

UNITED KINGDOM, 1696-1899

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1. Coverage

The British archives hold a set of customs ledgers that variously covers the external trade of England, Great Britain, and the United Kingdom from 1696 to 1899. It is unclear what accounts replaced the customs ledgers from 1900, but presumably equivalent records exist.

2. Documents

It is made of a series of ledgers. Balances of trade were made, but not on a fully consistent basis.

3. Institutional setting

Clark (1938) provides a very nice detailed account of the origins of the Customs and Excise Department in general and of the commercial statistics described here in particular.

4. Motivations

The first objective was likely in the accurate determination of export and import flows for revenue purposes. When the records began to be collected, there was already an extensive set of excises and tariffs in place governing the English external economy. There was also a fairly wide appreciation of the role of the external economy in partially determining the fortunes of the domestic economy. Thus, a secondary objective was in determining the gross balance of trade as a vital sign for the English economy.

5. Methods

The information gathered was based on individual declarations, which were, at times, physically verified by customs officials. To the

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extent that any trade data is accurate in the presence of smuggling and over/under declaration of exports and imports, I believe the data is a good representation of the actual flow of goods. Notably, these are the same data used by a previous generation of economic historians including Boody-Schumpeter (1960), Davis (1954, 1962 and 1979), and Deane and Cole (1967). British data is clearly privileged with respect to the administrative capacity of the state at this time and its unique geographic circumstances of being an island nation.

At the same time, there is a large historical literature on the prevalence of smuggling. I would suggest that this concern while valid is likely a small one: the scale of smuggling in this period was almost certainly dominated by the volume of trade legitimately recorded and, more importantly, nothing in the historical record suggests that any related bias is systematic across nations. A straightforward means of assessing the quality of bilateral trade data at the commodity-level would come from comparing across national accounts on a good-by-good basis. This has been attempted for English trade with the colonies of North America reported by Mancall, Rosenbloom, and Weiss (2008). Although this avenue needs to be more systematically explored, the initial comparisons are very encouraging with high levels of Pearson and rank correlations. An indirect and admittedly imperfect means of assessing the reliability of aggregated bilateral trade flows would be use them in order to estimate a standard gravity equation. The main purpose of this exercise is to simply detect any gross outliers, that is, any nation whose level of output and distance from England would suggest a higher or lower level of trade than that which is recorded in the ledgers. Again, much more work needs to be done in this regard, but the preliminary results for the eighteenth century are reassuring: output enters positively and distance enters negatively with no clear outliers evident.

6. Information

The ledgers contain a line-by-line account of the commodity-level bilateral trade flows of England with the rest of the world, ranging from the prosaic – wool to Holland – to the exotic – “Ellephants teeth” from Africa. The data is further disaggregated by making a distinction between trade centered on London versus the “outports” and between trade carried out on English versus foreign ships. The data is reported in both quantity and value terms.

The underlying prices used to value imports and exports were fixed from 1702 to 1813 in the case of exports and from 1702 to 1853 in the case of imports based on declared prices prevailing in or around 1700. The prices were determined by the Customs and Excise Department and were stated in Great British Pounds. There a very wide range of measures used for quantities across goods. With respect to individual years and categories, imports in 1700 contain the largest number of different units at 67. There is sufficient information from various sources on detailed commodity prices or generic export and import price indices to carry out such a reconstruction. One of our long-term goals is to do this, but it will take much more work than we initially thought.

For any particular year, there is long list of goods detailed for exports, imports, and re-exports produced by the UK Customs Office. This ranges across year and across trade type (that is, exports, imports, and re-exports). In 1700, there were 211 export goods, 324 import goods, and 231 re-exports goods. In 1899, the respective numbers were 106, 181, and 180. There is also a lot of change in the categories of goods reflecting the evolving structure of the British economy. Some goods categories emerge and some disappear while new trading partners are also registered in the data. The chief obstacle in this respect is not in assessing the reliability of the data but in assigning consistent goods categories both within and across years.

The trade flows are reported on a bilateral basis, so the stated origin/destination is always known. Until the late eighteenth century, the ledgers distinguish between London and the "outports". There is no further information on foreign ports. Some over/under-reporting is inevitable due to the nature of British data collection. Before 1904, exports were reported as such for those countries to which they were directly shipped while imports were reported as such for those countries from which there were directly shipped. Thus, the transshipment of traded goods is unreported and land-locked nations are absent in the data. It is only after 1904 that the British began to collect information on the country of original dispatch or ultimate destination. This number of geographical entities mentioned grows considerably over time. In 1700, there were 41 export countries, 43 import countries, and 35 re-exports countries. In 1899, the respective numbers were 119, 120, and 118.

7. Availability

We have collected data from 1700 to 1899 at the frequency of every decade; that is, 1700, 1710, ..., 1880, 1899 in a series of 21 Excel files for the 21 decades from 1700 to 1899. This is also being compiled and cleaned in single STATA file. Unfortunately, our efforts have been almost exclusively devoted to collecting and cleaning the data, so the short answer is none.

8. Research questions

One way forward would be in confronting the dominant literature on the British industrial revolution and its relation to the external sector. Thus, was the composition of British bilateral trade flows distinguished from those of the French in a way which reflects of the high-wage, cheap-energy gradient suggested by Allen (2009)? Was the constancy of chief exports as documented by Temin (1997) indicative of trade throughout Europe in the long-run? If so, what does this suggest about the implicit and explicit assumptions Temin uses by invoking a simple Ricardian model of trade?

9. Bibliography

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