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Marriage and Credits in a Network Perspective:
Merchants in Stockholm during the Second Half of the 18th Century

In this paper, I will be focusing on the prominent merchants in Stockholm with an immigrant background and who, owing to their background, had the opportunity to be members of the non-territorial German Church in Stockholm, an opportunity denied to Swedish merchants. This exclusive group should have had plenty of opportunity to build trust and networks amongst themselves. Membership in societies is often a way of creating new contacts. During the 1700s, there were a number of societies and orders for middle-class citizens. In my work, I have concentrated on an activity which was not open to everyone, i.e., the German Church. In an earlier study, I was able to show the extent to which nuptiality was important to merchants. Merchants who married daughters of other prominent merchants had a better economic status when they died than those who had married based on other criteria.¹

What I will present in this paper are parts of a section of my doctoral thesis which I am currently in the process of completing. The thesis is part of the project “Skeppsbro Nobility in Stockholm’s Old Town”,² a project about mercantile capitalism’s role in Sweden between 1650 and 1850. What I wish to explain in my work is how merchants created economic wealth. The trading houses and the wholesalers in Stockholm who ran them have been studied by researchers before me. The difference between these studies and my study is that, in earlier research, the studies concentrated on a handful of merchants or on specific phenomena within commerce.³ Instead, I will look at a representative selection⁴ of wholesalers⁵ in Stockholm and, by applying a network perspective, try and explain why it was that some wholesalers had a better economic status than others.

¹ Ågren, Karin (2003) *I nöd och lust* [For Better, For Worse], Chapter IV.

² For a project description, see Nyberg, Klas (2001) *The “Skeppsbro Nobility” in Stockholm’s Old Town, 1650–1850*. Alongside Dr. Klas Nyberg, Senior Lecturer in Economic History, doctoral student Lili-Anné Aldman is also working on the project.

³ See, e.g., Samuelsson, Kurt (1951) *De stora köpmanshusen i Stockholm 1730–1850* [The Large Merchant Houses in Stockholm, 1730–1850] and Müller, Leos (1998) *The Merchant Houses of Stockholm*, Eklund, Åsa (2001) *Iron Production, Iron Trade and Iron Markets*, unpublished licentiate thesis at the University of Uppsala.

⁴ To produce a selection of wholesalers active in Stockholm in the 1700s for an in-depth study, I have studied the middle class’s tax rolls over nine years. The 123 wholesalers who paid tax for more than two years are included in the study. For a detailed methodological discussion, see Ågren, K (forthcoming).

⁵ I decided to study just the merchants who were called wholesalers in the tax rolls in order to get at those who, traditionally speaking, have been ascribed to have the most economic and political influence in the middle class.

Through using a network perspective, it is possible to determine the relationships the historical actors had amongst themselves and come closer to explaining as to why the wholesalers studied behaved the way they did. In the study, I will use the term network as the term given to the relationship between people who, empirically, I find had either family-based relations or relations based on financial dealings. For example, these could be partners or other close economic unions which were founded on strong, trust capital. Networks have three aspects which are important to me, namely trust, solidarity and exchange.⁶

The German Church

It is well-known⁷ that wholesalers active in Sweden in the 1700s were often of foreign descent. The German influence, in particular, had, for a long time, played a major role. During the Hanseatic period, German merchants in Stockholm came together in St. Gertrud's Guild which, during the latter half of the 16th century, was converted into a church where Stockholm's German immigrants met.⁸ The Church was run by a faith which was compatible with the Swedish State Church, the Lutheran Church, seeing that not until 1781 was it possible for foreign believers to practise their religion in Sweden. Admittedly, the rules had⁹ been relaxed 40 years earlier, but only for Anglican and Reformist movements, with parliament deciding in Västerås in 1527 that all sermons in Sweden were to be held in Swedish, and not, as had previously been the case, in Latin. Gradually the German section of the population asked for services to be held in their own language, a wish that was often granted. The new parishes became a part of the Swedish State Church¹⁰ and the clergy were put on an equal footing with the Swedish clergy.

The parishes tended to be based on the area in which the members of the congregation lived and were, therefore, called territorial. The parishes which were based on special features were called non-territorial or personal parishes. Non-territorial parishes could be based, for example, on nationality or profession. In Stockholm, for example, there was the Royal Parish which brought together people associated with the Royal Court.¹¹ Initially, the idea was that people who had been born in Germany, but who resided in Stockholm and who did not understand Swedish, could belong to the German congregation in Stockholm. The

⁶ See Hasselberg, Ylva, Müller, Leos and Stenlås, Niklas (1997) *History from a Network Perspective: Three Examples from Swedish Early Modern and Modern History c. 1700–1950*, for an in-depth discussion on how a network relationship should be seen and how one is defined. See also Luhmann, Niklas (1979) *Trust and Power, Two Works*, where, in the book on trust, he develops how this is created and maintained. For exchanges between people, see Mauss, Marcel (2002) *The Gift* and Beldsoe, Caroline H (1980) *Women and Marriage in Kpelle Society*.

⁷ See, e.g., Samuelsson, K (1951) or Müller, L (1998).

⁸ Tyska Kyrkan [The German Church] (1995).

⁹ Lext, Gösta (1984) *Studier i svensk kyrkobokföring* [Studies in Parish Registration in Sweden], p. 33.

¹⁰ Swedish Government Official Reports (SOU) (1947 no. 56), p. 20f.

¹¹ Lext, G (1984), p. 50f.

congregation was also open to other non-Swedish speakers even if they had not been born in Germany. Even Germans who had learnt Swedish were allowed to remain in the congregation. People born in Sweden and who had at least one German parent could choose whether to be a member of the German congregation or a Swedish one. However, Swedes were not allowed to become members of the German congregation.¹²

The German congregation in Stockholm, therefore, excluded Swedes, while those with a German origin could choose to be in the congregation. This, therefore, makes an excellent basis for studying network contacts. By studying the wholesalers who were members of the German congregation, and by making a comparative study of those who were not part of the congregation, a discussion can be held on the building of networks and the possible advantages that come with it.

To find out which wholesalers were members of the German congregation, I have used its parish registers. The parish registers can be described as records of events concerning the Church's congregation. The parish registers that include primary information are the birth, marriage and death records.¹³ The registers containing births mainly provided information on the children of the wholesalers studied, since many of them came to Sweden as adults, so there are no personal details about them in the parish birth records.

Out of all the wholesalers studied (123), 55 were members of the German Church according to the parish records. For the sake of simplicity, I will call the wholesalers who were members of the German congregation Germans from now on, even though, as mentioned above, it is not their origin which we are interested in here.

The contacts created between the members of the German Church can, in this paper, be discussed mainly as membership compared with marriage and partnership. Were Germans married to Germans and did they have trading houses with other Germans? The question is whether the Germans had a better economic situation than other wholesalers, and if so, why was this. Can the network possibly created within the German Church have affected the wholesalers' economic status?

The tax burden

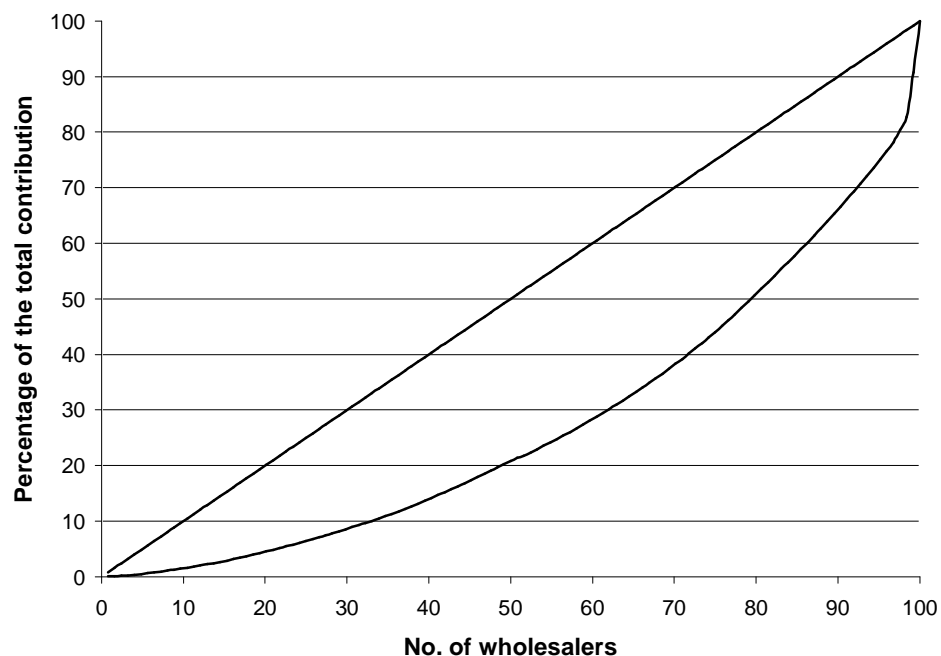
Before I discuss the Germans' economic situation, I will give a brief account of the situation for the whole group. Using the tax rolls which still exist on the wholesalers, I have been able to demonstrate economic differences within the group. Historian Ernst Söderlund, who researched Stockholm's craftsmen during the 1700s, believes that the tax rolls are the most representative documents of the middle class's financial circumstances. This is because a vast majority of those who ran middle-class businesses in the city were included in the documents, and

¹² SOU 1947:56, p. 69f.

¹³ Lext, G (1984), p. 123.

also because the documents have been fully preserved since 1719.¹⁴ Based on his study of the material, Söderlund believes that tax was progressive. Since the principles for progressivity are unknown, we cannot calculate the ratios between incomes; in other words, how great the income gaps were between the merchants. However, by comparing the amounts of tax within the professional group, it is possible to get an idea of the distribution of income and wealth. Söderlund's overall impression of the taxation work is that the economic status of the various entrepreneurs is aptly described in the tax rolls.¹⁵ The diagram below is a Lorenz curve showing the inequality between the contributions paid by wholesalers.

Diagram 1. Distribution of the total contribution for 123 taxed wholesalers in Stockholm, 1746–1754



Source: Tax Commission's tax rolls on ordinary contributions; volumes 29, 30, 31, 32, 33, 34, 35, 36 and 37. Stockholm City Archives.

If everyone had paid equal amounts of tax, the Lorenz curve and the diagonal line would be identical. The curve shows that 30 per cent of the wholesalers represented just under ten per cent of the total contribution, whereas there is the inverse relation at the top of the curve, where ten per cent of the wholesalers

¹⁴ Söderlund, Ernst (1943) *Stockholms hantverkarklass 1720-1772. Sociala och ekonomiska förhållanden* [Stockholm's Craftsmen, 1720–1772: Social and Economic Conditions], p. 150.

¹⁵ *Ibid.*, p. 152.

accounted for 30 per cent of the tax. There also appears a break in the curve showing that a couple of trading houses paid a full ten per cent of the total tax. Altogether, the diagram above shows that there were major differences within the group where the tax burden is concerned, and since the tax was progressive, we can establish that the size of the wholesalers' trading houses varied widely.

Most wholesalers paid less than 200 copper daler in tax, although it is important to bear in mind that wholesalers were an elite group in society in economic terms and that a wholesaler who paid a comparatively low contribution probably had a good status in comparison with most other Stockholmers of the same period. In Söderlund's study of Stockholm's craftsmen, he shows that the average contribution paid by the craftsmen was between 33 and 36 copper daler per craftsman around the mid-1700s.¹⁶ The average wholesaler, therefore, paid ten times as much tax on his business compared to the average craftsman.

The average contribution for the 123 wholesalers was 329 copper daler, but only a third of these paid more than this amount in tax. The wholesaler who paid the lowest contribution was Anders Wiebe who paid less than 15 copper daler on average over the seven years he appeared in the rolls. The highest average tax contribution of 3,750 copper daler was paid by Samuel Worster. Besides Worster, there was one other person who paid tax of more than 3,000 copper daler, and this was Frans Jennings. These two stand out from the rest because the person who paid the highest contribution, Worster and Jennings aside, was Johan Alnnor who paid 945 copper daler in tax. As shown by the Lorenz curve, the gap was greater at the top than at the bottom. The forthcoming thesis will look at the reasons for such a gap between wholesalers.

Wholesalers who belonged to the German congregation paid on average a higher contribution than other wholesalers: 422 copper daler compared to 253 copper daler. Both wholesalers who paid the highest tax, Jennings and Worster, were in the German wholesaler group. Their contributions were so much higher than the other wholesalers' that I have chosen to calculate the mean also excluding these two. However, even excluding these two, the group continued to pay on average more than other wholesalers. Table 1 shows the difference in tax burden between Germans and others.

¹⁶ Ibid., p. 333.

Table 1. Average tax for Germans and others

	Germans	Others
Mean value	422	253
Standard deviation	641	155
Median	264	225
First quartile	135	135
Third quartile	476	367
Max. value	3,750	585
Min. value	30	15

Source: Tax Commission's tax rolls for the years 1746–1754

Wholesalers who were members of the German congregation, thus, tended to run trading houses which, in the mid-1700s, turned over more money than other wholesalers' trading houses. But the differences within the group were also greater. This becomes clear when, for example, we look at the median for the two groups containing Germans. Among the Germans, there were also more wholesalers who paid a very high level of tax. If we look at just the ten wholesalers who paid the most tax, we can see that eight of them were Germans. One reason why these wholesalers ran more large-scale trading houses could be that they had personal contact with trading houses in other countries. Of the eight Germans with the highest tax burdens, three of them were first-generation immigrants in Sweden, which indicates that they had close family ties in other countries. Furthermore, one of the richest ten had also documented family relations with trading houses outside the country's borders.¹⁷ Out of the total 55 Germans studied, I have been able to establish that ten of them were first-generation immigrants, and seven of these paid tax over or just under the average contribution for the group.

Immigrant merchants had, more often than not, contacts back home in their native country. But what contacts were forged in Sweden? Membership of the German Church afforded the opportunity to meet people with a similar background. On the pages below, I will discuss whether members of the German Church integrated with each other or looked outwards, away from their own group.

The Germans' contacts

Of the 55 Germans, 45 of them were married, nine unmarried and one person about whom I was unable to find any details. By and large, all Germans were married to daughters of other middle-class citizens, and, in this respect, the

¹⁷ This wholesaler is Claes Grill whose connections with relatives' trading houses in Amsterdam have been presented by Müller, L (1998).

Germans are no different from other wholesalers. Generally speaking, wholesalers tended to marry within their own group, i.e., the middle class. To a great extent, Germans married women whose families were also members of the German Church: 32 marriages among Germans have been established. To find out whether the wife's family also belonged to the German Church, I have looked at the Church's baptismal registers. If the wife had been baptised by the Church, I assumed she belonged to the congregation. However, this way I am missing those women who had moved to Stockholm as adults. From others' research, I know that, for example, Anna Maria Schütz, married to the wholesaler Daniel Brandell, was born in Gothenburg.¹⁸ Her family name makes one think that she was of German descent. The same applies to a couple of other women for whom I could not find the baptismal registers, but who, nevertheless, appear to have a German background owing to their family names. For example, Margareta Luther, who before her marriage to Samuel Worster¹⁹ (German), had also been married to the merchant Berthold Werner who also had a German-sounding name.

We can, therefore, note that the vast majority of wholesalers who were members of the German Church were also married to women whose families had the same church affiliation or a similar background. There could be many reasons why the marriage patterns were like this. One way for an immigrant trading family to establish themselves in the city would be to marry into an already established family. Historian Ida Bull's study of immigrant traders in Trondheim shows that the immigrant merchant married a daughter of an immigrant trading family which had already established itself in the city a generation earlier.²⁰ I have not had the opportunity to find out whether the same applies to the entire group of wholesalers studied here. There are, however, a few examples which confirm what Bull says, e.g., Henrik Hahr's marriage to Anna Christina Küsel. Hahr came to Sweden from Mecklenburg during the second decade of the 18th century. In his first years in Sweden he was employed by a trading house in Gothenburg, but moved, a few years later, to Stockholm. In 1723, he married Anna Christina Küsel, daughter of Simon Fredrik Küsel who had employed Hahr when he first came to Stockholm. Middle-class citizen Simon Fredrik Küsel had himself emigrated to Sweden from Lübeck. Altogether, Simon Fredrik had nine children from two marriages. One of the children was simply described as "mentally retarded" with no further details. The other eight were all involved in commerce in one way or another. The four daughters married very prominent traders in Stockholm, the two eldest were married to immigrant traders, the two youngest to

¹⁸ Bladh, Christine (1997) *Kvinna med eget företag – från 1700-talets mitt till 1800-talets slut* [Women with Their Own Enterprises – from the Mid-1700s to the End of the 1800s], p. 45.

¹⁹ Brötje, Anne-Marie (1942) *Samuel Worster. En frihetstida Stockholmsköpman* [Samuel Worster: A Stockholm Merchant in the Age of Liberty].

²⁰ Bull, Ida (1998) *De trondhjemske handelshusene på 1700-tallet: slekt, hushold og forretning* [The Trondheim Trading Houses in the 18th Century: Family, Household and Business], p.124.

second-generation immigrants. All four husbands belonged to the German Church. The four sons all became traders; two of them also married daughters of wholesalers who ran large trading houses in Stockholm.²¹ The description of the Hahr/Küsel family thus, by and large, confirms the study of marriage patterns among immigrant merchants in Trondheim.

There were also other ways of making contacts than marriage. Many of the wholesalers ran trading houses with a partner. In the tax rolls used to find out information about how much tax the wholesalers paid it is also possible to elicit whether they had partners. Of the 55 Germans, 16 had a partner at some time during the years for which the tax rolls were studied. None of the Germans were in company with a wholesaler who did not belong to the German Church. Often, the partner was a brother or other close relative, brother-in-law or father-in-law.

By way of summary, it can be said that the immigrant merchants in Stockholm generally ran larger trading houses than the native traders. It can also be stated that members of the German Church were a surprisingly homogenous group when it came to social relations. They married each other and formed companies among themselves.

Do the German marriage patterns and the way they formed companies mean that they were a group who isolated themselves from the rest of society? No, this does not appear to have been the case. When it came to city politics, for example, there are sources which confirm that several of the German wholesalers were involved. And, in the day-to-day running of their trading activities, there is nothing which indicates that Germans only traded with Germans, but when it came to social choices, they associated more with each other. As I wrote at the beginning of my paper, networks are often unifying and excluding, of which the Germans are proof. Exchanges often happen in a network. By marrying a woman who was a second-generation immigrant, an immigrant trader had access to already established trade contacts, while the woman's trading family could forge closer trading ties with their son-in-law's native country. Information could, therefore, be exchanged regarding both Swedish and foreign conditions.

A similar level of solidarity has been observed in other groups. Researchers Ann Prior and Maurice Kirby were interested in why there was an overrepresentation of Quakers among successful entrepreneurs in 18th and 19th century England. The authors show how the Quakers helped each other with credit, how they disciplined young members to do their bit and how they helped each other achieve their goals. For the Quakers, it was not just a way of showing goodwill towards like-minded people; it was also a way of saving society from moral degeneration.²² The Quakers engaged themselves in commercial activities

²¹ In Hahr, Gösta (1966) *Hinrich Hahr: en handelsman från frihetstidens Stockholm* [Hinrich Hahr: A Trader from Stockholm in the Age of Liberty], there is an account of Henrik Hahr's first years in Sweden and his marriage to Anna Christina Küsel, p. 11ff. For an account of Simon Fredrik Küsel's family, see *ibid.*, p. 196ff.

²² Prior, Ann and Kirby, Maurice (1993) 'The Society and the Family Firm, 1700–1830', *Business History*, no. 2, p. 70ff.

in order to seek appreciation and approval from other Quakers, although it was not a case of aspiring to entrepreneurial status, but a case of opening doors to a world of networks, which made it possible to survive.²³

In my forthcoming thesis, I will study the Germans in more detail. For example, I will also look at their credit networks and answer the question of whether their credit networks mirrored their social networks. In other words, were transactions mainly made between those in the German congregation?

²³ Ibid., p. 82f.