularly revealing must have been the fact that the ship *Hope* itself had once sailed under British colours and had originally been an English ship, the *L'Upton*, which had been captured by a Spanish privateer and purchased by one of Luetkens' middlemen at an auction in Vannes. We still find the advert announcing the sale of this ship in the Luetkens archive.<sup>124</sup> Apart from such setbacks as the capture of the *Hope*, the investment and speculation in Prize goods represented a good source of income for Luetkens. Such enterprises promised relatively easy access to colonial goods and good profits at the same time, which is why in general, as David Hancock pointed out, it was for good reason a popular field of activity especially among ambitious younger merchants, who would also not shy away from the risks involved in it.<sup>125</sup> In essence, every auction and every speculation in such Prize goods in the end always represented a game of chance, which fact will also become obvious from the episode analysed. Put figuratively, conducting these enterprises, bidding and investing in Prize goods, the merchants always in many respects bought a pig in a poke, which meant they could not be sure that the goods they purchased actually met their expectations.

The challenges and risks prevailing with regard to investing in Prize goods were in this regard rather similar and comparable to the challenges and the overall risks generally prevailing in the commission trade. Luetkens in the end had to trust in the word of the seller or of his advisors and consultants in the respective ports, whenever he decided not to travel to the ports himself. In general it can be said that apart from the clear benefits of having a wide product portfolio as a commission agent, this portfolio at the same time presented the merchants with the challenge that they had to be experts and have good product knowledge about a lot of different goods in order to conduct a

<sup>123</sup> Regarding French privateering, see Marzagalli, Silvia. "French Privateering," 41-65. See also Buti/ Hrodej, *Histoire des pirates et des corsaires*; see Barazzutti, "La guerre de course." See Aumont, Michel. *Destins et aventures corsaires. En mer! Sus à l'ennemi*. Nonant: Orep, 2012. See Hillmann, Henning. *The Corsairs of Saint-Malo. Network Organization of a Merchant Elite Under the Ancien Régime*. New York : Columbia University Press, 2021. See Villiers, *Marine royale*.

<sup>124</sup> See the printed advertisements for the sale of the prize ship *L'Upton* of London and its cargo, at Port Louis 5 August 1744 [bought by Luetkens in Vannes] in TNA, HCA 20/232. See in general chapter 1 and the court papers in TNA, HCA 32/115/14. "Captured ship: *Die Hoffnung* of Hamburg, otherwise *L'Esperance*, *De Hoop*, or *The Hope* (previously the English *L'Upton* or *Upton*, taken as prize and sold in France)."

<sup>125</sup> See Hancock, *Citizens of the World*, 244.

lucrative business. With regard to many product groups within his portfolio, especially with regard to colonial goods, Luetkens developed the necessary skills and acquired the necessary product knowledge in the course of time. Yet, he often needed to draw and rely on further advisors or local merchants of his acquaintance when purchasing goods. This could be either due to physical distance, when he was not able to assess goods himself, or due to the fact that other merchants had greater knowledge about these goods. In the episode analysed, both reasons apply. In the episode, Luetkens invested in English Prize sugars offered at an auction in St. Sebastian, which was loaded on a ship lying at anchor in of Brest after it had been captured by a Spanish privateer in the waters off the coast of Brest.

Sugar represented one of Luetkens' core competence areas. However, he was neither able to travel to St. Sebastian nor to Brest during that time in order to assess these goods himself, since he was residing in Bordeaux at that time. He therefore approached and drew on his trading partners in St. Sebastian, the merchants and brothers Darragory, who assisted him with the purchase of the sugars at the auction. He also drew on Elart von Bobartt, his Nantes trading partner from the merchant house of Luttmann & von Bobartt, whom he asked to travel to Brest to act as his consultant and to examine and assess the goods for him. Elart was well trained in the evaluation of English and French sugars since his own merchant house often invested in such goods. So, Elart was presumably a good choice as an advisor and Luetkens trusted in his word and assessments. As the episode will show, even Elart was, however, not immune to the risks of evaluating Prize goods. In his assessment of the goods, Elart was not entirely correct, which led to certain problems. But in the end the whole enterprise still brought the involved parties good profit.

Apart from the promising market opportunities in the sugar trade and in Prize goods and apart from the benefits of a wide product range covered with commission activities in general, commission trade held ready two more advantages especially for merchants during their establishment phase, which I will once more explain in detail in the next part, because they are fundamentally important for the understanding of the letter episode under investigation. These benefits of commission trade can be pointed out and summarized by help of two contemporary quotes from popular merchant encyclopaedias and manuals. The first quote relates to the benefits of the cashless payment system forming the backbone of commission trade and enabling young merchants to do extensive business. The second quote relates to the fact that commission trade allowed merchants to conduct their trade without the need to be physically present at the respective trading place. Instead, they could delegate the necessary operations to their respective partners on site. In practice, in turn, both benefits went hand in hand because both were based on, underpinned by and facilitated through the same fundamental communication tool: letters, which is why the next part represents at the same time the preliminary chapter to the third and last part of this chapter's contextualisation. In the last section of my contextualisation I will present the details of the practice of writing business letters as a means of ensuring and promoting mutual appreciation among the Protestant merchants of France.

## 4.7 Financing in Commission Enterprises

The first quote is taken from the Krünitz encyclopaedia. In the article on commission trade in this encyclopaedia, commission trade was highlighted as an attractive business field for young merchants with the following words: "Commission business is of great advantage for young and aspiring merchants, particularly for those who only have sparse capital. Apart from the advantage that such business creates a good reputation, it also provides a solid basis for credit, which a merchant needs to have: So, a young merchant fills his newly opened business house, his store rooms and depots with commission goods as if they were his own. He must not [is not allowed to] invest his own capital in these goods, but earns his money through a provision fee of 2 or more per cent, and he pays his principal the sales proceeds from these goods bit by bit."<sup>126</sup>

The second quote stems from the most popular merchant manual of the Early Modern Period, Jacques Savary's *Le parfait négociant*, which stated that through the help and "by means of commission trade, merchants and bankers are enabled to trade with the whole world, with regard to purchasing as well as selling goods, with regard to drafting, accepting or remitting bills of exchange, and they could trade with one place or the other without ever leaving their compting houses."<sup>127</sup>

Both quotes give us a clear account of the important role that commission agents played during the Early Modern Period in general. They also reveal to us the concrete form in which the agent conducted his trade. A commission agent was commissioned by his customers to act and trade in goods in their name, for which the latter at the same time provided the necessary funds in the form of a credit, making use of the finance instruments of the cashless payment system. For the customer this held the benefit that he was not forced to travel to the respective ports to do the purchase and procurement himself, but he acted and traded from his desk at home in his trading house. For the commission agent, in turn, to a certain extent the same benefit applied. Most of the time he visited the ports and merchant houses where he inspected and bought the goods. However, not even he was forced to travel to all trading places himself, instead drawing on his middlemen and contact persons on site.

The benefits for the commission agent with regard to the financing and funding of his enterprises were furthermore that he was not reliant only on his own funds to conduct his trade, but he could rely on the provision of funds and financing resources from external sources. For the procurement of the necessary funds, he was not even limited to relying and drawing on his customer as the lender of capital, but he also approached and involved other merchant houses or private banking houses, private banks, from his business network in his financing activities to back up his enterprises. This means that in order to take care of the necessary liquidity for conducting the respective commission

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<sup>126</sup> "Commissions=Handlung." *Oekonomische Encyklopädie*, edited by Johann Georg Krünitz. 242 volumes. Berlin, 1773-1858, vol. 8, 253. Translation by the author.

<sup>127</sup> "Dann vermittelst [der] Kommissionäre können die Kauffleute und Banquierer durch die gantze Welt so wohl in Ein- und Verkauff der Wahren als in Tratten und Remessen von einem Ort zum anderen handeln und dürfren nicht einmahl aus ihren Gewölbbern oder Schreibstuben gehen." Savary, *Der vollkommene Kauff- und Handelsmann [Le Parfait Négociant]*, 162, see also 175.

enterprises he could draw on various contacts. In fact, the latter was common practice and an essential component of the system of cashless payments by means of bills of exchange.<sup>128</sup> In most financing operations of the period, several participants were involved, who interacted with each other by means of mutually allocating sufficient resources to each other in order to provide and ensure each other's financial security and ensure the continuation of their businesses.<sup>129</sup>

Both factors – the benefits of acting independently of your current location and the benefit of being provided with the necessary funds by means of the contemporary credit system and the cashless payment system – represented indispensable preconditions and major building blocks of a successful career as a commission agent and were particularly helpful for aspiring young commission agents building their career as wholesale merchants. Taken together with the important aspect of mobility during one's years of establishment, it becomes obvious how very flexible, versatile and adaptable the room for manoeuvre and the entrepreneurial scope of a commission agent was during that time. This flexibility was indeed necessary in order to accurately react to the special circumstances prevailing in trade, in France and during a merchant's establishment phase. For Luetkens, it was precisely these elements that characterised his commercial actions in France and that made him capable of acting during his establishment phase.

In order to understand his financial transactions with regard to his commission enterprise later in the episode, I will explain in greater detail the fundamental characteristics and functionality of the cashless payment system during the 18th century, not least because the mechanisms involved in the course of these transactions are reflected in the business letters exchanged between the involved parties, in the form of certain fixed sets of vocabulary, common terms and other structural elements. In fact, the cashless payment system, as will become obvious, served as a kind of trigger and basic framework that significantly contributed to and shaped the particular nature, the certain formality of 18th century business letters as well as surely also representing their typical content, which means that we will once more realise how deeply intertwined business practice and letter-writing and correspondence practices were during that time.

The question we have to answer first, however, is how the cashless payment system worked in practice and how it facilitated Luetkens' commission trade. In order to answer this question, I will illustrate the way Luetkens performed his financing operations in the most concise way possible, focussing on the basic principles that shaped his

<sup>128</sup> See Denzel, *Handbook of World Exchange Rates*, xxii-xlvii. See Trivellato, Francesca. "Credit, Honor, and the Early Modern French Legend of the Jewish Invention of Bills of Exchange." *The Journal of Modern History* 84, no. 2 (2012): 289-334. See as a comparative example to Luetkens also Gelderblom, "Hans Thijs." See in general Gervais/Lemarchand/Margairaz, *Merchants and Profit*. Regarding French bills of exchange see also already De Roover, Raymond. *L'évolution de la lettre de change, XIVe-XVIIIe siècles*. Paris: A. Colin, 1953.

<sup>129</sup> See Trivellato, "Bills of Exchange." See Denzel, *Handbook of World Exchange Rates*, xxviii-xxxii. See Neu, Tim. "Geld gebrauchen. Frühneuzeitliche Finanz-, Kredit- und Geldgeschichte in praxeologischer Perspektive." *Historische Anthropologie* 27, no. 1 (2019): 75-103.

transactions, serving at the same time as an illustration of the typical ways of conducting financing operations in 18th century business and trade. Often the different finance transactions conducted during a commission enterprise took on a highly complex form, involving many different actors and consisting of many different parallel actions and negotiations conducted by these different actors. This sometimes admittedly makes it hard to reproduce the transactions in detail. For instance, bills of exchange as negotiable instruments during the 18th century could pass through up to nine pairs of hands until they were finally paid and devalued.<sup>130</sup> Most generally though, all of these transactions were shaped, characterised and held together by a certain limited set of basic financing principles and methods, which I will try to illustrate. In the episode analysed, we will then get an impression of the concrete forms that these financing actions took during a commission enterprise.

In order to finance his commission enterprises, Nicolaus Gottlieb Luetkens made use of basically two financing options. In order to obtain the necessary funds, he either drew on the support of one or two merchants or merchant houses in his merchant network, who acted as capital lenders and financiers of the undertakings, or he drew on private banking houses, which provided him with the necessary credit for his enterprises.<sup>131</sup> For both options, the merchants and bankers drew on the cashless payment system. This system of cashless payment had been a significant driving force and indispensable component of trade since at least the end of the Middle Ages. During the 18th century, the system of cashless payment experienced a significant rise, due to demand and new innovations in the field. By then, the banking and finance business had already become a distinct branch of industry of its own, including *inter alia* stock exchange trading, currency trading and financial speculations.<sup>132</sup> With regard to commodity trade, although the parties involved also engaged individually in the activities, the principal purpose of making use of the cashless payment system was primarily to obtain financing and to ensure the necessary liquidity for one's undertakings. Particularly in the wholesale business, for the import and export of one's goods, and in commission trade, it became not only a driving force but in fact the catalyst for all trading activity.<sup>133</sup>

The fundamental principle of the cashless payment system was "transferring funds by dealing in bills of exchange".<sup>134</sup> A bill of exchange, called "Wechsel" in German and "lettre de change" in French, is a "document, used especially in international trade, that orders a person or organization to pay a particular amount of money at a particular time for goods or services."<sup>135</sup> In a more precise definition, it was a "short-term negotiable financial instrument consisting of an order in writing addressed by one person (the

<sup>130</sup> See Denzel, *Handbook of World Exchange Rates*, xxxviii.

<sup>131</sup> For more details these private banking houses in Paris, see Lüthy, *La Banque protestante*. See also Körner, Martin. "Protestant Banking." In *The World of Private Banking*, edited by Youssef Cassis and Cottrell Philip L., 231–246. Farnham/Burlington: Ashgate, 2013, here 239–240.

<sup>132</sup> See Denzel, *Handbook of World Exchange Rates*, xlvi. See also Trivellato, "Bills of Exchange," 293–300.

<sup>133</sup> See also Davies, "Commission System."

<sup>134</sup> Hancock, *Citizens of the World*, 281.

<sup>135</sup> "Bill of exchange." *Cambridge Business English Dictionary*, Cambridge: Cambridge University Press, 2011, 625.

drawer) to another (the drawee) requiring the latter to pay on demand (a sight draft) or at a fixed or determinable future time (a time draft) a certain sum of money to a specified person or to the bearer of the bill.<sup>136</sup> On the basis of bills of exchange, a commission agent like Luetkens obtained the necessary liquidity and credit range and last but not least he was provided with the time needed to conduct his commission enterprises.<sup>137</sup> Bills of exchange represented the nerve centre of commission trade, the most important means of payment, and they also formed the supply source for cash, enabling the merchant to conduct business.

The precise way of how the exchange in bills of exchange and generally the cashless payment system worked is presented in a very understandable way in the *Handbook of World Exchange Rates 1590-1914* by Markus Denzel. Denzel also illustrates the system in his book on the basis of several schemes, which I will borrow for my explanations and adapt them to the case of Nicolaus Gottlieb Luetkens' financial transactions as a commission agent. I will present my scheme of Luetkens' financial transaction on the basis of two of Denzel's schemes.<sup>138</sup> The scheme subsequently show how Luetkens' entire business as a commission agent ultimately rested on the transferring of funds through the help of bills of exchange and how the different people involved in these transactions not only mutually supported each other, but by doing so also mutually reinforced each other and depended on each other. Last but not least, the scheme will point once again to the significance of letter-writing because letters were the medium by which all the transactions were carried out. Not only were letters the actual material carrier medium which was used to send bills of exchange from one merchant to another, for instance by inserting the bills of exchange between the letter pages as it was typical, but also the letter content and certain letter phrases and formulae themselves played a part in the execution of the respective financial transactions. Particularly in the finance sector, a lot of the actual actions performed happened on paper, by means of "quill pen fencing", "fehder fechten", as the contemporaries called it (see fig. 11).<sup>139</sup>

The first and most fundamental action within the cashless payment system was the *drawing* of a bill of exchange. This meant that Luetkens as the first very step in the process of securing the financing for his enterprise drew a bill of exchange on his customer or client, in our example, the merchants Hertzer & von Bobartt in Hamburg. By means of drawing the bill Luetkens at the same time obliged his customers to settle the bill for the purchase of the respective goods with Luetkens at a later stage. The payment was meant to take place after they received the goods that Luetkens had purchased on their account and after they had sold them in Hamburg. In Denzel's example the issuer of

<sup>136</sup> "Bill of exchange, also called draft or draught." *Encyclopaedia Britannica*, <https://www.britannica.com/topic/bill-of-exchange>, accessed July 18, 2019. I preferred these definitions to the definitions in Denzel and Trivellato because they are more concise.

See also Denzel, *Handbook of World Exchange Rates*, xxii- xxxii.

<sup>137</sup> See Hancock, *Citizens of the World*, 281.

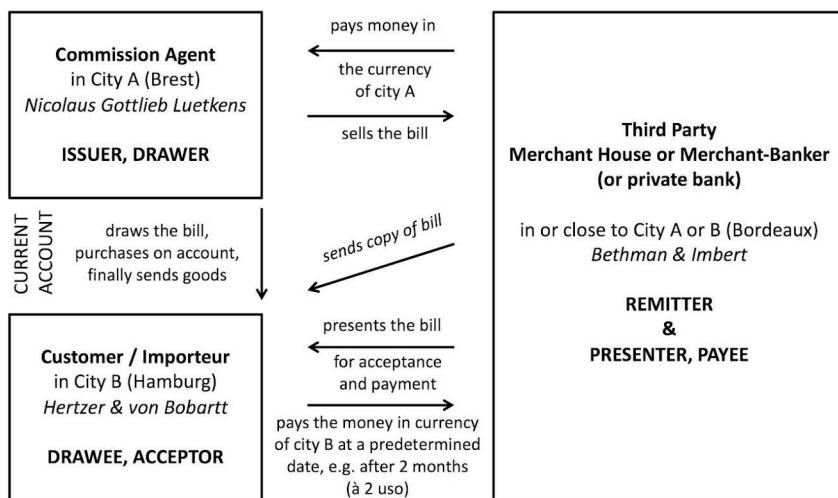
<sup>138</sup> See Denzel, *Handbook of World Exchange Rates*, xxviii and xxix.

See also the schemes in Trivellato, "Bills of Exchange," 293-300.

The following explanations are primarily based on the information given by Denzel and Trivellato.

<sup>139</sup> Letter from Hertzer & von Bobartt to Luetkens, Nicolaus Gottlieb, February 17, 1744, TNA, HCA 30/234.

Figure 11: Basic transactions in financing business in commission trade.



Source: Based on a model by Markus Denzel from his *Handbook of World Exchange Rates*. By courtesy of Markus Denzel.

the bill of exchange, who is the *drawer* of a bill, is a seller of goods, an exporter, who sells goods to a *purchaser*, an importer, whom the drawer obliges, by means of the bill, to pay for these goods, but only after a certain amount of time. Instead of an immediately due and direct cash transaction, the drawing of a bill of exchange as a payment obligation, as a "credit contract" as Francesca Trivellato called it, offered the decisive advantage that it allowed the customer himself to sell the received goods first in order to have enough liquidity to pay the bill.<sup>140</sup> The same logic applies to Luetkens' case, with the difference that in his case, drawing the bill of exchange served the initial purpose to enable him to conduct purchases on the account of his customers in the first place. It was an advance credit. This means that through drawing a bill of exchange he obtained the necessary credit line from his customers, which was necessary to put him into the position to buy goods as a commission agent on their account.

Another typical method applied in such transactions by Luetkens and his trading partners was that for the purpose of such financial transactions in bills of exchanges the partners would often not directly raise actual funds for every transaction, but for coordinating their transactions and the flows of funds they simply drew on a shared account, a *conto current*. This means that both partners kept an account of their mutual enterprises and cash flows, a current account or open account in which they entered credits and debits of their respective partners, which sums were balanced and amortized at regular intervals, that is, for instance when a business enterprise had come to

<sup>140</sup> Trivellato, "Bills of Exchange," 294.

an end.<sup>141</sup> A conto current, however, was continuously kept among the partners, which meant that it included funds, credits and debits with regard to several enterprises at the same time, and some credits or debits remained unredeemed even beyond the duration of a certain enterprise. This practice of credit-debit accounting was very typical for the financial businesses and financial management of merchants of the 17th century.<sup>142</sup> It was also a sign for a good and successful partnership among merchants if they kept current accounts together. Only merchants who knew each other well and who trusted each other shared a current account.

Nicolaus Gottlieb kept such a conto current and even joint conto currents, that is, where the partners shared their debts, with many of his main trading partners. We find current accounts for his cooperation with Hertzner & von Bobartt, Bethmann & Imbert, his French partner Lichigaray Jeune, his uncle in London, Luttmann & von Bobartt, and several of his other close allies, all carefully sorted and kept among his bundles of merchant memorials. These memorials served as his general accounting archive during his travels as an alternative to keeping an account book.<sup>143</sup> As regards Luetkens' concrete exchange business, sharing a conto current with Hertzner & von Bobartt meant that whenever he drew a bill of exchange on them, they simply debited his conto current on their side, which sum would later be balanced as soon as they sold the goods. In principle, this idea and approach seems remarkably simple. However, as it is often the case, in practice the final procedure of how the bill was eventually settled at the end of the enterprise often turned out to be a bit more complicated. That means both Luetkens and Hertzner & von Bobartt would in fact, in this case and in many of their enterprises, balance their accounts through a third intermediary, a third party, an actual intermediate *financier* of the whole enterprise who was involved in the finance transactions. This had to do with another intermediate step during the transaction that was often chosen by the merchants for their transactions in bills of exchange and often in fact necessary during the respective businesses. This regards the right-hand area in the graph above, which I have not yet explained, but which will play a role in my further explanations and in the episode.

Important to note in this regard is already at this point that although this third party, in our example the merchant house of Bethmann & Imbert, would get involved, the respective sums still appeared and were listed in the respective conto currents of the drawer and the drawee, only that now another payee of the proceeds was added. The latter becomes clearly obvious from the account memorials and business letters, in which we find typical formulae referring at the same time to both the *creditor* and the *beneficiary* or *presentee* of the bill of exchange, as the third party was called in contemporary terms. The most typical entry in this regard reads "Tratta of 2000 guilders à 2 uso

<sup>141</sup> Once "an account was opened, the account holder routinely both granted and was granted free credit in the form of unsettled transactions." Gervais, "Merchant Strategies," 9.

<sup>142</sup> See also Gervais, Pierre. "Mercantile Credit and Trading Rings in the Eighteenth Century." *Annales. Histoire, Sciences Sociales* 67, no. 4 (2012): 731-763.

<sup>143</sup> Bundles of all of Luetkens' merchant memorials in TNA, HCA 30/232. Regarding merchant memorials, which primarily "acted as a memory aid" but on travels also as a substitute for a book of accounts, see Walker, Stephen P., and John Richard Edwards. *The Routledge Companion to Accounting History*. London/New York: Routledge, 2009, 105.

on my account à ordre Bethmann & Imbert", which meant, that the bill eventually was to be paid to Bethmann & Imbert.<sup>144</sup> Before coming to the role of that intermediate financier in detail, however, I will first wrap up my explanations about the left-hand side of the graph, the basic procedure of exchanging a bill of exchange, also because this procedure will explain to us why the involvement of a third part was at all necessary.

Returning to the basic transactions in bills of exchanges, after the respective bill of exchange had been drawn by the drawer to the drawee of the bill, the necessary precondition for the conclusion of the pay agreement was of course first of all that Luetkens' customers would at all be agreeable with receiving the bill of exchange for the respective sums and under the terms of payment. Thus, his customers needed to approve of the payment request and therefore needed to *accept* the bill of exchange drawn on them in writing, by which they would then become the *acceptor* of the bill. If this was the case, in the next steps, Luetkens would then purchase the relevant goods, send them to his customers, who would themselves sell these goods, which put them in the position to settle the bill. For this whole procedure, the merchants of the time usually scheduled and allowed for a certain time frame, an agreed-upon period of time known as a "usance", most often amounting to two or three months until the payment of the bill of exchange was finally due. Expressed in the actual contemporary words, as they were also entered into the respective bills of exchange as set terms and furthermore confirmed in writing in the accompanying letters, a bill of exchange was usually issued "a 2 uso" or "a 3 uso", which meant that the payment was due after two or three months.<sup>145</sup> Using and drawing on Latin terms in this regard served a very specific, practical purpose. It allowed the merchants to use this terminology in a uniform manner and to the same effect in many different languages. If we take all the letters in the Luetkens archive as a basis of comparison, we can find this expression in French, Dutch, English and German letters and bills of exchanges. It can also be found in the merchant manuals, handbooks and letter-writing manuals of the time.<sup>146</sup> A similar pattern can be observed for many other basic terms and formulations used in financial operations, about which we will hear more in the next part of this chapter, but which already at this stage point us to the transnational character of mercantile business practices and the commercial language register of business and trade prevailing during that time.

Although it was helpful to grant his customers a two- or three-months period before the bill needed to be paid, in order to allow for the logistical handling and processing of the whole undertaking on credit, this practice was actually less helpful on the part of Luetkens with regard to conducting actual purchases of goods. The crux of the matter was that although Luetkens was allowed a certain credit line for his commission enterprises by his customers through drawing a bill of exchange on them, he nonetheless did not receive any actual financial means at this point of time. He therefore did not obtain

<sup>144</sup> "dero Tratta von ₣ 2000 a 2/uso [...] à ordre Bethmann & Imbert geacceptirt haben und E.E. da-für Conto Nostro in £ 6000:- debitiren." Letter from Hertzner & von Bobart to Luetkens, Nicolaus Gottlieb, May 15, 1744, TNA, HCA 30/234.

<sup>145</sup> See also Savary, *Der vollkommene Kauff- und Handelsmann [Le Parfait Négociant]*, 436. See Marperger, *Der allzeitfertige Handels-Correspondent*, 25.

<sup>146</sup> Ibid.

direct liquid funds such as ready money or other assets from these previous transactions, which was, however, necessary to purchase certain goods on commission. This means he was still not liquid enough to actually pay for any goods when drawing a bill of exchange. Yet even with regard to this perceived problem, the sophisticated cashless paying system offered the necessary solution. This solution, in turn, represents not just another innovation, but surely one of the pivotal elements and driving forces behind the whole cashless payment system in general because it created the actual basis for the mutual financial safeguarding mechanism for financial transactions between several merchants that accounted for the system's effectiveness.

In order to obtain the liquid funds for his commission purchases instantly after he had drawn a bill of exchange on his customers, Luetkens sold the very same bill of exchange to a third party, the *remitter* of a bill of exchange [in French "remittent"], which in our example is the merchant house Bethmann & Imbert. By selling the bill to them, the merchant obtained at the very same moment the funds needed to conduct his commission enterprise.<sup>147</sup> Consequently, Bethmann & Imbert would pay him, *remit* him liquid funds ["remittieren" in German and "remise"/"remittance" in French] in the form of ready money or again in the form of receiving bills of exchange. The commission agent himself, in turn could resell ["verneegotieren" in German] these bills of exchange. In Denzel's example, the exporter is being paid the bill for his exported goods by the remitter, which helped the exporter to instantly settle his accounts and carry out new businesses. In Luetkens' example this step was the precondition for conducting his businesses in the first place. In Denzel's example, the remitter then sold the bill to a fourth party, another merchant, often residing in the same city as the drawee of the bill, with whom he kept a current account and trading relationship, and who in the end became the beneficiary or presenter of the bill of exchange. That is, after the said 2- or 3-months waiting period, the drawee was, in turn, bound to pay the bill to the beneficiary of the bill of exchange. In Luetkens' case, in many of his enterprises, the remitter and the beneficiary or presenter of the bill of exchange were often the very same person or merchant house, which makes the graph layout above and the understanding of the operations a bit easier. In concrete terms and with regard to his businesses, this meant that Luetkens received money or liquid funds from Bethmann & Imbert, which allowed him to conduct his commission trade, in return for selling the bill of exchange to them, the material payment obligation of Hertzner & von Bobartt. Bethmann & Imbert, in turn, later presented the bill to Hertzner & von Bobartt, who then settled the bill with them, at the same time clearing the respective entry in Luetkens' conto current. All of these arrangements were furthermore made transparent also in writing to all participating parties by means of a very simple but effective material practice. As soon as the remitter had purchased the bill of exchange from Luetkens, he would draft several copies of the respective bill, which were sent to all the involved parties in this financial transaction. The remitter kept the original bill of exchange, a copy of the bill, the *prima* (the first copy) was sent to the drawer of the bill (Hertzner & von Bobartt), whereas

<sup>147</sup> Apart from Denzel and Trivellato, see also Neu, "Geld gebrauchen." See Morgan, Kenneth. "Remittance Procedures in the Eighteenth-Century British Slave Trade." *The Business History Review* 79, no. 4 (2005): 715-749.

Luetkens and all further parties who had become involved received a *secunda* or *tertia* (a second or third copy) of the bill of exchange. The latter therefore also explains why we find bundles of bills of exchanges in Luetkens archive marked as “secunda”. These documents were the material evidence of his transactions with his remitters.<sup>148</sup>

The benefits for Bethmann & Imbert in the role of the remitter were fourfold, which also explains why merchants would become involved in this kind of transactions. First, merchants profited from differences and changes in exchange rates prevailing in the respective cities they traded with when purchasing or selling, presenting or paying a bill of exchange. It was often the case that a remitter bought a bill of exchange in another currency from the drawer (in city A) of the bill than the currency in which he would later be paid for the bill by the drawee (in city B).<sup>149</sup> Through making use of a favourable exchange rate in the respective currencies he made a profit merely by means of observing the changing rates in the respective cities and acting on them at the right time.<sup>150</sup> The latter is also one of the reasons why merchants added in almost all of their letters several exchange rates of the main financial trading places such as London, Amsterdam, Hamburg, at the bottom of the letters as additional information, and why they were keen to keep up to date and be well informed with regard to the respective rate movements. It was also the reason why they regularly purchased and sent each other newspapers or price currents, in French called “cours des marchandises” and in German “Preis-Courant”. The price currents were printed lists of the exchange rates and the price movements and developments with regard to a great variety of goods.<sup>151</sup> Since Luetkens during his time in France not only drew bills of exchange but himself also acted as a remitter in many enterprises, it will not surprise us that we find many printed price currents and newspapers, in German, French and Dutch, including price currents of the VOC, but particularly the *Hamburg Preis-Courant*, in his business archive.<sup>152</sup>

His Hamburg correspondents regularly sent him these price currents and newspapers in order to keep him informed about the market in Hamburg. The changing exchange rates and the changes in price movements for certain goods were of course also highly relevant for the merchant, who sold commission goods in another city. Even in the goods exchange and particularly with regard to selling opportunities, the merchants often deliberately waited for the most favourable conditions and selling opportunity, a day on which the market prices were favourable, before they sold the goods. We find detailed reports about this in the letters. Secondly, an incentive for acting as remitter was that often the remitter was also offered a share in the respective goods he financed. Thirdly, as already addressed above, a remitter could expect from his partners

<sup>148</sup> See bundles of secunda bills of exchange in TNA, HCA 30/232. See again Denzel, *Handbook of World Exchange Rates*, xxxv.

<sup>149</sup> See Pourchasse, “French Trade,” 17. See Verley, Patrick. *L’Échelle du Monde. Essai sur l’Industrialisation de l’Occident*. Paris: Gallimard, 1997, 235.

<sup>150</sup> See Denzel, *Handbook of World Exchange Rates*, xxviii- xxxi.

<sup>151</sup> Regarding *Price Currents* see McCusker, John J., and Cora Gravesteijn. *The Beginnings of Commercial and Financial Journalism. The Commodity Price Currents, Exchange Rate Currents, and Money Currents of Early Modern Europe*. Amsterdam: Nederlandsch Economisch-Historisch Archief, 1991.

<sup>152</sup> See the printed French and Dutch price currents and in particular the *Hamburg Preis-Courants* in TNA, HCA 30/232.

that whenever he himself needed a remitter for his finance transaction he could count on their support. It was therefore not only Bethmann & Imbert, who remitted funds to Luetkens, but in other enterprises exactly the same practice was performed vice versa. In this way, a dense network and system of mutual obligation was created that sustained itself from within itself.<sup>153</sup> Last but not least, fourthly, a remitter would charge a small amount of interest for his active loan to the drawee, most often 2%.

The list of benefits of this financial practice for Luetkens is shorter but still very meaningful. By means of drawing on a remitter for his bills of exchange he found an actual funder or financier for his commission enterprises. The remitters Bethmann & Imbert took on the crucial role of being the actual financiers of the respective commission enterprise, as was the case with every remitter within a cashless payment transaction. Together with the drawee of a bill of exchange, the remitter was the main pillar and mainstay of the cashless payment system.

With regard to Luetkens' second way of obtaining the necessary funds and financing for his enterprises and business, the respective procedures basically remain the same. The only difference is that in these other cases, the merchant did not draw on other merchant houses in his network but on private banks. The procedure of the respective transaction operations, however, was similar. In contrast to merchant houses, banking houses offered to their clients that they would assume the full responsibilities and provide their service for all above-mentioned financial operations at the same time. This means that banking houses served as the drawee and the remitter of a bill of exchange all at once, if wished, which was an opportunity that already the contemporaries highlighted as highly valuable in some respects, for instance when a certain promptness in reacting to financial matters was required in some transactions. Private banks could of course also act as the remitter and presenter of a bill of exchange.<sup>154</sup> A further advantage and characteristic of private banks was that as part of their specialisation in the financing business and their available funds they also granted their customers on request proportionately high credits, big credit lines and short-term credits. The fact that banking houses nonetheless did not grant their loans light-heartedly will become obvious in the episode analysed. Merchants needed to prove their liability and trustworthiness in order to be granted a loan by a bank. This was not least one of the reasons why Nicolaus Gottlieb Luetkens travelled home to Hamburg by land in 1745, because he had planned in a last stop-over in Paris where he met with the Paris merchant bankers that financed many of his enterprises. In the episode analysed, we will see how Luetkens pulled the necessary strings to be granted a credit by the Paris private bank of Antoine Guldiman, on the basis of a recommendation by his friend Johann Jakob Bethmann.<sup>155</sup> Yet, even a recommendation from such a respected, reputable merchant as Bethmann

<sup>153</sup> See in general Muldrew, *Economy of Obligation*.

<sup>154</sup> See Denzel, *Handbook of World Exchange Rates*, xlvi- xliv. See Lüthy, *La Banque protestante*.

<sup>155</sup> Antoine Léonard Guldiman was a reputable merchant banker in Paris, who was descended from a Huguenot family that had once fled to Solothurn in Switzerland, but his father had returned to France to establish one of the most reputable private banks in Paris. See Lüthy, *La Banque protestante*, 358-360. See also Du Pasquier, Jean Thierry. *Généalogies huguenotes*. Paris: Edition Christian: 1985, 245.

was still no guarantee that everything went smoothly and frictionlessly with regard to the subsequent transaction, as the episode will also show.

Comparing the enterprises that Luetkens conducted with the help of regular merchant houses as drawees, remitters and presenters of his bills of exchange with the enterprises that the merchant conducted primarily with the help of private banks, it becomes noticeable that Luetkens surely had certain preferences as to what kind of businesses he conducted with which partner or institution. He drew on banking houses for purely financial matters, money transactions and operations, particularly whenever he needed short-term credit or whenever he suffered a shortage in his financial resources due to large capital outlay, when buying a ship for instance or when conducting several large enterprises at the same time; or if he needed to balance his account due to other merchants drawing bills of exchange on him, especially if that happened without asking. The latter will play a big part in the episode analysed.<sup>156</sup> On the other hand, he drew on his regular merchant trading partners primarily for all trading activities in connection with his actual commodity trade. For both purposes, bills of exchange provided the necessary means.<sup>157</sup> For the sake of completeness, it must be added, however, that certain merchant houses, such as Bethmann & Imbert, also offered banking services as part of their business portfolio. This decision, the deliberate choice of different transaction routes and funding opportunities for different activities and enterprises depending on the nature of the respective activity or enterprise, was surely typical for the trading approach of international wholesale merchants during that time.<sup>158</sup>

Due to the necessity of close cooperation and a certain necessary flexibility and a high level of trust during the implementation of commission trade activity and commodity trade in general, in this sector the merchants preferably drew on long-standing, close and trusted trading partners as the supporters of the activities.<sup>159</sup> On the other hand, in purely financial matters, that is, in all those kinds of transactions that mainly related to personal and current liabilities with regard to money lending, they drew on private banks.

In contrast to the interaction and communication between long-standing trading partners, the interaction and communication of merchants with private banks was accordingly often more formal in nature because the actual purpose behind these interactions, the purpose of the relationship, was less about cooperation than about the smooth allocation of funds, which rendered it unnecessary to say much about the respective transactions; in the end, what counted most for the contact with a private bank were

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<sup>156</sup> Bills of exchanges were in this regard “mere source[s] of credit”. Denzel, *Handbook of World Exchange Rates*, xlvi.

<sup>157</sup> That is, bills of exchange in the end fulfilled several “functions: first, it was a safe way to send money; second it was a means of payment in trade; third, it functioned as a source of credit in lending money by issuing a bill of exchange [...] and when selling a bill of exchange in foreign currencies on credit [...]”; fourth, one could benefit from the differences in exchange rates in different places [...]”. *Ibid.*, xxxii.

<sup>158</sup> See Gervais, “Merchant Strategies”; see Gervais, “Mercantile Credit.”

<sup>159</sup> See furthermore Muldrew, *Economy of Obligation*.

punctual payments.<sup>160</sup> The latter fact, however, does not mean that merchants did not also establish close bonds with bankers. Finding reliable partners was pivotal in all areas of trading activities. The latter fact, furthermore, should not lead us to the assumption that merchants therefore chose the private banks they traded with randomly, meaning that they would draw on just any banking house that offered good conditions. Quite on the contrary, even with regard to private banks as partners and financiers of Luetkens' businesses, we find exactly the same pattern that we have already encountered above. Luetkens once more exclusively chose to work with Protestant private banks established in France. This provided him and the banks with the necessary leap of faith that created the necessary bond on which the business relationship was based.<sup>161</sup> Even in this regard, Luetkens' approach therefore represented a typical way of doing business as a merchant, particularly as a foreign Protestant merchant in France of the 18th century.

As important parts and pillars of the *Protestant International* within France, the main private banks that we encounter in the Luetkens archive were very renowned banking houses established in the financial metropolis of Paris. In total, one could find fifty-six Reformed Protestant bankers residing in Paris during that time, which once more underlines and provides a good account and impression of the obvious economic power emanating from the group of Protestants in the French financing and trading sector. Most of these merchants and merchant bankers were descendants of French Huguenots that fled to Switzerland after the revocation of the Edict of Nantes and later returned to France as financially sound bankers. Luetkens held contact with and was a client of several of the most reputable merchant bankers and private banks. The names that we find in his archive are the banking firm Tourton, Baur & Comp., the banking merchant Guldiman and Pellet, and the banking merchants Cottin and Rilliet. Tourton was a descendent of Huguenot refugees who had fled to Geneva. Guldiman's family originally returned from Solothurn, and the bankers Cottin and Rilliet both hailed from Geneva.<sup>162</sup> Having established contact with these bankers and belonging to their clientele was another important steppingstone for Luetkens' career.

Last but not least, not only typical but indicative for the functioning of the whole cashless payment system was that Luetkens and his partners used letters as the crucial communication medium and trading tool. For each and every one of his financial operations letters were needed. On the one hand, letters were necessary due to the spatial separation of the different parties involved in the undertakings and due to the simple fact that the goods were purchased at a different location than where they were later sold. This made it inevitable for merchants in long-distance trade to communicate via letters in order to communicate over great distances. On the other hand, however, this fact was also due to the special nature and the necessities of the particular business practices prevailing in the finance sector. Not one of the finance transactions presented, not one of the above-mentioned steps during the procurement of the necessary funds

<sup>160</sup> See the letter style of the letters exchanged between merchants and merchant bankers analysed and discussed in the episode.

<sup>161</sup> See also Körner, "Protestant Banking."

<sup>162</sup> See Garrioch, David. *The Huguenots of Paris and the Coming of Religious Freedom, 1685–1789*. Cambridge: Cambridge University Press, 2014, 75–93.

for the enterprises, was imaginable or practically implementable without letters, that is, without laying down and mutually confirming the financial operations in writing. Letter writing and correspondence were the essential prerequisite serving as the formal and material verification of the respective actions. It was ultimately the performative carrier medium and the nerve centre of the cashless payment system and therefore also of commission trade. With this information, we are approaching the last section in this part of the chapter, in which I will explain the practical implementation of the cashless payment system and of commission trade through letter practice.<sup>163</sup> This section will also form a smooth transition to the last part of my contextualisation, in which I will present the commercial language register of business and trade.

The cashless payment system during the 18th century was a crucial precondition for conducting trading activities as a wholesale merchant during that time, particularly if you were a commission agent, and even more particularly if you were a commission agent who was on the eve of establishment as a wholesale merchant. The cashless payment system allowed merchants to act as intermediaries for other merchants, it allowed for the necessary freedom of movement and trade and thus a certain mobility and flexibility in their undertakings because it enabled the merchants to manage their business from their writing tables and from wherever they were residing at the time. More could be written about several other innovations in financing business of the 18th century, for instance including instruments such as the endorsement, called *Indossament* in German. In order to understand the business presented in the episode, however, it is sufficient to understand the basic features of the cashless payment system and how these transactions allowed Luetkens to prosper in his trade. The cashless payment system provided merchants like him, who only had limited capital to obtain the necessary liquidity to conduct their trade, which was a “great advantage for young and aspiring merchants” as was noted already in the Kruenitz encyclopaedia.<sup>164</sup> Basically the only requirement these young merchants and merchants in general had to observe was to adhere to the common customs and practices prevailing within the cashless payment system. In order to do so, they wrote letters and they learned to write them in particular ways. Writing appropriate business letters was the essential precondition for keeping the whole cashless payment system running. The said customs and practices the merchants had to adhere to while doing business are not only reflected in these letters, but in the end it was the letters themselves which in fact produced these very customs and practices.

### Financial Transactions in Letters

Without letter-writing practice, none of the benefits of the cashless payment system would have prevailed during the 18th century. The system would in fact not even have existed. Speaking of long-distance trade and commission trade in particular, almost

<sup>163</sup> Trivellato's argument runs the same way, see Trivellato, “Bills of Exchange,” 293.

<sup>164</sup> “Commissions=Handlung.” *Oekonomische Encyklopädie*, edited by Johann Georg Krünitz. 242 volumes. Berlin, 1773-1858, vol. 8, 253, quoted above.

every financing activity was performed on the basis of letters. When bills of exchange represented “the backbone of commodity trade”, as Trivellato put it, we must say that letter writing served as the backbone of the whole cashless payment system.<sup>165</sup> In fact, as Trivellato also pointed out in her book *The Familiarity of Strangers*, letter writing basically represented and “remained the backbone of European long-distance trade” in almost all areas of trading activities during that time.<sup>166</sup> With regard to the cashless payment system and the exchange of bills of exchange, letters played a crucial role particularly in two ways.

First of all, letters were the transportation medium for bills of exchange. In long-distance trade, bills of exchange were usually not handed over personally to the other party, but they were mainly sent to each other as inlays in letters. This applies to all kinds of bills of exchange, not just the main bill of exchange but also the *prima*, *secunda* and *tertia* copy. The typical way of inserting bills of exchange into letters was to place the piece of paper often folded in half either in the innermost part of the letter, the core part of the letter fold, or in-between the folded second and third page of the letter. This served the purpose of preventing outsiders from being able to see that a letter contained a bill of exchange because otherwise, if the paper was too thin, the contours of a bill would shine through the cover letter.

Secondly, apart from serving as a transportation medium, letters and letter text also fulfilled their own purpose within the cashless payment system as necessary complements of the exchanged bills of exchange. The prime function of letters in this regard was to not only comment but in fact to concretely name and designate the respective kinds of financial transaction that were to be conducted by means of sending the respective bill of exchange. In some cases, letter writers did not even have to send a bill of exchange with each letter in order to perform the financial transactions because it could also be sufficient to give notice or to take note [“nota nehmen”] of a respective financial transaction, meaning not just to inform or being informed about a transaction but in fact to recognize them and add them to the books. It was therefore ultimately also the letter content that revealed to an addressee if a sender had drafted a bill on him, wanted to use him as a remitter or urged him to pay his debts. The letter was therefore the actual executive organ within the cashless payment system. In letters and by means of letters the merchants got their orders and sent out their orders to other merchants.

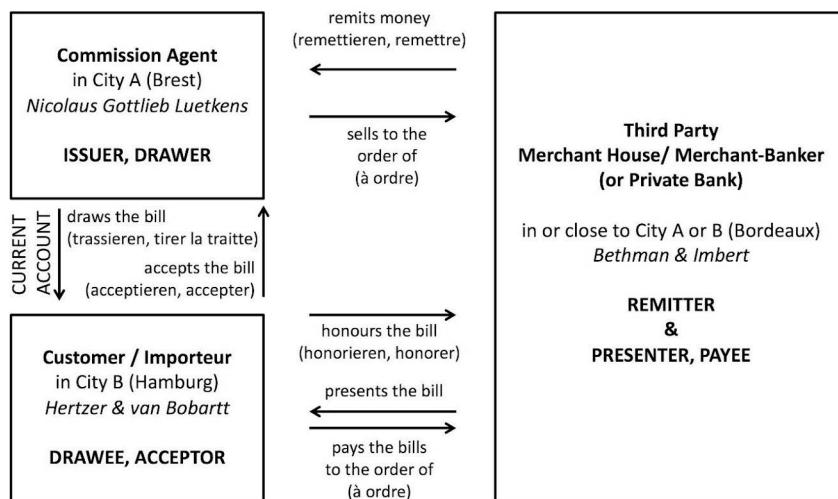
In order to allow for this system to work, the cashless payment system required a very fundamental precondition crucial for the smooth handling and processing of all the respective financial operations by means of letters. The letters and their statements needed to be unequivocally clear in terms of their message and orders. This precondition shaped the entire structure of the cashless payment system and therefore also shaped and formalised the business letter exchanges in this business sector. It led to a high degree of uniformity and formalisation in the letter form and content of the business letters exchanged among merchants in financial matters. The letter content and the statements needed to be as clear, plain and explicit as possible because in mercantile

<sup>165</sup> “[B]ills of exchange remained the backbone of commodity trading.” Trivellato, “Bills of Exchange,” 293.

<sup>166</sup> Trivellato, *The Familiarity of Strangers*, 170.

business, as Daniel Defoe had already noted in 1726, all “orders ought to be plain and explicit”.<sup>167</sup> Only this fact ensured the smooth running of the whole system.

Figure 12: Common shared international terminologies in 18th-century financing business.



Source: Based on a model by Markus Denzel from his *Handbook of World Exchange Rates*. By courtesy of Markus Denzel.

It was indispensable in mercantile correspondence to use clearly defined terms and expressions, which unquestionably designated the respective finance operations performed by means of the letters. All letter phrases had to be understandable to all involved parties. For this it was essential that the terms and expressions used were generally valid and recognised as such within the entire mercantile community, and therefore across languages and cultural boundaries. The merchants' response to this necessity or rather the common linguistic practice that enabled them to fulfil this need was that they all jointly used and applied the same language register with the same terminologies and a fixed vocabulary of business terms when conducting business. This fact did not only apply to merchants from the same city, country or merchant community, but in fact it applied to almost all merchants, including merchants from non-European countries.<sup>168</sup> For each of the financial operations mentioned above, the merchants used particular words or sentences or a set of regulated expressions, often letter formulae, to designate and clearly identify the respective financial operations performed by means of the letters containing them. These shared terminologies and vocabularies resembled one another in many different languages of the time, thus allowing the merchants to interact and trade across borders. Apart from that, or rather concomitant to that, the most intriguing fact and facet of this shared language register is, however, the unambiguously

<sup>167</sup> Defoe, *Complete English Tradesman*, 27.

<sup>168</sup> See also Marzagalli, “Trade across religious boundaries.”

binding character of the shared terminologies and expressions, which were accepted by all merchants of the time, and therefore the power that emanated from these performative words. It is surely an intriguing phenomenon how the whole system of the cashless payment system ultimately rested on the usage of a handful of words and sentences used in letter-writing practice. This fact, however, just underlines once more the importance of letter practice for the business life and it underlines the importance of letter writing as the major driving force and the catalyst of the cashless payment system and trade in general.<sup>169</sup>

Demonstrating this practice on the basis of the example of Luetkens and his correspondents, I will once more draw on the graphic representation which I have already used to outline and demonstrate the cashless payment system in general. I will at this point, however, add the terms and terminologies that the letter writers used to designate their respective actions with regard to their concrete financial operations. Since Luetkens used different languages, I will list the terms in different language variations – the language resemblance will become immediately striking.

By means of these specific words in their letters, Luetkens and his trading partners, as representatives of the European merchant communities of the 18th century, concretely performed their financial actions in practice in their letters. A typical letter sentence and formula in this regard, which we can now understand in its full complexity and operating principle, therefore reads for instance:

“With this letter we inform E.E. that Bethmann & Imbert have drafted a bill on us for E.E. on the 11th of this month for ƒ 3180:- à 3 uso à 27 3/4, which we have accepted and therefore have debited E.E.’s account respectively in Mark Banco 5515:5:-.”<sup>170</sup>

Another typical letter sentence reads

“So today I remit him [Darragory] 15/m £ [15,000] and I will remit him another 20 à 30/m [30,000] next week. I write today to Mr. Luttman: that he can draft a bill on these friends for me on the account of Hertz & von Bobartt: 5000 ƒ and 1/m ƒ on my account for which he should remit me in bills of exchange on Paris 15 à 20 or 30/d [days] dato. I have to remit these in 8/d [one week] to Bayonne [to Lichigaray Jeune].”<sup>171</sup>

Both quotes and financial transactions will play a crucial role in the episode analysed in this chapter. By means of the first quote, Hertz & von Bobartt accepted Bethmann & Imbert as the remitters and presenters of one of Luetkens’ bills of exchange that he had drawn on them for the purchase of a cargo of sugar. By means of the second quote, Luetkens ordered his contact person in St. Sebastian and Bayonne, who granted him a loan, to purchase the relevant goods for him by order of the merchants Luttman &

169 See Trivellato, “Bills of Exchange”; see Trivellato, “Merchant’s letters.” The concrete *language register of business and trade*, however, has not yet been studied in detail or extensively by previous research, which is why I will derive my findings and explanations primarily from the letters in the Luetkens archive.

170 Letter from Hertz & von Bobartt to Luetkens, Nicolaus Gottlieb, August 24, 1744, TNA, HCA 30/234.

171 Letter from Luetkens, Nicolaus Gottlieb to Von Bobartt, Elart, June 5, 1744, TNA, HCA 30/232, Letter Book I, no. 174.

von Bobartt, the latter of which was the consultant on site in the whole undertaking. We will be able to follow each of these transactions and its effects in the letter episode analysed. It will become apparent from the episode how the system worked with clock-work precision and how this enabled the merchants to conduct their business. This latter impression moreover did not only become clear to me and was limited to this one episode in particular, but it was a general insight. Reading hundreds of Luetkens' and his trading partners' business letters and following many enterprises over time, thus encountering the many different actors involved in such business endeavours, I became more and more intrigued by the effectiveness and functionality of the whole system. It is striking how every cog intermeshed perfectly with the next one, and how closely and skilfully the partners cooperated with each other. If all participating parties pulled in the same direction and met their obligations, that is, if their actions were true to their words, the system worked like a well-oiled machine. Sometimes the whole procedure went so quickly that the modern reader even struggles to keep pace, but since every step in these transactions followed a clearly structured principle and procedure, in the end it is possible to trace every action taken in this procedure.

#### 4.8 Showing Efficiency

The efficiency of the whole system, performed on the basis of and buoyed by letters, in this context becomes clearly recognizable and it is impressive. Luetkens and his partners and correspondents were permanently engaged in several commission enterprises accompanied by several financial activities at the same time. They all acted as drawers, drawees, remitters or presenters of several different bills of exchange in circulation. The entire procedure furthermore worked both ways, that is, when buying or selling goods on the account of other merchants. Last but not least, the Luetkens mercantile business and letter archive presents us with a prime example of the internationality of the cashless payment system since Luetkens corresponded and transacted his business in several different languages with merchants from several different countries and with different backgrounds, while always sticking to exactly the same principles of the cashless payment system. In commission trade, he corresponded in French, Dutch and German. In sum, the Luetkens letters provide us with an accurate account of how the cashless payment system served as an engine of the Early Modern economy and how letters and bills of exchange were the crucial instrument that kept this system running.

At the very same time the requirements and challenges for the individual merchant active in this field and engaging in this system, profiting from and perpetuating the system at the same time with his actions, clearly becomes evident. As an active part, a small cog in the system, merchants had to make sure by all means that they did not bog down the smooth implementation of the cashless payment system and endanger the respective business enterprises. One of their key requirements was therefore, especially speaking of aspiring merchants, to prove that they were capable of keeping up with the challenges and master the different practices and customs prevailing in the cashless payment system. With every action, they needed to demonstrate that they were reliable partners and that they were skilled in the respective operations. In short, the basic

practical principle underlying all their actions and the precondition for success in this field was the practical principle of showing efficiency at all times. In order to convince others of his own merit and his capability of keeping up with the efficiency or generally the common practices and customs of the system, a merchant had to prove his own efficiency and his proficiency in these practices and the rules of the system. In essence, he needed to play by the rules of the shared system while at the same time suiting his actions to his words. This principle is the fundamental principle underlying all mercantile activities within the 18th-century trading field and commercial culture.<sup>172</sup> In our example it applies first and foremost to the activities of commission trade and the accompanying financial operations, but the same preconditions also prevailed of course with regard to all other commodity trade, the shipping industry, the banking business and stock exchange transactions. A merchant's reputation rested on the condition of being able to constantly prove and show his efficiency and professionalism in his undertakings and practices, which last but not least also primarily rested and was highly dependent on his professional skills in writing letters. At the same time, however, a merchant's correspondence was also the key indicator of how successful a merchant was in performing the principle and whether or not his partners trusted and believed in his words and abilities.

This practical principle of persuasion, the principle of showing efficiency, was relevant in many areas of commercial activity. It was also a kind of umbrella category entailing and demanding several tasks of a merchant simultaneously, which all held a share in the adequate representation and performance of efficiency. Apart from the general need to show skills in the practices performed in business, a merchant also needed to constantly reassure his partners of his credibility and trustworthiness by means of these practices.<sup>173</sup> Last but not least, he also needed to make sure that he had the general means, that is, he possessed the necessary funds or credit lines to keep his promises. All of this was vital to appropriately perform the practical principle of showing efficiency in mercantile business.

The merchant Nicolaus Gottlieb Luetkens mastered this principle with flying colours, which was highly significant for his personal advancement as a merchant during his establishment phase. In his business, in his financial matters and in his business letters he was effective and acted very punctually, which turned him into a reliable partner for his correspondents and which brought him much praise from his partners. As encapsulated in a quote by his brother Joachim, the merchant was "always very accurate in all of your letters and in many other things". In another quote, Hertzler & von Bobartt congratulated Luetkens on a good sale with the words that they "very

<sup>172</sup> See also in general Haggerty, *Merely for Money*, 66–197; Price, "What Did Merchants Do?" See Trivelato, "Merchants' letters"; *Discourse and Practice*.

<sup>173</sup> See Muldrew, *Economy of Obligation*. Lamikiz, *Trade and Trust*; Aslanian, "Social Capital"; Ditz, "Secret Selves, Credible Personas." See also Aslanian, Sebouh. "The Salt in a Merchant's Letter": The Culture of Julfan Correspondence in the Indian Ocean and the Mediterranean." *Journal of World History* 19, no. 2 (2008): 127–88. See Aslanian, Sebouh, *From the Indian Ocean to the Mediterranean. The Global Trade Networks of Armenian Merchants from New Julfa*. Berkeley: University of California Press, 2012. See Smail, John. "The Culture of Credit in Eighteenth-Century Commerce: The English Textile Industry." *Enterprise & Society* 4, no. 2 (2003): 299–325.

much hoped that E.E. will more often send such sales invoices" as these were always happily received.<sup>174</sup>

Even Luetkens, however, naturally was not able to run his businesses completely without problems and frictions. Even he had not been shielded from financial difficulties and constraints. The main sources of friction, at least as far as his letter correspondence suggests, were however his trading partners. It is astonishing that we find rather few complaints by his partners relating to Luetkens' and his activities, but far more often the merchant was in fact running into problems caused by the actions of his partners, which, in turn, forced Luetkens to react in certain ways. In the episode analysed in this chapter, we will learn about three of these problematic cases and their solutions. We will firstly learn about problems arising from misleading communication and false hopes with regard to the provision of credit, secondly, we will encounter problems occurring through poor advice and thirdly, we will learn about the concrete conflict resulting from both other problems. In order to deal with all of these problems in an appropriate manner, Luetkens subsequently used a rather similar coping strategy and pattern. He furthermore did not only use this pattern of problem solution in this particular letter episode only, but it was a pattern he applied regularly in his business. I found it in several other letter episodes and enterprises represented in the Luetkens archive. We will encounter it again in two other chapters of the book. Only in this present chapter, however, will I analyse and present it in detail because it represented the complement to the principle of showing efficiency, the second side to the coin. That means, we will learn that even as regards problem-solving solutions merchants showed a certain degree of efficiency, which is particularly informative about the merchants' business culture and their dealings with each other. The corresponding practical principle of persuasion was the principle of the sledgehammer method.

Apart from learning about the merchants' effective operational proficiency, the episode will therefore also provide an insight into the usual approach and way of dealing with problems and frictions occurring during their collaborations. Persuasion, that is, influencing and convincing other people to react in a particular manner, was crucial to problem solving because the ultimate goal behind any action in this regard was to move the partners to correct their behaviour and to get the respective transactions and joint businesses back on track. The resolution strategy that Luetkens chose whenever frictions occurred in business and correspondence was to send his partners letters of complaint, indignation, warning or even rebuke. In all three cases presented in the letter episode, this strategy was in the end successful. The practical principle of the sledgehammer method worked. Thus, the episode will not only demonstrate how Luetkens reacted to potential problems but also how he solved them, which serves as another crucial insight into 18th-century business culture and the way trade was conducted.

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174 "In deinen Briefen so wie in andere Stücken viel zu accurat." Letter from Luetkens, Joachim to Luetkens, Nicolaus Gottlieb, April 3, 1744, TNA, HCA 30/235. "wünschen von Hertzen das offters E.E. dergleichen Rechnungen einsenden mögen." Letter from Hertzer & von Bobartt to Luetkens, Nicolaus Gottlieb, May 29, 1744, TNA, HCA 30/234.

The practical principle of the sledgehammer method was closely interlinked with the principle of efficiency in business. Whenever the efficiency of business operations was jeopardised or had come to a halt, it needed an effective antidote, an appropriate countermeasure that put the stalled project back on track. The merchants in the Luetkens archive found this antidote, this solution, in the practice of writing letters of complaint, indignation, warning or rebuke to their correspondents, by which means they tried to restore the order of their businesses and relationships. Interestingly, as we learn from the letters, Luetkens was known among his partners as very skilled in this principle of the sledgehammer method. He was known for being very assertive and convincing, which was the reason why he was often called in as a conciliator or even literally as a debt collector, as for instance letter copies of Hertzner & von Bobartt reveal. In these, the latter asked a third merchant, Georg Brommer, to "hand out all his papers, letters and bills" to Luetkens.<sup>175</sup> Another fact that shows the clear interconnectedness of both principles is that all the merchants in fact used the same commercial language register for both principles and in regular business. Both principles were therefore an intrinsic part of the language register of business and trade. Both invoked the same values and motives, and drew on the same words, which, depending on the case, were either in support or in negation.

Mastering the language register of business and trade as well as the usual style and tone of business letters and adhering to the common rules and code of conduct prevailing for merchant letters, enabled merchants in the end to write both kinds of letters: typical regular business letters as well as business letters of complaint or rebuke. The language register provided the framework on the basis of which a merchant was able to directly appeal to another merchant's honour, integrity and uprightness.

As the last part of my contextualisation in this chapter, I will expand on this language register in detail in the following. This next part at the same time represents the last building block of my explanations on why and how Hamburg merchants managed to become valued and well-respected trade participants and welcomed guests in France. As the French intendant Tourny had described it at the beginning of the chapter, the Hanseatic merchants were generally held in high regard by the local French merchants due to their companionable qualities. Tourny wrote that these merchants had earned and enjoyed the respect of the locals, that they were "considered people of probity, intelligent, and enjoy the confidence of the public" and were sometimes even regarded as one of their own. This led to the result that the social consideration and appreciation that French society adopted towards them was, not exclusively, but most often very high. Apart from their business activities and their effective and competent actions, earning this appreciation in my opinion was closely intertwined and connected with their skills in letter-writing and with the mastery of the language register of business and trade, mobilised in similar ways in several national languages, which served as a means to

<sup>175</sup> "Nous ne pouvons que vous demander, de vouloir remettre au Monsieur Lutkens toutes les papiers, comptes & lettres que nous vous avons acrite touchant cette affaire & deluy vouloir donnes instruction de ce qui s'est passée entre vous & led Guerry jusque'ny." Letter from Hertzner & von Bobartt to Brommer, Georg, inserted as letter copy in a letter to Luetkens, Nicolaus Gottlieb, May 1, 1744, TNA, HCA 30/234.

promote mutual appreciation and to perform acts of adaption and integration. In the next part we will learn how this worked in practice and what concrete letter-writing practices the merchants used to actively foster this goal.

## 4.9 Business Letters

### Materiality and Form

“For as every artist has a set of words and ways of speaking, which they have a liberty and a right to use, as being peculiar to the art they profess; so merchants have theirs, and they speak and write as themselves, by using them.”<sup>176</sup>

Unlike John Mair, who was the author of these words, which can be found in his work *Book-keeping methodiz'd* from 1736, and who, as an 18th century world traveller and a merchant, drew on his own experiences and observations of other 18th-century merchants when writing these lines, today we are deprived of the opportunity of listening to 18th-century merchants speak to one another. Therefore, we are unfortunately not able to confirm the accuracy of his words as regards the first part of the quote. However, with regard to Mair's second point, we are definitely able to substantiate his statement. Drawing on the experience of reading and analysing several hundreds of business letters in the Luetkens archive, in four different languages and written by more than 30 different merchants, I can definitely confirm his statement. Merchants had a distinctive way of writing letters.

With a little practice, we are today able to quickly identify letters that were written by 18th-century merchants when searching archival collections of letters because these letters show particular features and characteristics that facilitate the allocation of the letter to the class of business letters. This identification can be achieved on two levels of analysis: First, by taking a look at the material form of the letters, relating both to the materiality of the letter but also to structural elements of the letter text, which provide us with valuable first hints and indications. Secondly, this assumption subsequently needs to be tested on the basis of the actual text and content of the letters. Thus, on the one hand, business letters show certain material features and structural characteristics that mark them as business letters. On the other hand, looking at the content of the letters and textual characteristics is decisive for definitely determining that a letter in the end also primarily served business purposes.

In fact, many business letters also often entailed more private or personal information on non-commercial matters. Many letters can eventually be defined as kind of hybrid forms, mixed forms of letter types dealing with both business and private matters at the same time.<sup>177</sup> Notwithstanding this, even in these mixed letters we can clearly

<sup>176</sup> Mair, John. *Book-keeping methodiz'd* [...]. Edinburgh: T. and W. Ruddimans, 1772 (first edition 1736), 6.

<sup>177</sup> Merchants also often wrote about “business affairs and family matters” in the same letters. Ditz, “Formative Ventures,” 66. Ditz also argues that commercial letters showed “no own genre conventions”, which argument, however, I would object to, as the following explanations will show. See

extrapolate on the basis of the chosen letter style the respective parts of a letter ascribed to handling business and the parts that served the purpose of exchanging information on private matters. The difference in this regard becomes most evident and tangible when the merchants themselves went as far as to decide to send their correspondent two separate letters but as part of one letter packet; the first letter dealing solely with business matters showing the typical business letter style; the second letter marked as “a particular letter”, “ein particulair Schreiben” in German or “correspondence particulière” in French, which meant that a letter was intended for the eyes of one receiver only and subsequently dealt with more private matters, therefore showing a more personal letter-writing style.<sup>178</sup> The significance of this practice of writing “particular letters” will be presented in the chapters on Luetkens’ search for a business partner. No matter whether an entire letter was written for business purposes or if we are dealing with a hybrid form of letters, the letter content and form of the letter nevertheless provides us with clear indications to identify business letters. I will start by presenting the characteristic material features, followed by typical textual features.<sup>179</sup>

The first material and structural element which the business letters in the Luetkens archive share is that to a very large extent they all show the same, very popular letter-folding and letter-locking technique. With a few exceptions, most of the letters are folded in the ‘tuck-and-seal’ method or variations of this technique.<sup>180</sup> This method entailed that the letter writer first folded the letter pages twice vertically and then twice horizontally, resulting in a tri-fold, followed by the important technique of tucking both ends of the folded page into one another, which was followed by the step to seal the letter, once or several times. This method allowed the letter writer for instance to insert bills of exchange into this letter fold, but the merchants also enclosed for instance certain product samples in this inner, inside part of the letter fold. This could be samples of textiles, seeds or even samples of wood or sugar, as in the episode analysed in the chapter, which was an opportunity that merchants often used to consult with their partners about the quality of a particular product. For their daily letter-writing activities, furthermore, this method was attractive because it was simple in practice, yet effective. It was a timesaver, which in turn was certainly a reason why Luetkens and many other merchants of the time preferred this letter-locking technique.<sup>181</sup>

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also, as a short introduction to the characteristics of business letters, Trivellato, “Merchants’ letters.” For 19th-century business letters, see Dossena, “Business Correspondence” showing strong resemblances with the letters of the previous century.

178 All the given denominations (and translations) of these kinds of letters have been taken from letters and letter wrappers of the Luetkens archive. See for instance “Engelhard en particulie” Letter from Luetkens, Nicolaus Gottlieb to Engelhardt, Ehrenfried, October 5 1744, TNA, HCA 30/232, Letter Book I, no. 339. “deine 2 Particulair Briefe habe wohl empfangen.” Letter from Bethmann, Johann Jakob to Luetkens, Nicolaus Gottlieb, December 3, 1743, TNA, HCA 30/234.

179 My explanations in this part are primarily based on my work on the Luetkens archive and the Luetkens letters since these aspects have not yet been studied in detail in previous research.

180 For the tuck-and-seal method of letterlocking, see Dambrogi, Jana. “Tuck and Seal”, Italy (1580s). *Letterlocking Instructional Videos*. Filmed: Jun 2014. Posted: Jun 2014, [https://www.youtube.com/watch?v=pje3bxJ\\_9QY](https://www.youtube.com/watch?v=pje3bxJ_9QY), see letterlocking.org.

181 Within the Prize Papers collection of TNA, as our research has shown, this letter-folding technique is surely by far the most often used letter-folding technique employed during the 18th century. See

A second very characteristic and indicative feature and structural element of business letters was that business letters most often omitted forms of material politeness gestures. In contrast to other letter types, merchants did not use any gaps on the letter page, for instance gaps between the salutation and the letter text, to express their humbleness and politeness, as it was practiced in other official correspondences, in love letters or even in family letters.<sup>182</sup> A business letter started at the top of the page and its text then continued as running text until the end of the letter. In general, merchant letters often show a very compact layout. Business letters thirdly omitted long and overly flowery formal addresses, salutations and introduction phrases.<sup>183</sup> Instead, it was common practice to simply address each other as "Dearest friend" or "Esteemed Friend" [in German e.g. "Sehr wehrter Freund", "Hertzensfreund, werthester Bruder", "Monsieur & cher amy"], "Dear cousin" ["Hochgeehrter Herr Cousien" "Waerde Neef"] or simply "Dear Sir" ["Hochgeehrtester Herr", "Myn Heer", "Monsieur"] or "Dear Gentlemen" ["Sirs"] or combinations of it. In French letters "Monsieur" was the most common form of address, and in Dutch business letters "Myn Heer" is predominant. This practice expressed social equity within the merchant communities and was a sign of mutual respect and solidarity.<sup>184</sup>

Thus, this practice followed an egalitarian principle for the purpose of facilitating trading activities with each other. Of course, notwithstanding this, there were still hierarchies that prevailed amongst merchants of different kinds of business and with different reputations. Nevertheless, the one-liner practice of addressing each other directly catches the eye when one reads a letter for the first time, giving a first hint that these letters might be business letters. A last structural element that is admittedly rather obvious but nonetheless very indicative and therefore helpful with regard to identifying business letters in a letter collection is that business letters almost always contain numbers, tables or figures.

All of these features serve as helpful first indications for identifying business letters within letter collections. Notwithstanding this, detecting these features alone is not always sufficient proof to conclude that a letter was used for business purposes only. Yet ultimately, it needs the letter content to confirm the assumption. We need to read the letter in detail in order to find out about the purpose and background of respective numbers and figures. If the numbers show debts, credits, or lists of commodity prices for certain goods for instance, the identification is rather simple. Lists of exchange rates written down at the bottom of a letter, on the other hand, are no clear indication that

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also Dambrogio, Jana, Daniel Starza Smith, and the Unlocking History Research Group. *Dictionary of Letterlocking* (DoLL), 2019, <http://letterlocking.org/dictionary>, accessed March 23, 2019.

<sup>182</sup> "Merchant letters lacked hierarchical salutations so important in the *ars dictaminis*, because merchants were writing to other merchants, their approximate equals." Couchman/Crabb, "Form and Persuasion," 7. See Gibson, Jonathan. "Significant Space in Manuscript Letters." *The Seventeenth Century* 12 (1997): 1-10: See also Crabb, Ann. "How to Influence Your Children. Persuasion and Form in Alessandra Macigni Strozzi's letters to Her Sons." In *Women's Letter across Europe, 1400-1700: Form and Persuasion*, edited by Jane Couchman and Ann Crabb, 21-42. Aldershot: Ashgate, 2005.

<sup>183</sup> See Rosevare, *Markets and Merchants*, who concludes with regard to the *Maresco-David Letters* that these letters "have been shorn of their flowery salutations." Ibid., 208.

<sup>184</sup> See Couchman/Crabb, "Form and Persuasion," 7.

we are unequivocally dealing with a business letter because such kinds of information were regularly added by letter-writers to any kind of letter, using every opportunity to keep correspondents up to date about the rates.

## Language and Content

The typical content and language of business letters also showed particular characteristics and features, a certain style and especially its own terminologies, its own vocabulary and language register, all of which help us to identify and assign certain letters to the class of business letters. In this regard, John Mair once more provides us with an apt description of this language form, style and vocabulary of typical business letters in his merchant manual, continuing his previous report, cited above, with the following words:

“In all merchants’ writings [...] when written by a person of skill and experience, there is a concise, emphatic diction, a certain peculiar use of words and phrases, [...] and the style should be suited to the nature of a narrative that is, easy, simple, plain, and perspicuous; and the more it is so, the more it is like what it should be.”<sup>185</sup>

With this assessment, in turn, Mair did not stand alone among his contemporaries. Quite on the contrary, in many merchant manuals and other merchant literature of the time, we can find similar or even exactly the same wordings, the same postulations and claims with regard to the practice of writing business letters. To give just one, though very famous, comparative example, we can read for instance in Daniel Defoe’s *Complete English Tradesman*, highly inspired by the French mercantile author Jacques Savary, that a necessary precondition for a merchant for not failing in business was that he “was knowing how to write their letters of correspondence in a free, plain, and tradesman-like stile, and to give or receive orders in terms suitable to the nature of the thing they write about.”<sup>186</sup> He furthermore continued that “a tradesman’s letters should be plain, concise, and to the purpose; no quaint expressions, no book-phrases, no flourishes, and yet they must be full and sufficient to express what he means, so as not to be doubtful, much less unintelligible.”<sup>187</sup>

The reason for the necessity of such a particular letter style becomes clear at the very same moment. A merchant’s letters needed to be unambiguously clear because business depended on clear statements and unambiguously clear orders. This was the basic condition for all trading activities, all negotiation processes and all trade implementation. For this purpose, merchants should, as was Defoe’s advice and directive, omit quaint expressions, book-phrases and flourishes, which meant that their letters should be as concise as possible and that they should omit unnecessary rhetorical flourish in their letters and instead stick to the facts and to the most essential information. On the other hand, however, although they omitted book-phrases, the merchants’ letters did not forgo a certain uniformity and formularity in their letters but were instead strongly

<sup>185</sup> Mair, *Book-keeping methodiz'd*, 6-7.

<sup>186</sup> Defoe, *Complete English Tradesman*, 22.

<sup>187</sup> Ibid., 25.

characterised by a high degree of formalisation. In this way, although they avoided using quaint expressions from other sources and language registers, merchants instead developed and mobilised in their letters their very own typical, formulaic expressions, set phrases and terms, and their own vocabulary. In short, they drew on their own language register for their letters, in order to write in a “tradesman-like stile”, as Daniel Defoe put it.<sup>188</sup> The language used in this register was highly standardized and uniform. In a certain way therefore one could say that while merchants indeed omitted writing in a flowery and rambling manner, “weitläufig” as the contemporaries would call it in German, and avoided using book-phrases from other external sources and literary influences, they still used their very own books of phrases for writing their letters, which, in turn, is not only meant in a figurative sense, but also quite literally.

Many contemporary merchant manuals served as sources of inspirations and as compendiums of the typical merchant language of the time.<sup>189</sup> Even without the merchant manuals, however, we are able to clearly identify and define the contemporary commercial language register of business and trade simply by reading several hundreds of merchant letters, which all used the same vocabulary, which again showed striking parallels also with the language of the merchant manuals. In these letters, we find the concise, emphatic diction and the simple, plain, and perspicuous style that the contemporary author Mair highlighted above as characteristic and necessary for business letters.

Furthermore, we quickly realize that all of the words and phrases, the letter formulae used in these letters, served very concrete pragmatic purposes and that the letters are marked by “a certain peculiar use of words and phrases”, as Mair called it, which apparently served the purpose of structuring one’s letters and the activities performed by means and on the basis of these letters. In short, we come to realise that this formality seemed to have been mandatory for these letters in order to fulfil the crucial requirement of trade of being as clear and concise as possible. It was necessary because it ensured the smooth running of one’s businesses and it advocated for the clarity of one’s actions before the eyes of one’s partners. As Defoe put it, this ensured that the letters were not “doubtful, much less unintelligible”.<sup>190</sup> For that purpose, as Mark Häberlein described it, “commercial correspondence in the 18th century largely adhered to uniform rhetorical conventions and was guided by cross-cultural norms of politeness, friendly engagement and reciprocity.”<sup>191</sup>

The formulaic nature of the letters was therefore only a logical and natural consequence of the necessity of clarity in business transactions and communication. It was an indispensable part of the practical principle of showing efficiency in one’s letters, which was at the same time the basic foundation and catalyst for a merchant’s business, particularly in commission trade. Typical examples of formulaic language in financing have already been presented in the previous section of this chapter. In their financial

<sup>188</sup> Defoe, *Complete English Tradesman*, 22.

<sup>189</sup> For a compendium of all merchant manuals of the time see Hoock/Jeannin/Kaiser, *Ars Mercatoria*, with a good introduction by Wolfgang Kaiser.

<sup>190</sup> Defoe, *Complete English Tradesman*, 25.

<sup>191</sup> Häberlein, “Trading companies,” 22.

transactions, merchants used standard terms and vocabulary for all basic operations: they *drew*, *accepted*, *honoured*, *accepted*, *remit*, *negotiated* and *paid* bills of exchange. Such fixed and standardised terminologies and vocabularies, however, did not only prevail in financing business but were actually employed in each and every field of activity a merchant was engaged in.

A concise overview over many of such terms and phrases used in the Luetkens letters can be found in Paul Jacob Marperger's mercantile letter manual *Der allzeitfertige Handels-Correspondent* from 1717. Examples of words and phrases frequently occurring in this manual are for instance to "honor"/agree ["honoriren", e.g. a bill], to "occur"/happen ["occuriren", e.g. a business opportunity], "satisfaction"/agreeable ["agreeable", e.g. with regard to a deal or finance transaction], to "take note" or "notice"/take to record ["nota nehmen", e.g. in accounting], "precaution" ["praecaution", e.g. with regard to the trustability of a customer], "good advantage" ["guter Avantage", e.g. with regard to the quality of goods], "accommodate"/come to an agreement/consent ["accommodiret", e.g. with regard to a deal], "Affairen" [a common word that was used to describe an enterprise without actually mentioning it for disguise purposes], "anticipate" ["anticipiret", e.g. with regard to planning ahead], "as it appears"/promising ["alle apparence", e.g. with regard to a promising deal], "Cargason" [cargo], "employ"/implement ["employren", e.g. a transaction], to "effectuate"/pay ["effetuiren"], to "inspect" goods ["inspecie"], "abandon"/reject goods ["abandoniren"].<sup>192</sup>

There were furthermore fixed sets of expressions or sentences used in commodity trading and in particularly in the commission trade, which represented certain negotiation practices, agreements or transactions, such as "I came up with an idea", "bin auf den Gedancken gekommen" in German, which Luetkens not only used very frequently, but which was also his standard entrance into a negotiation regarding a possible trading opportunity. Many of his enterprises can be identified in the flow of correspondences represented in the Luetkens archive simply by searching for the letter phrase in his letters. It usually started a conversation that would subsequently turn into a negotiation that ended in the conclusion of a trade deal. This sentence is therefore clearly to be seen as a marker in his letter archive, used by Luetkens as well as by his correspondents in regular practice. The same fact applies to "E.E. can count on" ["kan staat machen"], "In answer to your last" ["referire mich auf dero angenehmes"], "with last post we had the honour to receive yours" ["vorige Post hatten wir die Ehre"], I find it "rather good" ["recht gut"], or the typical closing formulae like "your most humble servant" ["votre très humble servant"].<sup>193</sup> There were typical phrases for letters of recommendations, for legal documents, for facturas (sales invoices), connoissements (bills of lading), employment contracts and for simple letters of gratitude for the successful procurement of goods. In

192 Marperger, *Der allzeitfertige Handels-Correspondent*, 763-769.

193 The letter formula "Vorige Post hatten wir die Ehre" alone appears more than 60 times in letters from several correspondents. The other letter formulae can be found and will reappear in the chapters as separate references. Typical closing formulae are "Your most humble Servant", "wormit ohne mehres freundl. salut. Gott Empfohlen, verb!", "en verbleife naer friendeleicke Grottenisse" "grüßen E.E. von Hertzen und verbleiben nach Empfehlung gottlichen Schutzes jederzeit mit allen Estim", "nous avons l'honneur d'être toujours avec le plus parfait attachment Monsieur & tres cher ami votre très humble servant".

all business fields, including the shipping business and high-risk trade, such common vocabulary prevailed, in many different languages. The unifying element of all the letters and documents written and exchanged in these different fields of activity was that the merchant adhered to the same shared common commercial language style. Thus, all of the terms and expressions used in these fields and documents together formed and marked the language register of business and trade.

The relevance and ultimate reason behind this practice has been brilliantly summarised by Toby L. Ditz, who observed that the special character, the form and narrative of business letters was due to the fact that all business letters were in the end “yoked to practical claims on others – for example, for more time to repay a debt or for letters of recommendation”.<sup>194</sup> As concrete means and tools of conducting concrete trading activities, all business letters “had immediate pragmatic goals; [...] [because they] were associated with appeals to others for practical assistance – for example, to transport and sell cargoes, to obtain loans or to extend the time for their repayment.”<sup>195</sup> That is, the letters served very practical and direct purposes. For this reason in particular, the letters needed to draw on shared and fixed vocabularies and terminologies that clearly denoted the respective actions performed by letters, intelligible to all participating parties. Only this condition offered and ensured the possibility of trading and acting on the basis of letters, which was crucial for the trading activities of literally every wholesale merchant of the Early Modern Period. For historians, in turn, the terminologies allow to clearly identify business letters in archival letter collections and to gain insights into Early Modern business operations and the letters’ functionality and effectiveness within Early Modern commercial culture.

As for the letter content, Francesca Trivellato has aptly summarised a canon of typical topics of business letters, which once more facilitates the identification of business letters. Trivellato “schematically group[s] [...] [the kinds of] information transmitted via private business correspondence [...] under three headings. Commodity prices, local units of weight and measures, insurance premia, exchange rates, descriptions of the quantity and quality of products available in specific towns or regions, and similar matters are paramount. News concerning political, military and diplomatic events also abound. Both types of information helped the letters’ recipients to assess short- and medium-term market fluctuations, and thus facilitated their decision-making process. But merchant letters also contained a third type of information: about merchants themselves. This knowledge could be either direct (when, for example, the success or failure of a certain agent was communicated to correspondents) or indirect (in the sense that letter exchange was itself a form of recognition of reciprocal trust and esteem or at least tested the possibility of future collaboration).”<sup>196</sup>

Trivellato’s list also corresponds with the view of historical writer Mair who summarized all things a merchant “ought to know” as including “what Goods he has purchased; what he has disposed of, with the Gain or Loss upon the Sale, and what he has yet on

<sup>194</sup> Ditz, “Shipwrecked,” 53.

<sup>195</sup> Ditz, “Formative Ventures,” 62.

<sup>196</sup> Trivellato, “Merchants’ letters,” 87–88.

hand; what Goods or Money he has in the Hands of Factors; what ready Money he has by him; what his Stock was at first; what Alterations and Changes it has suffered since.”<sup>197</sup>

As becomes obvious from both quotes, from changes in commodity prices to the effects of political events to changing behaviour of merchant partners, writing about and providing information about these matters served the practical purpose of improving the predictability of trading activities and future events which directly affected the business enterprises. In order to ensure clarity and to ensure that the messages the writer sent were understood correctly by the respective addressees, the letter writers again often drew on uniform formulations. In addition to the common vocabulary used with regard to prices or exchange rates, which have been discussed above, such vocabularies also prevailed with regard to the estimations of quality of certain goods. Whenever goods were described as “rather good” or “rather nice” [“rechth guth” or “rechth schöner Wahr”] for instance this was a clear signal for a trading partner that an investment in these goods was in fact very promising, contrary to our modern, initial expectation.<sup>198</sup> With regard to political events, the merchants often quoted or provided information and reports that matched the news in the newspapers of the time, which we can also find in the Luetkens archive.<sup>199</sup> Even with regard to assessments of the trustworthiness of certain merchants or merchant houses, which represents Trivellato’s third point, the merchants used similar terms and expressions to express their opinions on their fellow men. This followed the aim of being on the same page as their correspondents with regard to the qualifications and reputation of these other merchants and to give them clear instructions as to how to further proceed with these men. In the Luetkens archive, we are therefore able to detect in the letters exchanged among the merchants certain clear signal words and phrases that commented on the character and trustworthiness of certain merchants, and these signal words and phrases furthermore worked in both directions. This means that the merchant used certain set phrases and expressions for positive as well as for negative assessments of other merchants’ professional abilities or trustworthiness. Typical positive assessments in the Luetkens letters were for instance that merchants were “honest and decent people” [“honnête und suffisante Leuthe”], “decent people” [“brave Leuthe”], “reliable and trustworthy” [“suffisant”] and apart from that very faithful [“brav”] and honest people”. They furthermore described a merchant as “une galant homme”, “un honnête homme”, or as “good & honest man & with good credit” [“braver & ehrl. Man & in guten Credit”].<sup>200</sup> As research has shown

197 Mair, *Book-keeping methodiz'd*, 2. Regarding the formulae in merchant accounting, see also in particular Gervais, Pierre. “Why Profit and Loss Didn't Matter,” 39.

198 See for instance regarding nice goods, “rechth schöner Wahr”, Letter from Luetkens, Anthony to Luetkens, Nicolaus Gottlieb, October 28, 1743, TNA, HCA 30/235. The sugars are rather good, “rechth guth”, Letter from Hertzler & von Bobartt to Luetkens, Nicolaus Gottlieb, April 20, 1744, TNA, HCA 30/234.

199 See newspapers and price currents as for instance the *Hamburg Preis-Courant* in TNA, HCA 30/232.

200 See for instance, as the examples quoted, letter from De Meyere, Albertus to Luetkens, Nicolaus Gottlieb, August 20, 1744, TNA, HCA 30/234; Letter from Bethmann, Johann Jakob to Luetkens, Nicolaus Gottlieb, July 14, 1745, TNA, HCA 30/234; Letter from Bethmann, Johann Jakob to Luetkens, Nicolaus Gottlieb, July 25, 1744, TNA, HCA 30/234; Letter from Hertzler & von Bobartt to Luetkens, Nicolaus Gottlieb, May 29, 1744, TNA, HCA 30/234. As a good comparative example with regard to

in this regard, particularly referring to a merchant as a “honnête homme” was a clear contemporary sign of the fact that a merchant was trustable and reputable.<sup>201</sup>

As regards negative or unfavourable assessments of other merchants’ characters or abilities, the merchants also used similar phrases or words. We could in some instances even speak in this regard of certain labels that they used to literally stigmatise or malign other merchants. The language that they used appears rather drastic from our modern point of view. However, as part of the commercial language register of business and trade of the 18th century, these terms and phrases were not only typical, but it appears that the usage of these words was generally deemed to be socially acceptable and appropriate by the contemporary letter writers, because they all used them. These phrases fulfilled the purpose of providing necessary evaluation criteria helping them to assess other people, certain situations and mercantile collaboration potentials.

### Drastic Language

Using such drastic or even rude language was not uncommon in the field of trade and within the business culture of the 18th century because it served a concrete purpose. As Ditz had emphasized, this practice served the purpose of creating a sense of community and of fraternisation between merchants by means of establishing boundaries and differentiating between the trusted and the not-trusted.<sup>202</sup> The practice was in this regard not limited to the group of Hanseatic merchants or Luetkens’ correspondence network in particular but rather was common practice in many merchant circles of the period. It can even be described as a common phenomenon and characteristic of the international merchant community and the general culture of the Early Modern Period.<sup>203</sup> Typical, drastic, negative descriptions of other merchants that I have found in the Luetkens letters were for instance “rogue” [“Schelm”, “fripon” in French], “villain” [“Schurke”], scoundrel [“hundsvott”], “burglar” [“Dieb”, “voleur”], or, as one of my favourite insults, merchants were called a “cowardly hat” [“feige Mütze”].<sup>204</sup> It needs to

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letter formulae such as referring to someone as a “galant homme”, see also Henninger, *Bethmann*, 80-81.

201 Strosetzky, Christoph. “The Merchant from Patristics to the Honnête Homme in the Writings of Savary.” In *The Honorable Merchant – Between Modesty and Risk-Taking: Intercultural and Literary Aspects*, edited by Christoph Lütge and Christoph Strosetzki, 3-18. Cham: Springer, 2019, here 16.

202 See Ditz, “Shipwrecked.”

203 On insults and abusive words in the Early Modern Period, see Cressy, David. *Dangerous Talk: Scandalous, Seditious, and Treasonable Speech in Pre-modern England*. Oxford: Oxford University Press, 2010. See Münch, Paul. *Lebensformen in der frühen Neuzeit: 1500 bis 1800*. Berlin: Ullstein, 1998, 286-293. See Backmann, Sibylle, ed. *Ehrkonzepte in der Frühen Neuzeit. Identitäten und Abgrenzungen*, Berlin: Akademie Verlag, 1998. See Spurr, John. “A Profane History of Early Modern Oaths.” *Transactions of the Royal Historical Society* 11 (2001): 37-63. See also Mohr, Melissa. “HOLY SH\*T: A Brief History of Swearing.” Oxford/New York: Oxford University Press, 2013. Regarding the often used term ‘rogue’ [“Schelm”] but also the other insults, see in particular Lobenstein-Reichmann, Anja. *Sprachliche Ausgrenzung im späten Mittelalter und der frühen Neuzeit*. Berlin/Boston: de Gruyter, 2013.

204 Examples are for instance “Monsieur Paerr at agie comme un fripon.” Letter from Luetkens, Nicolaus Gottlieb to Darragory, Nicolas and Jean, August 28, 1744, TNA, HCA 30/232, Letter Book I, no. 287. “was ist also mit solchen Schurken anzufangen”. Letter from Luetkens, Nicolaus Gottlieb to

be stressed that as harmless as some of these words might seem to us today, the Early Modern contemporaries regarded these words as heavy artillery. In the context of 18th-century language, these words were abusive indeed and ranked among a high level of insults possible.<sup>205</sup> That means that these words had clear defamatory powers, which means that being referred to in such a way by another merchant clearly had defamatory effects and caused damage to reputation.<sup>206</sup>

In the letter episode presented in the next part of the chapter, such drastic language, including the insults, will also play an important role. Interesting and indicative of the letter practice of merchants with regard to their language use is that we will, however, not only encounter such rough language in letters between persons relatively unfamiliar with one another or in letters condemning the behaviour of strangers, but we will encounter it even in letters exchanged between close trading partners, of course in varying degrees of severity, which is another crucial feature of the language register of business and trade. This demonstrates that the merchants used harsh language not only to show their aversion to other merchants or foreign merchants, but they also used a somewhat diluted form of harsh language whenever they saw the need to rebuke one of their own or dealt with conflicts among trading partners. That is, they used it in situations of any breaches of agreements or contracts, breaches of trust or confidentiality or when they rebuked each other for breaches of good practice. The latter relates for instance to breaking an engagement or promise or with regard to neglecting the need to inform each other about financial transactions or generally with regard to any action taken that contradicted their sense of honour and solidarity. In the episode presented, particularly the latter points will play an important role within the letter conversation, towards the end of the episode. The most striking feature of these concrete letters in which we find such language in the presented episode is that in contrast to letters that merely served the purpose of passing a bad judgement on unfamiliar merchants, e.g. by simply referring to these merchants and stigmatizing them as "rogues", in letters exchanged among trading partners the rule seemed to be to choose a well thought-out rough tone and vocabulary for the letters to teach the addressee a lesson, to rebuke them in order to guide them back to the path of virtue.

For this purpose, the practice was to mobilise exactly the same language register as it was used in regular business correspondence but to use it in a kind of reverse logic. In these letters, the language register of business and trade served essentially as a foil or blueprint that made it clear to the addressee that he should have actually known better. Thus, the merchants used the same vocabularies and arguments that they used in their regular business correspondence but put a question mark behind

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Luttmann & von Bobartt, September 14, 1744, TNA, HCA 30/232, Letter Book I, no. 308. "denn von dießem Hundsvott will loß seyn." Letter from Bethmann, Johann Jakob to Luetkens, Nicolaus Gottlieb, May 16, 1744, TNA, HCA 30/234. "Bobart scheint auch eine rechte feige Mütze zu seyn." Letter from Bethmann, Johann Jakob to Luetkens, Nicolaus Gottlieb, June 17, 1744, TNA, HCA 30/234. More examples are quoted hereafter.

<sup>205</sup> See the extensive list of contemporary insults in "Schimpfwörter." *Oekonomische Encyklopädie*, edited by Johann Georg Krünitz. 242 volumes. Berlin, 1773-1858, vol. 144, 574-575. See also Grose, Francis. *A classical dictionary of the vulgar tongue*. London: London: Printed for S. Hooper, 1788.

<sup>206</sup> See Cressy, *Dangerous Talk*, 17-38. See Lobenstein-Reichmann, *Sprachliche Ausgrenzung*, 56-70.

the presented capabilities and competences and even questioned the character of their correspondents and trading partners. The goal behind the letters using such language is revealed to us at the very same moment: these letters were not intended to be purely defamatory, but they rather constituted letters of complaint, of indignation, of warning or rebuke, written with the intention and in the hope of convincing the addressee to rethink and correct his behaviour and to change tack. If the addressee, in turn, did not give in to the voiced demands, the letters served the purpose to indicate that the addressee would eventually have to bear the consequences of his behaviour, which could mean for instance that a business relationship was terminated. For this purpose, to send this kind of a message, the letter writers used a method, which I call the *sledgehammer method* as a governing practical principle of persuasion, which was intended to lead to the desired effect and success.

The practical principle of the sledgehammer method and the letters featuring it highly intrigued me because they show that even if the otherwise highly effective normal routine within business was disturbed or came to a halt, the merchants found an equally effective way to counteract these disturbances and to find an answer to the problems. In two of three cases in the following letter episode this method turned out to be successful. The respective trading partners gave in to the demands and admitted their mistakes or rather they confessed that there had been misunderstandings. As soon as that happened, the tone of the respective letter conversation softened and business was continued as usual. The usage of the same language register, the language register of business and trade, shows that this principle of the sledgehammer method was an intrinsic part of the practice of writing business letters. It was the reverse side to the principle of exhibiting effectiveness, the other side of the coin of persuading each other in the field of trade, representing at the same time a common and accepted way of dealing with each other within the merchant community of the time. The personal relationships and business ties between these merchants apparently allowed it that such a way of dealing with each other was regarded as appropriate – which does not mean or rule out the possibility that such letters could also, of course, lead to a negative outcome, e.g. to the said termination of a business relationship. Regardless of the outcome of sending each other letters of complaint, rebuke or warning, however, it must be noted that generally it seemed to have been the rule that writing such letters and sending harsh rebukes to trading partners was deemed to be appropriate and was considered necessary behaviour by the contemporaries. This marks these letters as pivotal tools of social interaction within the business culture of the 18th century.

Early Modern business letters are often described as very formulaic and prosaic, which is why they are often neglected or treated as subordinate with regard to their relevance for learning about Early Modern letter-writing practices and Early Modern life in general and have attracted far less research interest in comparison to other Early Modern letters types, such as love letters or familiar letters.<sup>207</sup> As my explanations have shown,

<sup>207</sup> See Trivellato, "Merchants' letters," 84. See Ditz, "Formative Ventures," 61. See Ditz, "Shipwrecked," 51. In the introduction to Rebecca Earle's *Epistolary Selves*, business letter are in this regard referred to as "correspondence of the most 'impersonal' sort" and "ostensibly the least literary of objects".

this represents a wasted opportunity because these letter reveal a great deal about the effectiveness and power of letter-writing and correspondence practice for people, particularly when speaking of the field of business and trade, which highly “depended on the organized exchange of letters”, as already Max Weber stated.<sup>208</sup> For Early Modern business culture, a certain formularity and thus a repetitive, stereotypic nature of letters, following clear practical rules, was highly relevant, necessary and indispensable for the smooth running of business and business correspondence. As Francesca Trivellato brilliantly summed it up, “the oft-lamented formulaic prose and repetitive content of business letters account for their effectiveness, because rhetorical standardisation rendered contracts and obligations [and letters] intelligible and enforceable across geographical and social boundaries.”<sup>209</sup> Both the practical principle of showing efficiency in letter writing and business dealings and the principle of the sledgehammer method, which helped to cope with problems and stagnations in business operations, depended on this letter style and the clearly defined language register of business and trade governing and underlying it. These letters empowered merchants and made them capable of acting and of conducting business. The typical, common form and language of these letters was the precondition for this empowerment and for mutual understanding and comprehension.<sup>210</sup>

## Languages

In order to turn himself into a respected wholesale merchant, a merchant had to prove and constantly demonstrate that he was well-versed and practically skilled in the practice of writing appropriate business letters. He had to master the language register of business and trade and he had to know about its particularities and how to approach different correspondents in different matters in the appropriate form. That is, a merchant also learned by practice to embody and internalise the practical principles of persuasion leading to success in business and correspondence. Being able to master this skill, a merchant made a claim to becoming a part of the merchant community. He demonstrated that he possessed the necessary practical capabilities of acting as a legitimate member of the mercantile group.<sup>211</sup> At the same time, in purely practical terms, the knowledge and mastery of the typical letter style and language of business letters assured the merchants that he and his actions were understood by his fellow men.

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Earle, Rebecca. “Introduction: letters, writers, and the historian.” In *Epistolary Selves: Letters and Letter-writers, 1600-1945*, edited by Rebecca Earle, 1-14. Aldershot: Ashgate, 1999. The exact opposite is proved by Ditz’s article, the Luetkens correspondence, and furthermore, as a good comparative example, by Origo, *Datini*. See also Stuber, Martin, Stefan Hächler, and Luc Lienhard, ed. *Hallers Netz. Ein europäischer Gelehrtenbriefwechsel zur Zeit der Aufklärung*. Basel: Schwabe Verlag, 2005, 12.

208 Weber, Max. *General Economic History*, 295.

209 See Trivellato, “Merchants’ letters,” 84.

210 See also Trivellato, *Discourse and Practice of Trust*, 19.

211 See Smith, “Merchants.”

As the French historian Pierre Gervais concluded, in his case focussing on the language of accounting still also applicable for letters, that in the end both

“the graphic form and the vocabulary utilized would render it immediately intelligible to anyone who possessed the knowledge shared by merchants [...] [of how to take and how to deal with the respective contents of a business letter]. In effect, [...] [the language register of business and trade with its formularity] served as an international language understood and shared within merchant networks extending across Europe and the Atlantic world”.<sup>212</sup>

Therefore, this language register made it possible to trade, negotiate, work and correspond with each other as merchants across borders, beyond different nationalities and in different languages, which surely has to be seen as one of the major driving forces behind the globalisation of international trade during that time. At the same time, it laid the foundation for the success of a global world market thenceforward, although the same process was also accompanied by the dramatic negative side of the same coin, including expansion, colonialism, flight and expulsion.<sup>213</sup>

For the contemporary merchants, the shared language register of business and trade represented the basis of mutual understanding and mutual comprehension.<sup>214</sup> At the same time, it would also become a means that was used to promote mutual appreciation. It was simultaneously both a kind of access authorisation and a proving ground. As David Hancock put it, “letters of trade, with judgement, and language suit[ed] to the subject, kept respect and confidence.”<sup>215</sup> For merchants residing and trading outside their home country, and particularly for young merchants residing in foreign lands during their establishment phase, the significance of mastering this typical style and language in their letters is clear. It was their entry ticket to the local merchant community, a basic precondition and necessity for their professional advancement in the foreign countries. Proficiency in the language register of business and trade earned them the respect of others, which subsequently had to be substantiated by conducting successful enterprises.

This finally represents also the basic condition and fact which the intendant Tourny referred to in the third point of his report assessing the role and the *raison d'être* of Hanseatic merchants living and trading in France in the mid-18th century. Speaking of the group of foreign merchants represented in the Luetkens archive, an active group and network of over 60 merchants, however, as only a sub-group of an even larger network, it can be noted that all these merchants showed the necessary competencies in

<sup>212</sup> Gervais, “Historicized Rationality,” 29.

<sup>213</sup> Jacob/Secretan, “Introduction,” 1-16. Crouzet, “Economic Change” and “Le négoce international.” See Dierks, *In my Power*, 1-8. See Reinert/Fredona. “Merchants and the Origins of Capitalism,” 171-181. Regarding the “world economy in-the-making”, see also Lindemann, “Doing Business in 18th century Hamburg,” 163.

<sup>214</sup> Jeannin, “Distinction des compétences,” 325: “Pour les hommes qui l'exerçaient, il importait de savoir dire juste ce qu'ils voulaient dire, comme de comprendre exactement la parole ou l'écrit des autres.”

<sup>215</sup> Hancock, *Citizens of the World*, 103. See also Jacob M. Price. “Directions for the Conduct of a Merchant's Counting House, 1766.” *Business History* 28 (1986): 134-50.

the practice of writing business letters.<sup>216</sup> The merchants possessed great proficiency in writing business letters in several languages, drawing on the same shared international vocabulary of business letters.<sup>217</sup> Whenever this proficiency was lacking to a certain extent, as can be observed, the merchants helped each other and provided each other with assistance and helpful tips and even suitable formulations. A prime example is a letter by the merchant Johann Jakob Bethmann, who enclosed in one of his letters to his correspondent Luetkens a style sheet with typical French phrases for bills of exchanges. He writes that “enclosed you will find a formulair of letters of exchange which you can use when drawing or remitting bills in Paris per nostro conto, which happens because you are not so very well familiar with the French orthography, my heart only wants the best for you till death.”<sup>218</sup> Apart from these cases in which such assistance was offered and necessary, in general Luetkens and his partners were very proficient and practiced in handling their business correspondence. They mastered the rules and practical requirements of using the language register of business and trade and showed a high level of professionalism in both the material handling and writing of their business letters. The latter, in turn, was necessary because their business often required them to write several or even several dozens of letters per day.<sup>219</sup> Most importantly though, they were also able to suit their actions to their words, that is they conducted lucrative business with the help of their letters. Both taken together, the proficiency in the practice of writing business letters and the subsequent realisation and implementation of their business enterprises, earned them the respect and the appreciation of their French trading partners and even, as Tourny’s report reveals, the appreciation of the French state, which fostered their right of residence in France.

Apart from sharing the same language register as a common ground of mutual understanding in order to achieve the overarching goal of winning each others’ appreciation, it was equally important to also use different national languages in the business letters when addressing different correspondents. Thus, although the merchants would all generally draw on the same business vocabulary, terminologies and shared expressions, we should still not underestimate the particular significance and value that the merchants attached to the usage of national languages for their correspondence. In fact, deciding to use a particular national language for your letters while at the same time mobilizing the language register of business and trade in the end represented the two sides of the same coin as the Luetkens archive shows. It was both part of the proficiency in writing business letters not only to adhere to the common business vocabulary but also to decide in which national language a letter writer wanted to deliver messages

<sup>216</sup> Regarding the larger network of Hanseatic and German merchants in France during that time, see inter alia Weber, *Deutsche Kaufleute*, Weber, “German Merchants”; Butel, “Les négociants allemands de Bordeaux”; Leroux, *La Colonie Germanique*.

<sup>217</sup> See Marzagalli, “Négoce et politique des étrangers en France,” 21: “L’apprentissage des langues est certes primordial pour le grand commerce international.”

<sup>218</sup> “Einliegend folgt ein Formulair von Wexsälbelbrieffen wenn du pr n[ost]ro Conto auf Paris trassiren & remittiren wirst, es geschiehet, weil du die französische Orthographie nicht zum besten weißt, und mein Hertz meinet es redlich biß in den Todt.” Letter from Bethmann, Johann Jakob to Luetkens, Nicolaus Gottlieb, July 25, 1744, TNA, HCA 30/234.

<sup>219</sup> See the list of outgoing mail kept by Luetkens in TNA, HCA 30/232.

to an addressee. The latter practice in particular represented a deliberate choice. Depending on the addressee and the language chosen, a letter sent a particular signal and message to an addressee.

Both elements, writing in a particular language register and in a particular national language ultimately served the same purpose, which was to win the respect and appreciation of the merchant addressees. The former in this regard laid the foundation for mutual comprehension and solidarity while the latter served the purpose of directly expressing mutual respect, closeness and a commitment to cooperation. Last but not least, the act of choosing the French language while travelling France showed Luetkens' will to integrate. Using a particular national language should leave no doubt about the fact that these men made every effort to demonstrate their readiness to integration, to come to understandings and to cooperate as equals with their French, Dutch, Swiss or German hosts in France. The choice of a particular national language for letters therefore is to be regarded as a fundamental part of the strategy to promote and ensure mutual appreciation among the merchants, which served as a precondition for the fact that, as Tourny, too, had observed, these men enjoyed the status of welcomed guests in France.

In the Luetkens letters, both of these crucial elements with regard to the language use within the practice of writing business letters become clearly evident. On the one hand, the letters show a great uniformity and many similarities with regard to similar contents, formalities, letter formulae, shared terminologies and expressions. On the other hand, however, the letters also feature a variety of languages. We find letters written in French, German, Dutch and English in the Luetkens archive, which thus provides a vivid example of the multilingualism prevailing in merchant correspondence of the time. Concretely this means that with regard to Luetkens' incoming letters from both French merchants and foreigners residing in France, it is striking that a majority of these letters are written in French. By using French in the letters, these men underpinned their rightful status and their self-perception as crucial parts of and participants in the merchant community of France, and it naturally increased comprehensibility and clarity. Other languages used in the incoming letters are Dutch and German and very occasionally English. There are furthermore clear preferences detectable.

The merchants in the Luetkens archive often turned to German for instance when their letters also included more personal or private matters in addition to business matters.<sup>220</sup> This approach becomes most evident in all those letters that were apparently deliberately written in two different languages right from the start. Thus, we can find among Luetkens' incoming letters several letters that started in French or Dutch, primarily dealing with business matters, but then changed to German when the letter writer added more personal information to the letter (e.g. in the form of a postscript). It was also not uncommon that a business letter had several authors, e.g. when both partners of a partner firm wrote different parts of the respective letter. In these cases, often one partner wrote the main business letter while the other partner added information on more personal matters in his own handwriting at the end of the letter. In these cases, too, the language could change. Notwithstanding this practice though, it

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220 The same practice applies to the letters analysed in Henninger, *Bethmann*, 81-82.

is important to note that we are still able to also find more than one hundred regular business letters written completely in German in the Luetkens archive. This means that by mobilizing the same language register of business and trade it was generally also possible for merchants in France to write and exchange regular business letters in German or Dutch while staying in France. In sum, already the incoming letters reveal to us that the choice of a national language for one's letters apparently not only depended on the nationality of a correspondent, but it also followed further rules, motivations and practical reasons, which was clearly another important intrinsic part of the practical principle of writing effective business letters. The patterns and motivations behind the respective choice of language become even more tangible when we take a look at Luetkens' own large Letter Book in the second step.

In Nicolaus Gottlieb Luetkens' large Letter Book, into which he personally copied all his outgoing letters, we find three different languages used for his letters.<sup>221</sup> Luetkens wrote in German, French and Dutch, whereby for his French letters, as becomes obvious from comments and corrections added to his copies or from letters written in another hand, he sometimes sought assistance from his hosts or other merchants when writing these letters. Later his merchant clerk corrected his French letters and also took over the correspondence in French. As regards Luetkens' choice of language for his letters, when reading through all 700 letters of Luetkens' main Letter Book, furthermore complemented by smaller Letter Books and letter rolls, certain preferences and patterns become clearly evident. These preferences and patterns relate mainly to three aspects. First, it becomes apparent that Luetkens chose different national languages for different fields of business. For his shipping industry, particularly for his letter exchanges with his ships' captains for instance he predominantly used Dutch, mainly because the Dutch language was still a kind of lingua franca within the shipping business during the 18th century.<sup>222</sup> For his commission trade activity, he mainly used German and French, the latter of which was mainly due to the fact that many of his trading partners were of French origin or were business partners in bilingual partner firms. Secondly, his language choice apparently depended on his personal relationships with the addressee and it depended on the matters discussed in the letters.

With his uncle Anthony in London for instance Luetkens exclusively corresponded in German, and the same fact applies to his closest trading partners in Hamburg. On the other hand, using German was also a way of separating business and private matters in one's letters. So, for instance, Luetkens' friend Johann Jakob Bethmann used the German language for all his personal letters to his friend Nicolaus Gottlieb, while he and his partner Jacques Imbert used almost exclusively the French language for their business letters. The correspondence of the house Bethmann & Imbert was conducted by the French business partner Imbert, who wrote in a very buoyant French hand. Thirdly, the

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<sup>221</sup> Only at the very end of the book did he pass this responsibility on to his new merchant clerk Schuetz.

<sup>222</sup> See chapter 6. See also Schotte, Margaret. *Sailing School: Navigating Science and Skill, 1550-1800*. Baltimore: Johns Hopkins University Press, 2019.

most decisive criterion for deciding which national language Luetkens chose was naturally also the origin and nationality of his correspondents. That is, Luetkens apparently choose between different languages for his letters depending on the mother tongue of his correspondents. He wrote to his trading partner Cornelis de Meyere & Soonen in Amsterdam in Dutch, to the merchant banks in Paris mainly in French, and to his French partners in the Spanish cities of St. Sebastian or Bilbao in French. With regard to bilingual merchant houses, he wrote in French when he directly corresponded with the respective French or Swiss partners in these business houses. Whenever he corresponded with the German or Dutch partner of a merchant house he wrote in German or in Dutch. Whenever he approached and addressed letters to these business houses for business purposes in general, addressing his letter to both partners at the same time, to Bethmann & Imbert or Luttman & von Bobartt for instance, rather than writing to the partners individually, his choice depended on his knowledge about which of the two partners handled the correspondence of the respective firm. Consequently, he would write to Luttman & von Bobartt in Dutch since he knew that it was the Dutch Calvinist Elart von Bobartt who was mainly responsible for the correspondence activities of this firm. Whenever he approached a merchant or business house in France for the first time, he introduced himself in French or, if he knew that these merchants were of German origin or had a German merchant clerk, he used German. The reason behind this particular usage of national languages becomes obvious and explainable at the very same moment. The reason why he approached his correspondents in their mother tongue was to express his solidarity with the addressee, to show his skills and particularly his commitment to the trading partner, to demonstrate his goodwill for a close association with the addressee, and to adapt to and integrate himself into the respective merchant community. In this regard, it was a matter of course that the merchant chose the mother tongue of his correspondents for this purpose. The practice of writing in different languages was therefore a result and concrete manifestation of the efforts that the foreign merchants undertook to gain or maintain the appreciation of their trading partners and hosts in France.

Most generally though, it can be observed in Luetkens' Letter Book that contrary to his incoming letters, in his outgoing correspondence, the German language still outweighed all other languages in usage. This was to a certain extent certainly due to the simple fact that Luetkens was still in the process of developing his language skills. Through his apprenticeship with David Speelmeyer his Dutch was advanced, but he still had to practice his French. The fact that he wrote so many German letters, however, also gives us a clear indication of how many merchants of German origin and merchants able to speak German or lower German actually lived in France and Spain during that time. His letters therefore provide meaningful insights into the extensive network of German and Hanseatic merchants living and trading in France in mid-18th century, without which Luetkens' activities in France and his career aspirations would not have been imaginable or achievable at all. It once more shows us the importance of his dense network in France. The fact that these merchants, however, responded to Luetkens' letters in French provides clear evidence of the acculturation process that these merchants underwent and it shows the cosmopolitan nature of these men's lives, their business and correspondence activities. When reading the letters of the Luetkens

archive, both incoming and outgoing, I became highly intrigued by the language diversity and the varieties of language use and tone in the merchants' correspondences, the polyglot nature of these correspondences, particularly with regard to corresponding with the same correspondents in changing languages.<sup>223</sup> It was apparently not only possible but a typical phenomenon of the time that letter conversations were conducted in a bilingual or even trilingual manner. This ultimately showed me the flexibility and the high performance capability, in short, the importance of the international language register of business and trade for these merchants enabling them to understand each other across national or language boundaries.

With regard to Luetkens' language use what becomes most apparent is how crucially important it was for him, and for wholesale merchants in general, to be able to understand, speak and write in several different national languages. Being polyglot, that is speaking or at least understanding several languages, was a basic precondition of mercantile socialisation and success because it provided the basis for international understanding and collaboration.<sup>224</sup> "Linguistic comprehension was the prerequisite for communication" and therefore also for an effective letter-writing practice and consequently also for the implementation of many business enterprises.<sup>225</sup> Especially in the commission trade, involving many different actors at the same time in many different spots and countries, it was indispensable for wholesale merchants to be able to correspond in and understand several languages. This fact explains why Luetkens would later be very keen and made every effort to find a merchant clerk, later becoming his merchant factor in France, who was fluent in the French language. The fact furthermore underlines another crucial reason for Luetkens' long stay in France. He wanted to improve his language skills in French, which then facilitated his own acculturation process in France and strengthened his strong ties with the French Atlantic merchant community after his return to Hamburg.

Understanding and writing letters not only in his mother tongue, but also in Dutch and French was another crucial skill and competence required from a wholesale merchant during his establishment phase. Acquiring the proficiency in language usage, both with regard to using different national languages and with regard to being able to write in the language register of business and trade, was another milestone in Luetkens' career advancement. In complete accordance with Tourny's assessment, this proficiency apart from his commercial success earned Luetkens the respect and appreciation of his partners in France, which turned him into a welcomed guest during his time in France and which created the basis for his strong attachment and strong trade relations and partnerships with France for the time later on when he was already an established wholesale merchant in Hamburg. In 1770, his strong connections to France allowed him to import an entire golden ceiling in the famous French Louis Seize style for his Bel Etage in Hamburg, the only one of its kind in Germany that still exists today.<sup>226</sup>

<sup>223</sup> See Gestrich, Andreas, and Margrit Schulte Beerbühl, eds. *Cosmopolitan Networks in Commerce and Society 1660-1914*. London: GHI, 2011.

<sup>224</sup> Häberlein/Kuhn, *Fremde Sprachen; Gallagher, Learning Languages*.

<sup>225</sup> See Trivellato, *Discourse and Practice of Trust*, 19.

<sup>226</sup> See Bel Etage, MK&G.

With this assessment and outlook, I have finally arrived at the end of my contextualisation in this chapter. We are equipped with all necessary background information and knowledge to understand the story and the events that unfold themselves in the letter conversation conducted by Luetkens and several of his correspondents in 1744.

The episode will present us with one of the many business enterprises that Nicolaus Gottlieb Luetkens conducted in the business field of commission trade during his establishment phase. The goods in which he traded and invested in this episode were 348 hogsheads, large casks, of brown, unrefined, Moscovian sugars, representing the commodity group in which he specialized already during his establishment phase and which later went on to become his main commodity group after he had settled down in Hamburg. Luetkens bought these goods with the help of his trading partners in Brest and St. Sebastian, where it was sold as Prize goods coming from a Spanish privateering raid on an English merchant ship at the beginning of the year 1744. Since Spain and France were forming a political alliance during this time, the formerly British sugars were declared French sugars and relabelled as such in the harbour of Brest after the official condemnation and the proclamation of the lawfulness of the capture by the Spanish Admiralty Court in St. Sebastian, where the case was brought before court. Since it represented a trade surplus for the French economy, foreign merchants were allowed to invest and re-export such Prize goods. In the end, Luetkens shipped these sugars, on his own account and on the account of his Hamburg partners Hertzner & von Bobartt, to Hamburg, where the latter sold it. During the implementation of this enterprise, eight merchants, and the ship's captain Nagel, were involved, residing in seven different cities: St. Sebastian, Brest, Bordeaux, Nantes, Bayonne, Paris and Hamburg. These men acted as the actual purchasers, consultants, financiers or sellers of the goods. Consequently, this episode will also show us the different trading activities and financing transactions explained above, which were conducted during the enterprise. All of the persons involved were Protestants and therefore part of the networks of the Protestant International in France. In the beginning, in the first part of the episode, everything went smoothly and according to plan and without significant problems, which provides us with a good illustration of the effectiveness of conducting 18th-century trade. Since almost all activities and coordination was taking place on the level and by means of letters, this furthermore provides us with a prime example of the practical principle of showing efficiency in business correspondence. In the second part of the episode, however, after the goods had arrived in Hamburg and were about to be sold, problems occurred, both in practical and financial terms. These problems forced Luetkens to take drastic measures. He wrote letters of warning, of complaint and of rebuke, which will show us the practical principle of the sledgehammer method in action. The measures were crowned with success. In the end, the enterprise turned out to be profitable, although not as profitable as the partners first expected, which will show us at the same time the pitfalls of commission trade. Still, the investment was lucrative enough to represent an important contribution to Luetkens' career advancement in France. The letters exchanged were written in French, Dutch and German. The episode will demonstrate each and every ingredient of 18th-century mercantile business and communication culture presented above.

## 4.10 The Episode: A Game of Chance

### Auspicious Sugar

In February 1744, a Spanish privateer, commanded by the Spanish ship's captain Perre, also spelled as Paire or Paerr, captured an English merchant vessel, which was on its way from the British colonies in America to its mother country, in the waters off the coast of Brest at the western end of the English Channel.<sup>227</sup> Since France and Spain formed a political alliance during that time, it was not uncommon that Spanish privateers sailed the French coast. Likewise, it was also not unusual but rather customary that a ship captured by a Spanish privateer was not escorted to Spain but brought into the nearest port in France, which was Brest in the present case. Lying at anchor in Brest, the ship's captain then informed, that is, sent a message about the capture and the corresponding documents, the pieces of evidence taken from the captured ship as well as the first examinations of the ship's crew, to the Spanish Admiralty Court in St. Sebastian, where subsequently a suit was filed. Throughout the court proceedings, which took place in St. Sebastian, the Spanish privateer's captain stayed in Brest and awaited the outcome of the court case. During that time, the English vessel was not unloaded because it had not yet been declared a legitimate Prize, that is, not yet condemned as official war loot. The crew of the English ship was first interrogated in Brest and then held as prisoners of war while the court proceedings took place. Afterwards, they were released. Before any unloading of the ship could take place, furthermore, in case the ship was declared official war loot, new owners, that is, buyers of the respective ship and its goods, had to be found, which process also lay in the responsibility of the Admiralty Court in St. Sebastian. Subsequently, after the court had passed its judgement and the verdict was announced, which turned out to be unequivocally clear in the present case – the ship was declared a legitimate prize since it belonged to the enemy – both the ship and the goods were put up for sale at a public auction in St. Sebastian. The buyers then decided the future of the ship and the goods. After the official condemnation of the captured ship as a Prize ship, the privateer's captain finally also received his remuneration. He and his crew received a small proportion of the proceeds of the sale when the ship and the goods changed owners. This was the moment when the ship got unloaded and the cargo was sold on the spot or repacked and loaded onto another ship as it happened in this case. The cargo on board the English ship captured by Perre mainly consisted of English sugars; in concrete terms a great part of the main cargo of this ship were “224 Bouc[cand] and 113 Oxh[oft]” of English sugars which, when summed up and counted only in hogshead amounted to 348 hogsheads of sugars in total.<sup>228</sup> Hogsheads, “Oxhoft” in German, “Oxhoofd” in Dutch, “Barrique” in French, as well as Bouccand were common volume measures for sugar and liquids during the Early Modern Period: one

<sup>227</sup> All the following explanations and reconstructions are based on letters found in HCA, TNA, 30/232-235.

<sup>228</sup> Letter from Hertzner & von Bobartt, to Luetkens, Nicolaus Gottlieb, April 6, 1744, TNA, HCA 30/234.

hogshead was approximately tantamount to one large cask of sugar, wine or other liquids. Converted into litres, one Hamburg hogshead held about 217–238 litres of sugar.<sup>229</sup>

The buyer and new owner of these sugars was the merchant Nicolaus Gottlieb Luetkens. Luetkens had been informed beforehand about this present business opportunity by Johann Jakob Bethmann and by one of his trading partners in Brest, François Jourdain, a French Huguenot merchant residing in Brest, who had sent him samples of these sugars enclosed in his letters. Parts of these samples were later also forwarded packed in letter packets to his trading partners in Nantes and Hamburg.<sup>230</sup> Since the quality of these samples appeared very promising, Luetkens decided to grasp the opportunity and to invest in the 348 hogsheads of sugar. Since he himself, however, was residing in Bordeaux in the French-German house of Bethmann & Imbert and was not able to either travel to St. Sebastian or to Brest, he asked and employed his trading partners Nicolas and Jean Darragory, French Huguenot merchants from a very reputable French merchant family, residing in St. Sebastian during that time, to buy the sugars for him at the auction. This also had the advantage that the Admiralty Court in St. Sebastian would ask no unnecessary questions about the residency status of the buyers of these goods since the Darragory family was a long-established French merchant family. Foreign merchants were generally allowed to invest in Prize goods. However, getting the Darragory brothers to buy the goods spared Luetkens a lot of bureaucratic effort with regard to providing evidence that he possessed the right to buy these goods; also, he did not have to travel to St. Sebastian. For the unloading process and the repacking of the goods he again engaged François Jourdain in Brest, who was furthermore joined by Elart von Bobartt from the Nantes merchant firm of Luttman & von Bobartt. Elart von Bobartt acted as the consultant in this enterprise and also took on the responsibility of overseeing the examination of the goods and the loading of the sugars onto the ship that was to take them to Hamburg, namely the ship *Hamburger Börse*, Hamburg Bourse, with its captain Johann Nagel. All three merchants were set to receive a provision for their services of 1% of the total revenues of this enterprise. Luttman & von Bobartt furthermore became 1/4 shareholders in the entire enterprise. Since the value of the sugars ranged between £61,000 [“61/m £”] and “100/m £” in total, this provision, which might initially appear rather low to us, was still lucrative enough for the merchants to agree to assist their partner Luetkens.<sup>231</sup>

<sup>229</sup> See Krüger, Johann Friedrich. *Vollständiges Handbuch der Münzen, Maße und Gewichte aller Länder der Erde für Kaufleute, Banquiers, Geldwechsler [...]*. Quedlinburg/Leipzig: Verlag von Gottfr. Basse, 1830, 221.

<sup>230</sup> “Einligen haben E.E. 5 Musters van den Party zuckern in Brest so von ein freundt von da welcher die affere in geringsten nicht regardirt.” Letter from Luetkens, Nicolaus Gottlieb, to Luttman & von Bobartt, March 25, 1744, TNA, HCA 30/232, Letter Book III, no. 18. “die fünff Proben so empfangen sind schön”. Letter from Hertzner & von Bobartt, to Luetkens, Nicolaus Gottlieb, April 6, 1744, TNA, HCA 30/234.

<sup>231</sup> Luetkens, Nicolaus Gottlieb, to Hertzner & von Bobartt, June 9, 1744, TNA, HCA 30/232, Letter Book I, no. 181. See letter from Hertzner & von Bobartt, to Luetkens, Nicolaus Gottlieb, June 22, 1744, TNA, HCA 30/234. See letter from Luetkens, Nicolaus Gottlieb, to Luttman & von Bobartt, March 25, 1744, TNA, HCA 30/232, Letter Book III, no. 18.

Since the sugars were unloaded and changed their owner in Brest, Luetkens laid down that Brest was also to be stated as the place where the actual trade deal was done, erasing all traces of St. Sebastian or Spanish privateering. Therefore, he also wrote to his insurance company in Amsterdam that it was not “necessary that the insurance policy states that it was Prize goods [“niet nodig te expliquer datt Prys goedern”], but it should “simply state that the ship had been captured in the waters before Brest and afterwards brought to Brest and the goods had been bought and loaded there on the account of Hamburg friends.”<sup>232</sup> In the Factura, the official sales invoice, the merchants later entered the city of Brest, not St. Sebastian, as the sales location. The latter naturally had the advantage that the merchants could label these sugars in the end as regular French goods and not as Prize goods originally coming from an English ship. In the more or less unlikely event that these sugars later once more fell victim to a privateering raid during the re-export, this time by a British privateer, this labelling should prevent the English from immediately learning about the actual origin of these sugars. Another crucial fact that helped and provided Luetkens with even more room for manoeuvre and security and that concealed the origin even more, was the fact that Luetkens once more re-labelled these good as neutral Hamburg goods. In fact, in the final step, in order to be completely on the safe side, he even went as far as to once more use exactly the same strategy that he had already used in his shipping business: he inserted his younger brother Anton Luetkens, a citizen of Hamburg, as the original owner of the sugars as a placeholder for himself, together with the other shareholders in these goods, Hertzner & von Bobartt. Since, therefore, on paper, all these sugars were owned by merchants of the neutral, free imperial city of Hamburg, the merchants basically should have nothing to fear from an English privateering raid. As another positive side effect of exporting neutral goods, and the same effect prevailed for Luetkens’ French trading partners, the merchant would not have to pay customs charges. All these steps entirely concealed the actual origin of these goods. The factura therefore simply stated: “Factura sales invoice for 348 Hogshead brown sugars bought on the account of Hertzner & von B. à [= from] Hamburg à 1/2 [one half] Anth: Lutkens à Hamburg 1/2 [one half] unloaded by Monsieur von Bobartt à Nantes in Brest according to the connoisement [bill of lading] [to be sent to] per Hamburg to the above mentioned address loaded unto the ship the *Hamburger Börse* Shipper J: Nagell, may God be with him [“so Gott geleiten wolle”].”<sup>233</sup>

232 “maer deese Party Sukern rennen in Brest geloost en moeten daer onfangen woorden. [...] in de Police maer simpell konde opgemaakt woorden, en niet nodig te expliquer datt Prys goedern. [...] von Een Spanse. Caper van St. Sebastien genomen en in Breest op gebracht en aldaer an Landt geloost [...] gecocht engeladen voor Reekning frynde in Hamb en van Hamburg.” Letter from Luetkens, Nicolaus Gottlieb, to Cornelis de Meyere & Soonen, March 24, 1744, TNA, HCA 30/232, Letter Book III, no. 17.

233 “Factura Verk. Rechn. über 348 Oxs. braune Zucker so gekauft vor Rechn. Hertzner & von B. a Hamburg à 1/2te dHH Anth: Lutkens à Hamburg 1/2te und durch Herr von Bobartt à Nantes in Brest abladen lassen laut Conosemt. per Hamb. an ersten Adrese in das Hamb[urger] Schiff die Hamb Börse Schiff: J: Nagell so Gott geleiten wolle.” The Factura was inserted into the letter from Luetkens, Nicolaus Gottlieb to Luetkens, Anton, June 26, 1744, TNA, HCA 30/232, Letter Book I, no. 197. Another copy was filed in Luetkens’ account memorials, as “memoriale no. 379.”

In the said connoisement, the bill of lading and freight list, of the Hamburg ship, we can find exactly the same information. As regards Luetkens' own role and his share in this undertaking, the merchant entered in the *factura* the simple note that his own commission fee in this enterprise would amount to "2 pCt", 2 %, which as we have learned was a standard tariff for a commission agent during that time.<sup>234</sup> From our own knowledge about this case, based on the first-hand knowledge gained directly from the Luetkens archive, however, we are aware of the fact that in this enterprise Luetkens himself was actually not merely the commission agent responsible for the purchase. In fact, Luetkens was the central figure and mastermind in this entire episode, who had engineered the whole undertaking and who was furthermore one of the actual owners of these goods. This case once more vividly demonstrates how Luetkens skilfully used and exploited existing grey areas in mercantile as well as legal practice in order to create the optimum conditions for his business enterprise. With the help of his many trading partners, he was able to arrange in the most effective way, through his correspondence, the whole settlement process and fast handling of this commission enterprise, whereby he was at the same time able to create the most favourable conditions and best prospects for himself to make a profit from this undertaking.

Apart from the *factura* and the bill of lading, we learn about all these events and agreements presented above and about all of Luetkens' efforts in this matter from several letters exchanged between Luetkens and his partners in the first half of the year 1744. Particularly one letter, letter no. 18 in a smaller Letter Book he kept apart from his main Letter Book, encapsulates and helps us to summarise all the actions taken in this undertaking. This letter furthermore reveals to us several of the further measures and necessary steps that Luetkens now concretely got underway after the general procurement and purchase of the sugars. One of the most important steps and measures was to find further shareholders and supporters of this enterprise and, as a part of this, he planned and intended to convince some of his trading partners by means of his letters to act as the necessary helping hands during the implementation of this enterprise. Precisely against this background, the following letter addressed to the Nantes merchant house of Luttman & von Bobartt is to be understood as a concrete manifestation of the power of persuasion applied in letters. In this particular letter, Luetkens asked the Nantes merchants to assist him as consultants, administrators and loaders on location in Brest. It is furthermore the first letter in which Luetkens approached Luttman & von Bobartt with regard to introducing them to his plans in the trade in these sugars and to make them a pivotal part of this undertaking. The letter was therefore written even before the unloading of goods took place. This letter was most important for the further strategic course-setting within this letter episode.

Highly revealing but also indicative for the letter practice and the power of persuasion applied in letters during that time is the fact that this letter consisted of two parts. It actually contained two letters within one letter. In the first part of the letter, which formed the actual letter addressed directly to the Nantes merchant house, Luetkens presented the basic ideas and his plans behind the enterprise to Luttman & von Bobartt, while the second part subsequently consisted of a copy of a letter that Luetkens

<sup>234</sup> "Meine Comisie 2 pCt," *ibid.*

had written the day before to his Hamburg partners Hertzer & von Bobartt enclosed in the letter to Luttmann & von Bobartt. Ultimately, we are therefore actually dealing with two letters when speaking about this letter no. 18 in the Letter Book. Luetkens himself, however, counts both letters in his Letter Book as only one outgoing letter, as a letter packet. Copying letters into other letters, either as part of the original letter text (as in the present case) or as an actual material copy letter (additional paper) added as a layer to the other letters, e.g. inserted into the fold of a letter, was a typical practice during that time within correspondence practice. It served the purpose of informing a correspondent about arrangements or agreements with other merchants and correspondents or bringing the addressee up to date with regard to upcoming events or outstanding sums. Furthermore, the practice often served clear persuasive purposes. By means of disclosing relevant information about agreements with other merchants by adding copies of the letters that had been exchanged, thus allowing them insights and first-hand knowledge about another affair, a merchant deliberately provided his addressee with certain advance information, which was intended to serve as a clear incentive to impel the addressee to enter into and to take part in a respective enterprise. In the present case, these incentives transmitted to the addressee by means of the included letter copy, Luttmann & von Bobartt, were twofold. First, the Nantes merchant house learned from the copied-in letter that the Hamburg merchants Hertzer & von Bobartt, in which Elart von Bobartt's own brother Christopher von Bobartt was one of the two business partners, were taking part in this enterprise, too. Secondly, they learned how Luetkens actively pushed his idea with Hertzer & von Bobartt and praised the benefits of including the Nantes merchant house as a shareholder in this enterprise to Hertzer & von Bobartt, who would certainly also be supportive of the idea that Luttmann & von Bobartt would act as the consultants in this enterprise and travel to Brest – which was finally also a clear gesture of trust and a sign of confidence. The addressee could read all this information at once. On the 25th of March 1744, Luetkens wrote to Luttmann & von Bobartt:

“We have received E.E.’s last from the 18th of the present month. In what follows is the copy of the letter [“vorstehendes ist Copia”] which I have sent to Hertzer & von Bobartt with regard to the purchase of the cargo of sugars [“Partey Zuckern”]. E.E. will get all the necessary information needed from this letter [“das nötige ersehen”]. With this present letter I wanted to ask, if E.E. would desire [“inclinieren”] to take a 1/4 or 1/8 share interest in these sugars under the same conditions as I have purchased them. If so, I would ask E.E. to remit me [“remittieren”] the money for your part share in the goods, which I have to pay in advance for the entire cargo [“Gelder so vorauß zahlen muß”], which are 33/m £. As soon as the sugars had been received and unloaded in Brest, it would be the best if someone would take a look at them. I myself cannot travel there which is why I wanted to hear from E.E. if you would be willing [“resolviren”] to send someone there from Nantes. This party of sugar is presumably at least worth 100/m £, I would pay E.E a commission of 1 per cent [“1 pCt. Comisie”].”<sup>235</sup>

235 Letter from Luetkens, Nicolaus Gottlieb, to Luttmann & von Bobartt, March 25, 1744, TNA, HCA 30/232, Letter Book III, no. 18, outer letter.

The copied-in letter of the letter to Hertzner & von Bobartt then reads:

“Finally and after a lot of letters were sent back and forth the deal in Brest regarding the party of sugars consisting of 224 Bouccand and 113 Hogsheads of sugars is settled [“zum Stande gekommen”]. M. N. & J. Darragory have done the purchase for me in St. Sebastian at the auction. I need to pay 33/m £ as advance payment [“an avantz”] in one week time [“8/d”] and the rest of the money upon delivery of the goods. [--] In order to settle the deal, I had to promise the interested party a gratification of 100 P. It is specified that the sugar shall be delivered in Brest at the earliest convenience, in the condition in which they are now, free from average [“frey von Havarye”, free from damage]. The sellers are exempted from all customs [“frey sind von allen Zoll”] for incoming and outgoing vessels, all risk lies with the purchasers from the moment the goods have been weighed. I hope that no customs need to be paid or that they are rather low. I am writing to Paris in this matter next Saturday in order to procure the permission for free export [“Permision vor freyen Ausfuhr”]. With regard to the advance payment with this letter I wanted to assure that E.E. can be totally secure [“gantz secur”] because 25/m £ will be paid by the proprietor for which I have furthermore found two decent [“suffisant”] people in Bayonne who will pay the deposit [“Kautzion”]. For the remaining 8/m £ I have come to an agreement under hand with one of the interested parties, Messrs. Darragory. This money will be paid under the condition that in case any dispute or the like arises [“in Gefall von Disput”], the money will be refunded without any difficulties by our partners in Bayonne. For the deposit I am in possession of the necessary bills of exchange [...] for the remaining 8/m £ I also see no risks, in case that the sugars won’t be delivered in Brest, I approach the proprietor, which is the house of Mess. Darragory, which are, however, to the best of my belief, decent and apart from that very faithful and honest people [“suffisant und sonstre brave erlige Leute”]. Enclosed E.E. will find 5 samples of the sugars, which I have received from a friend who has absolutely nothing to do with the affair [“welcher die Affere in geringsten nicht regardirt”]. In case the whole sugars à costly are of that good quality, the whole party will be worth, considering the prizes on sugars of the last two months, 7 1/2 per pound, and in case we don’t have to pay high customs in Brest, and unless the aggravating premium on the insurance [“unleydliche Premia von Assurantie”], and with God’s help, we will gain no less than 30% profit in this enterprise. These sugars will now in due course arrive at E.E.’s address [in Hamburg], with you having a 1/4 share in the cargo, Beth: & Imbert also have a 1/4 share, and I have a 1/4 share, and since the house of Luttman & v.B. in Nantes had kindly asked me to give them an interest in one or the other enterprise in St. Sebastian Spain, I have also offered them a 1/8 or the remaining 1/4 share in this cargo, also because this party is so strong and bears more risks and difficulties [...] There had been plenty of admirers [“Liebhabers”] for these sugars, but I was able to win the bid by means [“durch forse”, by the force] of offering an advance payment and the gratification for the buyer. In case there is damage on the sugars we will get reimbursement [...] As soon as the sugars have arrived [in Brest] it would be best if someone from Nantes would travel to Brest to inspect them [“wird am besten sein jemand van

Nantes darnach zuzusenden"] and I am gladly paying 1 per cent Commission for that favour.”<sup>236</sup>

Reading this letter, we come to realize that by inserting the letter copy of a letter from Hertzner & von Bobartt into the letter to Luttmann & von Bobartt, Luetkens once more killed two birds with one stone. By sending this copy, Luetkens not only brought Luttmann & von Bobartt up to date with regard to his plans and efforts to include both merchant houses in this business enterprise, but at the same time he provided the Nantes merchants with all relevant and necessary information and details about this enterprise in general. In order to get an overview of all actions taken in this case so far, the only thing Luttmann & von Bobartt had to do was basically to read the second letter originally sent to Hertzner & von Bobartt from which they would “get all the necessary information” regarding this enterprise, as Luetkens put it, which phrase was a very common phrase in mercantile letters of the time because it was a very common practice to insert copies of letters into new letters. Copying in the letter saved Luetkens both time and ink because he did not have to repeat all this information in his letter to Luttmann & von Bobartt. Furthermore, we learn from this letter how Luetkens got the whole undertaking underway and at which points the merchant had to give fate a little boost and a helping hand both with regard to winning over the Nantes and the Hamburg merchant houses for his plans but also with regard to his earlier efforts in the course of the procurement of the goods. With regard to the latter, we learn that Luetkens, represented by the Darragory brothers, won out against a number of other parties interested in this sugar during the auction because he promised an advance payment and a premium to the vendor, which was basically also the reason why he was in need of further shareholders in this undertaking. For both Luttmann & von Bobartt and Hertzner & von Bobartt, these actions taken by Luetkens were also a clear indication of how lucrative and promising this enterprise must have appeared to Luetkens.

In order to underpin his assessment and the promising prospects of this enterprise, Luetkens applied three more strategies in his letters to influence the opinion of his correspondents in Hamburg and Nantes. First, as we learn from the letters above, he had decided to forward five samples of the sugar in his original letter to Hertzner & von Bobartt, which were meant to make it easier for them to decide whether or not they regarded this enterprise lucrative. Secondly, he assured his trading partners in Nantes and Hamburg that Nicolas and Jean Darragory, the buyers of the goods were “reliable and trustworthy and apart from that very faithful and honest people”. By means of expressing his confidence in his trading partners in St. Sebastian, he at the same time guaranteed to his trading partners in Nantes and Hamburg that the further handling and process would run smoothly, which should once more increase their willingness to invest in the undertaking. Thirdly, and presumably most importantly, Luetkens gave concrete numbers in his letters with regard to the profit he expected from the undertaking. In his opinion, the profit from the sale of these sugar could easily amount to “no less than 30%”, and he expected a selling price of up to “100/m £”, which meant a great profit.

236 Letter from Luetkens, Nicolaus Gottlieb, to Luttmann & von Bobartt, March 25, 1744, TNA, HCA 30/232, Letter Book III, no. 18, copied letter.

All three strategies typical for business letters did not miss the intended effect. Both merchant houses, Hertzer & von Bobartt as well as Luttman & von Bobartt, decided to act as shareholders.

In their next letter, Hertzer & von Bobartt responded accordingly that they wanted to congratulate Luetkens on this enterprise, confirming that “the five samples we have received are very nice [“fünff Proben so empfangen sind schön”] and we expect to make a good profit from these goods, if God shall bring them here safely”.<sup>237</sup> Luttman & von Bobartt responded that they would also take on the role as shareholders and consultants in this enterprise and would be willing to fulfil their responsibility to assess the goods, oversee the repacking in Brest and take care of the loading of the casks of sugar on a ship to Hamburg. In their letter from the 30th of March, they wrote that “our own von Bobartt together with his kuipper servant [“kuipper knegt”, his cooper] will travel to Brest” because just like Luetkens they regarded it as highly “necessary that somebody keeps a watchful eye [“wachen Auge”] on the loading process from morning to evening to ensure that it was conducted properly.”<sup>238</sup> Shortly after sending this letter, Elart von Bobartt left for Nantes. As a fourth shareholder Luetkens furthermore won over Bethmann & Imbert in Bordeaux, in which merchant house he resided during that time. Having won these three big merchant firms as shareholders in the goods, in addition to himself, Luetkens had gained enough financial coverage and financial power to implement this enterprise. With the help and by means of writing letters, he was able to manage his business and to arrange and take every necessary step to get this business enterprise underway. Reading all these letters in this episode one after another, we are presented with a most effective way of handling one’s business by means of letters. The power and significance of letter writing in this process becomes directly perceptible.

Apart from the step of winning over additional shareholders and helping hands for his enterprise, the same level of efficiency also becomes obvious and prevailed with regard to the four other important concomitant measures that Luetkens initiated with the letter cited above and then implemented in the further course of the episode. These concomitant measures were, firstly, to concretely implement the respective financing operations necessary for this enterprise, including taking care of the advance payment. Secondly, he took care of clearing and complying with the necessary formalities primarily with regard to getting the export authorisation, dealing with customs matters and securing insurance on the goods. Thirdly, he also made sure that the quality of the sugars was once more tested on location and last but not least, in the further course of this correspondence, he also took care of the shipment of the sugars to Hamburg, where they were delivered to Hertzer & von Bobartt, who took care of the selling of the goods. All these measures were once more implemented on the basis of letter exchanges.

With regard to financing, the funding for this whole commission enterprise was accomplished in the following way: Having agreed to act as shareholders in this enterprise, the shareholders at the same time bindingly agreed to cover the funding for their part share in the enterprise by means of providing the necessary credit. Through winning

<sup>237</sup> Letter from Hertzer & von Bobartt, to Luetkens, Nicolaus Gottlieb, April 6, 1744, TNA, HCA 30/234.

<sup>238</sup> Letter from Luttman & von Bobartt, to Luetkens, Nicolaus Gottlieb, March 30, 1744, TNA, HCA 30/235.

three other shareholders in this undertaking, Luetkens was able to split the investment risk in this undertaking and the credit line necessary to finance the purchase of the 348 hogsheads of sugar among four parties, himself as the commission agent and the forth shareholder in this enterprise included. In concrete terms, that meant that apart from assuming the responsibility for covering the funding for his own share and interest in these goods, he could draw bills of exchange on the other shareholders in order to obtain the necessary liquidity for the smooth handling of his commission enterprise. The payment of these bills was normally due after the selling of the goods. However, already at this earlier point in time, the respective financial transactions, as part and consequence of the contemporary cashless payment system in the form of the drawn bills of exchange, already provided him at this moment in time with the necessary finances he needed. It provided him with the credit line necessary to settle the bill for the purchase of the goods with the Darragory brothers, who acted and appeared in this episode as the concrete buyers of these goods at the auction of the Spanish Admiralty court. Thus, the particular situation prevailing in this enterprise was that Luetkens appeared and acted in two roles within this whole undertaking. On the one hand, he was the commission agent responsible for the complete handling of the procurement of these goods with his own 1/4 share and interest in this enterprise. On the other hand, since he himself had commissioned his trading partners Nicolas and Jean Darragory to make the actual purchase in St. Sebastian for him, he was also acting as a remittent in the episode, who provided the Darragory brothers with the necessary funds to settle the bill with the Spanish Admiralty. In the sales invoice, however, the latter transactions and the involvement of the Darragory brothers were not mentioned with a single word, for reasons that have been outlined above, namely to conceal the origin of these goods.

For the financial transactions conducted in this whole undertaking, however, as we learn from the letters, Luetkens' dual role in the undertaking was a key and determining factor during the concrete implementation of the enterprise and for the success of the enterprise. The latter fact becomes particularly clear and obvious with regard to the procurement of the necessary funds for the advance payment for these goods, £ "33/m" (£ 33,000). Luetkens had promised this advance to the vendors of the goods and, as we have learned from the Luetkens letters, this was the crucial reason why Luetkens was able to prevail over all the other bidders during the auction. As things developed in this episode, however, this dual role ultimately remained significant and necessary during the entire course of the enterprise. This was because in the end due to unforeseen circumstances Luetkens was forced to apply a similar approach to the one that he had chosen for taking care of the advance payment also with regard to paying the total costs for his purchase. When the payment of the 61/m £ was finally due, the sugars had not yet been sold in Hamburg and in fact had not even been shipped there yet, which meant that the drawn bills of exchange could not be balanced and settled by means of the revenues of the sales as would have been usual. Instead, Luetkens needed to find alternative ways to cover the costs for the purchase. He had to ask his trading partners to bear a concrete share already in the costs of the purchase. In certain ways, as we can assume from his letters, he had even already anticipated this backup plan when taking care of the advance payment, working with a kind of belt-and-braces approach, which

is why his handling of the advance payment already provides us with a good foretaste of the financial procedures following next.

In order to raise the necessary funds for the advancement payment, Luetkens adopted the following strategy in which he skilfully took advantage of his dual role within this enterprise: In the first step, in his role as the commission agent in this undertaking and in order to obtain necessary funds for covering the costs of the advance payment, he asked a particular favour from one of the shareholders, Luttman & von Bobartt. This favour was basically that he asked them to allow him to use their share and interest in this enterprise as the financial resource, the credit range and security to already cover the costs for the advance payment. On the basis of this guarantee provided by Luttman & von Bobartt, he subsequently, in the second step and in his role as a remittent, entered into further agreements of his own with the brothers Darragory and another merchant firm in Bayonne, the firm of Lichigaray Jeune, in order regulate the allocation of funds for the advance payment. The concrete payment of the 33/m £ was once more regulated by means of bills of exchange, in more specific terms by means of a deposit provided by Lichigaray Jeune, which meant that the actual date when Luetkens was finally expected to pay the 33/m £ advance payment was postponed once more.<sup>239</sup> In the end, Luetkens ultimately remitted the funds to actually settle the bill of the advance payment only two months later, at exactly the same time when he was also required to pay the total costs of 61/m £ for the purchase of the sugars. The latter, in turn, did not happen by accident but ultimately represented the final step and the masterstroke of his strategic economic calculations, which as we realize he must have planned well in advance all along. When the payment of £ 61/m for the entire cargo of 348 casks of sugar was finally due and demanded by the Admiralty in St. Sebastian in June 1744, who "no longer grant Darragory any more extension" ["wollen sich nicht mehr trösten lassen"], he drew on all his shareholders to cover the funds for their part shares in the goods.<sup>240</sup> This was the time when he also asked Luttman & von Bobartt to remit him the money for their part share, which he then used, as arranged before, to balance the bill for the advance payment. During the entire preceding period, as becomes obvious from this, Luetkens therefore solely acted and conducted his finance transactions on credit. Only in June 1744, when remitting the total amount of £ 61/m to Darragory, which the latter also used to pay off the deposit granted by Lichigaray Jeune for the advance payment, Luetkens for the first time ever in this enterprise actually spent his own money and debited his own account in this enterprise. This shows us in a forceful way the room for manoeuvre prevailing in the financing business for commission merchants. It furthermore vividly demonstrates

<sup>239</sup> See letter from Luetkens, Nicolaus Gottlieb to Lichigaray Jeune, Timothée, March 25, 1744, TNA, HCA 30/232, Letter Book III, no. 26.

<sup>240</sup> Letter from Luetkens, Nicolaus Gottlieb, to Von Bobart, Elart, June 5, 1744, TNA, HCA 30/232, Letter Book I, no. 174. "Habe woll empf. E.E. angenehmes von 9t von St. Sebastian und Bayonne woraus ersehe E.E. mir creditiren werden vor die 12/m £ Rimessa auf Mess. B & Imbert und 33/m £ auf Lichigaray". Letter from Luetkens, Nicolaus Gottlieb, to Darragory, Nicolas and Jean, June 13, 1744, TNA, HCA 30/232, Letter Book I, no. 13. "E.E. in alles gezahlt und ordre gestellet in derselben Wahr an Daragory zu zahlen auf dti Zuckern 61/m £ welches alles in so weit richtig." Letter from Hertzner & von Bobartt, to Luetkens, Nicolaus Gottlieb, June 22, 1744, TNA, HCA 30/234.

the concrete benefits of the cashless payment system in the finance business of the 18th century and how the merchants of the time skilfully used and exploited it for their own advantage, however, of course, always accompanied by certain risks.

At the centre of the whole arrangement with regard to the advance payment in this case stood the favour Luetkens had asked from the Nantes merchant house of Luttman & von Bobartt, which once more shows the importance of maintaining close relationships and business contacts in France. Noteworthy is that all of the partners involved in this enterprise were Protestants and therefore part of the Protestant International in France, which forged the strong bonds and mutual appreciation between them. Luetkens and Luttman & von Bobartt furthermore had a close personal relationship due to their long-standing friendship and business collaboration, which in the end provides a possible explanation for the rather striking fact that Luetkens directly and outright asked his trading partners for money in exactly the same letter in which he also sent them his proposal and offer to become a shareholder in this enterprise. This shows that the relationship between the merchants allowed him not to need to make a secret of the fact that he needed their money and would further use and invest this money for his purposes, namely for the advance payment, while his own account was not debited. Thus, the concrete favour he asked from Luttman & von Bobartt was that they would not only act as shareholder, meaning creditors, in this undertaking, but that they would also act as remitters beforehand by providing him with the necessary sums to pay the outstanding amount for the advance payment. Put in Luetkens' own words, he asked them, right after offering them an interest in this undertaking, "to remit me the money for your part share in the goods", which, as he did not hide from them, served the purpose of enabling him to make the advance payment [*"welche zahlen muss"*] of 33/m £.<sup>241</sup>

This request in particular represented a favour asked from them because in order to be able to do these remittances, in order to provide Luetkens with this sum, Luttman & von Bobartt themselves also had to take certain precautions to obtain the necessary liquidity. Namely, they needed to draw their own bill of exchange including Hertz & von Bobartt as drawees, since they were the sellers of the goods, but they also included another third party. As the financiers of their remittances to Luetkens acted in the end the Paris banking house of Tourton, Baur & Comp., whose bills of exchange were sent to Luetkens as the necessary capital means to cover the costs for the advance payment.<sup>242</sup> As things developed further in this enterprise, the banking house of Tourton, Baur & Comp. later became one of the key players in the entire financing procedure of this enterprise. This was a result of Luetkens, who had been familiar with the Paris banking house at the latest since his last visit to Paris, as well as Bethmann & Imbert and Hertz & von Bobartt including them in their finance operations. As regards Luttman & von Bobartt's remittances, what should have already become clear by now is that the Nantes

241 Letter from Luetkens, Nicolaus Gottlieb, to Luttman & von Bobartt, March 25, 1744, TNA, HCA 30/232, Letter Book III, no. 18.

242 See the bills of exchange and the corresponding letters as copied into Luetkens' Letter Book III. Bills of exchanges and letters from Luetkens, Nicolaus Gottlieb, to Tourton, Baur & Comp, March 25 to April 14, 1744, TNA, HCA 30/232, Letter Book III, no. 26, 27 33, 63.

merchant house did Luetkens the favour and agreed to remit him the necessary funds despite the circumstances and the additional efforts needed. As we have learned from the letter copy cited above, this fact was certainly also linked to the fact that they themselves had explicitly asked Luetkens in their previous letters to involve them in one of his enterprises in Spain, which meant that they could now literally hardly reject this request with regard to such an enterprise. The latter also points us to another advantage of the practice of copying letters into other letters with regard to persuasive efforts, namely reminding the addressee of certain previous letter conversations. The latter, in turn, provides us with even more proof of the fact that and how copied letters were used to concretely influence decision-making processes in letter correspondences.

From Luttman & von Bobartt's following letters, supplemented by Luetkens' letters, the letters from Hertzner & von Bobartt and the letters of all other parties involved in Bordeaux, St. Sebastian, Paris and Bayonne, we are subsequently able to reconstruct the further course of events and the concrete financial transactions and payment flows involved in the enterprise.

Only five days after Luetkens' initial letter from the 25th of March, Luttman & von Bobartt responded that they would "accept with gratitude his offer to take 1/4 in the party of sugar in Brest" ["mit Dank acceptieren"] and also confirmed that they would also comply with his request to remit him the necessary funds when they were due, asking or rather instructing Luetkens to already "take out the necessary funds", which meant to debit "F 2000 on de Meyere and the rest on the account of Hertzner & von Bobartt".<sup>243</sup> On the basis of this agreement and financial guarantee, Luetkens was able to enter into further agreements with the Darragory brothers to arrange the payment arrangements regarding the advance payment. Even for this financial transaction, however, Luetkens did not execute a direct payment to the Darragory brothers, but he once more made use of letters of exchange, including the Paris banking house Tourton & Baur and the Bayonne merchant house of Lichigaray Jeune. Thus, complying with Luttman & von Bobartt's request, beginning at the end of March but continuing till June 1744, he himself drew bills of exchange on the Paris banking house of Tourton, Baur & Comp on the account of Hertzner & von Bobartt and on de Meyere and finally also on himself, since he chose the same way for financing his own part share in the enterprise. From a letter to Luttman & von Bobartt dated the 2nd of June 1744, copied this time into Luetkens' large Letter Book, in which Luetkens listed all the respective drawn bills of exchange on Paris, the "tretten" in German or "traittes" in French addressed to "Tourton & Baur Comp", we learn that, spread over a period of three months, the common à 3 uso, the merchant had drawn five bills of exchange on Paris in total, amounting to 25/m £, which represented the necessary sum to cover the costs for the advance payment.<sup>244</sup> The remaining costs of 8/m £, as we have already learned from the letter cited above, were advanced "under

<sup>243</sup> Letter from Luttman & von Bobartt, to Luetkens, Nicolaus Gottlieb, March 30, 1744, TNA, HCA 30/235.

<sup>244</sup> "4000 £ in dato 25 & 28 Marty à 60. d., 4500 £ in dato à 60/d ditto, 4600 in dato 10 April à 60/d dato, 6000 £ in dato 28 dito auf 18 Juny zahlbar, 6000 £ in dato 28 dito à 75/d dato." Letter from Luetkens, Nicolaus Gottlieb to Luttman & von Bobartt, June 2, 1744, TNA, HCA 30/232, Letter Book I, no. 173. Copying this letter with this important list into his main large Letter Book instead of copying it into his smaller Letter Book III, where all the other bills of exchange had been copied into, surely once

hand” [“unter der Handt”] directly by the Darragory brothers themselves. Then there was the third party involved in this financial transaction to take care of the advance payment, the party on whose “ordre” the above mentioned “traittes” to Tourton, Baur & Comp. were noted down. This was the French merchant house of Timothée Lichigaray Jeune, which therefore acted as the necessary remitter and payee in this financing operation. Lichigaray had offered Luetkens to act as guarantor for the advance payment beforehand, about which we have already learned in Luetkens’ letter to Hertzer & von Bobartt from the 25th of March. In this letter, he wrote to his Hamburg partners in order to inform them about all the upcoming transactions on their account and in order to assure them that he had everything under control and that everything was regulated and “totally secure” even with regard to the “advance payment” [“Vorschisung der Geldern”] because he had won “decent people in Bayonne”, who accepted to pay a “deposit”. That is, as the remitter in this transaction, it was in the end Lichigaray on whose credit Darragory authorised the advance payment, so a French merchant provided the credit for another French merchant in a Spanish harbour, but everything on commission and under the control of the Hamburg merchant Nicolaus Gottlieb Luetkens.<sup>245</sup> As we read in Luetkens’ letter of the 13th of June, Darragory had confirmed to him that he had “credited E.E. [Luetkens] [...] 33/m £ on the order of Lichigaray [“33/m £ auf Lichigaray”]”.<sup>246</sup> In the same letter, Darragory also confirmed remittances of 12/m £ from Bethmann & Imbert, which represented their part share in the enterprise and with whom Luetkens had made similar arrangements. The fact that Lichigaray Jeune would, however, only act as guarantors and borrowers in this transaction, at the same time points us to the very concrete and special twist prevailing in this whole arrangement with regard to the special financing scheme for the advance payment. This twist was that in June 1744, when the final bill for the purchase of the sugars was finally due, Luetkens not only had to pay the rest, the remaining part of the purchase costs to Darragory, but in fact he had to remit the total costs of 61/m £ to St. Sebastian and Bayonne, reimbursing at the very same time the short-term loan that was granted to him for “77/d”, for 77 days by Lichigaray Jeune. This explains the large transactions Luetkens conducted in June, which we find in Luetkens’ letters dating from June.

From these letters we first learn that the final payment was due at the beginning of June when, as he wrote to Elart von Bobartt, “the outfitters and vendors of the sugars in St. Sebastian would no longer grant Darragory any more extension for his payment and forced him to pay”.<sup>247</sup> In a letter from the 13th of June, Luetkens put it even more drastically: “the privateer rabble [“caper pack”] in St. Sebastian want their money, with might and main [“mit aller Gewalt”], which causes me a lot of peevishness” [“Ver-

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more served the purpose to cover up or even entirely obscure his financial transactions for outside viewers.

245 Letter from Luetkens, Nicolaus Gottlieb, to Luttman & von Bobartt, March 25, 1744, TNA, HCA 30/232, Letter Book III, no. 18.

246 Letter from Luetkens, Nicolaus Gottlieb, to Darragory, Nicolas and Jean, June 13, 1744, TNA, HCA 30/232, Letter Book I, no. 13.

247 Letter from Luetkens, Nicolaus Gottlieb, to Von Bobart, Elart, June 5, 1744, TNA, HCA 30/232, Letter Book I, no. 174.

drießlichkeit”].<sup>248</sup> Four days later, Luetkens reported to Hertzner & von Bobartt that the unloading (and handover) of the sugars in Brest was just about to begin, which meant that at the very same time also “the bail, the security deposit [granted to him by Lichigaray] of 25/m £ expired”. In this letter he also reported that he had already repaid the loan in total [“in alles bezahlt”] and had “authorised the payment of 61/m £ for the said sugars to Darragory happening this week per E.E.’s Governo” on the account of Hertzner & von Bobartt.<sup>249</sup> In their response letter, Hertzner & von Bobartt confirmed and gave their approval for the transactions, writing that “everything was fine” [“alles in so weit richtig”].<sup>250</sup> From the letter to Elart from Bobartt, we learn how these payment transactions were conducted in practice: Already on that very same day, the 5th of June, as he wrote in his letter, he had “remitte 15/m £” to Darragory and announced that he would “remit him 20 to 30/m £ in the following week”.<sup>251</sup>

From another letter from the 14th of July, we learn that another 10/m £ was remitted to him shortly after. Still, the remittances did not amount to the total costs of 61/m £, which was due to certain reasons, about which we will hear more in the upcoming second part of the episode. More important at this point of the chapter is, however, to take a look at how Luetkens in the end practically organised and financed the remittances to Darragory in the beginning of June, with which he first settled his debts with regard to the deposit for the advance payment and then subsequently also regulated and met, by means of a similar way of financing, the rest of his payment obligations. After all, this was precisely the moment when his previous arrangements with the Nantes merchant house of Luttman & von Bobartt at long last took effect and all the parts of his well-thought-out plan finally fell into place.

Thanks to Luetkens’ advance planning, paying the outstanding sum of the advance payment did not pose him difficulties because he could now simply draw on the financial commitments that Luttman & von Bobartt have given him beforehand. From his letter from the 5th of June, we can reconstruct in detail the subsequent financial transactions that Luetkens then ordered and demanded from his trading partners. He wrote to Elart from Bobartt that he would now write “to Luttman: [to give him the order] that he can now draw a bill [“trasiren”] on Hertzner & von Bobartt in Hamburg for 5000 ¥ [Guilders] on their account and 1/m ¥ in his own account for which I ask him to remit me in return bills of exchange [“Wexsells zu remitiren”] on Paris à 15:20 or 30/d [days]. I have to remit these [bills] to Bayonne in 8/d”.<sup>252</sup> This means Luttman & von Bobartt now remitted Luetkens, as arranged before, the necessary funds to settle the bill for the advance payment in the form of remittances on Paris, which they sent him in the form of bills of exchange on Paris, or more precisely on the Paris banking house of Tourton,

<sup>248</sup> Letter from Luetkens, Nicolaus Gottlieb, to Hertzner & von Bobartt, June 14, 1744, TNA, HCA 30/232, Letter Book I, no. 188.

<sup>249</sup> Letter from Luetkens, Nicolaus Gottlieb, to Hertzner & von Bobartt, June 9, 1744, TNA, HCA 30/232, Letter Book I, no. 181.

<sup>250</sup> Letter from Hertzner & von Bobartt, to Luetkens, Nicolaus Gottlieb, June 22, 1744, TNA, HCA 30/234.

<sup>251</sup> Letter from Luetkens, Nicolaus Gottlieb to Von Bobartt, Elart June 5, 1744, TNA, HCA 30/232, Letter Book I, no. 174.

<sup>252</sup> Letter from Luetkens, Nicolaus Gottlieb to Von Bobartt, Elart, June 5, 1744, TNA, HCA 30/232, Letter Book I, no. 174.

Baur & Comp. Luttman & von Bobartt subsequently sent him these bills, which Luetkens once more forwarded to Lichigaray Jeune in Bayonne, who used these bills of exchange to square up Luetkens' account with regard to their remittances for the deposit. Thus, Luetkens in the end simply used the remittances on Tourton, Baur & Comp., sent to him by Luttman & von Bobartt, to pay for the already existing drawn bill of exchange on Tourton, Baur & Comp., for which Lichigaray had taken over the role of the payee and remitter beforehand. This was how Luetkens and his trading partners skilfully managed to handle the financing for the advance payment by benefitting from the possibilities of the cashless payment system of 18th-century trade. In the end, the core transaction in this whole financing operation was dead simple: It simply represented a balancing of bank accounts. As the last step with regard to this financial transaction Hertzer & von Bobartt, too, being ultimately the drawees in this financing operation, confirmed and agreed to the respective transactions in their letter from the 22nd of June, writing that "when Mr. Luttman & von Bobartt from Nantes remit E.E. [Luetkens] 15/m £ on our account and 3/m £ [representing the conversion value of the sums mentioned above] on E.E.'s own account on Paris and draw on us for this purpose ["auf uns prevalieren"], their drawn bills of exchange ["trattas"] will receive full honours ["alle Ehre genießen"]."<sup>253</sup> With this confirmation, the respective financial operation was finally cut and dried and Luetkens' plan had been successfully put into practice.

We do not know why Luetkens had made the respective arrangements with Luttman & von Bobartt in the first place nor why he needed and chose this belt-and-braces approach to finance the advance payment. Maybe he just wanted to play it safe, or maybe his other investments during that time – among other undertakings, he invested in buying a ship – forced him to play it safe. Maybe he already feared and anticipated right from the start that the sale of the sugar would in the end be delayed to such an extent that taking a bank credit was the only secure way to ensure the smooth handling and financing of this enterprise. The only thing we know for sure is that when it became clear that in fact the sale was going to be delayed, Luetkens chose the same way of financing his expenses also with regard to the remaining part of the costs of 61/m £ for the purchase of the sugar with his other shareholders. With the difference, however, that the partners now approached three more Paris banking houses in addition to Tourton & Baur, Cottin, Naschold, both drawn on by Hertzer & von Bobartt, and Guldiman, drawn on by Luetkens and Bethmann, all three of which were Protestant banking houses.<sup>254</sup> The recommendation to approach the merchant banker Antoine Léonard Guldiman in this matter, with whom Luetkens was not familiar before, had come from Bethmann. He had assured Luetkens in a letter from July 1744 that apart from Tourton, Baur & Comp., which would give him a credit of "20/m £", he could also always draw on Guldiman, who could give him credit for "30 à 40/m £ in return for remittances on London, Hamb.

253 Letter from Hertzer & van Bobartt to Luetkens, Nicolaus Gottlieb, June 22, 1744, TNA, HCA 30/234.

254 Regarding these banking houses, see most prominently Lüthy, *La Banque protestante*. Regarding the historical and biographical background to these banking houses as for instance regards Tourton, Baur & Comp. "as descendants of Huguenot refugees", see particularly Garrioch, *The Huguenots of Paris*, 83-84. See furthermore Du Pasquier, *Généalogies huguenotes*.

Or Amsterdam" on their account. Bethmann furthermore assured Luetkens in his letter that Guldiman was a "good ["brav"] & honest man & with good credit" ["braver & ehrl. Man & in guten Credit"] and that he had talked to him and been given the confirmation and "all honour" to proceed in this way.<sup>255</sup> The recommendation by Bethmann was apparently worth a mint for Luetkens at that time. However, later, the unfamiliarity with Guldiman would lead to certain problems, about which we will hear in the second part of the episode.

A fact that made the necessary financial transactions with regard to paying the total amount of 61/m £ a little bit easier for Luetkens and his partners was that in June the four shareholders and trading partners decided and arranged that both Luttman & von Bobartt as well as Bethmann & Imbert would sell all their part shares in this enterprise to Hertz & von Bobartt and Luetkens. That is, in the end all the final bills in this undertaking had to be paid only by the remaining two shareholders Hertz & von Bobartt and Luetkens, which also explains why we only find their names registered in the financial transactions with the Paris banks.<sup>256</sup> This idea of pooling the shares was first put forward by Luttman & von Bobartt, as we learn from the letter by Hertz & von Bobartt to Luetkens from the 5th of June, to whom the Nantes merchant house had written before that they were worried "that their part in the goods could be confiscated [...] in case the same were captured" by the English.<sup>257</sup> Therefore Luttman & von Bobartt had proposed to Hertz & von Bobartt to sell them their part pro forma, which meant that the latter would later resell, if wished, these parts back to Luttman & von Bobartt when the ship and goods had arrived in Hamburg. Hertz & von Bobartt agreed to this proposal. At the same time, Luetkens made the exact same arrangement with Bethmann & Imbert. He himself wrote to Luttman & von Bobartt in this regard already on the 29th of May, that he "had taken over the 1/4 interest of Bethmann & Imbert in the sugars and it is well that you will allocate your 1/4 to Hertz & von Bobartt."<sup>258</sup> In this way, the merchants were able to relabel all the sugars sent to Hamburg as neutral goods and lowered the risk of losing them to an enemy. The latter, in turn, as Hertz & von Bobartt emphasised also improved the conditions for the insurances on these goods. The only request that Hertz & von Bobartt voiced in their letter to both Luetkens and Luttman & von Bobartt was that the latter would sell their part in the sugars for a new price, which meant that Luttman & von Bobartt no longer held a share in the potential "profit or loss" ["Gewin oder Verlust"] coming from the original purchase of the goods in St. Sebastian, but thenceforward Hertz & von Bobartt kept an "actual and real 1/2 interest in this party ["würklich und reel"]."<sup>259</sup> They also suggested to Luetkens to further transfer his share to his brother Anton pro forma, which the latter subsequently did.<sup>260</sup> In their

<sup>255</sup> Letter from Bethmann, Johann Jakob to Luetkens, Nicolaus Gottlieb, July 25, 1744, TNA, HCA 30/234. See also Strosetzky, "Honnête Homme," 16.

<sup>256</sup> Bills of exchanges and letters from Luetkens, Nicolaus Gottlieb, to Tourton, Baur & Comp, March 25 to April 14, 1744, TNA, HCA 30/232, Letter Book III, no. 26, 27, 33, 63.

<sup>257</sup> Letter from Luetkens, Nicolaus Gottlieb to Von Bobartt, Elart, June 5, 1744, TNA, HCA 30/232, Letter Book I, no. 174.

<sup>258</sup> Letter from Luetkens, Nicolaus Gottlieb to Luttman & von Bobartt, May 29, 1744, TNA, HCA 30/232, Letter Book I, no. 168.

<sup>259</sup> Letter from Hertz & van Bobartt to Luetkens, Nicolaus Gottlieb, June 5, 1744, TNA, HCA 30/234.

following letter to Luetkens, the Hamburg merchants even made the offer or rather the proposal to take over the entirety of the shares, which, the latter, however, did not agree to. His rejection was firstly due to the fact that the existing arrangements and financing scheme already provided enough security, and secondly, and concomitant to the latter, put in colloquial terms, it can be assumed that Luetkens also certainly wanted to remain at the wheel of this undertaking, now that he had already put so much effort into this enterprise.<sup>260</sup> From his perspective, taking over the 1/4 share of Bethmann & Imbert was ultimately the final step of his financing strategy applied in this undertaking. With this step the financing activities were finally successfully implemented. From a financial point of view, everything was set and nothing more stood in the way of beginning the loading of the sugars and shipping them to Hamburg.

What becomes ultimately clear from these explanations on the financing of this enterprise is how sophisticated and elaborate the whole system of the cashless payment system worked and how the merchants of the time skilfully and effectively made use of it during the implementation of their concrete business enterprises, yet still following their own personal agendas, by which they, in turn, at the same time both shaped and perpetuated the system. The system apparently could become very complex, which without question sometimes makes it rather difficult for us to follow all the different steps and transactions. For the contemporary merchants, however, these financing practices represented their day-to-day business and thus normal routine. For a merchant during his establishment phase, especially if he acted as a commission agent, it became all the more indispensable to show the necessary skills and familiarity with the system.

Luetkens as well as his trading partners showed a very high degree of skill, efficiency and effectiveness in their financial dealings. On the one hand, they knew the standard procedures of financing transactions back to front and were able to perform these actions virtually blindfolded. On the other hand, they knew all the tips and tricks to use to best capitalise on the financing practices for their own purposes and for their own good. They knew how to use existing grey areas and how to choose the options that best suited their interests and helped them to put their plans into practice. It becomes furthermore clearly apparent what significant role letters played for their business and financing practice because letters were in the end the decisive tool for performing all these actions. Almost every transaction presented in the previous part was performed on the basis of letters. Most of the transactions were in fact executed, authenticated and accredited on the basis of letters only, that is, by means of writing them down on paper and sending them off to the recipient. The bills of exchange at the centre of the cashless payment system were also sent back and forth enclosed in the same letters. The trading partners last but not least kept their current accounts on the basis of the direct information, the notifications, orders and confirmations sent to them via letters in order to debit or credit their accounts. In the end, it can be said that literally the entire field of commission trade rested on the regulated exchange of letters, with regard to financing, negotiation, trading, selling or buying practices within the commission

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260 Letter from Hertzner & van Bobartt to Luetkens, Nicolaus Gottlieb, June 8, 1744, TNA, HCA 30/234.

business. Commission trade on the other hand represented the basis and foothold for these merchants' general success in foreign trade.<sup>261</sup>

Accordingly, it comes as no surprise that Luetkens and his partners also settled and clarified all the remaining formalities with regard to the clearance and shipment of the 348 hogsheads of sugar to Hamburg on the basis of letters. The merchant and his partners used the same pragmatic approach and showed the same efficiency as with regard to the settlement of their financing business, that is, they literally did whatever had to be done to implement their plan. I will summarise these next points, since in the end the letter conversations in all these matters followed the same practical principle of persuasion as in the financing business. Luetkens showed his efficiency and showed his practical skills to his partners when dealing with all these matters and, as a part of this, he approached the right people at the right time, who would help him regulate the respective matters.

**Export permit:** First of all, already in April 1744 Luetkens obtained the necessary permission for the export of the goods to Hamburg. For this purpose, he approached the French Admiralty Court in Paris, which was responsible for all maritime affairs concerning French ports, which explains why he did not approach the court in St. Sebastian in this matter. Since the Spanish, as political allies of the French during that time, had deployed ambassadors to the court in Paris, the merchants always also had to deal with Spanish officials as assessors in all cases relating to Spanish privateering raids in French waters.<sup>262</sup> As his representative in Paris and before the court in Paris, Luetkens chose the French advocate Duprat, with whom he exchanged letters via Guldiman, under the "couvert de Monsieur Guldemann", the Protestant banker also involved in his financing transactions.<sup>263</sup> Thus, Luetkens did not approach the court in Paris personally but he was represented before court by Duprat. Duprat was recommended to him, just like Guldemann, by Bethmann, who already enjoyed a good reputation in Paris. With the help of Duprat and Guldiman, Luetkens was able to receive the export permit for the sugars, for which Luetkens together with the other shareholder Hertzner & von Bobartt later thanked them by sending "some pieces of cured meat [...] and some ox tongues [...] as recompens".<sup>264</sup> Sending small gifts as recompense was common practice among merchants during that time, being an important part of their strategy to obtain and maintain the benevolence of their partners. Duprat and Guldiman did, however, not only earn this gift for their service with regard to the export permit alone, but they also helped Luetkens with regard to the payment of customs duty.

**Customs duty:** Even though Luetkens himself had hoped that he would not have to pay customs duties or had at least expected the tariff on the export of the sugar to be

<sup>261</sup> See also Trivellato, *The Familiarity of Strangers*, 170.

<sup>262</sup> See Marzagalli, Silvia. "French Privateering," 41-65. See Barazzutti, "La guerre de course." See in general Buti/Hrodej, *Histoire des pirates et des corsaires*.

<sup>263</sup> Letter from Luetkens, Nicolaus Gottlieb to Von Bobartt, Elart, June 5, 1744, TNA, HCA 30/232, Letter Book I, no. 174. Letters from Duprat in TNA, HCA 30/235.

<sup>264</sup> Letter from Hertzner & von Bobartt to Luetkens, Nicolaus Gottlieb, July 31, 1744, TNA, HCA 30/234.

“rather low” [“gar nicht oder wenig wird sein”], as he expressed in a letter from the 25th of March, unfortunately everything seemed to indicate that his hopes would not be fulfilled.<sup>265</sup> It was the French tax farmers-general in Paris, called “fermie generalles” or “farmiers généraux” in French, who seemed to try to put a spoke in his wheel.<sup>266</sup> These were independent, basically freelance major tax collectors in Ancien Régime France, who since 1680 had been collecting (“farmed”) duties on behalf of the King, including the gabelles, aides, taille and douane. In Luetkens own words, these tax farmers-general “put every imaginable obstacles [“obstaquell”] in the way to cause troubles”.<sup>267</sup> The customs duties could easily amount to “30 à 35/m £” if one did not go about it carefully.<sup>268</sup> In a letter from the 21st of April to Hertzer & von Bobartt, he reported in this respect that “he had received news from Paris that the export of the goods was granted, however, the fermie generalls demanded [“pretendiren”] the payment of £ 7:13 customs duty for the brown sugars and £ 15 for the powder [white sugars] per 100 gram”.<sup>269</sup> Already in the very same letter, Luetkens reassured his partners that in his opinion the tax collectors would not be successful with their claim in the long run. As the reasons for this he mentioned that “fermies are not allowed to impose duty on export goods, but only the king”.<sup>270</sup>

Furthermore, since the goods were condemned as official loot from a privateering raid and therefore free for re-export, meaning that he had every right to unload and reship these goods, Luetkens was also confident that he could object and therefore avoid paying customs duty. The merchant furthermore wrote that he would, if necessary, approach and “call in the Spanish minister” in this case. Hertzer & von Bobartt also endorsed this option in their response letter, emphasizing that they found the claim by the tax collectors “rather unacceptable” [“sehr unbillig”].<sup>271</sup> Last but not least, Luetkens reassured his Hamburg partners that the fermies did in fact “play tricks” [“tagteglig

265 Letter from Luetkens, Nicolaus Gottlieb, to Luttmann & von Bobartt, March 25, 1744, TNA, HCA 30/232, Letter Book III, no. 18.

266 Regarding the institution of the *Ferme Généraux*, the General Tax-Farmers and its civil servants, called the *farmiers généraux*, see as a good introduction White, Eugene N. “From Privatized to Government-Administered Tax Collection: Tax Farming in Eighteenth-Century France.” *The Economic History Review* 57, no. 4 (2004): 636-663. See also Yves, Durand. *Les Fermiers généraux au xviie siècle*. Paris: Presses Universitaires de France, 1971. See Vida, Azimi. *Un modèle administratif de l'Ancien Régime: les commis de la Ferme générale et de la régie générale des aides*, Paris: Éditions du CNRS, 1987. See also Dictionnaire de la Ferme générale (1640-1794). La Ferme générale dans l'espace français et européen: un objet d'histoire totale, <https://dicofg.hypotheses.org>, accessed June 6, 2019.

267 Letter from Luetkens, Nicolaus Gottlieb to Luttmann & von Bobartt, May 29, 1744, TNA, HCA 30/232, Letter Book I, no. 168.

268 Letter from Luetkens, Nicolaus Gottlieb to Von Bobartt, Elart, June 5, 1744, TNA, HCA 30/232, Letter Book I, no. 174.

269 Letter from Luetkens, Nicolaus Gottlieb, to Hertzer & von Bobartt, April 21, 1744, TNA, HCA 30/232, Letter Book III, no. 41. It was not untypical during that time to give amounts in Pound Sterling despite trading in France, even though Pound Sterling was a foreign currency. This was because it was a stable currency.

270 Ibid.

271 Ibid. Letter from Hertzer & von Bobartt to Luetkens, Nicolaus Gottlieb, May 4, 1744, TNA, HCA 30/234.

Streiche von die Fermies siehet”] on everyone all the time, but “most of the time in the end one receives justice”. For good measure, however, he reported that he had also written to his “friend in Paris” [Duprat] telling him, in order not to unnecessarily complicate the matter, that if this matter can be solved with money, please take the necessary actions.”<sup>272</sup> The latter can be understood in two ways. Either Luetkens agreed to pay the customs if necessary, or, he gave his advocate a broad hint to solve the matter by making cash gifts to the respective persons. We do not know for sure which of these two was the decisive factor that helped Duprat to solve the matter, but the indications are that he chose the second way. We know that with Duprat’s help, Luetkens was able to obtain the authorisation to export the sugars without paying any money to the tax farmer-general.

From a letter from Hertz & von Bobartt we learn that already at the beginning of May they were “given more and more hope that there won’t accrue customs duties for the sugars in Brest” because of the regulation that particularly prize goods did not have to be cleared through customs.<sup>273</sup> In the end, the matter was regulated by a transit bond, in German “Zollbegleitschein”. The sugars were loaded and shipped per “acquit-à-caution”, which meant that Luetkens and Hertz & von Bobartt only had to pay customs duties in Hamburg after the cargo had arrived there.<sup>274</sup> In a letter from the 12th of June by Hertz & von Bobartt we therefore read that “from Nantes the friends have written that they have received the order to load the sugars per *acquit a caution*, which shows us that the fermies have cancelled [“pretensien”] their claim.”<sup>275</sup> In the same letter they report that von Bobartt in Brest would start the loading of the cargo onto a ship to Hamburg as soon as he received the confirmation from Luetkens, which he received only a short time later.

Shipment and insurance: The next important step to take, the next “difficulty” [“difficultat”] to overcome, in Hertz & von Bobartt’s words, was to find a suitable ship, “a Hamburg ship or a ship from another free power”, for the shipment and to procure insurance on both the ship and the cargo. Since there was no such ship lying at anchor in Brest or Nantes, and since Hertz & von Bobartt advised “against choosing a Dutch ship since it was likely that the Dutch soon get involved in the war”, the ship-owners decided to send one of their own ships to Brest commanded by one of their most reputable ship’s masters, Johann Nagel.<sup>276</sup> Nagel arrived in Brest at the end of May 1744.

<sup>272</sup> Letter from Luetkens, Nicolaus Gottlieb, to Hertz & von Bobartt, April 21, 1744, TNA, HCA 30/232, Letter Book III, no. 41.

<sup>273</sup> Letter from Hertz & von Bobartt to Luetkens, Nicolaus Gottlieb, May 8, 1744, TNA, HCA 30/234.

<sup>274</sup> In *Le Dico du Commerce International* the *Acquit-à-caution* is defined as a “Déclaration douanière de marchandises placées sous un régime suspensif de droits et taxes: Admission temporaire, transit. Avec l’acquit il y a un engagement cautionné par une banque, validé par les douanes. La marchandise est soumise à un régime suspensif de transit. L’acquit-à-caution comporte, outre la déclaration détaillée des marchandises, la constitution d’une caution bonne et solvable à l’égard des marchandises non prohibées, la garantie de la caution peut être remplacée par la consignation des droits et taxes.” “*Acquit-à-caution*.” *Le Dico du Commerce International*, accessed December 21, 2019.

<sup>275</sup> Letter from Hertz & von Bobartt to Luetkens, Nicolaus Gottlieb, June 6, 1744, TNA, HCA 234.

<sup>276</sup> Letter from Hertz & von Bobartt to Luetkens, Nicolaus Gottlieb, April 6, 1744, TNA, HCA 234.

His first official act was, however, to protest the loading of the cargo onto his ship until the customs matters were clarified. The reason for this was that the ship-owners wished and were only able to procure the necessary insurance on ship and cargo after this matter was solved, because the costs for the insurances differed depending on whether or not customs duties applied for the goods. After the ship-owners had clarified and solved this matter, they procured the respective insurance and the loading of the sugars, monitored by Elart von Bobartt, began at the beginning of June 1744. In the insurance policy [“assecurantz police”] on the cargo [“casco”], the following stipulations were entered: Insurance “policy of 8/m and another of 12/m F in which it is entered the insurance against all risks for ... [“Assurantie van allen Ricico of ...”] [348] Hogshead of Sugars [...] loaded on Hamburg account in Brest onto the Hamburg ship de Hamburger Borse skipper Johan Nagell sailing from Brest to Hamburg. These sugars are coming from an English ship that had been captured by a Spanish privateer from St. Sebastian [“prys gemaakt van de Englese”]. After the capture had taken place in the waters off the coast of Brest and the ship had been declared and condemned as a good prize by the Admiralty in St. Sebastian, the sugars were bought in St. Sebastian on Hamburg account to be received in Brest and after it had been received the sugars were weighed on the kings button scale and loaded onto the ship on the account [“voor Hamb. Reekning”] of these Hamburg friends.<sup>277</sup> This particular formulation was suggested by Cornelis de Meyere himself already in March 1744 and we can also find it in another letter from Hertzer & von Bobartt from later on.<sup>278</sup> As becomes furthermore obvious, the Amsterdam insurance company of De Meyere had not agreed to Luetkens’ suggestion to enter Brest as the sales location in the insurance certificate.

Leaving blank some important points, actually only writing three dots instead of actual numbers in this copy of the insurance policy into his Letter Book and by omitting to mention the actual name of his Hamburg friends, Hertzer & von Bobartt, Luetkens obviously tried to conceal as best as possible the facts behind their enterprise, making it hard for any outsider to understand for which enterprise this policy was actually issued. In the original insurance certificate this information, however, was given. The same fact applied to the insurance on the ship itself, which was also procured by Luetkens at the same time.

The loading of the vessel began after the 12th of June 1744. Completely contrary to the insurance certificate, which was not handed over to Nagel, but which was sent solely by letter and was only known to de Meyere and the ship-owners, in the connoisement, the bill of lading, a document which was customarily compiled when a ship was loaded and which the ship’s captain took with him during his voyage, we can find neither a reference to the fact that the sugars were prize goods nor that the ship that the sugars had originally come from was an English ship that had been captured by a Spanish privateer. In fact, the bill of lading simply stated that it was “barique goods for re-

<sup>277</sup> Letter from Luetkens, Nicolaus Gottlieb, to Cornelis de Meyere & Soonen, June 9, 1744, TNA, HCA 20/232, Letter Book I, no. 181

<sup>278</sup> Letter from Luetkens, Nicolaus Gottlieb, to Cornelis de Meyere & Soonen, March 24, 1744, TNA, HCA 30/232, Letter Book III, no. 17. Letter from Luetkens, Nicolaus Gottlieb to Von Bobartt, Elart, June 5, 1744, TNA, HCA 30/232, Letter Book I, no. 174.

export and loaded on the account and risk of H: & v.B. citizens and inhabitants of Hamburg".<sup>279</sup> This was again no coincidence as Luetkens had explicitly ordered von Bobartt in Brest to make sure that the bill of lading did not mention "anything about prize goods" and he even advised his trading partner basically to drum into Nagel that he should "not mention anything about this to anyone in case that he was captured" ["nichts von Preyß gutt darin gedacht wird"] during his voyage. The reason for this was obvious. Luetkens wanted to minimise the risk that Nagel's ship was legitimately captured by the English, for which he once more made use of a legal grey area to cover up the actual truth.<sup>280</sup>

Final inspection: The task of the final inspection of the sugars before they were sent to Hamburg was incumbent on Elart von Bobartt. The importance of this task becomes evident from the letter by Luetkens sent to von Bobartt in Brest on the 5th of June, in which he asked his trading partner to check and "to make sure that the sugars show no average ["kein Havarya", damage], because if so we would need to down-regulate ["weniger reguliren"] the price of these Oxh[oft] casks accordingly".<sup>281</sup> Elart accepted this task as it was arranged before and confirmed to Luetkens in his two next letters from the 10th and the 17th of June from Brest that at least the sugars that were presented to him in Brest upon request showed no damage. In his first letter, he wrote that he had visited the packing house where the sugars were stored, where he could take a look at 4 of the casks of sugar, "one was white sugar, the other one was brown sugar, one was quite good [which as we have learned meant excellent quality in contemporary terms], one was average quality [common quality]."<sup>282</sup> In the same letter, however, he indicated that "hopefully, God willing, they will soon start to load" the sugar, because in this packing house they had to be "in a miserable state" ["in miserable Zustande"].<sup>283</sup> In his next letter, he sounded a bit more enthusiastic, writing that "the refiner ["refineur"] should be able to distil a lot of syrup from these sugars, I think the refiner will produce a syrup ["Syrop"] from these sugars so dry as he had never seen it before, and the casks are full to the brim."<sup>284</sup> This assessment must have given Luetkens the desired assurance and also a bit of tranquillity to look forward to the arrival of these sugars in Hamburg.

On the 26th of June, the ship *Hamburger Börse*, under the command of Johann Nagel, set sail and left the harbour of Brest with 348 casks of sugar. 10 days later, "with God's blessing shipper Nagel had arrived on the river Elbe", and only shortly afterwards Hertzner & von Bobartt welcomed the shipper and his cargo in the harbour of Hamburg. The journey had gone smoothly and without any further incidents. Hertzner & von Bobartt accordingly rejoiced in their next letter, writing that they were "sure that

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<sup>279</sup> Enclosed *ibid.*

<sup>280</sup> *Ibid.*

<sup>281</sup> *Ibid.*

<sup>282</sup> Letter from Luttmann & von Bobartt, to Luetkens, Nicolaus Gottlieb, June 10, 1744, TNA, HCA 30/232.

<sup>283</sup> *Ibid.*

<sup>284</sup> Letter from Luttmann & von Bobartt, to Luetkens, Nicolaus Gottlieb, June 17, 1744, TNA, HCA 30/232.

this news makes you as happy as us, and we only hope that you will drink a good glass of wine to celebrate it.”<sup>285</sup>

We are presented in this first part of the episode with the two major skills required from wholesale merchants in the business field of Early Modern commission trade. These skills are flexibility and a high level of operational efficiency in both business practice and letter practice. I would subsume these skills under the heading of the practical principle of showing efficiency. The powers of persuasion prevailing in this episode and in the letters analysed primarily stem from these skills and the practical know-how facilitating them. Luetkens and his trading partners were well-versed in these skills and in applying the practical principle in their daily business. For Luetkens it was highly significant, crucial even, to keep pace with the respective typical practices prevailing in the field, from the practices within the financing business to coping practices with regard to legal procedures and to negotiating practices in order to put your plans into practice. They were crucial for him because he was in his establishment phase as a merchant. As the episode has shown, he was able to show the necessary efficiency and prove himself worthy to be a part of the merchant community. He managed to do so on the basis of two strategies. First, he chose a highly pragmatic approach in handling his business. He used existing grey areas and approached the right people at the right time and he found ways to convince them to help him. He adapted his actions to the dynamics of the course of events during this enterprise and to the course that the letter negotiations took in the episode, and last but not least he did not shy away from using improper means and dissimilatory tactics to achieve his goals, which, however, still took place within an at least semi-legal framework. All of this provided him with the necessary flexibility to put his plans into practice. Secondly, he conducted a highly effective letter-writing practice, which was structured and designed for maximum functionality and which helped him to manage and control this enterprise and to pull the necessary strings to put his plans into practice. At the same time, one has to be aware that during the entire time, Luetkens did not see or personally assess the sugars and their quality in any way, nor had he met any of the decisive persons handling the actual trading processes on site during that time. This shows the range of possibilities and the practical opportunities that the practice of letter-writing offered the merchants of the time to handle their business, and it shows the effectiveness of the whole system of commission trade and financing.

Unfortunately though, precisely this fact, namely that Luetkens had refrained from travelling to Brest himself to inspect the cargo in person, turned on him in the end and led to serious problems after the cargo had finally reached Hamburg and was unloaded. The latter situation vividly demonstrates the high risks always present in commission trade. Maybe Luetkens should have gone to the effort and trouble of making the journey to Brest because this might have spared him the troubles that should await him in the further course of the episode, beginning at the time he received the next letter from Hertzer & von Bobartt. On the other hand, not even Elart von Bobartt can in the end be held responsible for the further course of events, and he cannot be blamed for the

285 Letter from Hertzer & von Bobartt to Luetkens, Nicolaus Gottlieb, July 7, 1744, TNA, HCA 30/234.

slightly negative turn that the enterprise took. After all, the Nantes merchant had surely acted in good conscience and did his best as the consultant in this enterprise. The four casks which he had inspected must have appeared promising to him, as we have learned from his letters. Unfortunately though, this assessment did not necessarily hold true for the rest of the cargo. In their letter from the 10th of July Hertzer & von Bobartt reported about the unexpected, devastating discovery they made when opening and trying to sell the sugars in Hamburg, which rings in the second part of the episode.

### Solving Disputes

On the 10th of July 1744, Hertzer & von Bobartt wrote in their letter that from their last letter

"E.E. will have learned the safe arrival of shipper Nagell. Since then we have been occupied unloading the ship [...] A great part of the cargo is already stored in our house, unfortunately we find several casks among it that have been filled with damaged sugars in Brest ["beschädigten Zucker in Brest vollgeschlagen"]. God willing ["G.G."], the sales revenues will probably still be good, however, the profits will not be as high as E.E. hoped and expected them to be ["flattiret"]. We do not find any white sugars among the cargo and my brother hadn't written anything about white sugars as well in his report. We think that Monsieur Jourdain and the captain of the privateer must have been playing games with us ["ihr Spiel darunter gemacht"/pull a fast on us], and have removed the white sugars and instead must have repacked the Bouccand sugars into smaller casks in order to get the right number of casks. We suspect that there have been white sugars among the original cargo since the fermies [generale] have originally demanded 15 Mark customs duty for these white sugars. In case that E.E. has not yet paid the total sum for the sugars, our advice is to first carry out a detailed investigation ["genauern inquisition"] in this matter."<sup>286</sup>

For all the involved parties, but particularly of course for Hertzer & von Bobartt and Luetkens himself, this revelation must have been a very bitter pill to swallow. The blessing in disguise was, as the letter reveals, that Hertzer & von Bobartt still expected reasonable revenues and profit from the undertaking. These were, however, expected to turn out much lower than they had hoped for and expected beforehand. From then onwards, Luetkens' and Hertzer & von Bobartt's main task was damage limitation. For this purpose, Luetkens and his partners, particularly including Johann Jakob Bethmann as a central figure, applied a second practical principle of persuasion in their correspondence practice and business negotiation in order to at least keep the damage to a minimum if possible. Luetkens, for his part, started to write letters of complaint, of warning and of rebuke to several of his partners. Another factor that rendered the situation even more complicated for him at this particular stage was, however, that the bad news regarding the quality of the goods in general was not the only bad news reaching Luetkens during that time. Apart from the problems with regard to the Brest sugars, problems

286 Letter from Hertzer & von Bobartt to Luetkens, Nicolaus Gottlieb, July 10, 1744, TNA, HCA 30/234.

also occurred in his financing business. The first thing to happen was that Jacques Imbert drew a bill of exchange on Luetkens without informing him beforehand, which caused distress and financial problems for Luetkens, especially because apart from the investment in the Brest sugars Luetkens had bought another ship during that time – which meant that any unexpected financial transaction now threatened Luetkens' credit standing and credit worthiness. Secondly, making the situation even worse, in the following weeks the Paris merchant banker Guldiman unexpectedly refused to give him the credit for the full 30/m à 40/m Mark, even though Bethmann had previously assured him that Guldiman had definitely agreed to give him credit. The latter problem caused Bethmann to once more join in the respective letter conversation and to support Luetkens by means of applying exactly the same practical principle of persuasion as Luetkens himself applied. In close consultation with Luetkens, Bethmann also started to write letters of complaint to try to change this misery for the better. Luetkens, with the help of Bethmann, in the end tried to solve these problems in his financing business in the exact same way as he did it with regard to the Brest sugars, meaning he once more wrote several letters of complaint.

All in all, the month of August 1744, when all of this happened, definitely would not go down in the annals of Luetkens' establishment phase as a very positive, successful month. Yet, Luetkens was ultimately able to cope with these challenges and he was able to handle the difficulties and lead them to a still relatively positive outcome. He was also able to bring his trading partners back into line. For the researcher this means that the negative turn that the events took, however, represents a stroke of luck because I am able not only to demonstrate the most effective way of doing business, but I am also able to demonstrate how the people of the past were able to effectively cope with the challenges and potential disturbances happening during business enterprises. Based on that, I am able to outline in the final analysis the efficiency of counteracting inefficiency in commission trade through letter-writing and negotiation practice. In the end, the setback in this episode did not lead to great losses for Luetkens, Hertzner & von Bobartt and the other shareholders involved in the background, namely Bethmann & Imbert and Luttmann & von Bobartt. The profit from this enterprise was still considerable. With regard to his general business and his networking activities in France, one might even be inclined to assume that the problems occurring and the measures that Luetkens chose to solve them ultimately led to a strengthening of the bond with his trading partners because his partners would thenceforward think twice before they tested Luetkens' loyalty.

Although the letter conversations and disputes regarding the problems in Luetkens' financing business only started two weeks after the problems regarding the Brest enterprise first occurred, I shall begin with the troubles in his financing business because they provide us with a good basis for comparison for the solution strategy applied in the case of the Brest sugars. The merchants used the same problem-solving strategy in both cases. In the end, all the events – the problems occurring in his financing business and the problems with the French sugars – were ultimately interwoven with each other because the financing problems became the aftermath of his financing problems.

The first expression of resentment against Imbert, Bethmann's business partner, appeared in a letter to Hertzner & von Bobartt from the 24th of August, where we can

read that “Mr Imbert takes himself too much liberties” [“allzuviell Freyheit”], which he was, in Luetkens opinion, not entitled to and which Luetkens was no longer willing to tolerate.<sup>287</sup> The phrase “to take the liberty” was a very common letter phrase in 18th-century mercantile correspondence. It appears several times in different letters for different occasions in the Luetkens archive and was also used as a common phrase in the contemporary mercantile letter-writing manuals.<sup>288</sup> Usually, however, the merchants used the positive form of it, voicing humble requests to trading partners for instance with regard to asking for allowance or their approval to do something.

Furthermore, as can be observed, this common phrase and letter formula was usually used in letters between close trading partners or relatives or it was used whenever a merchant was highly dependent on the goodwill of the addressee. It was used in letters whose writers could in fact take the liberty to allow themselves to ask for favours. Using the negative form of this phrase, but still remaining in the same language register of business and trade, therefore signalled to the addressee the exact opposite. It was a severe offense against the integrity, the righteousness and probity of the respective person and questioned the close bond between the people involved. What Luetkens therefore did in his letter was to mobilise the same commercial language register of business and trade as in his regular business correspondence but he reversed the meaning of the respective utterances in order to rebuke the respective person. This practice was a crucial element of the mercantile letter practice with regard to applying the practical principle of using the sledgehammer method to restore the effectiveness of business. This practice will consequently reappear and shape all the other letters of complaint, of indignation, warning or rebuke in this episode.

In a letter from the following week to Johann Jakob Bethmann, who was the business partner of Jacques Imbert but travelling and residing in another city during that time, we learn about the concrete reason for Luetkens’ resentment. Luetkens wrote that “Imbert has drafted a bill of 4000 ₣ on Hertzner & v.B. on our account à 3 uso without giving me any notice of it and wrote to them that it is for my account [“sonder mir die geringste Anfrage zu thun”].”<sup>289</sup> Luetkens’ reaction to this was that he was “a bit chagrinned [“verdrossen”] about this Imbert “taking this liberty” and therefore he wrote to Imbert “as he regarded it appropriate” [“der Billigkeit gemeß”] asking him to “spare him” next time from such things – by which he means, drawing bills of exchange on him – “because it was exceeding his powers” [“in mein Kreften nicht”]. To Bethmann he wrote by way of justification that Imbert must have known about his many “engagements” [“Engaschementen”] during that time and that it was therefore not in his, Luetkens’, powers to grant a credit without being asked beforehand. He feared that his bills of exchange could get protested.<sup>290</sup> Still, Luetkens did not refuse to accept the said

<sup>287</sup> Letter from Luetkens, Nicolaus Gottlieb to Hertzner & von Bobartt, August, 1744, TNA, HCA 30/232, Letter Book I, no. 276.

<sup>288</sup> See for instance Marperger, *Der allzeitfertige Handels-Correspondent*, 302, 13, 743.

<sup>289</sup> Letter from Luetkens, Nicolaus Gottlieb to Bethmann, Johann Jakob, August 31, 1744, TNA, HCA 30/232, Letter Book I, no. 282.

<sup>290</sup> Letter from Luetkens, Nicolaus Gottlieb to Bethmann, Johann Jakob, August 31, 1744, TNA, HCA 30/232, Letter Book I, no. 282.

drawn bill of exchange and with this signalled a measure of goodwill. Bethmann in his response letter, in which, as a sign of their friendship, did not use the typical form of address E.E. but he approached Luetkens in the second person singular, showed understanding and agreed with him, reacting with “amazement [“Verwunderung”] about the fact that “Imbert had drawn 4000 V on your account on H. & v.B. without informing you about it. You have done right to wash his fur [give him a piece of your mind, “Pelz ein wenig zu waschen”] and to write the truth to him”.<sup>291</sup> Later, as we learn from a letter from the 19th of October, Bethmann himself must have once more given his business partner Imbert a wiggling, promising to Luetkens that he would write to Imbert to once more “sweep his fur”.<sup>292</sup> Bethmann was obviously uncomfortable with the situation that Imbert made this faux pas when he himself was not in Bordeaux.

This drastic language and the harsh tone were part of the game, and it represented and was regarded as precisely the appropriate way of behaviour that Luetkens had emphasised in his letter as being necessary for his letter to Imbert. The harsh tone in these letters was also an intrinsic and important element of all the letters of complaint that we find in the Luetkens correspondence, and it represented the core component of the practical principle of the sledgehammer method applied in these letters.

Imbert's response letter shows that the respective measure had shown the desired effect. Although Imbert nonetheless allowed himself a little side blow against Luetkens by telling him not to overreact – which he would only do because their relationship was in fact rather solid. Imbert apologised for his behaviour and promised to be more careful next time.

He wrote on the 29th of August 1744:

“Monsieur & very dear friend [“tres cher Amy”],

I have only a brief moment to reply to the particular letter [“lettre particuliere”] with which you have honoured me on the 21st of this month and to tell you that I am in despair [“je suis au desespoir”] at having annoyed you so strongly with the draft of the £4,000 of the 18th of the month à 3 Uso on Hertzner & von Bobart, which you have nevertheless equipped with your orders for acceptation, for which I in particular am very grateful [“tres reconnaissant”] & you can rest assured for good measure that we will never again take the same liberty, but for this time you have to please forgive me for it [“pour cette fois il faut me la pardonner”]. The enumeration which you make, dear brother, of the benefactions which you have lavished on us could not engrave deeper into my heart than they already have [“ne scauroit les graver plus profondement dans mon Coeur”] & rely upon it that you do not oblige an ingrate. Also, dear brother, it was never my intention to make demands on you beyond those services which one can reasonably expect from one's good friends [“bons amis”] & if I had thought I would annoy you this much with this draft, I would have chosen someone else, but at present, where I have arranged myself accordingly, you will oblige me infinitely by leaving things on

291 Letter from Bethmann, Johann Jakob to Luetkens, Nicolaus Gottlieb, September 17, 1744, TNA, HCA 30/234.

292 Letter from Bethmann, Johann Jakob to Luetkens, Nicolaus Gottlieb, October 19, 1744, TNA, HCA 30/234.

the foot on which they now stand, and when the due date approaches I will make the provision to the gentlemen Hertz & von Bobart on paper to complete satisfaction, and we will arrange together for the loss incurred in this operation [“nous arrangerons ensemble pour la perte qu'il y aura sur cette operation”]. [...] I have the honour of being, with as much consideration as attachment, Monsieur & good friend, your very humble & very obliging servant Imbert.”<sup>293</sup>

In order to compensate for the bill of exchange drawn on him by Imbert, Luetkens was forced to take another credit for himself, for which he drew on the Paris banking house of Antoine Léonard Guldiman. Due to his investments in the Brest sugars and particularly due to his investments in the purchase of more ships for his merchant fleet during that time Luetkens was not able to simply meet this new payment obligation without a further loan, which was the reason why such unforeseeable financial obligations must have annoyed him. The ship he bought during that time was the English ship *L'Upton*, captured by the Spanish, which was later renamed the *Hope* and subsequently gained a certain notoriety. Guldiman in Paris seemed to be the right person and address for his credit request, since the latter was already a bit familiar with Luetkens' name and businesses due to his help with the customs formalities regarding the Brest sugars and particularly because Bethmann had promised to Luetkens beforehand that Guldiman was surely available on demand. In Bethmann's letter from the 25th of July 1744 we read that Luetkens could easily obtain a credit “of 30 à 40/m drawing on Guldiman [...] in return for remittances on London, Hamb[urg] or Amst[erdam] on the account of him [Bethmann], I have talked to them and they have assured me to honour your bills. [...] Guldiman is a good & honest man & with good credit and he has offered me his service, so you can approach and trade with him at any time and you can rely on his rectitude with regard to the payment of your bills [“Tretten”].”<sup>294</sup> Luetkens consequently took Bethmann at his word and wrote a lengthy letter to Guldiman on the 31st of August thanking him for his help “in the dispute with the customs”, announcing that he would send some cured meat in return for that favour, and finally asking him in the most humble tone to grant him the respective credit range of 30 à 40/m, while explicitly referring to Bethmann's announcement, who had “recommended E.E.'s house”. He wrote to Guldiman that “since I will probably make some substantial purchases next month in Brest, I wanted to ask E.E., if, in case I would need it, I could take the liberty to draw a bill of exchange on E.E. for 30 à 40/m on my account à 8:10: 12/d [days] dato” in “return for remittances”. Once again, he apparently mobilised the exact same language register and common phrases for asking for help, for instance represented in the phrase of taking the liberty. He furthermore added that in total his capital outlay amounted to “circa 80/m” during that time, which shows us that he also planned to use the credit to settle his accounts with regard to the Brest sugars. Last but not least, Luetkens assured

293 Letter from Imbert, Jacques, to Luetkens, Nicolaus Gottlieb, August 29, 1744, TNA, HCA 30/234.

294 Letter from Bethmann, Johann Jakob to Luetkens, Nicolaus Gottlieb, July 25, 1744, TNA, HCA 30/234.

Guldiman that “since the current times are critical [“critique”] I would not take it amiss if E.E. took precautions [“prequaution”] and gather information about me”.<sup>295</sup>

Unfortunately though, his sense of security and the hope that he had placed in Guldiman was dashed by Guldiman’s response letter from the 5th of September, which represented the second major setback for Luetkens during a short time. Guldiman refused the request writing that he was not able to “enter into this engagement [“an-gaschement”] regarding the sum of 30 à 40/m £”, but he agreed to grant Luetkens a “credit of 3 à 4/m Guilders”, which represented a more common, typical amount of a financial transaction during that time represented in many of Luetkens’ bills of exchange, but which still was not enough.<sup>296</sup> At least, this amount was sufficient to cover the costs necessary for Imbert’s drawn bill of exchange, but Luetkens could not conceal his great disillusionment about this news when writing his following letters. These letters once more provide us with a vivid example of how people used business letters to try to turn the tide on a respective enterprise which was under the threat of failure.

First, in his response letter to Guldiman, we can only recognise a very subtle hint at his disappointment and resentment. He responded to him, once more in a humble manner, that he had only approached Guldiman because he was given the assurance by “Bethmann in dato 25 July who had written to me that I could easily and without problems draw on E.E.’s house for this credit of 30 à 40/m £”. He also once more underlined that he was “truthfully not suffering from a general shortage of money” [“kein manquemt. Von Gelde”], but that he only needed to approach Guldiman due to the fact that the “times were critical [“cretiqueze Zeitten”], which is the reason why I was not able not draw bills on Bord[eaux] oder Nantes”, but that he needed money for his large expenditures in the last “3 à 4 months which amount to 60 à 70/m £ in total on his own account and in the interest of his friends”.<sup>297</sup> This was meant to point out his financial strength, but particularly his integrity and probity, which he obviously felt was under attack. Most generally, he tried to express his utmost understanding for Guldiman’s decision because Luetkens was obviously still relying on Guldiman’s offer with regard to the 4/m £ credit. In this regard, it is very telling and helpful to also take a look at the material appearance of this letter as it can be found in Luetkens’ Letter Book. The letter as it was copied in the Letter Book shows numerous corrections, strikethrough text, modifications and additions, which prove that Luetkens obviously struggled, or rather that he made every effort, to find the right words for this letter to Guldiman in order to gain or retain the banker’s favour. At the same time, the many corrections show that the bad news was in fact a great blow to him – in his choosing his sentences wisely, we can at least surmise the unease in which the merchant Luetkens must have been. Instead of writing that he would not “in the least take it amiss”, which he crossed out,

295 Letter from Luetkens, Nicolaus Gottlieb to Guldiman, Antoine Léonard, August 31, 1744, TNA, HCA 30/232, Letter Book I, no. 291.

296 Letter from Luetkens, Nicolaus Gottlieb to Guldiman, Antoine Léonard, August [no date given], 1744, TNA, HCA 30/232, Letter Book I, no. 299. See the financial transactions in Hancock, *Citizens of the World; Rosevare, Markets and Merchants; Morgan, Bright-Meyler papers; Henninger, Bethmann*.

297 Letter from Luetkens, Nicolaus Gottlieb to Guldiman, Antoine Léonard, August [no date given], 1744, TNA, HCA 30/232, Letter Book I, no. 299.

he wrote for instance that it “would be unreasonable for him to take it amiss”. Instead of writing that it would be “much to my regret” that his bills might be protested in the end, he wrote that it “would have pained” him [*den mir leydt wen-mir geschmetzt*]. In the end, he concluded that he was “glad that he had asked before [drawing any bills]”.<sup>298</sup> In the same letter, he accepted the offer by Guldiman and asked him for a “credit of 3 à 4000 Guilders” and enclosed a bill of exchange, by means of which he “remitte E.E. on my account 4000 Mark on Cornelis de Meyere & fils à Amsterdam à 2 uso, which I ask you to sell in my best interest.”<sup>299</sup> More noticeably and tangibly than in his letter to Guldiman, however, he expresses his disappointment, sullenness and disgruntlement, in the letters he wrote to Luttman & von Bobartt and particularly once more in the letters to Bethmann at the same time. To Luttman he reported that he had received news from Guldiman, who had written to him “very polite and with many excuses [“excuses”], in short, after beating about the bushes it turns out that he grants me a credit of 4/m Guilders, even though M. Bethmann had written to me and promised me otherwise on the 25th of July that I can easily draw on him 30 à 40/m £.”<sup>300</sup> In the letter exchanges between Luetkens and Bethmann, we can even notice a certain frustration and, on the part of Bethmann, we can furthermore notice an awakening of a certain remorse and a feeling of responsibility for this misery. Bethmann did not stand idle in this situation, but, just as in the case of Imbert, he once more took concrete actions. His reaction to Luetkens’ letters was that he wrote a letter of complaint to Guldiman. Furthermore, as a further concrete measure, Bethmann & Imbert remitted to Luetkens 35/m £ from their own account, drawing themselves on the Paris banking houses of Tourton Baur & Comp. and the banking house of Pietet, in order to provide Luetkens with the necessary liquidity for his enterprises – and presumably also in order to undo, in a way, the unexpectedly false promise he had given to Luetkens. Bethmann emphasized in this regard that, unlike in the case of Guldiman, Luetkens could rely and “count on” him [*kanstu Statt machen*] and on his merchant house’s support. This represented the common mercantile letter formulae in business letters to give a reassurance, which will once more reappear in the chapter on Luetkens’ high-risk trade. We learn about both these concrete measures from the letter Bethmann wrote to Luetkens on the 2nd of October, in which he wrote that “he had had noted with amazement [“Verwunderung”] that Guldiman has refused to keep his promise, which he had given me both verbally and in writing, to accept to grant you a credit of 30 à 40/m £, I am therefore pleased that my house directly remitted you 35/m £ and you can count on that payment. [...] I am not sure what to say about Guldiman. I will write to him today speak my mind as a good German [“aves Teutscher”]. And I will tell him know how wrong he is, and that thank God I can also turn to other friends for help whenever I want to.”<sup>301</sup>

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298 Ibid.

299 Ibid.

300 Letter from Luetkens, Nicolaus Gottlieb to Luttman & von Bobartt, September 4, 1744, TNA, HCA 30/232, Letter Book I, no. 297.

301 Letter from Bethmann, Johann Jakob to Luetkens, Nicolaus Gottlieb, October 2, 1744, TNA, HCA 30/234.

In order to show contrast to Guldiman, Bethmann presented himself in the letter as a paragon of virtuousness, drawing on the common language of mercantile self-presentation. This rhetorical strategy helps him to justify and confirm in front of Luetkens the need to reproach Guldiman for his behaviour. At the same time, Bethmann's own share in this misery faded into the background – and yet a bit of his guilty conscience can be read between the lines and is particularly mirrored in his actions, in granting the necessary credit to Luetkens from his own company's account and with regard to his promptness in writing a letter of complaint to Guldiman. The phrase to “speak one's mind” [“schreibe Ihme heute [...] meine Meynung”] was a very common letter formula used during that time, reappearing in many letters of the Luetkens archive. Adding the element to speak one's mind “as a good German” is furthermore particularly interesting because it conveys the meaning to the addressee of mutual loyalty and cohesion as Germans, which was intended to signal to Luetkens that he could trust in the fact that Bethmann was going to take action in this matter. At the same time the phrase of course also held a nationalistic connotation referring to the alleged assertiveness of Germans.

This letter to Guldiman, and the respective warnings and reproaches it included, did not fail to have the desired effect. Thus, once again such a letter of complaint turns out to have been a powerful tool to influence the behaviour of its receiver and to change the situation for the better. It is another vivid example of the effectiveness of the practical principle of persuasion, which I have called the sledgehammer method based on the usage of drastic words.

After receiving Bethmann's letter, Guldiman rowed back and he even apologised for his behaviour. He furthermore promised to accept and to honour Luetkens' bills of exchange in the future. From Bethmann's letter from the 19th of October we learn that it all simply had been “a misunderstanding, with his last letter he [Guldiman] asked me for forgiveness, and writes to me that you [Luetkens] did not mention us [our involvement] with a single word [which was not entirely true]. And in order to convince you that this is not made up out of thin air [this is the truth] I have enclosed Guldiman's original letter [“sende dir inliegend seinen Originalbrieff”] which I ask you to also forward to my house in Bordeaux.”<sup>302</sup> The enclosed original letter reads:

“I have also noted that, if Monsieur N. C. Luetkens draws 10 to 12000 G[uilders] on me, to honour it by means of the provision which he will pass on to me, with regard to which I can surely be at ease, Messieurs, seeing as it is you. I also hope he will not draw these drafts on short notice [...] [since] [t]oday there is nothing left on my account [“dans ma caisse”] because of the many advances and the payments for the negotiations with foreign countries [...]. It is the fate of foreign merchants' trade that so much is forbidden for them [“le destain de negociations pour l'étranger tout estant interdit”].”<sup>303</sup>

In Guldiman's next direct letter he added the comment that he understood and it is alright that “Monsieur is angry with me [“vous estés faché Monsieur contre moy”] and you

<sup>302</sup> Letter from Bethmann, Johann Jakob to Luetkens, Nicolaus Gottlieb, October 19, 1744, TNA, HCA 30/234.

<sup>303</sup> Letter from Guldiman, Antoine Léonard, to Luetkens, Nicolaus Gottlieb, August 8, 1744, TNA, HCA 30/236.

have every right to be, there is a misunderstanding which has caused it and I am very innocent ["je suis très innocent"] because of the reasons which I have written to Bethmann & Imbert."<sup>304</sup> In order to restore the confidence in each other, to send a token of trust, and to try to turn the tide on an enterprise that threatened to fail, one could hardly find or imagine a more direct and significant material practice for underlining the seriousness of your intentions than the practice of enclosing a correspondent's original letter in a letter packet, as Bethmann did with Guldiman's letter in this episode. This gesture in the end led to the desired effect. It helped Luetkens to establish a good commercial relationship with Guldiman in the future. The language and tone of their letters softened. Guldiman even began to write his response letters to Luetkens from then on no longer only in French but also in German, which can also be seen as a gesture of goodwill. The effectiveness of their trade relationship and practice was restored through the help of the principle of the sledgehammer method applied in correspondence practice. Still, Bethmann did not abstain from once more going after Guldiman some weeks later, in a letter to Luetkens from the 12th of November, calling Guldiman "a scoundrel" ["Hundsvott"] and a "Jesuitical and dubious human being". As Guldiman was Huguenot, his letter was a harsh insult. The letters show Bethmann's lingering bitterness about this whole affair even though it had taken a turn for the better.<sup>305</sup>

## Finding the Culprit

The problems occurring in Luetkens' financing activities resemble the problems occurring with regard to the Brest sugars. Both cases serve as good comparative examples. The solution strategy applied in the main episode of this chapter now appears to be exemplary and symptomatic. Luetkens applied the same method to solve the problems in this "affaire en question" as was evident in both cases. He followed the same practical pattern to exert a certain influence on his trading partners that he and Bethmann used with regard to rebuking Imbert and Guldiman. He wrote letters of complaint and rebuke. Those guilty and responsible for this miserable situation were quickly identified. In the case of the sugars, it was above all the Spanish ship's captain Perre, but also Jourdain and in part also the Darragory brothers, who were confronted with accusations because they all seemed to "have been playing games with us".<sup>306</sup> In the end, however, it was only Perre on whom the entire anger of the partners was unloaded while Jourdain and the Darragory brothers got away with it, presumably due to the importance of the business relationship. They were to receive only relatively harmless words of displeasure such as "now the joke is on me" ["je suy la dupe a present"].<sup>307</sup> Consequently, Luetkens

<sup>304</sup> Letter from Guldiman, Antoine Léonard, to Luetkens, Nicolaus Gottlieb, October 3, 1744, 1744, TNA, HCA 30/236.

<sup>305</sup> Letter from Bethmann, Johann Jakob to Luetkens, Nicolaus Gottlieb, November 12, 1744, TNA, HCA 30/234.

<sup>306</sup> Letter from Hertzler & von Bobartt to Luetkens, Nicolaus Gottlieb, July 10, 1744, TNA, HCA 30/234.

<sup>307</sup> [...] Je say [sais] bien que M: von Bobartt a été trop faille en recavent le party de sucre. Il faut bien que je suy [suis] la dupe a present. Je vous assure que je ne un grand coque de demande queque chose si la fait ne pas roll. [...] Letter from Luetkens, Nicolaus Gottlieb to Darragory, Nicolas and Jean, August 21, 1744, TNA, HCA 30/232, Letter Book I, no. 271.

and his partners primarily alleged that the Spanish ship's captain had committed fraud, which was why the latter instantly received harsh letters of complaints and rebuke by Luetkens. In these letters, Luetkens once more applied the same method to structure his letters as he and Bethmann had chosen for their letters to Imbert and Guldiman. He contrasted the behaviour of the accused with rules of good and honourable practice that usually prevailed in sea business. He also chose once more a very sharp tone for his letters, which particularly becomes obvious in his accusation regarding his suspicion that Perre had acted wilfully and knowingly. Since Perre and Luetkens were, however, not familiar with each other as it was only a one-off business relationship, the tone and style of the letter is more severe and definitely harsher – as were the consequences for the involved parties.

Apart from his accusatory letters, Luetkens furthermore took the measures of postponing all further payments to Darragory and announced that he would file a suit of indemnification against Perre, for which he even presented an anonymous witness who confirmed Perre's misbehaviour. All of this becomes obvious from the letter conversation and exchange of blows that unfolded between the involved parties in the following weeks until October 1744, at the end of which neither of the parties emerged as the clear winner or loser, although the matter was still settled in a relatively reasonable manner for Luetkens.

One of the first letters that Luetkens wrote after receiving the sobering news from Hertzner & von Bobartt was addressed to Perre.<sup>308</sup> This letter is not written in French or German but in Dutch, due to the fact that Dutch often still served as a lingua franca in the sea business. Adopting an accusatory positions, Luetkens reported, in words that already sound familiar to us from Hertzner & von Bobartt's letter, that "my friends in Hamburg have reported the unloading of the party of sugar from captain Nagell's ship" and that they found that a "majority of the Oxhoft were crammed with damaged sugar. I have expected to find some average ['havarya'] on the sugars, however, I wouldn't have thought that the damage was so severe. I must say that I am astonished ['ben verwondert'] that E.E. has sold us this sugar with good conscience as undamaged goods ['gesonde suker']. Now I am forced to file a suit against the armateurs à costly [in Brest] because I want refactie from them."<sup>309</sup> A refactie, "refache" in French, was an allowance for breakage, an allowance on the price of damaged or defective goods, in German called "Rückvergütung".<sup>310</sup> It was and actually still is a commonly used term and financial instrument in commercial and financing business particularly with regard to logistic services. Luetkens furthermore continued that he would "now suspend the payment to Darragory ['niets meerder te betallen'] due to the fact that the sugars were obviously damaged". At that time, 10/m £ were still left to pay. So, this was the ultimate result and consequence that the Darragory brothers were confronted with due to the unexpected problems that had occurred. At the end of his letter, Luetkens confronted Perre with

<sup>308</sup> See the chapter on High-Risk trade for further explanations on ships' captains' letters.

<sup>309</sup> Letter from Luetkens, Nicolaus Gottlieb to Perre, July 20, 1744, TNA, HCA 30/232, Letter Book I, no. 23.

<sup>310</sup> "Refache, Refactie, Refaction" *Oekonomische Encyklopädie*, edited by Johann Georg Krünitz. 242 volumes. Berlin, 1773-1858, vol. 121, 415.

the most serious of his accusations, namely alleging that Perre had wilfully committed fraud, for which he even presented an anonymous witness. The witness had told him – and he quotes the witness in the letter – that Perre “himself had mentioned to this person: I was aware [“ik weet”] of the fact that I would lose weight with regard to some of the Oxhofts during the re-packing of the sugars and I have added some of the damaged sugars, which was not worth 14 à 16 £, in order to ship them as undamaged goods [“voor gesond maken passeren”].”<sup>311</sup>

The actual extent of the damage that Perre had caused through his supposed actions became clear to Luetkens only one week later when he received the next letter from Hertzer & von Bobartt. The news contained in this letter caused Luetkens directly to write another letter to Perre, once more sharpening his tone. In their letter, Hertzer & von Bobartt reported to Luetkens the ultimate consequence of the devastating discovery of the damage to the sugars. The result of this was that they were not able to sell the sugar, at least not in their usual way, as an offer for one of their regular customers. But no one was interested, so they had to make use of an option that Luetkens had actually proposed to them before, in case they were desperate: they put the sugars up for public auction in Hamburg. On the 27th of July the Hamburg merchants wrote that they were

“not able to find a buyer for the English sugars although we have presented them to several customers. [...] We cannot gauge if the bad quality comes from the pulping [“einstampen”] of the sugars. E.E. has advised us not to rule out the possibility of selling to the bank for 8 à 8 1/4 S. and the assessment of my brother [Elart von Bobartt] has been that among friends the sugar [“unter Brüdern wehrt sein”] might be worth 8 à 8 1/2 S. My brother must have estimated the value of these sugars completely different than we do, because we for our part find nothing good to say about it [“nichts schönes daran”], in fact we find a lot of it is damaged, everything is like honey [that is, showing a kind of a caramel consistence] when we tap the casks at their bottoms. In fact, many casks which seemed good at first sight when we first opened them, now turn out to be bad quality when tapping the casks [“in stechen”]. We think therefore that the damaged sugar was deliberately mixed with the dry good sugars during repacking [...] We don't think that the damage was caused during the shipment [“keine Avarie daran gekommen”] [...] and we fear that we shall have many discussions about that in the future. [...] [Due to these reasons] we have decided [“resolvirt”] to open and put up for auction some of the sugars. [...] We are reluctant to do that [but there is no other way]. [...] We think that the respective persons in Brest have dealt with this matter very roguishly [“recht schelmisch ümbgegangen”], they must have removed the white sugars and have repacked the damaged sugars. Enfin, it is neither our fault nor the fault of my brother [Elart], now we simply have to make the best out of it [“sehen so guth als möglich”]. We wish that next time that E.E. does such a purchase, E.E. will take a closer look at the goods himself. The enterprise will, if it is God's will [“G.G.”], still be profitable for us, however not as profitable as E.E. has hoped for [“sich flattiret”].”<sup>312</sup>

<sup>311</sup> Letter from Luetkens, Nicolaus Gottlieb to Perre, July 20, 1744, TNA, HCA 30/232, Letter Book I, no. 23.

<sup>312</sup> Letter from Hertzer & von Bobartt to Luetkens, Nicolaus Gottlieb, July 27, 1744, TNA, HCA 30/234.

In their next letter, from the 7th of August, Hertzer & von Bobartt finally reported the successful sale of “312 Oxf[offt] English sugar to the banque.”<sup>313</sup> The rest was sold to Luer Luers. Luetkens’ reaction to the letter from Hertzer & von Bobartt, in turn, was one of disappointment, as we would expect. In the end, the sales price of the sugar once again turned out even lower than expected. On the other hand, he could be glad that at least the matter was resolved with a relatively moderate outcome in view of the prevailing unfavourable conditions. He still made a profit, albeit with some losses. In his letter, Luetkens confirmed that the sale “pleases me [“in so weitt lieb”], however, my profit which should have been 30 per cent now turns out to be only 15 à 18 per cent”, which was why he still planned to ask for compensation also in on behalf of all other shareholders. To get this refactie, later in time, he furthermore asked Hertzer & von Bobartt for an official attestation regarding the sugars from Hamburg brokers, which favour the latter did for him.<sup>314</sup> In his earlier letter to Hertzer & von Bobartt, he at the same time assured them that he would have “acted in the very same way” [“hette das selbige gethan”]. Nevertheless, he did not completely agree with Hertzer & von Bobartt with regard to the question of guilt. In his opinion, Elart von Bobartt was at least partially responsible for their misery because “Monsieur von B. had assured me before that the sugars were of good quality and without average [“Avarya”, damage].”<sup>315</sup> After having finally visited Brest himself in August to gain an impression of the storage facilities, where Luetkens had noticed that one could “hardly walk” in these facilities “without getting your feet wet”, he concluded that Elart von Bobartt was to blame, too. In Luetkens’ opinion, Elart von Bobartt should have known better, so “in the end it was Bobartt’s fault” [“allso die Schuld von Herr von Bobartt”], who should have taken the necessary precautions and who should have looked more closely at the sugars. So, he rejected the notion of any guilt resting on his own shoulders. For the good of the relationship with the Nantes merchant house Luttmann & von Bobartt, however, he asked Hertzer & von Bobartt, to “keep this to ourselves [“unter unß”] and to write nothing about it to Nantes because it would not change anything or help anyone.”<sup>316</sup>

While Luetkens was forgiving and complaisant with Elart von Bobartt, by being forbearing with him and by turning a blind eye, he was however implacable with regard to Perre’s behaviour and his role in this misery. In the end, his entire anger was unloaded on Perre, the Spanish privateer captain, who was made accountable and was seen as the root of all evils. Luetkens’ letter to Perre accordingly turned out as a prime example of a letter of complaint, and it is a vivid example of the practical principle of using the sledgehammer method in order to rebuke the addressee.

<sup>313</sup> Letter from Luetkens, Nicolaus Gottlieb to Hertzer & von Bobartt, August, 1744, TNA, HCA 30/232, Letter Book I, no. 276.

<sup>314</sup> Letter from Hertzer & von Bobartt to Luetkens, Nicolaus Gottlieb, September 4, 1744, TNA, HCA 30/234.

<sup>315</sup> Ibid.

<sup>316</sup> Letter from Luetkens, Nicolaus Gottlieb to Hertzer & von Bobartt, August 24, 1744, TNA, HCA 30/232, Letter Book I, no. 276.

On the 21th of August, Luetkens wrote to Perre that

"by all appearances ["alle apparentie near"] E.E. had caused us at least a loss ["schade hebben verorsackt"] of over 6/m £ through his decanting and repacking of the sugars. I would like to believe ["ik will glooven"] that E.E. had not mixed the damaged sugars under the good sugars, but at the moment it very much looks like as this was the case, since my friends wrote to me that they have sold a great part of the sugars by means of public auction and they had to sell it as damaged sugars ["voor beschadigt verkoopen"]. Some casks which seemed undamaged and dry in the beginning now bring to light that even they contain damaged sugar [...] Everything is syrup ["in Sirop loopt"]."

Reacting to Perre's last letter, in which the latter had protested his innocence and emphasized that the damaged must have occurred during the voyage to Hamburg, Luetkens insisted that "the damage could not have been caused during the transport from Brest to Hamburg" because everything was packed expertly and carefully. "The fact that E.E. had told to another person himself that there are some sugars worth only 14 à 15 £ among the cargo, also must be nothing but the truth, because this person, whose name I don't want to mention ["dito person wellke niet noomen will"], has confirmed it to me [...]" Luetkens continued by saying that it is "truly a bad excuse ["sleegte excuse"] that E.E. wrote that he had repacked the sugars before the eyes of Monsieur von Bobartt", because the latter, unlike Perre, could certainly not have known that so many of the sugars were damaged right from the beginning.<sup>317</sup>

All of Luetkens' reproaches against Perre in his letter are serious allegations. Drawing on the commercial language register of business and trade to particularly highlight Perre's breach of the common rules and code of conduct prevailing in mercantile culture and sea business, this letter represented a direct attack on the honour, honesty and integrity of Perre. With the full force of a business letter of complaint, as a tool not only to warn but actually to destroy Perre's credibility, Luetkens accused Perre of having committed fraud, for which he would now have to bear the consequences. In Perre's response letter, the latter was forced to take a defensive stance, for which he applied exactly the same epistolary strategy that Luetkens had chosen beforehand, once more proving it was a common pattern of letter practice during the 18th century. He mobilised the language register of business and trade to defend his integrity and righteousness. At the beginning of September, Perre responded to Luetkens that he was quite

"astonished about the lamentations of E.E.'s friends in Hamburg [groetelicke klaegen [...] groetelicke verwondert] [...], and what I have written in my previous letter was the absolute truth. [...] I am also surprised ["wel verwondert"] that E.E. won't give me the name of the person to whom I have allegedly mentioned that the sugars are only worth less than 14 à 15 £." Responding to Luetkens' observation that he had found the storage facilities in Brest full of water and syrup on the ground, giving an indication

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<sup>317</sup> Letter from Luetkens, Nicolaus Gottlieb to Perre, August 21, 1744, TNA, HCA 30/232, Letter Book I, no. 272.

that the damage was caused during repacking, Perre wrote that “there was no water in the warehouse [“Maegesin”] of Monsieur Jourdain as I assure E.E. as an honest man when we have refilled several of the casks in the presence and under the commission of M. von Bobartt [“Bonbaert”]. [...] I can confirm with a clear conscience and as an honest man [“eerliek Man”] that this is the truth.”<sup>318</sup>

All of Perre’s protestations and affirmations that he was an “honest man” were in vain and they died away unheard in the letter conversation. As Luetkens’ letters show, the merchant had already formed his opinion. In a letter to Darragory already from the end of August, we read for the first time that Luetkens described the Spanish ship’s captain as a “rogue”, a “fripon” in the original French and “Schelm” in German, emphasizing that he would “more and more come to the conclusion that Perre had acted as a rogue” [“come je trouve plus en plus que Mr. Paerre at agie comme un fripon”] With this, he picked up and agreed with the judgment that Hertzer & von Bobartt had already reached beforehand, having accused Perre of roguish behaviour.<sup>319</sup> The moment he used this word for the first time was also the moment he must have passed his final judgment on whom all the blame for the misery was to be put. He put it on Perre, whose “infamous actions as a burglar come more and more to the fore [“Schellm und Diebesgriffe”]”, as he continued his lamentations in a later letter to Luttman & von Bobartt.<sup>320</sup> It therefore did not help that Perre declared his innocence – no matter if he mobilised the language register of business and trade or not, so the practice did not always show the intended effect. Quite on the contrary, it was now overshadowed by another practice, which was that Perre was now overrun by libel and slander. Once uttered, the attack on his reputation stuck to Perre and was no longer easily eliminated. Particularly since all other trading partners joined in the defamatory mechanisms from this moment onwards. Especially Bethmann stood out and played an important role, whose opinion weighed heavily due to his own reputation within the French mercantile community during that time. On the 10th of September, Bethmann wrote that he was “sorry to hear that captain Perre had betrayed you & all of us with the sugars.”<sup>321</sup> One week later, he once more repeated that “Perre had miserably betrayed us” [“jämmерlich betrogen”].<sup>322</sup> One month later, on the 19th of October, the reputable merchant raised the bid even higher: “I hope that God will punish the roguish Perre, so that he will give us satisfaction because he had acted as a villain” [“Schurcke”].<sup>323</sup>

Being accused of such behaviour, especially if it was voiced by such reputable men as Bethmann, Hertzer & von Bobartt or even Luetkens, was a serious blow for Perre.

<sup>318</sup> Letter from Perre to Luetkens, Nicolaus Gottlieb, September 4, 1744, TNA, HCA 30/236.

<sup>319</sup> Letter from Luetkens, Nicolaus Gottlieb to Darragory, Nicolas and Jean, August 28, 1744, TNA, HCA 30/232, Letter Book I, no. 287.

<sup>320</sup> Luetkens, Nicolaus Gottlieb to Darragory, Nicolas and Jean, September 14, 1744, TNA, HCA 30/232, Letter Book I, no. 308.

<sup>321</sup> Letter from Bethmann, Johann Jakob to Luetkens, Nicolaus Gottlieb, September 10, 1744, TNA, HCA 30/234.

<sup>322</sup> Letter from Bethmann, Johann Jakob to Luetkens, Nicolaus Gottlieb, September 17, 1744, TNA, HCA 30/234.

<sup>323</sup> Letter from Bethmann, Johann Jakob to Luetkens, Nicolaus Gottlieb, October 19, 1744, TNA, HCA 30/234.

Even if he was not addressed directly as a rogue, he nevertheless felt the effects of it. His reputation was damaged. He was exposed to hostilities from all involved parties and last but not least he also had to bear direct legal consequences. Calling someone a “rogue” therefore served as the preliminary stage and at the same time as the discourse marker of a transition: from goodwill, understanding and the willingness to cooperate to conflict and exclusion. The word shows itself in its full historical significance and historicity. It did not literally only represent a simple accusation, but in its specific context it actually served as an active means of exercising influence on the other parties and of exerting powers and was thus a tool for actually doing reputational damage to the accused. Using such drastic language and insults, by using these particular words, was an intrinsic part of the epistolary powers emanating from these letters of complaint and rebuke, paving the way for further concrete measures that were now taken by the accusing parties to punish Perre for his behaviour and to try to achieve a certain compensation. As a consequence of the fact that they had found the culprit, Luetkens, Hertzner & von Bobart took legal steps. They demanded financial compensation for their loss in the form of the said refactie, “refache”, the official document drawn up by Hamburg officials, brokers and state officials describing the case and claiming a refund from Perre on the basis of their appraisal.

This document reached Perre in October 1744. It marks the end of this episode since it also marked the end of the enterprise regarding the Brest sugars, forcing Perre to compensate Luetkens and his partners for their loss. The document once more recapitulates in a vivid manner the problems that occurred in this episode and the consequences resulting from it. At the same time, it represents the material instrument with which the problems were in the end solved or at least were brought to a conciliatory ending for Luetkens. The “refactie attestatum”, for which the Hamburg Admiralty in the person of Johann Martin Lambrecht, notary public, and the two courtiers Hans Hinrich Schröder and Peter Nootnagell customarily used the French language reads as follows:

“On this day Monday 7th day of the month of Septemb: of the year 1744, at the request of the Gentlemen [“Messieurs”] Hertzner & Von Bobart merchants of this city of Hamburg appeared before me, Jean Martin Lambrecht, Notary public and scrivener [“tabellion”] by his imperial majesty’s authority, & swore in the Gentlemen Hans Hinrich Schröder & Peter Nootnagel, sworn courtiers in sugar who have told me and declared in favour of the truth and under oath of their offices [“declaré en faveur dela vérité & sur le serment”] that they have visited & inspected for the Gentlemen Hertzner & von Bobart a load of 340 futailles [=casks/Hogsheads] of Moscovados sugar both Boucands and Barriques, which were all opened & caved in [“toutes ouvertes & de foncées”], they had found in the said load 312 futailles in which the sugar had effectively been destroyed by the water of the sea, and that several of them were not in the futailles, like these sugars were coming from the British colonies in the Americas but that they had been repacked [“repacté”] in futailles of French sugar, in futailles with iron bands & others, which had been filled with dry & rotten sugar [“les quelles avoit été remplie de Sucre seche & avarié l’un parmi l’autre”], the one between the other [have been mixed], & that for this reason the Gentlemen Hertzner & von Bobart could not sell the said 312 Boucands & Barriques of sugar as dry out of hand because none of

the refiners would have accepted them as dry ["de la main car aucun des raffineurs les auroit accepté"], the said gentlemen were forced to decide to sell them in a public sale, which has been done on the seventh of last August by the said sworn gentlemen after having made the usual notification at the exchange, having sold them at the Thare of 17 per cent for the futailles over a thousand livres, 19 per cent for those under a thousand livres, 1 per cent commission & one per cent for prompt payment as ordinary conditions for spoiled sugars ["sucres avariés] to the highest bidder & last tenderer at the specific prices [detailed in] the following of the present [document], the said gentlemen add that if the said 312 futailles of sugar had been dry & uncorrupted they had estimated for the sale out of hand 7 5/8 ["sept cinq huitièmes"] Livre bank price ["gros de banque la Livre", the fixed price that was determined by the bank] with the ordinary thare of 15 per cent, the Barrique above a thousand livres, 17 per cent for those below a thousand livres and  $\frac{3}{4}$  pCt de trait or bon poids, of which the specification of the obtained prices in the said sale is below, to wit 1 5 B[arrique]s a 7 11/16 C&E Jenckel, 2 a 5 d[itt]o 7 1/4 H. Bremen [list continues mentioning names of reputable Hamburg merchant houses] [...] Jenckel [...] Schröder [...] Burmester, [...] Boye, [...] [what follows next is an extensive list of all the purchasers of the barriques, the hogshead of sugars] [...] In total: 312 Barriques, which is hereby attested & after having read & interpreted the content for the said gentlemen they have signed with me by their own hands Hans Hinrich Schröder Peter Nootnagell in the following the said Courtier Nootnagel has again declared to me on the oath of his office that he had bought from the Gentlemen Hertzer & von Bobart some days after the above sale 36 futailles of Moscovado sugar, constituting the rest of the load of 340 Barriques mentioned above, for the price of 8 Livre bank price ["eight gros de banque le livre"] with the ordinary thare, the said 36 futailles being altogether dry & without damage, which is hereby documented and signed by the said Courtier's own hand, the reading & interpretation having been made.

After this, the said gentlemen Hertzer & von Bobart have declared to me having received the said 340 futailles of sugar from Brest by means of the ship *La Bourse d'Hamburg*, Cap[tain] Johan Nagel, which they had been sent as good & dry, but having found them in the condition described above, they interrogated the said Captain Nagel & his crew on this subject but they having declared not to have had on their voyage from Brest any storm nor seawater in their ship ["aucun tempete ni d`eaue dela Mer dans leur vaisseau"] & that his ship had suffered no other influx of water & his said ship was in so good a condition as to allow it to depart from there without requiring any repairing, of the sort that if the sugars were damaged they had to have been so before & had not incurred any damage on his ship; thus the Gentlemen Hertzer & von Bobart protest according to the best practice of the law all damages ["protestent en la meilleure forme de Droite de tout domage"], fees and costs suffered with these sugars regarding their damage, preserving their recourse ["preservant leur recours"] to all which this implies. Which is hereby attested to use & estimate for this reason signed by my said gentlemen in their own hands, made & passed in Hamburg, as below Hertzer

& von Bobartt. In witness whereoff [“En foy de quoi”] Jean Martin Lambrecht Not. Ces. Publ. & juré<sup>324</sup>

#### 4.11 Conclusion: Letters as Nerve Centres

Commission trade represented a relatively low-risk field of wholesale business in the 18th century. As the letter episode analysed in this chapter has shown, however, even this business field was not immune to risks, losses or setbacks. Nevertheless, not least because the merchants of the time knew and incorporated certain mechanisms to minimise the risks or found ways of compensation or of counteracting setbacks, this business field was very lucrative and promising for Early Modern Merchants. Particularly for merchants during their establishment phase or for merchants living and trading in foreign lands, commission trade offered a solid basis, a foothold and source of income for their trade because trading on the account of other merchants allowed them entrepreneurial scope and access to goods that were otherwise denied or prohibited to them due to mercantilist policies. Nicolaus Gottlieb Luetkens was both a merchant during establishment and someone who had chosen to travel and to trade in France to try to make his fortune. The latter was the reason why commission trade became his major field of activity. He engaged in this strand of business because it allowed him to get a foothold in the French economy, markets and networks and to establish strong commercial bonds and contacts with French or French-based foreign merchants.

For this purpose, he mainly drew on contacts and trading partners who shared the same religious affiliation. Thus, he mainly drew on Protestants in France, participating in the Protestant International. These Protestant merchant houses of France, run by Huguenots, other Calvinists, and Lutherans, in turn, welcomed him with open arms. This support by local French wholesale merchants became an important mainstay for his career. At the same time, Luetkens himself became an important and active part of this Protestant International in France, representing an important and highly valued trading partner for his French-based trading partners, for whom he provided logistic services or took on the responsibility for the re-export of French goods, including French or Spanish Prize goods, to the north-western European markets. It was a win-win situation. For young merchants, commission trade represented a profitable business because it was based on two particular features conducive to their business during this stage of their life: mobility and flexibility.

Commission trade allowed merchants to invest, to test themselves and to gather experience in the trade with various goods, without the need of having or investing very high amounts of their own equity capital. It also allowed them to conduct several enterprises at the same time and in several locations without the need to be physically present in the respective trading cities. The main and most important tool and instrument in commission trade therefore was the letter. “Business letters were more than just a means of communication; they served as sinews holding together the entire organic

<sup>324</sup> *Refactie Attestatum*, signed and sealed September 7, 1744, by Hertzer & von Bobartt, Jean Martin Lambrecht TNA, HCA 30/232.

structure of [...] long distance trade", as Avner Greif aptly put it in his works on medieval Islamic long-distance trade.<sup>325</sup> The same conclusion can be drawn with regard to the role and significance of business letters for 18th-century merchants. From the analysis of the letter episode and the letter conversations in this chapter, we have learned about the effectiveness of commission trade and letter writing and how this field of business in fact heavily relied and was based on the regular exchange of letters. We have seen how the merchants, Luetkens and his trading partners, used particular letter practices relating to language use or material practices with regard to folding and sending letters in particular ways in order to guarantee the smooth running of their businesses and to gain the appreciation of the merchant community in France and beyond.

Furthermore, a shared commercial language register of business and trade was crucial for the international wholesale merchants of the time. This language register, as has been shown, was effective and mobilised in several languages – in this chapter in French, German and Dutch – in a uniform manner, and drawing on identical or similar expressions and letter formulae, phrases, terminologies and concepts in the respective different national languages. Mobilizing this language register, which was learned and incorporated in practice and often ultimately performed unconsciously and by experience, was crucial for mutual understanding and comprehension, and therefore it was key to business cooperation and success. Particularly in the financing business, the shared professional language and clear expressions all denominating certain concrete financial actions conducted and undertaken by means of letters was indispensable for the smooth running and maintenance of the cashless payment system of the period.

At the same time, we have learned about the significance of the practice of deliberately choosing different national languages for business letters during the 18th century, depending on the respective addressee, in order to show goodwill and obligingness. This practice was an important cornerstone of the integration and adaption of foreign merchants, in our case Hamburg merchants, into foreign markets and the networks in France. In order to raise a claim, to show and exhibit your rightful place in the mercantile community, young merchants during their establishment phase had to constantly prove and exhibit their skills and competences in business and in the practice of writing business letters. Subsequently, they had to suit their actions to the words and vice versa in their trading practice. Luetkens was able to master these challenges in the presented episode and also during his establishment phase in general, which represented an important, if not the most important, basis for his successful career as a wholesale merchant in 18th century Europe. From the episode, we have also learned about the mechanisms and strategies which merchants applied whenever the efficiency of their business and correspondence activities were under the threat of failure, and how they coped with problems that occurred and threatened the efficiency of their business. Once more they used letters to manage their affairs and wrote letters of complaint, of warning or of rebuke, followed by legal steps.

Encapsulating both these features and modes of action of 18th-century business letters, that is, showing their efficiency and the opportunities they provided for solving problems, I have identified two formative practical principles of powers of persuasion

<sup>325</sup> Greif, *Institutions and the Path to the Modern Economy*, 21.

prevailing in 18th-century business correspondence. The merchants under investigation used their business letters to practically show their efficiency, which was the basis for their successful and efficient trade, and they used letters as an effective tool to restore efficiency whenever the normal routine was threatened. In order to get an enterprise that was exposed to failure back on track and to reprimand the merchant troublemakers in the enterprise, merchants applied a method that I have called the sledgehammer method, which involved the accepted and recognized contemporary practice of using drastic language, insults and a harsh tone in letters in order to convince the accused addressees to correct their behaviour. In the episode analysed, this practice led to the desired effects.

On the basis of both these principles, which have become tangible and apparent in the letter episode analysed, Luetkens was able to lead his enterprise, the commission trade in the Brest sugars, conducted with several of his closest trading partners, to a conciliatory ending. This led his friend Johann Jakob Bethmann to conclude in a letter from the 10th of September 1744 with a palpable sense of relief and satisfaction: "Thank God, we are not losing, but we can still expect a reasonable profit!"<sup>326</sup> In the end this enterprise turned out to achieve a profit of 18% for the involved parties, plus the money that Luetkens received from his claim for indemnification from Perre. The enterprise therefore turned out to be a success in the end.

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326 Letter from Bethmann, Johann Jakob to Luetkens, Nicolaus Gottlieb, September 10, 1744, TNA, HCA 30/234.