

# COMERCIO NEUTRAL IN BOLIVARIAN AMERICA: La Guaira, Cartagena, Callao and Buenos Aires

Jacques A. Barbier\*

## I. INTRODUCTION

Spain's political dominion on the American continent ended through a series of coups and battles stretching from 1809 to 1825. In some ways, however, this tenaciously resisted transfer of control was anticlimactic, for colonials already enjoyed a specie of independence. As Jacques Godechot has wisely remarked, faced with the events of Bayonne and the French occupation of the Peninsula, Spanish Americans "pensèrent que le moment était venu de passer d'une indépendance de fait a une indépendance de droit" (Godechot 1967: 255).

Indeed, the loss of political sovereignty merely ratified the verdict of commercial life. As the eighteenth century gave way to the nineteenth, Spanish manufacturers, landowners, and merchants lost all hope of dominating the New World market. The promises held out by Charles III's trade reforms were dashed in the cycle of hostilities which bedeviled his son.

This situation should not be perceived as having been inevitable. The empire could cope with war. In fact, Spanish colonial policy included contingency plans designed to profit from it, by using transient wartime conditions to permanently reinforce imperial interdependence. These policies, however, were more clever than moral. They weakened the immaterial bonds between ruler and ruled which were the very cement of empire. In addition, they could not be applied for a prolonged period, for the Crown could not long do without colonial revenues.<sup>1</sup>

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1 The continued dependence of the monarchy upon patriated Indies revenues derived from a failure of will. The peninsular fiscal system, despite numerous reform plans, was typical of that of Ancien Régime monarchy everywhere in Europe. It remained based upon an ill-articulated series of taxes which largely respected regional and estate *fueros*. See Barbier and Klein (1981).

The collapse of the empire after 1808, although initiated by Napoleonic caprice and completed by Bolivarian genius, was the logical fulfilment of the failure of Bourbon colonial trade policy. Most particularly, it may be seen as a result of the bankruptcy of *comercio libre* and of its wartime stand-ins. In a sense, Independence was a judgement on the trade reforms launched in 1765, systematized in 1778, and spread to all corners of Spanish America in 1789.

One might, of course, choose an even broader perspective. The start of the industrial revolution in Great Britain ultimately relegated Spain to the same economic status as its erstwhile colonies, dooming the empire to irrelevance. This longterm view, however, does not further our understanding of the Wars of Independence, for the impact of the nascent capitalist order on Latin America does not truly predate the mid-nineteenth century. As Tulio Halperin Donghi has pointed out, "the changes, which those who established independence thought would be immediate, were delayed almost fifty years" (Halperin Donghi 1973: VIII; Cortés Conde 1974). By that span was Independence economically premature.

In fact, Spain's longterm failure to become an industrial power was far less important than the underlyingly wrong-headed nature of Bourbon policy. *Comercio libre* was designed to create an integrated imperial economy. Those who imposed it were convinced that the empire's survival depended upon the forging of material bonds between the peninsula and its overseas dominions, that linguistic and cultural affinities were not enough. In view of colonial loyalty during the War of Spanish Succession, one might well dispute such assumptions. In addition, there were major problems at the levels of policy design and implementation. Madrid's course drove the motherland and the Indies apart, rather than bringing them together.

The implementation of *comercio libre* (and of its extensions) dislocated economic life and fomented discontent, discontent which was ultimately to nourish the fires of Independence. As to policy design, its true nature can only be grasped if one understands the special role which Spain assigned to *comercio neutral*. Indeed, as will be shown, an evaluation of the neutral flags' trade leads to the inescapable conclusion that it was an integral part of commercial policy, and not a desperate wartime expedient. Through it, Spain sought to reap surreptitious advantage from colonial misery; conspiring with its own enemies to achieve in secret, policy objectives which it dared not embrace in public. In short, as an ensemble,

*comercio libre* and *comercio neutral* did not constitute a firm base for a satisfactory policy. They were a recipe for dissent and struggle.

In any event, the Spanish Bourbons failed. When the dynasty was unceremoniously removed from its throne in 1808, the empire was not bound together by a finely articulated economy, one binding *metrópoli* and *ultramar* into a harmonious whole. Colonial restlessness, exacerbated by predatory trade policies, was but insufficiently restrained by economic interdependence. In the pages which follow, I hope to document the predatory nature of these policies, and show how their enforced abandonment during a period of prolonged war actually *reduced* interdependence. Indeed, the major contention of this work is that ambitions and circumstances conspired together to give Spain the worst of both possible worlds.

## II. COMERCIO NEUTRAL: WARTIME COMERCIO LIBRE

Bourbon trade policy failed rather abruptly; unlike that of the Hapsburgs, whose agony was prolonged. This failure, of course, was directly related to Charles IV's decision to go to war with Great Britain in 1796, and to resume that struggle in 1804. Up to the onset of this cycle of conflicts, *comercio libre* had fulfilled many of its promises.<sup>2</sup> There is even reason to believe that the colonial elites had begun to adapt to the new commercial order.

Yet hostilities, of themselves, did not inherently imply Spanish commercial ruin, for Madrid had fall-back plans. It relied upon its fleet, which may have been the second largest in the world in 1796 (Barbier 1984a). It depended upon formal *comercio neutral*, decreed by the King himself and embodying some very real protection for peninsular trading interests. Lastly, where strategic considerations left it no other viable choice, Madrid was prepared to approve a bewildering series of local options, each designed to regularize recourse to foreign flag vessels and ports. Given the very difficult circumstances of the late eighteenth century, the Crown was prepared to approve whatever was required to supply its dominions and maintain commercial ties between Spain and its colonies.

The monarchy, of course, never expected that its fleet would sweep that of Great Britain from the high seas. Instead, a fleet-in-being strategy was

<sup>2</sup> The recent works of John Fisher and Javier Cuenca are instructive in that regard. See Cuenca Esteban (1981) and Fisher (1981).

followed. The armada was to prevent effective blockade, by forcing British forces to remain concentrated. Occasional convoys to major ports would sustain *comercio libre*, albeit at a much reduced level. Most importantly, neutral flag vessels were to slip through the interstices of Spanish convoys and British blockaders.

It is important to understand that these contingency plans were not desperate wartime expedients, but part and parcel of the trade policies of colonial reformers; time-honored and well thought out solutions, which grasped for whatever advantages were to be had from difficult problems and impossible weakness. Alien vessels were essential to colonial trade in the Wars of Spanish and Austrian Succession. With a revival of Spanish naval strength, a multi-faceted policy, still featuring a substantial role for foreign flag vessels, sustained trade during the War of American Independence. It might have done so in subsequent conflicts, as well, had it not been for the virtual collapse of the allied French navy.

Again, these measures were an extension of policy, and not an exception to it. Given the frequency of international conflict during the Old Regime, a trade policy which was effective only in peacetime would have been mere opportunism. Thus, the success of *comercio libre* can properly be judged on the basis of Spain's wartime commercial experience. If the fleet and neutral ships, together or by themselves, could not safeguard the achievements of the Caroline reforms, then these rested on no secure foundation.

As is well known the fleet failed. Denied effective French support, the armada went down to disastrous defeat at the Battle of Cape St. Vincent (February 14, 1797). From that point on, only recourse to neutral vessels could solve Madrid's colonial trade problems and, unlike in the previous war with Great Britain, these ships would have to do the job alone.

### 1. *The First Phase, 1797-1799*

In 1796, at the start of Charles IV's first conflict with Great Britain, Madrid was convinced that recourse to neutral flag vessels was the only viable means of keeping trade routes open. There were two ways, however, in which such a scheme could be implemented. The first was to allow local officials to open their ports, if they saw the need. It was understood that they would be tempted to do so, to obtain vitally needed supplies (particularly if these were of a military nature), or to secure revenues for colonial coffers. Similarly, wise as the government had

become in the ways of Indies politics, it took for granted that the governors of tropical colonies would open their ports to foreigners, even if ordered not to do so. The influence of the local land-holding elite, which needed to sell its products overseas, tended to be too strong in such places to allow any other result.<sup>3</sup>

The second option was for Madrid itself to license the trade of neutral flag vessels: which could sail from Spain, other European countries, or neutral American ports, depending upon the formula chosen by Spanish policy makers. This tended to be preferred to the first option, which left open the danger that all central control of commercial policy would be lost. In addition, the Crown harbored the hope that direct licensing would allow peninsular merchants, and particularly those of Cádiz (who were well-connected abroad), to continue to participate in the overseas trade.

Weighing the alternatives, the Ministry of Finance, which was responsible for trade policy, decided to license *comercio neutral* from Europe and discourage direct trade with foreign colonies. At the same time, however, it resolved to quietly provide exemptions as regards the latter, to such governors as might be forced by local pressures to allow trade with neighboring alien ports. The expectation was that *comercio neutral* would suffice for the three oldest viceroyalties, but that Caribbean and South Atlantic possessions would demand *comercio de cambio de frutos con colonias extranjeras*.

These measures are not to be interpreted as stopgap expedients. The Crown's experience, since the start of the War of Spanish Succession, showed that wartime commerce by licensed foreigners would inevitably be followed by substantial growth in Spanish trade once peace was restored. In this light *comercio neutral* was a wartime corollary of *comercio libre*. The connection can be clearly made at the policy-maker level. At the start of the first conflict with Great Britain, Francisco de Saavedra, at that time a member of the Council of War, advised the Crown that wartime imports of cheap foreign goods bankrupted Spanish American industries, and thereby cleared the way for deeper peacetime penetration of colonial markets by peninsular manufacturers. As Minister of Finance, Saavedra was the individual who subsequently authorized *comercio neutral*.<sup>4</sup>

3 This discussion is based on Barbier (1980). Relevant documents were found in AGI, Indiferente, leg. 2466.

4 Saavedra had distinguished credentials as a reformer. He served in the Ministry of

The original implementation of these policies, although slowed by the need to justify everything to Godoy, was relatively straightforward. The Crown began by allowing importation of flour, cod and other basic items from foreign sources, through neutral ports, and using alien vessels.<sup>5</sup> On November 18, 1797, *comercio neutral* was legalized and soon afterwards Caribbean colonies, such as Cuba and Venezuela, were given permission to engage in *comercio de cambio de frutos con colonias extranjeras*.<sup>6</sup> In fact, of course, many Antillean ports were already wide open to foreign flag vessels.

Minister of Finance Saavedra, defending his policy to Godoy, pointed out that Spain's effective authority was limited. It could not prevent its Caribbean and South Atlantic possessions from trading with nearby neutral colonies and with the United States:

Es cierto, que este partido no pueden adoptarlo Nueva España, Sta. Fé y el Perú que son por la mayor parte provincias mediterráneas, pero allí toman otro peor, y es que se acostumbran a pasarlo sin los generos de la metrópoli, establecen fábricas o plantios que los suplen y que ya proveen [...] la mayor parte de las necesidades populares de aquellos países; siendo esta, a mi ver, la principal causa del cortísimo tráfico de España respecto a la dilatada superficie y aún de la población de sus dominios de Indias, y que no solo perjudica a los intereses de la metrópoli sino que conspira lentamente a la independencia.<sup>7</sup>

If colonial autarchy was to be combated, so was the natural tendency of American territories to develop symbiotic relationships with each other:

Quando se pesan las ventajas o inconvenientes de los varios medios de proveer nuestras Américas en tiempo de guerra, no se debe establecer el paralelo entre el comercio que se haga desde nuestros puertos y el que se execute desde los neutrales, porque el primero es imposible [...] sino entre el que se puede hacer desde los puertos neutrales por cuenta de Españoles y con retornos a España; o el que se esta haciendo inevitablemente entre nuestras posesiones y las extranjeras de Indias con absoluta independencia de la metropoli.<sup>8</sup>

Again, *comercio neutral* was a two-edged sword. It was designed to prevent the development of manufacturing (and of specialized agriculture com-

the Indies under José de Gálvez, who selected him to serve as his personal envoy (*comisario regio*) in the Caribbean area during the War of the American Independence. He was subsequently named *intendente* of Caracas. After a term as minister of finances, he served as foreign minister, and was therefore first minister of the Crown.

5 AGI, Santo Domingo, leg. 2193; México, leg. 1586; Indiferente, legs. 535 and 2466.

6 AGI, Indiferente, legs. 535 and 2466.

7 AGI, Indiferente, leg. 2467.

8 Ibid.

petitive with that of the peninsula) in the core viceroalties, and to limit ties with foreign colonies in the rapidly growing peripheral zones. If we are to evaluate the success of the policy, it must be in terms of these objectives.

It must be admitted, however, that there is but scant basis for evaluating this success. The statistical information which would allow it is simply not available. Nonetheless, the qualitative evidence is fairly straightforward. In Cuba, *comercio neutral* was never more than a supplement to other means of access to foreign ships, goods and markets, down to 1808 and beyond.<sup>9</sup> In Venezuela, the colonial government's tobacco trading contracts with Ekard and Co. of St. Thomas and Robinson, Philips and Corser of Curaçao, tended to negate the importance of *comercio neutral*, at least down to 1805 (Barbier 1981: 473). Elsewhere in South America, the situation varied. The first wave of neutral trade did not have a significant impact on Callao or Cartagena. The one area where it did was the River Plate.

Table 1  
Ships Reported to Have Arrived in Montevideo Under the Real Orden  
of November 18, 1797, as per Viceregal Report of December 24, 1798

Name	Nationality	Origin	Destination
"Infanta"	Spanish	Cádiz	Havana
"Misericordia"	Genoese	Cádiz	Havana
"Magdalena"	Spanish	Cádiz	Havana
"Ciudad"	Genoese	Cádiz	Havana
"Concepcion"	Genoese	Cádiz	Havana
"Libertad"	Genoese	Cádiz	Havana
"Rosario"	Genoese	Cádiz	Cádiz
"Turaceny"	Turkish	Barcelona	Barcelona
"Hidra"	Turkish	Barcelona	Barcelona
"Maysgoodhope"	Danish	Cádiz	Hamburg
"Diana"	U.S.	Baltimore	In Port
"Patriota"	U.S.	Philadelphia	In Port
"Juana"	U.S.	Philadelphia	In Port
"Zephirus"	Danish	Málaga	In Port
"Troverdige"	Danish	Málaga	In Port
"Dhevithevos"	Hamburg	Hamburg	In Port
"Diana"	U.S.	Philadelphia	In Port

Source: AGI, Buenos Aires, leg. 125.

9 A pioneering work on this era is Coatsworth (1967). On the subject in general, and on the specific role of Cuba, see the studies of Cuenca Esteban, Salvucci, Barbier, and Kuethe — all in Barbier and Kuethe (1984).

In Buenos Aires, the situation was rather different, for the foreign response was immediate and massive (see Table 1). Foreign flag vessels kept Barcelona and Cadiz's export trade with the River Plate temporarily open, and sustained the Argentine-Cuban link of the triangular trade. At the same time, however, *comercio neutral* also brought in ships from the United States and Europe, ships destined to foment further the export of Platine products.

It should be noted that any attempt to evaluate the economic importance of *comercio neutral* runs into a number of documentary problems. The names and cargoes of foreign vessels in Spanish colonial harbors are not complete, they are not necessarily accurately given, and it is not always clear if indentified vessels are truly of the *comercio neutral* or if they are foreign flag ships which are in harbor on another basis. These remarks apply to the entire course of the trade.

In any event this early wave of neutral trade came to an early and abrupt end. On April 20, 1799, the Consulado of Cádiz convinced the Monarch, through Minister of State Mariano Luis de Urquijo, to withdraw the orders allowing *comercio neutral*.<sup>10</sup>

This reversal, which was the result of the near-sighted self-interest of Cádiz merchants, simply threw open even wider the doors of contraband, special licenses, and *comercio de cambio de frutos con colonias extranjeras*. As to the Consulado's alternative solution, trade by means of small Spanish vessels (named, in unconscious irony, *místicos*), it proved a dismal failure. They were run down by British cruisers, sunk by the violent waters of the Atlantic and Caribbean, and their minuscule loads made no impact on the colonial markets.

## 2. *The Second Phase, 1801-1802*

*Comercio neutral* resumed in 1801. The Crown's hand was forced by two considerations: its inability to prevent colonies such as Cuba and Venezuela from trading with the United States and other alien American territories; and the need to reopen trade routes, so as to allow the patriation of Indies funds via bills-of-exchange transactions (Barbier 1980: 30-31). Madrid's financial problems made the latter a peculiarly important motive in the formulation of royal trade policy (Barbier and Klein 1981). The new scheme was complex, as it comprised both licenses sold by the

10 AGI, Consulados, libro 97; Indiferente, legs. 2466 and 2467.

treasury as per a printed fee schedule, and other permits granted to court figures and the well-connected in compensation for obligations the monarchy could no longer meet. In both cases, however, financial considerations counted more than economic ones.

For Buenos Aires, the results are roughly indicated in Table 2. Compared to the situation described in 1798, the failure of *comercio neutral* seems obvious, for no change in the average size of vessels was noted. In fact, however, a great number of foreign vessels legally entered Buenos Aires and Montevideo, without being considered ships of *comercio neutral*. Some were allowed in, like the American "Christina" in 1798, because they were engaged in *comercio libre de negros* — and blacks were not the only goods legally carried aboard such vessels.<sup>11</sup> These ships could then be used for trade between Spanish colonies, as was the "Assumption", a United States ship reputedly sold to Tomás Antonio Romero and sent to Havana.<sup>12</sup> Ships of the *comercio libre de negros* could also be dispatched to foreign ports. Thus in 1803, the "Barbara" sailed from Montevideo to Bordeaux, with hides and silver. As the Viceroy explained, this was allowed as the ship was extracting the value of blacks previously imported as allowed by the R.O. of 1799 regulating this traffic, "siendo muy frecuentes y muy considerables los que salen directamente para diversos puertos

Table 2  
Ships of Comercio Neutral in the River Plate, 1801-1802

Year	Ship Name	Nationality	Licensee or Organizer
1801	"Wilmington"	U.S.	
1801	"Molly"	U.S.	Manuel de Almagro <sup>1</sup>
1801	"Gallant"	U.S.	
1801	"Judith"	Portuguese	
1801	"S. Jose"	Spanish (?) <sup>2</sup>	
1801	"Maria"	U.S. <sup>3</sup>	Viuda de Laiglesia
1802	"Molly"	U.S.	
1802	"Bonafides"	Hamburg	D. of Osuna
1802	"De Witeros"	Hamburg	Brentano <sup>4</sup>
1802	"Elena"	Danish	Brentano <sup>4</sup>

1 Brother of the Assessor General of the viceroyalty.

2 Arrived from Philadelphia.

3 Arrived from Cádiz.

4 Brentano, Bovara & Urbietta, merchants of Hamburg.

Sources: AGI, Buenos Aires, legs. 127, 129, and 130; Indiferente, leg. 2492.

11 AGI, Buenos Aires, leg. 124.

12 Ibid.

extrangeros.”<sup>13</sup> Another example is provided by the U.S. ship “Washington”, hired by the Count of Liniers (brother of the future viceroy), which came in in ballast to take out the proceeds of his slave sales.<sup>14</sup> To this one must add the *comercio de cambio de frutos con colonias extranjeras*, which could also legally serve as a means of acquiring “strategic” European goods.<sup>15</sup> This latter type of trade attracted Spanish vessels, but could also involve the ships of the European colony in question. Thus in the years of Charles IV’s first war with Great Britain, neutral Portuguese vessels, not classified as engaged in *comercio neutral*, could nevertheless trade in the River Plate.<sup>16</sup> In addition, captains of foreign ships bringing in official mail (in Buenos Aires as elsewhere in Spanish America) could expect to receive licenses to trade in recompense for their exertions.<sup>17</sup> These legal expedients joined the quasi-legal and contraband schemes employed in the River Plate, schemes well-known through the works of various historians, and particularly of Sergio Villalobos (1965). On the whole, the second phase of the first British war saw the utter bankruptcy of Spain’s contingency plans. In the Río de la Plata, formal *comercio neutral* was almost irrelevant, even as the ships using that formula began to penetrate Callao and Cartagena.<sup>18</sup>

### 3. *The Third Phase, 1804-1808*

With the temporary return of peace in 1802, Madrid yearned to return to mercantilistic rigor. This proved to be impossible to achieve, however, for the licenses granted to such as the Duke of Osuna, Frutos de Alvaro Benito, and the Marquess of Bedmar were still being honored in the last months of peace in 1804 (see Table 3, for Buenos Aires).

The resumption of war and of neutral trade were both decreed in December of 1804. The new *comercio neutral* operated on streamlined principles, of course. *Sauve qui peut* now properly characterized Madrid’s attitude, it no longer insisted upon mercantilistic niceties. All restrictions as to the number of vessels or type of goods were waived, and the trade was treated for customs purposes as if it passed through Spanish ports. All

13 AGI, Buenos Aires, leg. 131.

14 AGI, Buenos Aires, leg. 134.

15 AGI, Buenos Aires, leg. 127.

16 AGI, Buenos Aires, legs. 126, 127, and 215.

17 AGI, Buenos Aires, leg. 129.

18 AGI, Sante Fe, leg. 648; and Lima, leg. 720.

Table 3  
Ships of Comercio Neutral in the River Plate, 1804-1808

Ship Name	Nationality	Licensee and/or Organizer
"Yenne"	Hamburg	D. of Osuna/Brentano <sup>1</sup>
"Die Freundschaft"	Hamburg	D. of Osuna
"Johana Adriana"	Danish <sup>2</sup>	F. de Alvaro Benito
"Witte Vojs"	Danish <sup>3</sup>	F. de Alvaro Benito/Brentano
"Massachusetts"	U.S.	Julian Hernández Barruso
"Ana"	Unknown	M. of Bedmar/del Pont <sup>4</sup>
"Favius"	U.S.	Julian Hernández Barruso
"Isabel"	U.S. <sup>5</sup>	Thomas O'Reilly
"Flor del Douro"	Portuguese	del Pont
"Esperanza"	Portuguese	José Antonio Pereyra
"Bashaw"	U.S.	Gilmore <sup>6</sup>
"Mary"	U.S.	Ferrer, Tastet/Gilmore <sup>7</sup>
"Patty"	U.S.	John Craig and others
"Bauer"	Danish	Brentano
"Santa Maria"	Portuguese <sup>8</sup>	Ferrer, Tastet
"Amalia Isabel"	U.S.	Thomas O'Reilly <sup>9</sup>
"Friede"	Hamburg	Thomas O'Reilly
"Herald"	U.S.	Thomas O'Reilly <sup>10</sup>
"Maria"	U.S.	Thomas O'Reilly

1 This is the firm of Brentano, Bovara & Urbieta.

2 Sailed from Tönning (Slesvik).

3 Sailed from Friedrichstadt (Slesvik).

4 Ventura Miguel Marcó del Pont.

5 Sailed from Lisbon.

6 Robert Gilmore and Sons.

7 The bill of lading issued in the United States specified that the interest parties were LeRoy Bayard and McEver; Archibald Gracie; John Craig; and John Oliver. Gilmore may simply have owned the ship.

8 Sailed to Copenhagen.

9 Sailed to England. Consignee was Gordon and Murphy.

10 Sailed to Baltimore.

Sources: AGI, Buenos Aires, legs. 137, 138, and 139; Indiferente, legs. 1702, 2468, 2470, 2471, 2472, and 2492; Ultramar, legs. 742, 839, 840, and 841.

was arranged in such a way as to maximize revenues, and without considering the economic impact on the peninsula and the Indies of the new measures. In addition to the sale of new licenses, the Crown rehabilitated all the old ones, and entered into special arrangements with foreign companies — such as the French banking firm of Ouvrard, and the merchant houses of Reid, Irving and Co. and Gordon, Murphy and Co. Lastly, in some cases, the *Caja de Consolidación de Vales Reales* acquired a dominant, privileged position.

For South America some statistical results can be set out, although the results are probably incomplete, and nothing can be said about the volume of trade. In the River Plate (see Table 3), *comercio neutral* continued during the inter-war period, and beyond. It is evident that American (or British?) names became more dominant with time, although German and Danish vessels tended to be larger than American ones. In any event, the situation was unstable due to political changes in Northern Germany and to the American embargo of 1807. The interested parties in the trade, here as elsewhere in South America, are difficult to determine. As best as one can tell, the Duke of Osuna did not always sell his licenses, sometimes he traded on his own – with disastrous results. In most instances, however, Spanish merchants were but front men for foreign ones, and the interrelations between these latter were far from simple. What, for instance was the true relationship between Thomas O'Reilly and Gordon and Murphy? Still, one is left with the impression that what-

Table 4  
Neutral Trade in Callao, 1804-1808

Ship Name	Nationality	Firm Responsible
"Anseatica"	Hamburg	Geoffroy/Rucker <sup>1</sup>
"Despacho"	U.S.	Brentano <sup>2</sup>
"Juan Parish"	Hamburg	Brentano <sup>2</sup>
"Wilhelmsburg"	Hamburg	Brentano <sup>2</sup>
"Cesar & Peter"	Hamburg	Unknown
"San Jose"	Portuguese	J. A. Pereira <sup>3</sup>
"Amelia"	Unknown	C. of Premio Real <sup>4</sup>
"Monticello"	U.S.	Gordon & Murphy <sup>4</sup>
"Waldemar"	Danish	Bandeira/Montano <sup>5</sup>
"Bons Irmao"	Portuguese	Thomas O'Gorman
"Cordelia"	U.S.	Unknown

1 The firms involved are those of P. Geoffroy & Sons and Rucker and Westphalen.

2 The firm is that of Brentano, Bovara & Urbietta; all ships left from Hamburg.

3 Ship left from Lisbon.

4 Ship left from Cádiz.

5 The firms involved are those of Jacinto Fernandez Bandeira and Jose Ventura Montano; the ship left from Lisbon.

The above list is undoubtedly incomplete. Thus the "Hermosa Mexicana", despite its name, may well have been a foreign ship. In addition, the nationality of the "Antilope" is unknown, as are the circumstances of its voyage; and it is not known if the "Triunfo" reached the Pacific.

Sources: AGI, Ultramar, legs. 640, 742, 839, 840, and 841; Indiferente, legs. 1702, 2472, and 2827; Lima, leg. 736; and Santo Domingo, leg. 2207.

Table 5  
Neutral Trade in Cartagena de Indias, 1804-1808

Ship Name	Nationality	Firm	Port
"Wilhelm & Albert"	Danish	Van Heiningen	Altona
"Juana Adriana"	Hamburg	V. Lienau (?)	Hamburg
"Nueva Aurora"	Portuguese	Fernandes de Silva	Oporto
"Henry"	Danish	Gordon & Murphy	Cádiz
"Maria"	Danish	Gordon & Murphy	Cádiz
"Lesbia" (1st)	Danish	Gordon & Murphy	Cádiz
"Lesbia" (2nd)	Danish	Gordon & Murphy	Cádiz

Source: AGI, Ultramar, legs. 742, 839, and 840; Indiferente, legs. 2470, 2471, and 2472; Santa Fe, legs. 653 and 956.

ever the answers to such questions *comercio neutral* did not regain its prior importance for the Platine region.

The same cannot be said for Callao (see Table 4) and Cartagena (see Table 5). For both ports, the influx of legal foreign goods was unprecedented. The number of alien ships arriving legally, and the size of these vessels, would seem to imply a powerful impact on the local economy. This is particularly true for the Gordon and Murphy voyages, which enjoyed such privileges as to make them little more than legalized sacking operations.

Again, as in the case of Buenos Aires, it is often difficult to determine who were the true owners of the trade. Thus, the M. Van Heiningen & Co. which sent the "Wilhelm and Albert" under a Danish flag from the Duchy of Holstein to Cartagena, was in fact a Hamburg firm. But it seems to have been dependent on the Dutch merchant-banking house of Ed. Croese & Co. (who were among the principal money lenders to the Spanish Crown). The German company suspended payments at the same time as its Dutch counterpart in early 1806. In dealing with this trade, one often has the impression that one is fighting with shadows.

The picture presented by the *comercio neutral* of La Guaira and Puerto Cabello is, perhaps, the most dramatic (see Table 6). In Venezuela, with but a few exceptions, a single firm temporarily monopolized trade from late 1805 through 1807. Philadelphia merchant John Craig, thanks to a partnership with the *Caja de Consolidación de Vales Reales*, managed to completely dominate the foreign commerce of the greater part of the colony until after the onset of the American embargo. Nonetheless, by 1808, Venezuela also offers a couple of examples of how neutral trade should have been made to work. I refer to the expeditions carried out in the name of Juan Francisco Barrie, a French industrialist established in

Galicia who, in partnership with United States merchants, attempted to sell the hats produced in his peninsular factory in the colonies. To add interest to his venture, of course, he also dealt in other goods. Or, at least, so it seems.

Table 6  
Neutral Trade, La Guaira and Puerto Cabello, 1805-1808

Ship Name	Nationality	Port
"Cometa"	U.S.	Philadelphia
"Activa"	U.S.	Philadelphia
"Maria"	Danish	St. Thomas
"Rambler"	Danish	St. Thomas
"Jensen"	Danish	St. Thomas
"Tiby"	Danish	St. Thomas
"Esther"	Danish	St. Thomas
"Madame Kerversan" <sup>1</sup>	French	Martinique
"Randi"	Danish	St. Croix
"Pamela"	U.S.	Charleston/Philadelphia
"Cosmopolita"	Danish	St. Thomas
"Brilliant"	U.S.	Baltimore
"Eliza"	Danish	St. Thomas
"Elizabeth"	U.S.	New York
"Hippona"	U.S.	St. Thomas
"Reunion"	French	Martinique
"Tres Amigos" <sup>2</sup>	U.S.	To Baltimore
"Waltuslaft" (?)	Danish	Unknown
"Endimion"	U.S.	To Philadelphia
"Forsegen" (?)	Danish	St. Thomas
"Antelope"	Unknown	Baltimore
"Margarita"	U.S.	Philadelphia
"Juana"	Danish	St. Croix
"Speedewill"	U.S.	Philadelphia
"Fox"	Danish	St. Thomas
"Resolution"	U.S.	Philadelphia
"Felicidad"	U.S.	Beverley (Mass.)
"Dos Hermanas"	U.S.	Beverley (Mass.)
"Forsoguel" (?)	Danish	St. Thomas
"Oliva"	U.S.	New York
"Farmen"	U.S.	Philadelphia
"Brute"	Dutch	Curaçao
"Isabella"	Swedish	St. Bartholemew
"Tam Fam"	Danish	St. Thomas/Philadelphia
"Dansk Patriot"	Danzig	St. Thomas
"Ranger"	U.S.	Philadelphia
"Albert"	U.S.	Philadelphia
"Expectation"	U.S.	Philadelphia

Table 6 (Cont.)

Ship Name	Nationality	Port
"Esperanza" <sup>2</sup>	U.S.	Baltimore
"Torreger" (?)	Danish	St. Thomas
"S. Antonio" <sup>3</sup>	Portuguese	Spain (unspecified)
"Union" <sup>4</sup>	U.S.	Salem (Mass.)/La Coruña
"Georgetown" <sup>5</sup>	U.S.	Philadelphia/La Coruña

Save as noted, all voyages were for John Craig of Philadelphia.

1 Made two voyages.

2 Ship of Luke Tiernan.

3 Ship of F. M. and J. E. Montano.

4 Ship of J. F. Barrie and Juan Leamy.

5 Ship of J. F. Barrie and R. Wain.

Sources: AGI, Caracas, leg. 487; Ultramar, legs. 742, 839, 840, and 841; Indiferente, legs. 2470, 2471, and 2473.

### III. CONCLUSION

It is difficult to be definitive about the economic impact of *comercio neutral*. Without more information than we presently have on neutral trade volumes, price levels in Spanish America and the fate of certain Indies industries, we cannot rise very far above the level of speculation. It does seem likely that the policy contributed in 1804-1808 to the greater integration of Peru and New Granada into the world market economy, but this should not be exaggerated. Its effect on Venezuela, in the same period was to temporarily reintroduce monopoly. Elsewhere, and at other times, things are less clear.

In any event, it may well be that the true importance of *comercio neutral* was more political than economic. That the policy should have been conceived of at all, in the kind of anti-Spanish American terms in which it was formulated, speaks volumes about Madrid's attitudes towards its colonies in the waning years of the empire — which may help account for the growth of pro-independence feelings. That it should have been scuttled so quickly by Cádiz interests in its first incarnation reveals that reformism no longer enjoyed the support it had commanded in the past. That it should have been revived as a revenues producing scheme, tells us much about the Monarchy's desperation. Lastly, that it should be so difficult to identify the true beneficiaries of the trading voyages may suggest something about the world capitalist order, which was to dominate South America by the mid-nineteenth century.