

Entrepreneurial Structure of the Mercantile Company in Pre-industrial Catalonia

Abstract

The mercantile company was the basic form of enterprise in pre-industrial Catalonia. The aim of this paper is to study the formation and development of the mercantile companies in Barcelona whose end was the wholesale and retail sale of textiles in the "*botigues de teles*" (textile retail shops) throughout the eighteenth century. These firms were officially registered before a notary and their deeds reveal how these establishments were administered and managed.

The study covers a sample of 121 mercantile companies, and the articles and documentation that were put into effect by 32 notaries who were active in Barcelona in the 18th century have been consulted in their entirety. From an initial selection of documentation, a total of 228 deeds registering companies have been found, 107 of which (47%) relate to the creation of companies whose various activities were centred in taverns, textile manufacturing, braiding.... While the 121 companies, which make up our sample and which account for 53% of the deeds registered with the notaries mentioned above, focused exclusively on the management of textile retail shops located in the commercial heart of the city. Thus one point of interest that the documentation reveals is that the majority of the mercantile companies registered by Barcelona notaries throughout the 18th century were establishments which traded in textiles.

The first part of the article focuses on the structural characteristics of these enterprises, the number and socio-professional status of the partners and the extent of each partner's involvement in the administration and management. The second part of the article examines the capital investment made by each partner, their rights and obligations agreed on, the sharing out of profits and possible losses and the duration of the companies. The final aim of the paper is to highlight the evolution of these companies through one specific case.

Key words

Mercantile company; Trade; Textile retail shops; Catalonia.

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Introduction

The mercantile company was the basic form of enterprise in pre-industrial Catalonia.¹ The aim of this paper is to study the formation and development of the mercantile companies in Barcelona whose end was the wholesale and retail sale of textiles in the “*botigues de teles*” (textile retail shops) throughout the eighteenth century. These firms were officially registered before a notary and their deeds reveal how these establishments were administered and managed.²

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¹ Research support by the DGICYT, PS 02-0120.

² More details in: P. Vilar, *Catalunya dins l'Espanya Moderna*, Barcelona, 1964-66, IV, pp 165-217. P. Vilar, “La noción de empresa y empresario desde los tiempos modernos a los contemporáneos” in *Dinero y Crédito (siglos XVI al XIX). Actas del Primer Coloquio Internacional de Historia Económica*, Madrid, 1978, pp. 241-248; A.E. Sayous, *Els mètodes comercials a la Barcelona medieval*, Barcelona, 1975; P. Molas, “Comerç de teixits en la societat estamental”, pp. 7-46.; “La companyia Feu-Feliu de la Penya (1676-1708). Comerç de teixits vers el 1700” in *Comerç i estructura social a Catalunya i València als segles XVII i XVIII*, Barcelona, 1977; F. Braudel, *Les yeux de l'échange. Civilisation matérielle, Économie et Capitalisme XV-XVIII siècle*, Paris, 1979, p. 388; N. Coll, “Compañías mercantiles barcelonesas del siglo XV y su estrato familiar”, *Estudios Históricos y Documentos de los Archivos de Protocolos*, IX, 1981, pp.207-104; A. García Sanz and J.M. Madurell, *Societats mercantils medievals a Barcelona*, 2 vols. Barcelona, 1986, vol.I, p. 155. I. Lobato, “Societats mercantils a la Barcelona del segle XVII. La Companyia Dalmases Ferrer”, *Estudis d' Història Econòmica*, 1988, p. 33. *Compañías y negocios en la Cataluña preindustrial*, Sevilla, 1955,

³ All of the documents consulted are in the *Arxiu Històric de Protocols Notarials de Barcelona* (AHPB). See the list of notaries in appendix.

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The fixed capital investment involved in the textile retail shops was modest. On the premises were found inside the establishment a wide counter with various simple utensils and tools to measure and cut the cloths. However, much more necessary to the business was the volume of circulating capital that made the purchase of goods possible, and also the business capital that could be destined to defray the credit of future clients.

It would have been difficult for one sole retailer to finance the process alone, and for this reason partnerships of individuals interested in creating commercial companies for a limited time came into being. The partners endeavoured to cover all possible details in the clauses of the deeds drawn up, deeds that would be of great utility both in the creation of the mercantile company, in its future development, and in its termination.

In the first part of the article we will analyse the number of partners and the extent of each partner's involvement in the administration and management of the textile retail shops. The capital investment made by each partner, their rights and obligations agreed on, the sharing out of profits and possible losses and the duration of the companies. We will then analyse changes in the type of investment made, whether in cash or in goods, or in another form. Finally, at the end of the study we will observe the evolution of these companies by focusing on one specific case.

1. The Business Structure of the Textile retail shops of Barcelona in the 18th Century.

The characteristics of a mercantile company in 18th century Barcelona can be seen in the information contained in the agreements drawn up by the notaries. Their analysis is based around the study of many such examples that enable us to gather data of varying nature, data that show how these companies worked and the links and connections established between them.

One fact worth mentioning is that these companies incorporated two different types of partners. On the one hand, those individuals whose contribution was capital and whose functions were limited to the control and supervision of management. On the other hand, the manager partner, someone who knew the business well and contributed to it with work and daily dedication, even though his capital contribution was nil or inferior to that of other participants in the company.

Reading the deeds of the companies reveals that not all that were operating in the city registered their mercantile contract right from the start of business. In effect, this same documentation makes it clear that the companies were already often in business on the basis of a verbal agreement between the partners, especially in those cases where the partners were in the same family and where there was enough mutual confidence to make the business work "*sens haver fetes ni firmadas ningunas capitulacions*". In fact, on many occasions the decision to make the company official came when one or more partners from outside the family joined. This new situation made it advisable to officially register the company with a notary, something perceived by the partners as a necessary step in a new commercial environment. In any case we are not aware of how many mercantile companies operated in Barcelona in the eighteenth century on the basis of verbal agreement alone or by means of private documents; nor do we know how they operated.

Another important aspect of the documentary source is that not all of the company deeds give us the same information regarding either the quality or the quantity of the records. While some notaries registered the company articles fully, others only noted the principal information of the mercantile company. This factor without any doubt conditions our analysis, and has implications for the final results of this study, and for this reason should have some effect on the methodology used. To this end all documents that are incomplete either due to lack of information because part of the documentation has been lost with the passage of time have not been taken into account.

From another perspective, the companies which have been analysed are those whose deeds were for the creation of new mercantile companies, not for the renovation of a previously existing one. We feel it is important to underline this fact because many companies renewed their deeds every two, three, four to six years with the same members and using exactly the same articles as before. This documentation has not been included except in those cases where a partner left the company or where a new

one joined, and the occasion was used to annul, modify or rewrite one or some of the articles defining the nature of the business.

Table 1 shows us the composition of the simple, general tendencies and some changes that occurred in this sector between the first and second halves of the 18th century.

Table 1. The composition of the simple and the capital invested by the partners in “*botigues de teles*” (textile retail shops) in Barcelona in the Eighteenth century.

	1701-1750		1751-1800		Total 1701 - 1800	
	Nº	%	Nº	%	Nº	%
Number of notaries consulted *	16	50	16	50	32	100
Number of mercantile companies (sample)	34	28,1	87	71,9	121	100
Number of partners in the companies (managers and capitalists)	112	22,3	390	77,7	502	100
Global capital invested by the partners (in <i>lliures</i> or Catalan pounds)	427.040	15,9	2.252.100	84,1	2.679.140	100
Average capital per partner (in <i>lliures</i> or Catalan pounds)	3.812		5.775		5.337	
Average capital per mercantile company (in <i>lliures</i> or Catalan pounds)	12.560		25.886		22.142	

* See appendix.

Source: Created by the author from notary deeds (AHPB).

The first comment to be made in relation to table 1 is about the documentary sources. The scrivener’s offices consulted in both the first and second halves of the 18th century and which the notaries used specialised in contracts of a mercantile nature.⁴ We can therefore discount the supposition that the differing number of companies, which have been found for one or other period, depends on the degree of specialisation of the notaries; this difference was rather due to the greater development of commercial activity in the city. In effect, the proliferation of mercantile companies in the second half of the 18th century should be seen in the context of stable commercial

⁴ We cannot talk of official specialisation on the part of notaries, although all those consulted had great experience in drawing up the private documents of traders (wills, inventories, marital agreements) and the articles of the deeds of mercantile companies.

development within Barcelona and the magnitude of the investments made in the textile retail shops as the century progressed.⁵

The textile retail shops were managed by several capitalist partners, and by a participating manager whose fundamental contribution to the business was his work, loyalty and exclusive dedication to the establishment. This “managing partner” was generally a cloth retailer. In some cases this person was a young shopkeeper who had not yet reached the guild category of master.⁶ In this circumstance the manager was usually a son, a son-in-law or a close family member of one of the capitalist partners or his widow. The management of the establishment made it possible to gain the necessary experience to grow into the future position of capitalist partner in the business. In other cases the manager was a professional who contributed his work and experience to the management of the business.

The managers worked exclusively for the business, but only some contributed with the capital invested. In exchange for their labour they received a fixed annual salary that was previously established in the company articles, according to which the managers of the companies analysed ranged from 200 to 800 *lliures*⁷ a year, depending on the magnitude of the initial capital investment and the evolution of every enterprise. From this quantity the manager subtracted the cost of his own maintenance and that of his family, in addition to the small wages which his helpers received for their work, normally a *fadrí* (official of the textile guild), two or more *aprenents* (apprentices), and a maid. Apart from the cash payment, some managers also received between a quarter and a sixth of the net annual profits of the company, once the annual balance was made, and as stipulated in the articles of the company. This sum was in compensation for the capital previously invested in the business.

The manager, his family and the helpers lived on the shop’s premises. These establishments were, in fact, both shop and home where it was possible carried on business and private life, whose respective spheres were often difficult to separate.⁸

⁵ For the evolution of textile retail shops see: P. Vilar, *Catalunya dins l’Espanya Moderna*, vol. IV, pp. 155 y ss. P. Molas, *Comerç i estructura social a Catalunya i València als segles XVII i XVIII*, Barcelona, 1977. L. Torra “Cambios en la oferta y la demanda textil en Barcelona (1650-1800)”, (2002), *Revista de Historia Industrial*, 22.

⁶ On this subject see: P. Molas, *Los gremios barceloneses del siglo XVIII*, Madrid, 1970, pp. 260.

⁷ *Lliures* were Catalan pounds during the Ancien Regime.

⁸ I. Lobato, *Compañías y negocios en la Cataluña preindustrial*, Sevilla, 1995, p.110. See more information about this subject: J.Aurell, *Els mercaders catalans al quatre-cents*, Lleida, 1996, p. 125.

The figure of the manager was universal to all the companies and was indispensable to the good operation of the textile retail shop. Their contribution in terms of work had no limit, whereas their powers did. In effect, the deeds of the companies always imposed a financial limit on the managing partner in terms of the possible expenses to be paid or investments to be made, particularly so he could not surpass the sum of credit granted to clients or the quantity needed for purchasing imported goods, etc. The managers could only go beyond this limit if previous consent was given by the capitalist partners. In the same way, the managing partner needed the consent of the other partners to get involved in business of greater size and importance and to take on significant risks. Another preventative measure, which was universal, was the requirement that all managers should work solely for one establishment “...per rahó de la administració de dita botiga deu estar dedicat y emplearse totalment a ella. Persó es pactat que durant la present companyia no li sia licit ni permes per si ni per medi de altra persona interessarse ni fer genero algun de negoci separat de dita botiga encara que fos en nom de altre y seus caudals.” This probable prevented the occurrence of situations of possible conflict, such as the temptation to go to work for the competition.

Apart from the manager, the companies had two, three, four or more capitalist partners whose investment could vary greatly and who were from different social levels. Table 2 shows the social make-up of the companies in which we will study the degree of social disparity between the partners, the average number of participants, and also their evolution in the course of the first and second halves of the 18th century.

Table 2. The socio-professional status of the partners in the “*botiques de teles*” (textile retail shops) of Barcelona.

Socio-profesional status	1701 – 1750		1751 – 1800		1701 - 1800	
	Nº of partners	%	Nº of partners	%	Nº of partners	%
Textile retailers (managers)	32	28,6	85	21,8	117	23,3
Textile retailers (capitalist partners)	32	28,6	118	30,3	150	29,8
Merchants	12	10,7	17	4,3	29	5,7
Other shopkeepers	18	16	94	24,1	112	22,3
Members of the professions	2	1,8	1	0,2	3	0,6
<i>Paraires</i> (master clothiers)	9	8,1	36	9,3	45	9,1
Other craftsmen	6	5,4	27	6,9	33	6,6
Ships captains			8	2,1	8	1,6
Other partners	1	0,8	4	1	5	1
TOTAL NUMBER OF PARTNERS	112	100	390	100	502	100
TOTAL NUMBER OF COMPANIES	34		87		121	
Average number of partners per company	3.3		4.5		4.1	
Average number of partners per company (excluding managers)	2.3		3.5		2.9	

Source: Created by the author from notary deeds (AHPB). See appendix.

The data in table 2 allows us to compare different tendencies that were to become consolidated throughout the 18th century. If we add up the number of managers and

capitalist partners, the *botiguers de teles* (textile retailers) represented more than half (53,1%) of the company members in the 18th century. This data would be of little interest if were we not to observe the pattern set between the first and second halves of the century and were we not to go back to a previous time by using the data in Isabel Lobato's study.⁹ Thus among the capitalist partners, the number of *botiguers de teles* (textile retailers) rose from an average of 12,8% in the companies in the second half of the 17th century to an average of 28,6% in the first half of the 18th century, and correlatively to 30,3% in the second half of the seventeen hundreds, thus excluding the presence of merchants partners, which in relative terms fell from 22,2% in the second half of the 17th century to 10,7% in the first half of the seventeen hundreds and to 4,3% in the second half of the 18th century. This tells us that retailers and not the important merchants of the city grew in number and also increased their investment in the business coinciding with the promotion and rise of this commercial sector in Barcelona.¹⁰

Another important fact, which is not apparent in the data in table 2, is that not all the partners were male, except in the case of the managing partners. Four women (3,6% of the total number of partners) figured in the companies in the first half of the seventeen hundreds, while 62 women (15,9%) figure in the second half. Most of them were widows with sons, usufructaries of the goods of their late husbands, although we can also observe the presence of married women who inherited the business from their parents.¹¹ Because of the make up of the companies these women were able to continue the family business with the help of a managing partner who they had confidence in and who in many cases was a relative. One fairly typical example would be the case of Maria Pi Cantallops, daughter of the *botiguer de teles* Josep Cantallops and wife of another retailer, Josep Pi.¹² In October 1753 Maria was widowed and inherited the goods of her deceased husband. Adverse circumstances opened new horizons to her, and Maria Pi became a partner in a new commercial company along with the previous partners of her deceased husband, Gregori French and Antoni Mateu, both Barcelona merchants. The new company was created for four years, and

⁹ The data noted from now on in relation to the second half of the 17th century belongs to Isabel Lobato, *Compañías y negocios en la Cataluña preindustrial*, Sevilla, 1995, p. 112-114.

¹⁰ On this subject see: P. Vilar, *Catalunya dins l'Espanya Moderna*, Barcelona, 1986, vol. IV. Pp. 165-217.

¹¹ On this subject see: M. Spufford, *The Great Recloning of Rural England*, (1984), pp. 69 y ss. P. Fernández Pérez, *El rostro familiar de la metrópoli. Redes de parentesco y lazos mercantiles en Cádiz, 1700-1812*, (1997). M^a Guadalupe Carrasco González, *Comerciantes y casas de negocios en Cádiz (1650-1700)*, (1997).

¹² More details about the relationship Sobre las relaciones de parentesco en el mundo comercial véase los estudios de P. Molas, *Los gremios barceloneses en el siglo XVIII*, Madrid, 1970.

her son, Josep Ignasi Pi, was also incorporated as the new manager of the *botiga*, which was located in *Cotoners Street* in the commercial heart of the city. The premises had belonged to Josep Pi and on his death his son Josep Ignasi inherited them, although his widow remained as usufruct, being able to remain as a tenant on the same premises on her death. The new company was officially created, after a balance had been made of the previous one with a capital of 7.078 *lliures*, in the form of goods that there were in the storeroom of the business, in addition to the assets that had accumulated in the old business. The investment made by her husband corresponded to 43% of the capital of the mercantile company, and the proportional profits obtained on this investment belonged to the widow from then on. However in addition to this, Maria Pi made a further investment in her own right in the new commercial company of 2.100 *lliures*, which she paid in cash. This sum represented the value of her dowry, which she had recovered on her husband's death and decided to invest in the textile business.¹³ From then on, Maria Pi became one of the biggest capitalist partner in the company, a situation that enabled her to watch over the training of her son Josep Ignasi, first as managing partner in the textile retail shop and later as the largest capitalist partner in the company.

Apart from widows, married women also figured among the capitalist partners in the companies analysed. These were women who inherited goods and part of the family business on the death of their father. One well known example is Maria Antònia Gibert Alegre, who inherited the entire goods of the retailer Miquel Alegre,¹⁴ and who officially formed a new commercial company along with her father's previous partners with capital which amounted to 41.000 *lliures*¹⁵ early in 1748. However Maria Antònia, who was married to Agustí Gibert Xurrich, also a retailer and merchant of Barcelona,¹⁶ needed, like other women in the same situation, the consent of her husband to form part of the new commercial company.¹⁷ For many women - daughters, wives and widows - forming part of a mercantile company represented a means of rising above anonymity and acceding to a certain degree of autonomy and decision-making power, even if this was based around the monetary value of their dowry. Once widowed, the woman broke the circle of dominance by her parents, brothers, other close relatives

¹³ AHPB. Not. S. Prats, *Liber tercius concordiarum, societatum ... (1752-1754)*, pp. 505-507.

¹⁴ About this company see: P. Vilar, *Catalunya dins l'Espanya Moderna*, Barcelona, 1986, vol. IV. pp. 166.

¹⁵ *Lliures* were Catalan pounds during the Ancien Regime.

¹⁶ See: P. Molas, *Comerç i estructura social a Catalunya i València als segles XVII i XVIII*, Barcelona, 1977, p.240.

¹⁷ AHPB. Not. S. Prats. *Liber secundus concordiarum, societatum (1748-1751)*, pp. 1-4.

and husband, even though she might have to succumb to the subjugation of her eldest son.

Let us return to the data in table 2. We can observe the ever-increasing presence of *paraires* (master clothiers) among the capitalist partners in the textile retail shops of the 18th century, especially if we compare with data from the previous one (there was an increase from an average of 6,8% in the second half of the 17th century¹⁸ to 9,1% in the 18th century). The *paraires* were small craftsmen-businessmen who managed and controlled the different phases of the manufacture of textiles. They bought the wool and other raw materials that they then distributed to the different craftsmen who specialised in the phases of the fabrication process. They also controlled the finishing of the pieces and sold the finished cloths to the city traders and retailers. Commercial activity was part and parcel of their trade, and the connections associating them with the textile retail shops of Barcelona was yet another link in the chain of their professional activity.¹⁹ So it is not strange that the *paraires* should demonstrate a capitalist mentality at such an important stage in the industrial transformation of Catalonia, and that they should take on an ever greater degree of participation in the commercialisation and distribution of textiles and figure more and more as partners in the textile retail shops in the Barcelona and other cities of the country.²⁰

The presence of *paraires* who came from the industrial Catalan nuclei became increasingly significant as the 18th century progressed.²¹ The economic contribution of these individuals to companies in Barcelona was on the modest side, and was essentially to be found in woollen cloths, like the 1.000 *lliures* in cloths that Jacinto Vivas, a Barcelona *paraire*, invested in Salvador Bosch's establishment in 1730, or the same contribution that Joan Puget, another Barcelona *paraire*, made to the business of

¹⁸ I. Lobato *Compañías y negocios en la Cataluña preindustrial*, Sevilla, 1995, p.112.

¹⁹ For the evolution of the *paraires* (master clothiers) in Catalonia during the Ancien Regime, see: V. Vázquez de Prada y P. Molas Ribalta, "La industria lanera en Barcelona (s.XVI-XVIII) in M. Spallanzoni, *Produzione, commercio e consumo dei panni di lana (nei secoli XII-XVIII)*. Atti de la seconda settimana di studio 10-16 aprile 1970, pp. 553-565. J. Torras Elías, "The Old and the New. Marketing networks and Textile growth in Eighteenth-century Spain" in M. Berg (ed), *Markets and Manufacture in Early Industrial Europe*, 1995, pp. 83-113. X. Torres Sans, "De senyors del drap a senyors de la terra: draperia i masoveria a la regió de Girona als segles XVI i XVII" in R. Congost and L. To, *Homes, masos, història. La Catalunya del nord-est (segles XI-XX)*, 1995, pp.229-268.

²⁰ On this subject see: J. Torras Elías, "Fabricants sense fàbrica. Estudi d'una empresa llanera d'Igualada (1726-1765), *Recerques*, 19, (1987), pp. 145-160. L. Torra "Comercialización y consumo de tejidos en Cataluña (1650-1800)", *Revista de Historia Industrial*, 11, (1997), pp. 177-195.

²¹ On this subject see: X. Torres, "Activitats econòmiques" *Història de Barcelona. Barcelona dins la Catalunya Moderna (segles XVI-XVII)*, vol IV, pp. 215-255. Barcelona, 1985; J. Torras y M. Duran, "Industrias rurales en economías de montaña. La industria lanera en Cataluña en el siglo XVIII", *Actas*

Miquel Alegre, also in 1730,²² or the 1.100 *lliures* in goods that the *paraire* Josep Monner of Esparraguera invested in Joan Busquets i Duran's *botiga* in 1763,²³ or the 1.200 *lliures* that Anton Tauler, a *paraire* from Camprodon invested in the form of cloths in R. Solà's shop in 1780.²⁴ The most important contribution that the *paraires* could make to this complex mercantile process was their experience and their organisational and management capacity, a process whose end was the commercialisation and distribution of different textiles in the local and regional market, and also in much more distant areas.²⁵

Along with the *paraires* other craftsmen were observed as connected to textile manufacture as capitalist partners in the Barcelona establishments at the time. Some of them were dyers, and there were also some weavers and silk and wool craftsmen. Their capital contribution was less than that of the *paraires*, although their experience in the final stages of the production process was vital at the time of making decisions with regard to the purchase of textile goods, and also in the involvement of the companies in industrial operations.²⁶ Of this group tailors were especially important, as were some pedlars who are included in the group of "other partners" (table 2); they made up a very small group widely distributed among the partners of the companies analysed.

Another fact that attracts our attention in table 2 is the presence of ships' captains in the companies of the second half of the 18th century. This is a reflection of the commercial contacts that the companies had in cities and areas close to the Mediterranean and Atlantic European coasts and in the colonial market.²⁷

del III Congreso de Historia Económica, Segovia, 1986; A. García Espuche, *Un siglo decisivo. Barcelona y Cataluña 1550-1640*, Barcelona, 1998, pp. 124.

²² AHPB, Not. M. Cabrer, *Liber primus capitulorum, concordiarum, societatum... 1726-1730*, p.303.

²³ AHPB, Not. S. Prats, *Liber sextus concordiarum, societatum*, pp. 378-380.

²⁴ AHPB, Not. J. Cavallol, *Quartum manuale concordiarum, societatum*, pp. 85.

²⁵ Some examples of the evolution of these networks: L. Torra, (2000), "Botigues de teixits, crèdit comercial i crèdit al consum. Xarxes comercials a la Catalunya del segle XVIII", *Recerques*, 41, pp. 5-30.

²⁶ See: P. Vilar (1964), *Catalunya dins l'Espanya Moderna*, (1964-66), vol. IV, pp. 180..

²⁷ On this subject see: J.M. Oliva Melgar, *Cataluña y el comercio priverligiado con América*, Barcelona, 1987. C. Martínez Shaw, *Cataluña en la Carrera de Indias*, Barcelona, 1981. Some examples in L. Torra, "Cambios en la oferta y la demanda textil en Barcelona (1650-1800)", *Revista de Historia Industrial*, 22, (2002), p.32.

2. Changes in Capital investment in the “*Botigues de teles*” of Barcelona.

In this section we will observe the capital involved in the activities of *botigues de teles* of Barcelona, and how it evolved in the 18th century. The mercantile companies have been classified in table 3 according to the volume of the initial financing business. The liquid capital involved has been totalled, as has the value of goods and other effects. In addition, the data in the table makes a distinction between the situation of the companies in the first and the second halves of the seventeen hundreds, and also gives a global vision of the 18th century mercantile companies that make up the sample analysed.

Table 3. Initial financing business in the *botigues de teles* of Barcelona throughout the 18th century (in *lliures* or Catalan pounds)

THE PERIOD 1701-1750

	Nº of companies	%	Capital	%	Average capital
Less than 5.000	8	23,5	24.360	5,7	3.045
From 5.000 to 10.000	11	32,4	51.161	11,9	4.651
From 10.000 to 20.000	7	20,6	101.157	23,7	14.451
From 20.000 to 30.000	3	8,8	65.084	15,2	28.361
From 30.000 to 40.000	3	8,8	97.962	22,9	32.654
More than 40.000	2	5,9	87.316	20,6	43.658
TOTAL	34	100	427.040	100	12.560

THE PERIOD 1751-1800

	Nº of companies	%	Capital	%	Average capital
Less than 5.000	8	9,2	32.112	1,4	4.014
From 5.000 to 10.000	14	16,1	119.425	6,9	8.530
From 10.000 to 20.000	17	19,5	306.221	12,1	18.013
From 20.000 to 30.000	20	23	547.785	24,3	27.389
From 30.000 to 40.000	14	16,1	548.835	24,3	39.202
More than 40.000	14	16,1	697.722	31	49.837
TOTAL	87	100	2.252.100	100	25.886

Total mercantile companies for the period 1701 - 1750.

	Nº of companies	%	Capital	%	Average capital
Less than 5.000	16	13,2	56.472	2,1	3.530
From 5.000 to 10.000	25	20,7	170.586	6,4	6.823
From 10.000 to 20.000	24	19,8	407.378	15,2	16.974
From 20.000 to 30.000	23	19	612.869	22,9	26.646
From 30.000 to 40.000	17	14,1	646.797	24,1	38.047
More than 40.000	16	13,2	785.038	29,3	49.065
TOTAL	121	100	2.679,140	100	22.142

Source: Created by the author from notary deeds (AHPB). See appendix.

If we examine the establishments in the first half of the 18th century, we can observe that most of them (76,5% of the total) were rather modest firms, as the initial capital invested was less than 20.000 *lliures*, a quantity which encompassed 41,3% of the global investment. Few textile retail shops (23,5%) figure above this level, although they do account for 58,7% of the global capital invested. This picture is corroborated by the fairly similar situation in the second half of the 17th century, when some substantial shops worked alongside numerous small establishments in the city.²⁸ The situation changes significantly in the second half of the 18th century. In effect, the companies where the initial capital was less than 20.000 *lliures* account in relative terms for 44,8% of the total, while the companies of greater size were greater in number (55,2%), and accounted for practically 80% of the global capital invested.

3. The Investment and Participation of the Partners in the “*botiques de teles*”.

From here on we will study the proportional participation of each partner in the company and how this varied throughout the 18th century. To this effect a little exercise has been carried out with the help of a standard company for the first half of the period in question and of another for the second half of the century²⁹ (tables 4 and 5).

²⁸ I. Lobato, *Compañías y negocios en la Cataluña preindustrial*, Sevilla, 1995.

²⁹ The photofit has been created using all the data pertaining to the mercantile companies in each period.

Table 4. A standard company, (first half of the 18th century). The contribution of the partners in goods, bills of credit and other effects, and in cash.

	Monetary value of		Liquid Capital		TOTAL	
	Goods.... *	%		%	Goods... and cash	%
	<i>lliures</i> **		<i>lliures</i> **		<i>Lliures</i> **	
Textile retailers (managers)	200	3,3	900	11,3	1.100	8,8
Textile retailers (capitalist partners)	2.400	53,5	1.100	28	3.500	27,8
Merchants	500	11,2	3.500	40,8	4.000	31,7
Other shopkeepers	300	6,5	1.100	8,8	1.300	5,3
Members of the professions			300	2,4	300	1,2
<i>Paraires (master clothiers)</i>	1.000	22,2	600	4,8	1.600	6,6
Other craftsmen	200	3,3	300	2,4	500	2,1
Ships' captains						
Other partners			200	1,6	200	0,8
Average capital per company	4.600	100	8.000	100	12.600	100

* goods, cash credits and other effects

** in round figures

Source: Created by the author from notary deeds (AHPB). See appendix.

We can observe some similarities and also some clear differences between the examples. In general terms it can be observed that a significant proportion of the capital invested in the companies took the form of textiles and other effects (mostly documents of credit like bills of exchange, credit notes and delivery notes). The remaining part in its entirety took the form of cash.

Table 5. A standard company (second half of the 18th century). The contribution of the partners in goods, bills of credit and other effects, and in cash.

	Monetary value of		Liquid capital		TOTAL	
	Goods..... *	%		%	Goods... and cash	%
	<i>Lliures</i> **		<i>Lliures</i> **		<i>Lliures</i> **	
Textile retailers (managers)	200	3,5	1.600	11,2	2.000	7,7
Textile retailers (capitalist partners)	7.200	62,1	4.300	30,1	11.500	44,5
Merchants	300	2,6	5.900	41,3	6.200	23,9
Other shopkeepers	1.000	8,6	600	4,2	1.600	6,2
Members of the professions			100	0,7	100	0,4
<i>Paraires (master clothiers)</i>	1.000	8,6	600	4,2	1.600	6,2
Other craftsmen	600	5,2	200	1,4	800	3,1
Ships' captains	1.100	9,4	900	6,2	2.000	7,7
Other partners			100	0,7	100	0,4
Average capital per company	11.600	100	14.300	100	25.900	100

* goods, cash credits and other effects

** in round figures

Source: Created by the author from notary deeds (AHPB). See appendix.

If we first of all consider the analogies between one period and the other, we should emphasise that the retailers maintained a position of dominance throughout the century as capitalist partners in the companies analysed. They accounted for more than 50% of the average capital invested in these companies, although their main contribution took the form of goods. On the other hand, the greater cash contribution was always in the hands of merchants, mostly from Barcelona, although the presence of certain individuals from the most important cities and commercial centres of the Principality (for example, Reus, Mataró, Girona, and Figueres) can also be observed, along with occasional participation from other regions of the Hispanic monarchy. In this last group the most noteworthy presence was that of traders located in Madrid, some of whom had a shop in the state capital.

At this time, Madrid was the centre that accounted for the greatest consumption of all types of products, and was also the place where the Catalan commercial networks

converged.³⁰ In other papers we could observe that sales in textiles in the retail shops of Barcelona to Madrid businessmen and retailers were constant throughout the seventeen hundreds, and were especially important in the final decades of the century.³¹ We can now verify the presence of business partners who were located in Madrid in several of the Barcelona companies, a fact which must be considered as an important link in the commercial network of the Catalan retailers in the Peninsular market.

We can also use the data available on the investments made to identify some significant differences between the two periods. In effect the monetary value of the contributions made by the partners to the joint company funds rose from an average of 12.560 *lliures* in the first half of the eighteenth century (table 4),³² to 25.886 *lliures* in the second half (table 5), an average rate of increase of 106,9%. Greater capital contributions became generalised in the second half of the eighteenth century among the retailer's partners, followed by the merchants and ships' captains. It is possible that the presence of captains is a reflection of the participation of the Barcelona retailers in companies whose interests were in maritime trade.

Another differing characteristic is the size of the contribution made in goods by ships' captains in the second half of the seventeen hundreds (table 5). We do not know what type of goods and where they came from, although in all probability the nature of the association allowed these individuals to deposit effects acquired in the maritime trading market accessible via the Barcelona networks.³³

³⁰ On this subject see: C. Martínez Shaw, "El comercio catalán en el siglo XVIII: mercado peninsular, mercado europeo y mercado colonial" *Quaderns d'Història Econòmica de Catalunya*, 1980, pp. 103-112. A. González Enciso, "Especialización y competencia regionales: la expansión del negocio catalán en Castilla a fines del siglo XVIII", *Pedralbes*, 5, 1985, pp. 31-57. J. Torras Elías, "Fabricants sense fàbrica. Estudi d'una empresa llanera d'Igualada (1726-1765), y "Mercados españoles y auge textil en Cataluña en el siglo XVIII. Un ejemplo" en *Haciendo historia. Homenaje al Profesor Carlos Seco*, pp. 213-218. "Els catalans a Espanya, 1760-1914", Barcelona 1996. E. Lluch, "Ser estranger sense ser-ne" a *La Catalunya vençuda del segle XVIII, Foscors i clarors de la Il·lustració*. Barcelona, 1996. A. Muset, *Catalunya i el mercat espanyol al segle XVIII: Els traginers i els negociants de Calaf i Copons*. Barcelona, 1997.

³¹ See: L. Torra, "Botigues de teixits, crèdit comercial i crèdit al consum. Xarxes comercials a la Catalunya del segle XVIII", *Recerques*, 41, (2000), pp. 5-30.

³² See: I. Lobato, *Compañías y negocios en la Cataluña preindustrial*, Sevilla, 1995, p. 113.

³³ On this subject see: P. Vilar, *Catalunya dins l'Espanya Moderna*, 1964-66, vol IV, pp. 219; C. Martínez Shaw, "Construcción naval y capital mercantil: Mataró, 1690-1709", *Estudis Històrics i documents dels Arxius de Protocols*, VIII, 1980, pp. 223-236. "La procedencia de los capitales en la industria naviera catalana del siglo XVIII: los barcos del comercio atlántico (1744-1752), *Anuario de Estudios Americanos*, XXX.

4. The Evolution of the *Casanovas* Company, an Estimate of the Profits Obtained.

The deeds of each company and the formal agreements contained therein give us information on the capital contributed by each partner and the size of the investment made. In successive renovations of the companies, always made after a previous balance, the distribution of capital was once again specified. Thus each sequence provides important information on the evolution of the company and gives us some idea of the profits obtained by the partners.

One of the mercantile companies which forms part of our documentary sample is the *botiga de teles* of the *Casanovas* family, which was located in the busy *carvis vells* street.³⁴ At the end of December 1757, Anton *Casanovas* created a company with the Barcelona merchant Josep *Lleonart*, and with Joan *Antich*, a businessman from Manresa (both capitalist partners), and with Francisco *Ametller*, also a textile retailer of Barcelona, as the managing partner of the establishment. Under the name of *Casanovas y Lleonart*, the new company was officially created for four years, and its initial liquid capital rose to 7.700 *lliures* in cash, “*en diners comptants*”.³⁵ *Casanovas* invested 5.000 *lliures*, *Lleonart* 1.700 *lliures*, and *Antich* a further 1.000 *lliures*, while *Ametller* only contributed his work, which was remunerated at 400 *lliures* annually, plus a sixth of the profits obtained by the company after the annual balance. Out of his wages *Ametller* would have to cover the cost of his own upkeep and that of his family, and pay his helpers, “...*deurà dit administrador cotejar la sua despesa, la del fadrí, aprenent, criada y salari o soldada de dita criada*”. Moreover the company premises belonged to *Casanovas* who received the quantity of 140 *lliures* in rent, half every six months “...*pagadores a mitges anyadas anticipades a us y costum de Barcelona*”.

Four years later, in December 1761, the first renovation of the company was made after a balance was made “*a fi y efecte de continuar a tenir oberta la botiga de robas de llana de totes las especies, tant del país com estrangeres...*” This renovation was for another six years, this time with a capital of 10.600 *lliures*, an increase of 37,7% on the previous contract.³⁶ By now the renewed company went under the business name of *Casanovas - Ametller*. The capitalist partners (*Casanovas*, *Lleonart* and *Antich*) maintained the value of the previous contributions made in the form of goods in the

³⁴ More information about the *Casanovas* firm in: P. Molas, “La companyia Feu-Feliu de la Penya (1676-1708). Comerç de teixits vers el 1700” in *Comerç i estructura social a Catalunya i València als segles XVII i XVIII*, Barcelona, 1977, p.165.

³⁵ AHPB, Not. S. Prats, *Liber quartus concordiarum, societatum...1755-1758*, pp. 147-8

³⁶ AHPB. Not. S. Prats, *Liber sextus concordiarum, societatum...* pp. 45-88.

common company fund, in addition to 1.200 *lliures* in liquid cash, probably fruit of the annual profits obtained. The company had grown not only in terms of capital, but also in the number of partners, Pere Reynés, a Barcelona craftsman, joined contributing 1.200 *lliures* to the capital. In addition, this time the manager Ametller invested 500 *lliures*, in all probability fruit of savings which had accumulated as a result of his management of and professional activity in the establishment.

When the second renovation of the company took place late in 1767 for two years,³⁷ the company's capital had risen a further 34,5%. By this time Anton Casanovas, the capitalist partner with the greatest share, had died and his son Anton Casanovas Roig, also a textile retailer, had inherited part of the family business. Anton Casanovas Roig became the new manager of the mercantile company now known as *Casanovas y Reinés*, which had a total capital of 14.262 *lliures*. The quantity of liquid cash present had risen to 2.000 *lliures*, probable fruit of the profits accumulated by the partners. This left a remaining 2.262 *lliures* which covers the global value of the goods and active credit that the company could count on at that time.

The third renovation of the company came in the final days of the month of December 1770. This time it was for a further five-year period, and this time the working capital was 64,2% greater than that in the previous article.³⁸ On this occasion Lleonart, Antich - Reinés left the company and Narcís Blanxart, a retailer from Girona, joined, making a liquid capital contribution of 2.000 *lliures*. Other new participants were Joaquin Valls i Dalmau, a trader established in Madrid, who made an investment of 10.000 *lliures*, and Pau Orri Caralt, also retailer, who became the new manager of the company without making any initial monetary contribution. By the end of 1770 the company capital had risen to 23.413 *lliures*.

The annual earnings of the partners in the Casanovas Company, like those of any of the other companies that we are studying, are difficult to distinguish, as the annual balances are not specified in the notary documentation. As a result we cannot know the magnitude of sales, the quantity of active and passive credit or any losses that occurred. However, the documentation states explicitly in the articles of constitution of the companies that the net profits obtained annually by the partners was to the proportion of investment made, once the losses and various expenses had been discounted, "*rebaixant del liquit dels beneficis els gastos y perdues.*" Likewise the

³⁷ AHPB. Not. S. Prats, *Liber octavus concordiarum, societatum ... 1768-1770*, pp. 115-116.

³⁸ AHPB. Not. S. Prats, *Liber septimus concordiarum, societatum..1768-1770*, p. 246.

documentation also clearly shows that part of the profits obtained was reinvested in the company by the partners. If we can judge by the increase in capital that was apparent in the successive renovations, the annual profits that the partners of the Casanovas Company were presumably significant.

In addition, a situation which successively occurred was that some members left companies while others joined; this shows a clear tendency on the part of such individuals to diversify in their approach to business with the objective of increasing capital and reducing risks.

Another detail that merits attention is that the growth of a modest company into a moderately important or very important one took place in the course of comparatively few years. This was the case in our example, the *Casanovas* textile shop, where everything in the documentation indicates the emergence of a lucrative enterprise; however it is once again very difficult to quantify the annual growth on account of the absence of annual balances.

However, not all enterprises culminated in success; more than a few failed in a chain of unfortunate events, and the losses and risks involved inevitably led to the insolvency of the partners and the collapse of the business. In the sample of companies analysed, it is difficult to distinguish those companies that ended up going bankrupt. It would be necessary to refer to another type of documentation, such as agreements drawn up between the unfortunate partners and their creditors, and the tacit agreements made during the negotiations. This would doubtless mean starting another different study, which goes beyond the objective of these pages.

Conclusion

The combination of capital and work together with the contribution of goods and other effects was a characteristic that was generally present in the investment of partners in the mercantile companies of Barcelona throughout the 18th century. These are links that doubtless show signs of great continuity in the companies that were doing business in seventeenth century Barcelona, as analysed by Isabel Lobato.

Economic and social inequality was constant between the capitalist partners in these businesses, as was the mobility of the members who invested in several mercantile companies simultaneously. These partners were investors; some of them belonged to the mercantile elite of the city while others were retailers, peddlers, craftsmen.... Their function focuses on the control and supervision of management.

On the contrary, the main contribution to the business of the managers was his work, loyalty to other members and exclusive dedication to the establishment. The management's most important task concerned accounting and the financial control of the enterprise.

The elements of change in the companies of the 18th century can generally be seen in the nature, proportion and magnitude of the capital invested by the capitalist partners in the textile retail shops. The financial necessity of gathering resources resulted in a rise in the average number of partners per company, a rise which got greater as the 18th century progressed. This was accompanied by great dominance both in relation to the individuals concerned and to their capital and work contributions.

Women had their role in the mercantile activity, although in most cases they were subordinate to the intercession of their husband or another close male family member. Only in widowhood and when they were able to recover the monetary value of their dowry did they intervene in their own right and without encumbrance in these companies that were dominated by males.

The growth of a modest company into a moderately important or very important one could take place in the course of comparatively few years. This was the case of the *Casanovas* textile shop and this great capacity for accumulation was common to other establishments of Barcelona, especially during the second half of the Eighteenth century. Some of these mercantile companies figure in the sample, and some of the partners gained full economic success and social distinction. However, other shops remained always in the same position and, of course, many other members never left their position as a shop manager and their modest capital investment in a company.

Appendix

List of Notaries (AHPB)*.

P. Abadal (1700-1713).
J. Amat Reixach (1708-1734)
F. Avellà (1713-1755).
J. Brossa (1700-1742).
J. Brotons (1700-1730).
F. Busquets (1700-1734).
M. Cabrer (1726-1778).
T. Casanovas (1715-1741)
J. Cavallol (1778-1814).
F. Cervera (1700-1729).
A. Comelles (1722-1777).
D. Diumenjó (1736-1761).
J.F. Elías Bosch (1777-1817).
F.J. Fontana (1706-1750),
J. Llaurador (1700-1751).
J.F. Mas Vidal (1779-1800).
R. Matheu Samndia (1763-1800)
F. Minguella (1700-1740).
B. Olzina (1713-1735).
J. Olzina Cabanas (1735-1770).
C. Olzina Massana (1770-1815).
S. Prats (1740-1798).
J. Prats Cabrer (1770-1779).
S. Pujol (1709-1745),
J. Ribes Granés (1751-1800).
C. Rondó Llorens (1753-1781).
F. Rossell (1700-1743).
J. Sanjoan (1766-1800).
I. Teixidor (1700-1743).
F. Veguer Avellà (1751-1800).

* (AHPB). Arxiu Històric de Protocols Notarials de Barcelona.