The futility of mercantilist wars

a case study of France between 1733 and 1820[1]

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1 Introduction

Savez-vous Messieurs ce qu'est une bataille navale ? On se rencontre, on se salue, on se canonne et la mer n'en reste pas moins salée.

Maurepas, Navy Minister of Louis xv, 1718-1748

Is mercantilist warfare effective in its own terms, by crippling trade of defeated powers? Our paper explores the Anglo-French experience during the eighteenth century and contributes to understanding why that was not the case. Jefferson (1823) famously noticed that European nations « were nations of eternal war». Indeed, from 1700 to 1825, 2 years out of 3 experienced conflict between major European powers Roser (2016). Rivalry between Great-Britain and France was central, so much as the period between 1688 to 1815 was called the « 2nd Hundred Years War » 1688-1815. War has many causes. Yet, especially after the death of Louis XIV, it cannot be denied that mercantile rivalry was an important motivation of Anglo-French wars (Crouzet (2008); Wallerstein (1980)). Each nation was jealous of the other's commercial success. The British believed war was a good way to curtail them. The French partly agreed and were more wary of wars because they did not have much naval success. Here is the long list of wars between France and Britain after the death of Louis XIV : War of the Polish Succession (1733-1738) (little naval hostilities), War of the Austrian Succession (1740 (naval hostilities started in 1744)–1748), Seven Years' War (1756–1763), War of American independence (1775 (French involvement started in 1778)–1783), French Revolutionary Wars (1792–1802) and Napoleonic Wars (1803–1815). Yet, all these wars were in vain before the 1790s, as French trade increased up to the British level throughout the eighteenth century (Figure 1). Looking at peace-time trends (including land only wars), it is clear that French trade, despite big war shocks, was resilient and was not moved out of its pre-1744 trend (Figure 2). Things changed after 1815.

How come the pre-1792 wars did not have a lasting effect on French trade? This is important to understand the effect of wars in general, the geopolitical history of the eighteenth and nineteenth century and the globalization/deglobalization cycle from the 1490s to the 1840s.

Figure 1: French, British trade and Anglo-French wars
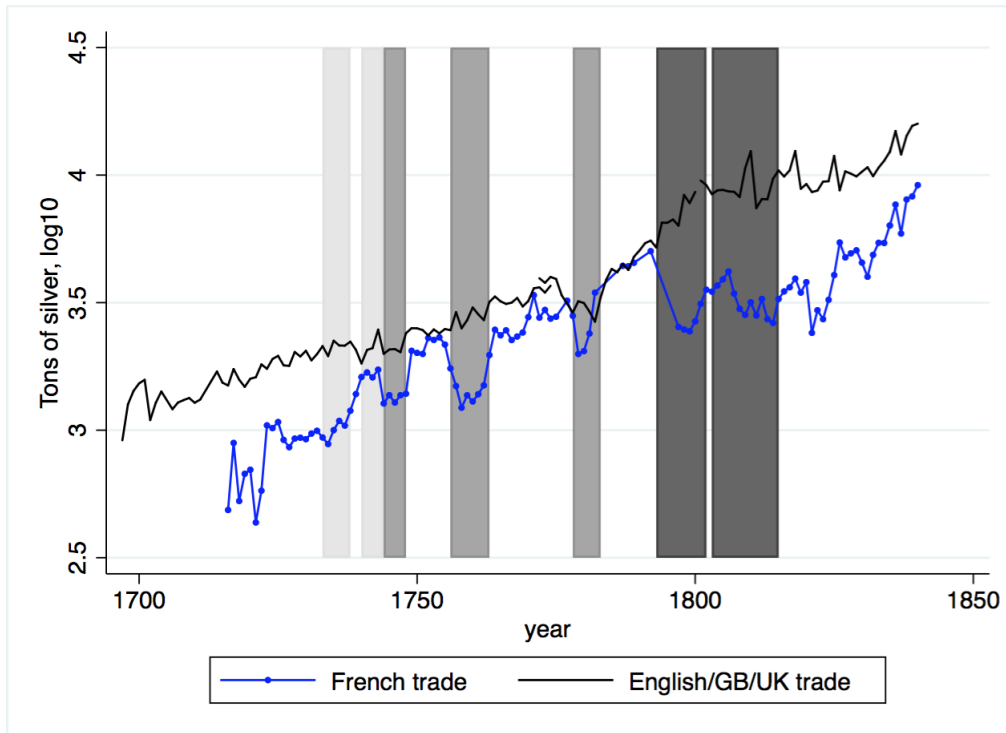
Source: French trade up to 1821: Daudin et al.. French trade 1822-1840: Federico and Tena-Junguito (2016) / Dedinger and Girard (2017),

England/British trade up to 1800: Deane and Cole (1969). UK trade from 1801 to 1840: Federico and Tena-Junguito (2016) / Dedinger and Girard (2017),

Livre tournois silver value: de Wailly (1857) and Hoffman et al. (2000); Pound sterling silver value: Clark and Lindert (2006) and Jastram (1981)

Figure 2: Peace time trends of total French trade
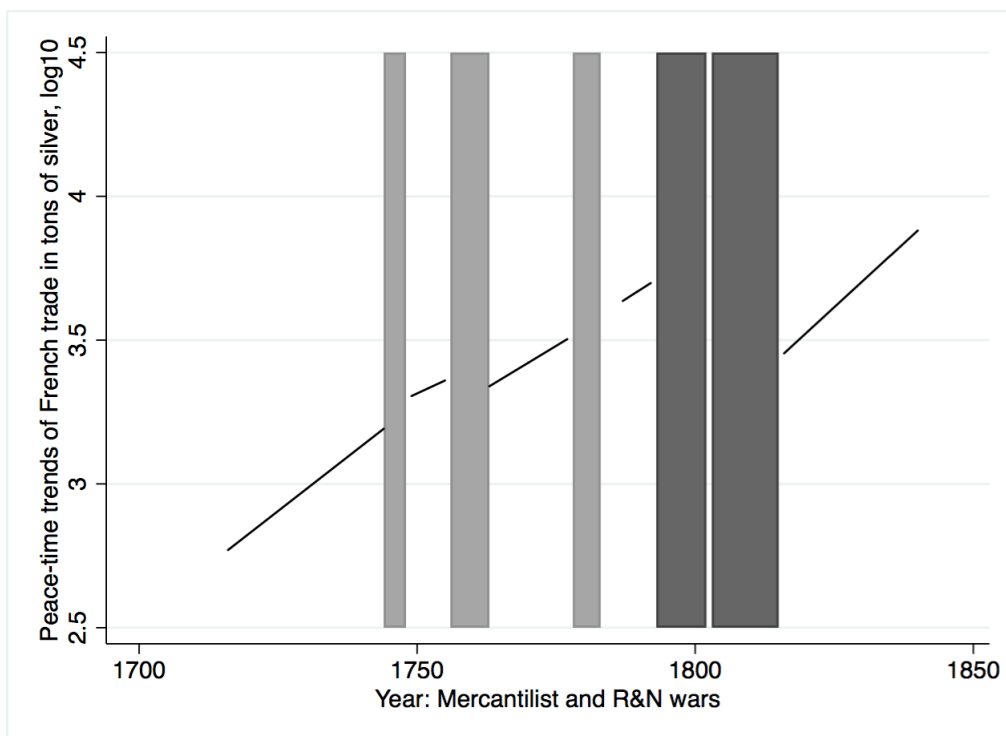
Source: see Figure 1 and author's computations

2 Literature

There exists a vast literature focusing on the relationship between trade and war. A first strand of this literature concentrates on the impact of trade on wars. Within this strand, two major perspectives have emerged: a liberal and a realist one. The first supports a vision of interdependence between trade and war, pointing out that trade promotes peace since it is a better method of expansion than wars. The second opposes this view by claiming that there is no impact of trade on wars, and if any, then it will be a positive impact, as countries will be pushed to move war to maintain trade supremacy. The second strand of the literature, on the other hand, focuses on the impact of conflicts on trade. The works following this perspective are more homogeneous, and most authors agree to the disruptive effects on trade caused by wars. Levy and Barbieri (2004) analyse the impact of war on trade with adversary countries using seven dyads between 1870-1992, and they find that, although different across dyads, the general impact of conflict on trade is not particularly strong and mostly only temporary. Blomberg and Hess (2006) analyse more specifically the effect of all kind of conflicts, distinguishing between internal and external, and find that peace has a large and positive impact on trade. Anderton and Carter (2001) look at the effect of wars on global trade, and find that when major world power are at war significant pre and post war effects are observed, whereas impact is much smaller for conflicts between minor powers. Martin et al. (2008) construct a theoretical model describing the likelihood of war and test it empirically; they find that likelihood of war is much smaller for countries involved in bilateral trade than for those involved in multilateral. Finally Glick and Taylor (2010) try to quantify the economic impact of the two world wars and claim that conflicts had negative effects on both belligerent and neutral countries with lags up to ten years. Altogether, the papers mentioned above do not always find coherent results, and such results were obtained from data from the last century only. The only exception is Rahman (2010) who uses British trade data from eighteen century, but concentrates manly on the impact of naval conflicts on trade. The majority of scholars (apart from Levy and Barbieri (2004)) also finds long lasting effects of war; they claim commerce took several years before restoring its prewar level.

The effect of mercantilists wars on French trade does not fit this pattern. Riley (1986), who concentrates on the case study of the Seven Years War, observes French trade series and he notices that there were no lags but on the contrary pre and post war loss compensation effects. This widely recognized fact about the effect of eighteenth century wars on French trade has led historians to research extensively the strategies of French merchants to cope with war. Neutral carriers were somewhat protected from British predation on the sea. When necessary, French merchants could even hide their cargo ownership behind a neutral partner. Or they could move to neutral countries

and operate from there (Marzagalli (2016)). Historians have even reflected that war periods might have been necessary to the functioning of the *Éxclusif Colonial*, i.e. the theoretical monopoly of French merchants on French colonial trade (Lespagnol (1997); Marzagalli (2016); Morineau (1997)). The argument rests on the large peace time trade imbalances between France and its Northern European clients for colonial goods that could have been balanced by large service income of Northern European merchants during war time as they, as neutrals, provided shipping and various trade services to the French empire. The quality of the available balance of payment data is not good enough to test that hypothesis.

The aim of this paper is to extend Riley (1986)'s work by analysing the available French data in the eighteenth century. So far the liteature has analysed the impact on trade of twentieth century wars and generalized the results. We believe that the effect of wars in twentieth century is different from that of other wars throughout history, and related data offer only a partial point of view. Thus, we are convinced that analysing less recent data is crucial to understand the general mechanisms relating trade and conflicts. We focus on the particular case of neutral countries and we look into the product breakdown of trade to observe the difference in impact between goods. We find indeed a general negative impact on trade, but looking at the product breakdown, the effect is much stronger in the case of colonial products, whereas in the case of European products the impact was even positive. In addition, We have also checked for the presence of war lags, as Glick and Taylor (2010) suggest. We find no evidence of war lag in the Hamburg series, nor in the general case. On the contrary, we find a positive and significant coefficient for the two years following the war for all countries (around 40%) and for Hamburg a particular increase in European goods. Finally, we have tested my series for pre-war effects, as suggested by Riley (1986) but in this case we could not find coherent and significant results.

3 Dataset

3.1 Origin of the data

For conducting our analysis we use data from the archives of the French *Bureau de la Balance du Commerce*. This institution was created in 1713, after the Treaty of Utrecht, which followed the Spanish succession war. In this circumstances, the French were positively impressed by the detailed knowledge shown by the British on their trade flows and they also decided to create an institution which would keep track of exports and imports from and to France. Before this, there were already local institutions keeping track of goods going in and out of harbour cities (only in quantity terms)

but starting 1716 they started sending their records to the *Bureau*. The *Bureau* would then compute aggregate yearly figures for each *direction* (port) and then send them back to the local chamber of commerce, so that they could add the values. Unfortunately those documents did not survive till our days; we still have some records from local sources but they are quite incomplete. On the other hand, another kind of document survived, which reports the total value of trade for each destination for each year, so at least we have reliable figures on aggregate values. Starting from 1750 the *Object Général* was introduced, which was more complete, and was recording each product from and to each destination for all ports. The *Objet Général* survived in its entirety and this is what I have used for my estimations. For the period preceding 1733, I have estimated the data basing on local sources, as explained in section 3.

3.2 Figures

For the period between 1733 and 1820, this dataset accounts for 146,963 observations, with incomplete data between 1761 and 1767 and missing data between 1782 and 1787, in 1789 and in 1797. There are overall 82 different destinations recorded, but each one of them is not present every year. Rather than single countries they are groups of countries and most destinations get broken down into smaller destinations in later periods or even disappeared to be replaced by other smaller entities. To bypass this problem I used country grouping. Eleven different groups could be created and each of them comprises all the evolution of one destination, so that I can have observations for each group for each year. The groups I am considering are: Germany, England, Flanders and Habsburg Monarchy, Italy, Portugal, Spain, Switzerland, Colonies, Dutch Republic, India, Levant, North.

Values in the dataset are always expressed in *livres turnois*, but I will convert them in grams of fine silver to have a comparable estimate year to year. The value of the *livre* has been constant at 4.505 grams of fine silver all throughout the period in consideration.

3.3 Limitation and Missing data

As mentioned above, for the whole period preceding 1749, the only available data we have from the French source is either the yearly aggregate figures by destination, or the incomplete local sources, which on the other hand contains information on each product. For this reason, in order to perform the comparison between the two datasets and the subsequent analysis, it will be necessary to estimate the full value of exports from the available data. In order to do this, we run the following regression:

$$\ln(product_{i,j,k,t}) = \beta_0 + \beta_1 year_t + \beta_3 direction_k$$

where the dependent variable products stands for the value of exports of one product, for each port reported in the local source and for each year. Year is a set of year dummies and direction is also a set of dummies that indicates in which port the data were recorded (direction also includes "France", meaning all ports). This model aims at predicting the export value of single products per year basing on the yearly changes in export and on the export composition by source, with the assumption that the composition is constant overtime. We run the model on the whole available years but we only do so for coffee, sugar, wine, eau vie and an aggregate category of all other goods (other). In addition, to avoid the problem of log of zero trade flows, we have substituted them with 0.001, so that observations would not drop but the zero flows in the estimation could be taken into account as a value really close to zero. Finally, we also added weights on value, as to give more importance to flows higher in value. The results are pretty satisfactory, in fact the pattern of estimated and actual value are very similar.

4 Historical summary

4.1 War of Polish Succession

The war of Polish succession took place between 1733 and 1738. It started with the death of the king of Poland August II who died heirless and soon become a conflict at European level. France, Prussia and Spain were trying to limit the desire of expansion of the Habsburg monarchy, which was aiming at extend its power over Poland. The lack of support by England however, concluded the war in 1738, with the recognition of August III as king of Poland. The belligerent countries were France, Spain and Italy on the one side and the Habsburg Monarchy on the other.

4.2 War of Austrian Succession

The war of Austrian succession was a European conflict that burst in 1740 over the eligibility to succession to the crown of Maria Theresa of Austria, as the heir of the Habsburg Monarchy after the death of her father. It started out as a European conflict but after 1744 it involved also the colonies. Belligerent countries were France, Spain, Prussia and Italy on one side and England, Habsburg monarchy and the Dutch Republic on the other.

4.3 Seven Years Wars

The Seven year war was a major conflict, which took place between 1756 and 1763. It is consider the first real world conflict and European powers were fighting over possession of colonies. Belligerents countries were: England, Prussia and Portugal on one side and France, Spain, Habsburg monarchy, and Dutch Republic on the other.

4.4 American Revolutionary War

The American Revolutionary War took place between 1778 and 1782. In this case the field of battle was not Europe anymore, but directly the Colonies. British North American colonies were rebelling against Britain control over their trade and were fighting for independence. Belligerent countries were England on the one side and France, Spain and British Colonies on the other (later United States). During this war the First League of Armed Neutrality was signed between Russia, Sweden and Denmark. Spain accepted this agreement however Britain demurred. When Dutch Republic was about to join this league, Britain found out before the treaty was signed and captured a Dutch ships, thus forcing the Dutch to enter war against them. Starting 1781 therefore, the Dutch Republic also became a belligerent country, allied to France.

4.5 French Revolutionary Wars

The French Revolutionary Wars took place between 1792 and 1802. It was a conflict that had started as a consequence of French Revolution, in 1789, with the hope of spreading the revolutionary ideas around Europe. During this war, France and Spain were fighting against most of the rest of Europe, in particular Great Britain and the Hasburg Monarchy. France experienced an unexpected success in continental Europe, because of the raise in power of general Napoloen Bonaparte, however was on the other hand heavily defeated by the Royal Navy, thus loosing supremacy over the Mediterranean and also its colonies. This conflict was ended by the Treaty of Amiens in 1802, which started the only year of peace in Europe between 1792 and 1815.

4.6 Napoleonic Wars

The Napoleonic wars were a series of conflict between the French Empire of Napoleon I and other countries, primarily led by the British, which took place in the years 1803 to 1815. Its consequences were the final defeat of Napoleon, and the First French Empire, and the rise of the British Empire as the world's premier power. On the other hand, this conflict contributed to spread all over Europe

the nationalist and liberal ideas that were born during the French Revolution, despite the restoration of the monarchy in France and the decay of the Revolutionary principles.

4.7 Continental Blockade

The Continental Blockade (1806 to 1914) was the foreign policy adopted by Napoleon against the United Kingdom during the Napoleonic Wars. It consisted in a large-scale embargo against British trade where all commercial connections of Britain to the Continent were supposed to be interrupted. It was only stopped in 1814, with Napoleon's abdication.

5 Empirical Analysis

As mentioned above, the period in analysis was a period of "eternal war". The aim of this study is to uncover what the effects were of this long-lasting war status and make a comparison between the different kinds of war. We are not only doing it for all countries as an aggregate but also distinguishing between neutral and foes and, most importantly, distinguishing by products and sectors. The number of available products is quite high and mostly they do not appear repeatedly (They either have different names or they are grouped together with different products). For this reason I have only used the two main European products (Wine and Eau-de-vie) and the two main colonial products (Coffee and Sugar), which also represent the main share of French trade at the time, in value terms. I have aggregated all the other products in one single category which I refer to as "Other". As for the sectoral study, I have used the SITC classification but I only refer to the sectors Plantation foodstuff and European foodstuff.

I observe three different cases. First considering all wars together (i.e. one dummy that takes value 1 whenever there is an ongoing conflict); then by grouping them into two major kinds of war: Mercantilist wars (Polish and Austrian Succession, Seven Years War, American Revolutionary war), Napoleonic and Revolutionary wars and finally by distinguishing wars and Continental Blockade years. I do this both for imports and exports. In each of the three cases I run the following specifications:

$$Flow_t = \exp\{\beta_0 + \beta_1 Status_j War_k + \beta_2 WarYear Status_j War_k + \beta_3 Country_l + \beta_4 YearCountry_l\}$$

$$(1)$$

Where $Status_j$ is a dummy which indicates either foe or neutral, War_k is another dummy which takes value 1 during the years of war, or is an indicator for which kind of war is taking place, $Year$ is

the time trend and $Country_l$ and $YearCountry_l$ are respectively country fixed effects and year time trend. This first specification provides information on the effects of war, or groups of war, depending on the situation of the country at stake (neutral of foes).

$$Flow_t = \exp\{\beta_0 + \beta_1 Status_j War_k + \beta_2 War Year Status_j War_k + \beta_3 Country_l Product_i + \\ + \beta_4 Year Country_l Product_i\} \quad (2)$$

Equation 2 differs from equation 1 in that we have run on the database disaggregated by product and we have used country-product fixed effects and country-product time trend instead.

$$Flow_t = \exp\{\beta_0 + \beta_1 Status_j War_k + \beta_2 Country_l Product_i + \beta_3 Year Country_l Product_i\} \quad (3)$$

Specification 3 allows us to look at effects of each group of war on the trade with allies and foes, by using product fixed effects and country-product time trend.

$$Flow_t = \exp\{\beta_0 + \beta_1 Product_i War_k + \beta_2 War Year Product_i War_k + \beta_3 Product_i + \\ + \beta_4 Year Product_i\} \quad (4)$$

In equation 4 we are testing again the effects of kind of wars on products but by using product fixed effects and time trend, as opposed to country-product fixed effects and trends.

$$Flow_t = \exp\{\beta_0 + \beta_1 Product_i War_k + \beta_2 War Year Product_i War_k + \beta_3 Country_l Product_i + \\ + \beta_4 Year Country_l Product_i\} \quad (5)$$

In this fifth specification $War Year Product$ is the time trend computed only over the war years and War_k is interacted with $Product_i$, so we can observe the effect of the different kind of conflicts on the specific products.

$$Flow_t = \exp\{\beta_0 + \beta_1 Product_i War_k + \beta_2 Product_i Country_l + \beta_3 Year Country_l Product_i\} \quad (6)$$

Finally, equation 6 provides an insight for the effects of groups of wars on specific products.

We start by using exports as explained variable and the five goods as *products* (coffee, sugar, wine, eau-de-vie and others), in all the above mentioned six specifications. Later we will repeat the analysis using imports and sectors. Table 1 reports the result of the first case where we have used a dummy

Table 1: Exports, for all wars together

	(1)	(2)	(3)	(4)	(5)	(6)
Allies×War	-0.0800	-0.0691	-0.0619			
	(-0.92)	(-0.85)	(-0.91)			
Foes×War	-0.768*	-0.735*	-0.319*			
	(-2.20)	(-2.53)	(-2.27)			
Neutral×War	-0.114	-0.0480	-0.208**			
	(-0.92)	(-0.46)	(-2.64)			
Coffee×War				-0.116	-0.106	-0.594
				(-0.31)	(-0.38)	(-1.57)
Eau-de-vie×War				-0.396	21.29	16.41
				(-1.35)	(0.79)	(0.62)
Other×War				-0.218*	-40.06	-46.26
				(-1.98)	(-1.22)	(-1.44)
Sugar×War				-0.0190	132.0***	147.4***
				(-0.06)	(3.30)	(3.61)
Wine×War				-0.357*	16.57	10.72
				(-2.15)	(0.62)	(0.41)
Constant	-20.79***	-64.20***	-65.73***	1.256	-71.81***	-67.07***
	(-4.28)	(-3.62)	(-3.68)	(0.12)	(-3.93)	(-3.85)
Observations	1010	5050	5050	445	5050	5050

t statistics in parentheses
* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

just for peace or war, with no distinction on the kind of conflict. From these first six regressions in table 1, where we only consider wars interacted with war status and products, we can observe that the only consistently significant effect is the negative impact of war on trade with adversary countries. For specifications 1 to 3 we can see a significant negative impact on the trade of France with foes. On the other hand, if we look at the breakdown by product, in equations 4 to 6, we observe that none of them is hit particularly by wars. This would suggest that, despite the disruptive effects of conflicts on trade with enemies, the commercial exchange with allies and in particular with neutral could compensate for this loss.

Table 2 reports results for the six specifications run distinguishing between Mercantilist wars, i.e. wars between 1717 and 1782, and Napoleonic and Revolutionary Wars, from 1797 onwards. Once more, we observe that across the three different specifications, there is no coherent effects of war on exports. In fact, even if we observe a negative and significant effect for specifications 1 and 2 of Mercantilist Wars on exports to allies, this effect becomes small and insignificant in specification 3, just by disregarding war-years time trends. The only coefficient which is robust to all three specification is, again, effects of conflicts on trade with foes, more specifically in the case of Revolutionary

and Mercantilist Wars. This suggests that the effects of wars observed in table 1 is probably driven by the fall in commerce during Napoleonic Wars. Results for the effects on single products also yields further insights with respect to the previous table. Firs of all we observe that coffee is subject to a massive decrease during Revolutionary and Napoleonic Wars, regardless of the specification at stake. On the other hand, wine and eau-de-vie see an increase in export during this second conflict. This would actually suggests that war, in general, was not a major source of disruption in trade, for sure not Mercantilist War, and that decrease in exports was mostly due to decrease in the export of certain goods, whereas other goods, in war-time, actually experienced an increase in trade.

Table 3 reports reports the third case in analysis. For this set of analysis we have split the conflicts again in two groups, but this time distinguishing between any war (1717-1787) and Continental Blockade (from 1808). In this setting we notice a difference with respect to the pattern seen before. Adversaries see a decrease in trade only according to specification 1 and 2 but not to specification 3, however, neutral during the Blockade years, experience a very substantial decrease in trade. This would suggest that, whereas wartime was mostly damaging for trade towards enemies, the continental Blockade period, during which overall French trade lost to British, had rather damaged neutral countries, rather than Britain, which was the original target. It is quite likely, therefore, that before the Blockade had taken place, war did not represent such a danger for merchants, who were able to continue their trade through other channels, i.e. "neutral cargo" policy. On the other had, during Continental Blockade years, which were meant to damage British trade, regulation on neutral cargo had become much stricter, and this is where we observe a collapse trade with neutral countries and a massive decrease in overall trade. As a consequence, we are prone to avail Riley (1986)'s theory on the small effects of wars on commerce, at least until the twentieth century, thanks to the ability of merchants to exploit neutral ships and workaround of wartime restrictions.

We repeat now all the three different analysis above on imports and we report them in tables 4 to 6. From table 4 we observe a very similar patter with respect to the previous analysis. Wars in general are disruptive for trade towards foes, however there is no coherent evidence that neutral and allies were strongly affected at all. By looking at table 5 we observe, again, that imports from foes were strongly affected by Revolutionary and Napoleonic conflicts. Differently from before, there is a negative effect for allies, which was not the case for exports, and also a mild but significant impact for neutral countries during Mercantilist wars. Product-wise the situation is again similar, as we observe strong decrease in import of sugar but again an increase in import of eau-de-vie. As for table 6, once more it is evident the massive effect of the blockade on neutral trade. Not only exports but also imports from neutral countries were seriously damaged by the Blockade, way less

so than imports from enemies. This goes once more in the direction of explaining the fall in trade of aggregate trade in the first half of the nineteenth century in France.

Table 2: Exports, distinguishing between Mercantilist War and Napoleonic and Revolutionary Wars

	(1)	(2)	(3)	(4)	(5)	(6)
Allies×Mercantilis	-0.315**	-0.327***	-0.107			
	(-3.08)	(-3.29)	(-0.86)			
Allies×R&N	-0.0927	-0.194	-0.314**			
	(-0.68)	(-1.55)	(-3.04)			
Foes×Mercantilist	-0.570	-0.560	-0.351			
	(-1.25)	(-1.36)	(-1.48)			
Foes×R&N	-2.234***	-2.270***	-0.571***			
	(-4.98)	(-6.25)	(-3.56)			
Neutral×Mercantilist	-0.165	-0.129	-0.250**			
	(-1.15)	(-1.01)	(-2.61)			
Neutral×R&N	-0.0662	-0.138	-0.528***			
	(-0.35)	(-0.74)	(-3.78)			
Coffee×Mercantilist				-0.599	-0.592*	-0.313
				(-1.92)	(-2.43)	(-1.00)
Coffee×R&N				-4.908***	-5.349***	-5.135***
				(-7.35)	(-8.00)	(-11.88)
Eau de vie×Mercantilist				-0.768	247.3***	239.1***
				(-1.87)	(5.48)	(5.75)
Eau de vie×R&N				1.495***	249.1***	240.7***
				(4.85)	(5.51)	(5.78)
Other×Mercantilist				-0.253	136.0**	132.8**
				(-1.44)	(2.79)	(2.93)
Other×R&N				-0.00538	136.2**	132.9**
				(-0.04)	(2.79)	(2.93)
Sugar×Mercantilist				-0.279	108.0	101.2
				(-0.99)	(1.95)	(1.93)
Sugar×R&N				-3.593***	104.2	97.27
				(-6.62)	(1.88)	(1.85)
Wine×Mercantilist				-0.242	204.6***	200.5***
				(-0.99)	(4.62)	(4.93)
Wine×R&N				0.549**	204.9***	200.9***
				(2.89)	(4.63)	(4.94)
Constant	-24.92***	-73.86***	-76.01***	-52.71***	-256.0***	-252.5***
	(-4.56)	(-3.91)	(-4.03)	(-5.23)	(-6.44)	(-7.07)
Observations	1010	5050	5050	445	5050	5050

t statistics in parentheses
* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Table 3: Exports, distinguishing between Wars and Continental Blockade

	(1)	(2)	(3)	(4)	(5)	(6)
Allies×Blockade	0.227 (1.27)	0.195 (1.45)	-0.0252 (-0.24)			
Allies×Mercantilist	-0.130 (-1.51)	-0.126 (-1.55)	-0.0444 (-0.59)			
Foes×Blockade	-0.675** (-2.71)	-0.676** (-3.06)	-0.0201 (-0.17)			
Foes×Mercantilist	-0.463 (-1.18)	-0.443 (-1.27)	-0.560* (-2.35)			
Neutral×Blockade	-1.403*** (-3.35)	-1.377** (-3.08)	-0.586** (-2.99)			
Neutral×Mercantilist	-0.0809 (-0.66)	-0.0265 (-0.25)	-0.164* (-2.02)			
Coffee×Blockade				-2.966** (-3.25)	-2.970*** (-3.89)	-2.891*** (-4.93)
Coffee×Mercantilist				-0.314 (-0.93)	-0.305 (-1.20)	-0.388 (-1.14)
Eau de vie×Blockade				0.398 (1.43)	26.42 (0.94)	28.80 (1.03)
Eau de vie×Mercantilist				-0.367 (-1.08)	25.90 (0.92)	28.61 (1.02)
Other×Blockade				-0.0599 (-0.79)	-35.28 (-1.05)	-35.98 (-1.07)
Other×Mercantilist				-0.177 (-1.49)	-35.37 (-1.05)	-36.12 (-1.07)
Sugar×Blockade				-3.813*** (-4.07)	122.7** (2.95)	126.3** (2.97)
Sugar×Mercantilist				-0.151 (-0.51)	126.5** (3.05)	130.0** (3.06)
Wine×Blockade				-0.189 (-0.91)	22.18 (0.81)	21.40 (0.78)
Wine×Mercantilist				-0.241 (-1.32)	22.26 (0.81)	21.30 (0.78)
Constant	-20.17*** (-4.29)	-63.73*** (-3.55)	-64.62*** (-3.64)	-0.320 (-0.03)	-75.42*** (-3.90)	-75.36*** (-3.88)
Observations	1010	5050	5050	445	5050	5050

t statistics in parentheses
* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Table 4: Imports, for all wars together

	(1)	(2)	(3)	(4)	(5)	(6)
Allies×War	-0.135	-0.0828	-0.180**			
	(-1.23)	(-1.09)	(-3.03)			
Foes×War	-0.784**	-0.696**	-0.399***			
	(-2.77)	(-3.17)	(-3.95)			
Neutral×War	0.0137	0.0638	-0.130*			
	(0.14)	(0.81)	(-2.16)			
Coffee×War				-0.410	-0.325	-0.781**
				(-1.39)	(-1.35)	(-3.02)
Eau de vie×War				-0.344	38.10	35.01
				(-1.33)	(1.56)	(1.44)
Other×War				-0.121	15.39	12.14
				(-1.52)	(0.86)	(0.69)
Sugar×War				-0.248	70.97**	77.36***
				(-0.97)	(2.97)	(3.41)
Wine×War				-0.347*	33.80	28.32
				(-2.14)	(1.35)	(1.16)
Constant	-27.66***	-84.79***	-84.91***	-16.36*	-90.47***	-86.15***
	(-5.73)	(-7.93)	(-7.97)	(-2.06)	(-7.82)	(-7.94)
Observations	1010	9792	9792	445	9792	9792

t statistics in parentheses
* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Table 5: Imports, distinguishing between Mercantilist War and Napoleonic and Revolutionary Wars

	(1)	(2)	(3)	(4)	(5)	(6)
Allies×Mercantilist	-0.362*	-0.381**	-0.330**			
	(-2.27)	(-2.89)	(-3.19)			
Allies×R&N	-0.298	-0.249*	-0.511***			
	(-1.56)	(-2.20)	(-4.76)			
Foes×Mercantilist	-0.633	-0.612	-0.479*			
	(-1.56)	(-1.70)	(-2.31)			
Foes×R&N	-1.716***	-1.534***	-0.771***			
	(-3.86)	(-5.17)	(-6.17)			
Neutral×Mercantilist	-0.228*	-0.194*	-0.228**			
	(-2.25)	(-2.10)	(-3.18)			
Neutral×R&N	0.180	0.131	-0.488***			
	(1.02)	(0.82)	(-3.87)			
Coffee×Mercantilist				-0.879**	-0.866**	-0.726*
				(-2.81)	(-3.16)	(-2.56)
Coffee×R&N				-3.136***	-3.280***	-3.306***
				(-7.23)	(-6.12)	(-6.48)
Eau de vie×Mercantilist				-0.698*	183.5***	180.1***
				(-1.98)	(4.74)	(4.64)
Eau de vie×R&N				1.197***	185.1***	181.6***
				(4.18)	(4.77)	(4.67)
Other×Mercantilist				-0.253*	117.3***	115.4***
				(-2.22)	(3.94)	(3.90)
Other×R&N				-0.118	117.4***	115.4***
				(-1.08)	(3.94)	(3.89)
Sugar×Mercantilist				-0.404	107.7**	104.0**
				(-1.33)	(2.82)	(2.76)
Sugar×R&N				-1.312***	106.4**	102.6**
				(-4.22)	(2.77)	(2.71)
Wine×Mercantilist				-0.236	148.7***	148.6***
				(-1.00)	(4.14)	(4.15)
Wine×R&N				0.528**	149.1***	149.1***
				(2.87)	(4.15)	(4.16)
Constant	-37.22***	-100.6***	-100.3***	-73.40***	-198.6***	-198.7***
	(-6.11)	(-8.50)	(-8.65)	(-6.66)	(-7.62)	(-7.68)
Observations	1010	9792	9792	445	9792	9792

t statistics in parentheses
* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Table 6: Imports, distinguishing between Wars and Continental Blockade

	(1)	(2)	(3)	(4)	(5)	(6)
Allies×Blockade	-0.0395 (-0.18)	0.0222 (0.18)	-0.265* (-2.57)			
Allies×Mercantilist	-0.183 (-1.55)	-0.154 (-1.81)	-0.135* (-2.19)			
Foes×Blockade	-0.561 (-1.86)	-0.379 (-1.89)	-0.173* (-1.96)			
Foes×Mercantilist	-0.497 (-1.55)	-0.478 (-1.75)	-0.642*** (-3.42)			
Neutral×Blockade	-1.146*** (-3.42)	-1.115*** (-3.90)	-0.737*** (-5.36)			
Neutral×Mercantilist	-0.0261 (-0.26)	0.0177 (0.21)	-0.0625 (-1.01)			
Coffee×Blockade				-2.135*** (-5.93)	-2.007*** (-4.19)	-2.061*** (-6.12)
Coffee×Mercantilist				-0.597* (-2.09)	-0.554* (-2.13)	-0.498* (-2.09)
Eau de vie×Blockade				0.183 (0.70)	41.31 (1.61)	43.52 (1.72)
Eau de vie×Mercantilist				-0.350 (-1.17)	40.89 (1.60)	43.50 (1.73)
Other×Blockade				-0.150* (-2.18)	19.45 (1.04)	19.71 (1.06)
Other×Mercantilist				-0.101 (-1.19)	19.47 (1.05)	19.74 (1.06)
Sugar×Blockade				-1.371 (-1.54)	68.46** (2.76)	68.73** (2.77)
Sugar×Mercantilist				-0.329 (-1.19)	69.37** (2.80)	69.84** (2.82)
Wine×Blockade				-0.210 (-1.03)	39.24 (1.53)	38.63 (1.50)
Wine×Mercantilist				-0.236 (-1.33)	39.29 (1.53)	38.54 (1.50)
Constant	-27.31*** (-5.78)	-84.87*** (-7.84)	-85.02*** (-7.90)	-17.63* (-2.28)	-94.32*** (-7.50)	-94.32*** (-7.53)
Observations	1010	9792	9792	445	9792	9792

t statistics in parentheses
* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

6 Conclusion

In this paper we have analysed the effects of conflicts as opposed to the Continental Blockade on French trade. We have first observe the generic effect of war by observing the difference between foes neutral and allies countries. Both for imports and exports, wars seem to be hitting trade with enemies but not damage was made to commercial relation with allies or neutral. Then, we have categorised wars into two big groups, Mercantilist Wars (1717 to 1782) and Revolutionary and Napoleonic Wars (1797-1821). Also in this case we have observed that the main disruption created was with trade of foes and especially during the second group of wars, Napoleonic and Revolutionary wars. The so-called Mercantilist wars had, in fact, little effect on trade even with enemies. Finally, in our last case, we have observed separately proper wars and the Continental Blockade. This last analysis was quite revealing, as it shows that it was actually neutral countries which had suffer the most during this period. In fact, even if trade was dropping with foes, the big drop in French trade in the beginning of the eighteenth century took place when also neutral countries were hit and this had happened only during the Blockade years, not so much during the wars. As a consequence, we could conclude that, at least for what concerns trade before twentieth century, wars had little impact on it, until neutral countries were free to continue commercial exchanges despite on-going conflicts. It was only once the Continental Blockade was put in place and trade of neutral countries also was controlled that the volume of trade was massively reduced.

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