The futility of mercantilist wars
a case study of France between 1733 and 1820[1]

Guillaume Daudin[2] Elisa Tirindelli[3]

[1]The authors want to thanks Philip Hoffman for sharing data with them.

[2]Université Paris-Dauphine, PSL Research University, LEDa, 75016 PARIS, FRANCE Université Paris-Dauphine, PSL Research University, IRD, LEDa, UMR 225, DIAL, 75016 PARIS, FRANCE Sciences Po, Observatoire Français des Conjonctures Économiques (OFCE), 75014 PARIS, FRANCE email: guillaume.daudin@dauphine.fr

[3]Trinity College Dublin, email: tirindee@tcd.ie

1 Introduction

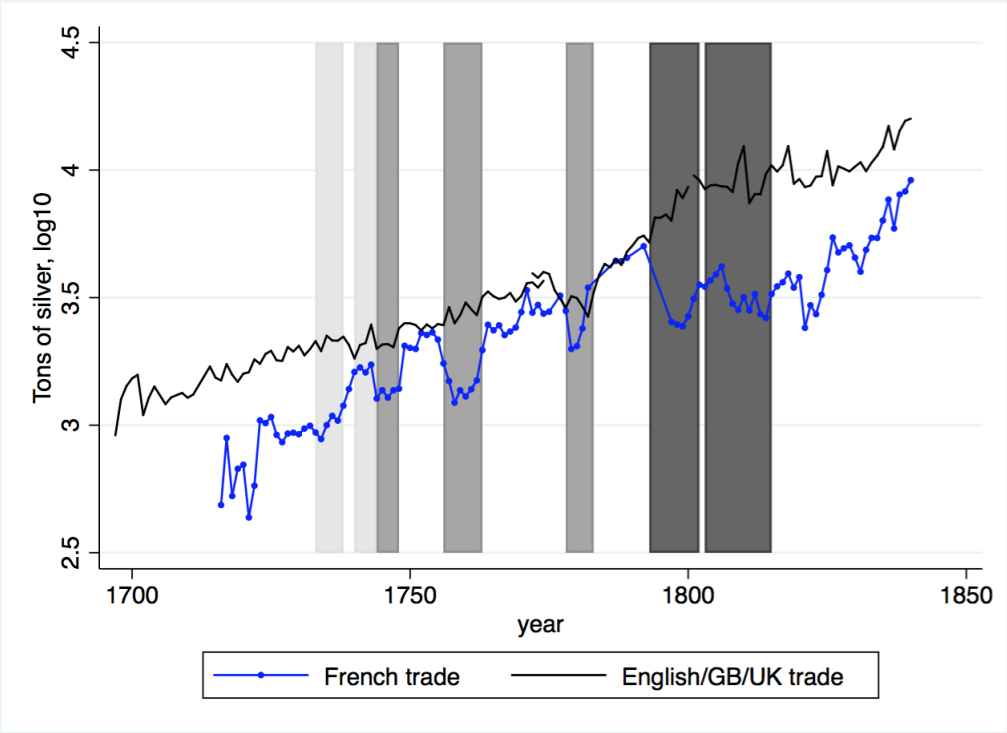
> Savez-vous Messieurs ce qu'est une bataille navale ? On se rencontre, on se salue, on se canonne et la mer n'en reste pas moins salée.
>
> Maurepas, Navy Minister of Louis XV, 1718-1748

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.

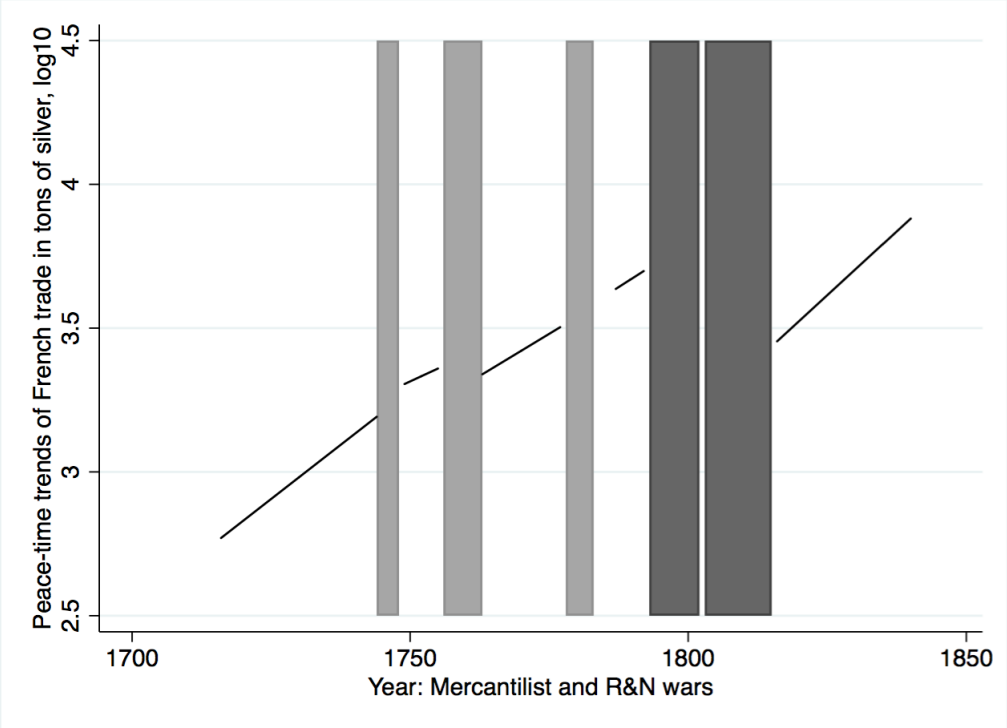
There exists a vast literature focusing on the relationship between trade and war. A first strand of this literature concentrates on the impact of trade on wars. Within this strand, two major perspectives have emerged: a liberal and a realist one. The first supports a vision of interdependence between trade and war, pointing out that trade promotes peace since it is a better method of expan-

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

sion 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.

2 Dataset

2.1 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.

2.2 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.

2.3 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.

3 Historical context

3.1 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 Iwe 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 IIwe as king of Poland. The belligerent countries were France, Spain and Italy on the one side and the Habsburg Monarchy on the other.

3.2 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.

3.3 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.

3.4 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.

3.5 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.

3.6 Napoleonic Wars

The Napoleonic wars were a series of conflict between the French Empire of Napoleon we 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 Empirical Analysis

In this section we have compared the results obtained for Hamburg with the general case of all French trading partners in eighteenth century. We have run a difference in difference specification

to see the difference in impact for neutral and adversary countries with respect to allies. As in the case of Hamburg, we have again incomplete data on products preceding 1750, so We have estimated the value for sugar coffee, wine and eau de vie through the same technique.
We started my analysis running the following equation for all wars together and separately:

$$exports_{i,t} = \exp(\beta_0 + \beta_1 year + \beta_2 country_i + \beta_3 country_i year + \beta_4 adversaries_i + \beta_5 neutral_i) \quad (1)$$

where *year* is year time trend, *country* is country fixed effects, $country_i year$ is country time trends, *adversaries* is a dummy variable that takes value 1 if a country is adversary to France during a conflict and *neutral* is again a dummy indicating whether a country was neutral (rather than adversary or allied). Even in this case we did not have enough data to estimate country year fixed effects so we have used time trend.
From the first regression we can see that war had on average a negative impact on trade of neutral countries of around 31%. As for the case of Hamburg, we have run a Chow test for the year 1795, first for all countries and then for those countries importing mainly colonial goods. The test is significant for all countries and the result do not change much from one specification to the other. By looking at each single war separately, we notice that the difference in impact between colonial and non colonial wars is not really evident anymore, even after inserting the 1795 break. The first three wars, Polish Austrian 1 and 2, seem to have the biggest impact, whereas the subsequent colonial wars have a minor effect. As mentioned before, we suspect that this is due to imprecisions in the data.
Overall the impact for all wars is indeed negative and this finding is line with Hamburg case, discussed previously. However, loss estimated for neutral countries are less striking than the ones found for Hamburg and in particular, they are distributed differently in the war by war case. For this reason we have looked again into the breakdown by the major products and analysed the impact of wars on different goods. we am arguing that in eighteenth century wars did not have an impact on all goods evenly, but rather on some specific goods. Hamburg's imports from France were mainly made up of colonial products, which were more vulnerable to conflicts, and this explains why its losses were so huge. On the other hand, this was not the case for other countries, whose import composition was totally different and which probably suffered to a lesser extent. Different destinations had really different patterns of exports, and it would be interesting to see whether groups of nations suffered more according to their import composition than their belligerent/neutral status. In this setting, however, we am only considering the four main goods analysed in the Hamburg case, as to be able to perform a comparison.
More than an impact on all trade, we believe it was a matter of impact on trade of certain products.

In line with this reasoning, we run again a regression with a product breakdown and analyse the impact of all conflicts together and war by war:

$$exports_{i,t} = \exp(\beta_0 + \beta_1 year + \beta_2 country_i + \beta_3 country_i year + \beta_4 product_{i,j} + \beta_5 product_j year + \\ + \beta_6 product_j adversary + \beta_7 product_j neutral) \quad (2)$$

where $country_i product_j$ is country product fixed effects, $country_i year$ and $product_j year$ are country and product time trend and $product_j adversary$ and $product_j neutral$ are adversaries and neutral dummies interacted with product dummies. This regression relies on the assumption that product fixed effects are country-specific whereas product time trend do not differ across countries. we have also run a specification where we relax this assumption and we assumes both country products fixed effects and country products specific trends, but the difference is not noticeable (section 7).

Table 1: All countries: aggregate

	No breaks	One break	No breaks	One break
Value				
Neutral	-0.373^{***}	-0.427^{***}		
Polish Neutral			-2.844^{***}	-1.947^{***}
Austrian1 Neutral			-4.004^{***}	-3.111^{***}
Austrian2 Neutral			-3.532^{***}	-2.831^{***}
Seven Neutral			-0.497^{***}	-0.264
American Neutral			0.0694	-0.375^{***}
Revolutionary Neutral			-0.106	-0.668^{**}
Napoleonic Neutral			-0.216	-0.218
Country FE	Yes	Yes	Yes	Yes
Country time trend	Yes	Yes	Yes	Yes
Chow test	No	Yes	No	Yes
Observations	789	789	789	789
Pseudo R^2	0.623	0.763	0.703	0.802

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

The results on all wars are definitely in line with the Hamburg case. Overall the impact on coffee and sugar is strongly negative and significant (-70% and -66%) whereas only a small and insignificant impact can be found on wine (+6%) and a strongly positive one can be see on eau de vie (+160%). These figures are now much closer to those found for Hamburg and the breakdown by product seems to be explaining it pretty well. Looking at the regression where we consider each war separately, on the other hand, results are again less coherent. Colonial goods always experience a decrease during war period, however, there is no evidence of greater impact during colonial wars, or smaller impact during European wars. It is interesting to notice, however, that, starting from Seven Years Wars we find again the same pattern as in the one dummy case, i.e. sugar and coffee are always strongly

Table 2: All countries: All wars on each product

	No breaks	One break	Two breaks
Value			
Neutral Coffee	-1.991***	-1.188***	-1.188***
Neutral Eau de vie	0.953***	0.952***	0.953***
Neutral Sugar	-1.657***	-1.656***	-1.066***
Neutral Wine	0.0614	0.0612	0.0621
Country-product FE	Yes	Yes	Yes
Country time trend	Yes	Yes	Yes
Product time trend	Yes	Yes	Yes
Coffee break	No	Yes	Yes
Sugar break	No	No	Yes
Observations	3145	3145	3145
Pseudo R^2	0.787	0.800	0.815

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

negative and significant whereas wine and eau de vie are positive and mostly insignificant. This is again in line with the Hamburg case and actually suggests that during the war there could have a been some sort of substitution effect (on the offer side rather than on the demand side), which was pushing merchants to trade more "safer" goods and make up for war looses.

5 Robustness check

We have also run some robustness check both for the Hamburg case and the general case. We have done so by using a log linear specification specification instead of the poisson pseudo maximum likelihood.

We have re-run all regressions mentioned in section 4 and 5, so both for Hamburg only and for all export destinations together. In the Hamburg aggregate case, the effects of wars are still negative and it is still possible to distinguish between colonial and non-colonial conflicts. While looking at the breakdown by products despite the fact that there is still a strong impact for colonial goods, no significant impact is found for wine and eau de vie, whose coefficients are negative and positively respectively, but insignificant. In the all-countries case on the other hand, the picture remains quite unchanged, and while the effect on coffee and sugar is strongly negative and significant, the effect on eau de vie is again positive and significant, even though less high, and wine is negative but small and insignificant. When turning to the aggregate case, results are very robust to the different specification and the effects are, once more, quite similar to the baseline case.

In addition to this, given the limited number of observations available in the Hamburg series at

Table 3: All countries: Each war on each product

	No breaks	One break	Two breaks
Value			
Polish Neutral Coffee	-5.409***	-3.640***	-3.647***
Polish Neutral Eau de vie	-1.142**	-1.112**	-1.132**
Polish Neutral Sugar	-4.029***	-2.607***	-4.027***
Polish Neutral Wine	-1.876***	-1.846***	-1.865***
Austrian1 Neutral Coffee	-6.351***	-4.758***	-4.766***
Austrian1 Neutral Eau de vie	-5.464***	-5.434***	-5.455***
Austrian1 Neutral Sugar	-4.112***	-2.924***	-4.112***
Austrian1 Neutral Wine	-6.945***	-6.925***	-6.940***
Austrian2 Neutral Coffee	-4.090***	-2.809***	-2.814***
Austrian2 Neutral Eau de vie	-4.309***	-4.282***	-4.301***
Austrian2 Neutral Sugar	-3.194***	-2.253***	-3.194***
Austrian2 Neutral Wine	-8.948***	-8.930***	-8.943***
Seven Neutral Coffee	-2.060***	-1.510***	-1.511***
Seven Neutral Eau de vie	0.429	0.446	0.436
Seven Neutral Sugar	-1.544***	-1.203**	-1.544***
Seven Neutral Wine	0.197	0.210	0.203
American Neutral Coffee	-0.412	-0.950***	-0.951***
American Neutral Eau de vie	0.242	0.247	0.244
American Neutral Sugar	-0.137	-0.720***	-0.135
American Neutral Wine	0.116	0.117	0.117
Revolutionary Neutral Coffee	-5.724***	-1.578	-1.581
Revolutionary Neutral Eau de vie	1.066***	1.064***	1.066***
Revolutionary Neutral Sugar	-3.112***	0.126	-3.110***
Revolutionary Neutral Wine	0.356*	0.354*	0.356*
Napoleonic Neutral Coffee	-5.452***	-0.719	-0.721
Napoleonic Neutral Eau de vie	1.364***	1.358***	1.363***
Napoleonic Neutral Sugar	-4.616***	-1.288	-4.614***
Napoleonic Neutral Wine	-0.0201	-0.0259	-0.0210
Country-product FE	Yes	Yes	Yes
Country time trend	Yes	Yes	Yes
Product time trend	Yes	Yes	Yes
Coffee break	No	Yes	Yes
Sugar break	No	Yes	No
Observations	3145	3145	3145
Pseudo R^2	0.827	0.847	0.838

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

aggregate level, we have re-run the regression on the disaggregate export value by product, by adding product fixed effects to the regressions, but without interacting them with the war dummies. Table is shown in the appendix. The results of this different specification change a bit the picture in terms of colonial and non colonial wars, with non colonial wars resulting more disruptive that the colonial ones. The effect of the Polish war is also greater and that of the Seven years war is smaller. Finally, as we have mentioned before, for the all-countries case with the product breakdown, we have relaxed the assumption of product time trend across countries and run a regression with country-product time trend. In both cases, the results are extremely close. In the regression with one dummy for all wars, coffee and sugar are nearly unchanged, only eau de vie and wine are a bit less positive. In the war-by-war case, results stay approximately the same, with the first three wars with a generalised strong effect and the last four with alternate effects on the different products. All tables are to be found in the appendix in the appendix.

6 Conclusion

In this paper we have analysed the effects of conflicts on neutral countries, taking Hamburg as a case study, and then compared our findings with the general case of all countries together. At aggregate yearly level, the impact of conflict on trade found for Hamburg looks much higher than the general case. To inspect this phenomenon, we then broke down the value of the series in four different products plus one category encompassing all other goods, and we checked for the impact on those specific products. We found that the difference between products is quite striking; colonial products suffer a bust in trade but trade of some European product even increased during conflicts. We have also checked for the difference in effects according to each kind of war, and in the case of Hamburg there is indeed evidence of a stronger effect of colonial wars on colonial products and of European wars on non-colonial products. This pattern however is not evident in the general case and we could not really disentangle the effects of the different kind of wars in a clear way. The results on the single products however, are robust to different specifications and it is indeed the case that some goods experienced a trade expansion in correspondence to conflicts and the collapse of other products.
We have also validated our results with several robustness check, including different Poisson Maximum Likelihood and log-linear specification but our findings do not change significantly. It would be interesting to aggregate countries to according to their export composition rather than their belligerent status and see whether our findings are still valid, but we leave this to further research. In conclusion, we are pointing out the fact that our results are quite different from those found in the literature so far, because we are using an example from another historical period. Most scholars

treating this subject have used twentieth century data and generalized their findings to the overall history, disregarding the fact that twentieth century had brought major variations in many aspects. Wars had changed dramatically and their disruptive power had increased incredibly in the contemporary period. For this reason, results found in the literature so far are not robust to an extension over a longer time span, and with our contribution we intend to fill this gap. We believe that this work, by increasing the variety of the landscape of the observed effects of wars, might help to shed more light on the general mechanisms that link conflicts and commerce.

A Appendix : war lags and prewar effects

Table 4: Lags Hamburg Aggregate

	No breaks	One break	No breaks	One break
Value				
0	0	0		
1 lag	−0.442	−0.159		
2 lags	−0.515*	−0.224**		
3 lags	−0.303	−0.00559		
4 lags	−0.503*	−0.201**		
5 lags	−0.401**	−0.0936		
0			0	0
1 lag Austrian2			−0.394*	0.172
1 lag Seven			−0.128	0.0339
1 lag Napoleonic			−0.888***	−1.007***
2 lags Austrian2			−0.718***	−0.178
2 lags Seven			−0.218	−0.0828
2 lags Napoleonic			−0.641**	−0.651***
3 lags Austrian2			−0.433*	0.0797
3 lags Seven			0.188	0.296***
3 lags Napoleonic			−0.850***	−0.752***
4 lags Austrian2			−0.482**	0.00307
4 lags Seven			−0.226*	−0.145*
4 lags Napoleonic			−0.787**	−0.580***
5 lags Austrian2			−0.374*	0.0845
5 lags Seven			−0.368***	−0.314***
5 lags Napoleonic			−0.378	−0.0622
Observations	76	76	76	76
Pseudo R^2	0.393	0.670	0.600	0.781

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Table 7: Hamburg: Lag of each wars on each product

	No breaks	One break	Two breaks
Value			
1 lag Austrian2 Coffee	−6.412***	−6.607***	−6.411***
1 lag Austrian2 Eau de vie	−6.656***	−6.656***	−6.656***
1 lag Austrian2 Sugar	−3.808***	−3.808***	−3.072***
1 lag Austrian2 Wine	−10.67***	−10.67***	−10.67***
1 lag Seven Coffee	−4.445***	−4.544***	−4.444***
1 lag Seven Eau de vie	−5.900***	−5.900***	−5.900***
1 lag Seven Sugar	−2.817***	−2.817***	−2.598***

1 lag Seven Wine	-10.10^{***}	-10.10^{***}	-10.10^{***}
1 lag Napoleonic Eau de vie	0.139	0.139	0.139
1 lag Napoleonic Wine	0.339^{*}	0.339^{*}	0.339^{*}
2 lags Austrian2 Coffee	-4.787^{***}	-4.976^{***}	-4.786^{***}
2 lags Austrian2 Eau de vie	-6.690^{***}	-6.690^{***}	-6.690^{***}
2 lags Austrian2 Sugar	-3.702^{***}	-3.702^{***}	-3.000^{***}
2 lags Austrian2 Wine	-9.651^{***}	-9.651^{***}	-9.651^{***}
2 lags Seven Coffee	-4.885^{***}	-4.978^{***}	-4.884^{***}
2 lags Seven Eau de vie	-5.303^{***}	-5.303^{***}	-5.303^{***}
2 lags Seven Sugar	-3.456^{***}	-3.456^{***}	-3.271^{***}
2 lags Seven Wine	-9.312^{***}	-9.312^{***}	-9.312^{***}
2 lags Napoleonic Coffee	-8.152^{***}	24.91^{*}	2.972^{***}
2 lags Napoleonic Eau de vie	-0.0740	-0.0740	-0.0740
2 lags Napoleonic Sugar	-7.191^{***}	-7.191^{***}	-4.448^{***}
2 lags Napoleonic Wine	0.105	0.105	0.105
3 lags Austrian2 Coffee	-3.427^{***}	-3.610^{***}	-3.426^{***}
3 lags Austrian2 Eau de vie	-6.198^{***}	-6.198^{***}	-6.198^{***}
3 lags Austrian2 Sugar	-2.661^{***}	-2.661^{***}	-1.993^{***}
3 lags Austrian2 Wine	-10.85^{***}	-10.85^{***}	-10.85^{***}
3 lags Seven Coffee	-4.312^{***}	-4.399^{***}	-4.311^{***}
3 lags Seven Eau de vie	-5.516^{***}	-5.516^{***}	-5.516^{***}
3 lags Seven Sugar	-2.097^{***}	-2.097^{***}	-1.947^{***}
3 lags Seven Wine	-8.856^{***}	-8.856^{***}	-8.856^{***}
3 lags Napoleonic Coffee	-11.46^{***}	21.93	
3 lags Napoleonic Eau de vie	-0.303	-0.303	-0.303
3 lags Napoleonic Wine	-0.268	-0.268	-0.268
4 lags Austrian2 Coffee	-0.0720	-0.248	-0.0710
4 lags Austrian2 Eau de vie	-1.011^{**}	-1.011^{**}	-1.011^{**}
4 lags Austrian2 Sugar	-0.416	-0.416	0.217
4 lags Austrian2 Wine	-0.141	-0.141	-0.141
4 lags Seven Coffee	-0.849^{***}	-0.929^{***}	-0.848^{***}
4 lags Seven Eau de vie	-0.505^{*}	-0.505^{*}	-0.505^{*}
4 lags Seven Sugar	-0.0138	-0.0138	0.102

4 lags Seven Wine	0.486***	0.486***	0.486***
4 lags Napoleonic Eau de vie	−0.124	−0.124	−0.124
4 lags Napoleonic Wine	−0.159	−0.159	−0.159
5 lags Austrian2 Coffee	−4.928***	−5.098***	−4.927***
5 lags Austrian2 Eau de vie	−6.248***	−6.248***	−6.248***
5 lags Austrian2 Sugar	−3.402***	−3.402***	−2.803***
5 lags Austrian2 Wine	−10.50***	−10.50***	−10.50***
5 lags Seven Coffee	−0.628***	−0.703***	−0.628***
5 lags Seven Eau de vie	−0.638**	−0.638**	−0.638**
5 lags Seven Sugar	−0.152	−0.152	−0.0712
5 lags Seven Wine	0.0938	0.0938	0.0938
5 lags Napoleonic Eau de vie	1.133	1.133	1.133
5 lags Napoleonic Sugar	−5.045***	−5.045***	−1.780**
5 lags Napoleonic Wine	0.382*	0.382*	0.382*
Cons	−59.76***	509.9	−59.84***
Product FE	Yes	Yes	Yes
Product time trend	Yes	Yes	Yes
Break Coffee	No	Yes	Yes
Break Sugar	No	No	Yes
Observations	347	347	347
Pseudo R^2	0.797	0.800	0.824

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Table 9: Hamburg: Pre of each wars on each product

	No breaks	One breaks	Two breaks
Value			
1 pre Seven Coffee	−0.120	1.579***	0.829*
1 pre Seven Eau de vie	0.0419	0.185	0.0419
1 pre Seven Sugar	0.219	1.072***	1.017***
1 pre Seven Wine	0.271	0.510**	0.271
1 pre American Coffee	0.302	0.263	−0.0740
1 pre American Eau de vie	1.145***	0.537***	1.145***

1 pre American Sugar	1.184***	1.853***	0.679***
1 pre American Wine	0.411*	0.478***	0.411*
2 pre Seven Coffee	0.0603	1.837***	1.069**
2 pre Seven Eau de vie	−0.0138	0.163	−0.0138
2 pre Seven Sugar	0.207	1.069***	1.065***
2 pre Seven Wine	0.463	0.710***	0.463
2 pre American Coffee	0.134	0.174	−0.181
2 pre American Eau de vie	0.0391	−0.535***	0.0391
2 pre American Sugar	0.731**	1.408***	0.285*
2 pre American Wine	0.284	0.359**	0.284
3 pre Seven Coffee	−5.023***	−3.167***	−3.954***
3 pre Seven Eau de vie	−5.596***	−5.385***	−5.596***
3 pre Seven Sugar	−2.794***	−1.924***	−1.877***
3 pre Seven Wine	−9.996***	−9.742***	−9.996***
3 pre American Coffee	0.397	0.516**	0.142
3 pre American Eau de vie	−0.135	−0.675***	−0.135
3 pre American Sugar	0.954***	1.639***	0.567***
3 pre American Wine	0.132	0.215	0.132
4 pre Seven Coffee	−0.196	1.739***	0.934*
4 pre Seven Eau de vie	−0.346	−0.101	−0.346
4 pre Seven Sugar	0.194	1.072***	1.170***
4 pre Seven Wine	0.369	0.631***	0.369
4 pre American Coffee	0.473	0.671***	0.278
4 pre American Eau de vie	−0.408	−0.913***	−0.408
4 pre American Sugar	0.509*	1.203***	0.181
4 pre American Wine	−0.0436	0.0469	−0.0436
Constant	−9.642	−149.9***	−116.2***
Product FE	*Yes*	*Yes*	*Yes*
Product time trend	*Yes*	*Yes*	*Yes*
Chow test Coffee	*No*	*Yes*	*Yes*
Chow test Sugar	*No*	*No*	*Yes*
Observations	347	347	347

Pseudo R^2	0.627	0.509	0.746

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Table 5: Prewar Hamburg Aggregate

	No breaks	One break	No breaks	One break
Value				
0	0	0		
1 pre	−0.0789	0.0459		
2 pre	0.000759	0.146*		
3 pre	−0.0904	0.0752		
4 pre	−0.194	−0.00834		
5 pre	−0.140	0.0662		
0			0	0
1 pre Austrian2			−0.507**	0.172
1 pre Seven			−0.138	0.0339
2 pre Austrian2			−0.824***	−0.178
2 pre Seven			−0.221	−0.0828
3 pre Austrian2			−0.532**	0.0797
3 pre Seven			0.192	0.296***
4 pre Austrian2			−0.575**	0.00307
4 pre Seven			−0.216	−0.145*
5 pre Austrian2			−0.460**	0.0845
5 pre Seven			−0.351**	−0.314***
Observations	76	76	76	76
Pseudo R^2	0.321	0.662	0.549	0.750

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Table 6: Hamburg: Lag of all wars on each product

	No breaks	One break	Two breaks
Value			
0	0	0	0
1 lag Coffee	-5.050^{***}	-4.608^{***}	-4.608^{***}
1 lag Eau de vie	-1.691^{***}	-1.691^{***}	-1.691^{***}
1 lag Sugar	-3.144^{***}	-3.144^{***}	-2.444^{***}
1 lag Wine	-0.551	-0.551	-0.551
2 lags Coffee	-6.186^{***}	-4.496^{***}	-4.496^{***}
2 lags Eau de vie	-1.949^{***}	-1.949^{***}	-1.949^{***}
2 lags Sugar	-3.912^{***}	-3.912^{***}	-2.876^{***}
2 lags Wine	-0.801^{*}	-0.801^{*}	-0.801^{*}
3 lags Coffee	-5.431^{***}	-3.764^{***}	-3.764^{***}
3 lags Eau de vie	-2.226^{***}	-2.226^{***}	-2.226^{***}
3 lags Sugar	-2.291^{***}	-2.291^{***}	-1.689^{***}
3 lags Wine	-1.192^{**}	-1.192^{**}	-1.192^{**}
4 lags Coffee	-0.722^{**}	-0.354	-0.354
4 lags Eau de vie	-0.918	-0.918	-0.918
4 lags Sugar	-0.148	-0.148	0.406^{*}
4 lags Wine	-0.0713	-0.0713	-0.0713
5 lags Coffee	-1.240^{*}	-0.896^{*}	-0.896^{*}
5 lags Eau de vie	-0.621	-0.621	-0.621
5 lags Sugar	-1.180	-1.180	-0.283
5 lags Wine	-0.184	-0.184	-0.184
Cons	-34.27^{**}	-77.71^{***}	-77.71^{***}
Product FE	Yes	Yes	Yes
Product time trend	Yes	Yes	Yes
Break Coffee	No	Yes	Yes
Break Sugar	No	No	Yes
Observations	347	347	347
Pseudo R^2	0.621	0.651	0.711

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Table 8: Hamburg: Pre of all wars on each product

	No breaks	One break	Two breaks
Value			
1 pre Coffee	0.401	0.0516	0.0516
1 pre Eau de vie	1.947***	1.947***	1.947***
1 pre Sugar	1.102**	1.102**	0.699***
1 pre Wine	0.630**	0.630**	0.630**
2 pre Coffee	0.360	0.0699	0.0699
2 pre Eau de vie	1.260**	1.260**	1.260**
2 pre Sugar	0.798**	0.798**	0.449
2 pre Wine	0.640**	0.640**	0.640**
3 pre Coffee	0.625	−0.277	−0.277
3 pre Eau de vie	1.038*	1.038*	1.038*
3 pre Sugar	0.892*	0.892*	0.0135
3 pre Wine	0.153	0.153	0.153
4 pre Coffee	0.854*	0.0111	0.0111
4 pre Eau de vie	0.985**	0.985**	0.985**
4 pre Sugar	0.851**	0.851**	0.0270
4 pre Wine	0.389	0.389	0.389
Cons	−12.40	−116.2***	−116.2***
Product FE	Yes	Yes	Yes
Product time trend	Yes	Yes	Yes
Break Coffee	No	Yes	Yes
Break Sugar	No	No	Yes
Observations	347	347	347
Pseudo R^2	0.500	0.586	0.661

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Table 10: All countries: lags

	No breaks	One break	No breaks	One break
Value				
1 lag neutral	-1.097^{**}	-0.826^{*}		
2 lags neutral	-1.264^{***}	-0.884^{**}		
3 lags neutral	-1.436^{***}	-1.059^{***}		
4 lags neutral	-0.130	0.214		
5 lags neutral	-0.424^{*}	-0.0842		
1 lag Austrian2 neutral			-3.837^{***}	-3.416^{***}
2 lags Austrian2 neutral			-3.919^{***}	-3.515^{***}
3 lags Austrian2 neutral			-3.554^{***}	-3.169^{***}
4 lags Austrian2 neutral			-0.155	0.212
5 lags Austrian2 neutral			-4.108^{***}	-3.760^{***}
1 lag Seven neutral			-3.515^{***}	-3.381^{***}
2 lags Seven neutral			-3.331^{***}	-3.216^{***}
3 lags Seven neutral			-3.161^{***}	-3.064^{***}
4 lags Seven neutral			-0.0502	0.0135
5 lags Seven neutral			-0.121	-0.0747
1 lag Napoleonic neutral			-0.280	0.00700
2 lags Napoleonic neutral			-0.413^{*}	0.170
3 lags Napoleonic neutral			-0.528^{**}	0.0898
4 lags Napoleonic neutral			-0.367	0.285
5 lags Napoleonic neutral			-0.219	0.467^{*}
Country FE	*Yes*	*Yes*	*Yes*	*Yes*
Country time trend	*Yes*	*Yes*	*Yes*	*Yes*
Chow test	*No*	*Yes*	*No*	*Yes*
Observations	789	789	789	789
Pseudo R^2	0.670	0.785	0.808	0.881

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Table 11: All countries: Lag of all wars on each product

	No breaks	One break	Two breaks
Value			
1 lag neutral Coffee	-4.326***	-3.851***	-3.850***
1 lag neutral Eau de vie	-1.963***	-1.966***	-1.964***
1 lag neutral Sugar	-3.204***	-3.202***	-2.638***
1 lag neutral Wine	-0.444	-0.444	-0.441
2 lags neutral Coffee	-5.297***	-3.661***	-3.660***
2 lags neutral Eau de vie	-1.330**	-1.331**	-1.327**
2 lags neutral Sugar	-3.417***	-3.418***	-2.678***
2 lags neutral Wine	-0.575*	-0.576*	-0.571*
3 lags neutral Coffee	-5.164***	-3.567***	-3.566***
3 lags neutral Eau de vie	-1.654***	-1.655***	-1.651***
3 lags neutral Sugar	-2.784***	-2.781***	-1.863***
3 lags neutral Wine	-0.955***	-0.956***	-0.951***
4 lags neutral Coffee	-0.721***	-0.336	-0.335
4 lags neutral Eau de vie	-0.827*	-0.829	-0.826
4 lags neutral Sugar	-0.138	-0.137	0.281**
4 lags neutral Wine	-0.0227	-0.0251	-0.0223
5 lags neutral Coffee	-0.971**	-0.614*	-0.613*
5 lags neutral Eau de vie	-0.600**	-0.602**	-0.599**
5 lags neutral Sugar	-0.851*	-0.853*	-0.254
5 lags neutral Wine	-0.0775	-0.0796	-0.0757
Constant	-50.98***	-18.32	128.3
Country-product FE	Yes	Yes	Yes
Country time trend	Yes	Yes	Yes
Product time trend	Yes	Yes	Yes
Coffee break	No	Yes	Yes
Sugar break	No	No	Yes
Observations	3145	3145	3145
Pseudo R^2	0.817	0.822	0.833

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

B Appendix : Robustness checks

Table 12: Robustness check: Hamburg Aggregate

	No breaks	One break	No breaks	One break
All	-0.668^{***}	-0.730^{***}		
Polish			-1.460^{***}	-0.613^{***}
Austrian1			-0.753^{***}	-0.0939
Austrian2			-0.909^{***}	-0.391^{**}
Seven			-1.128^{***}	-1.028^{***}
American			-0.135	-0.657^{***}
Revolutionary			-0.0632	-1.693^{*}
Napoleonic			-0.438	-1.148^{*}
Observations	76	76	76	76
Pseudo R^2				

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Table 13: Robustness check: Hamburg Aggregate on the disaggregate by products

	No breaks	One break	No breaks	One break
Value				
All	-0.526^{***}	-0.611^{***}		
Polish			-4.788^{***}	-5.259^{***}
Austrian1			-4.661^{***}	-5.078^{***}
Austrian2			-3.971^{***}	-4.327^{***}
Seven			-1.034^{***}	-1.241^{***}
American			-0.0827	-0.0642
Revolutionary			-0.143	-1.181
Napoleonic			-0.199	-0.569
Observations	347	347	347	347
Pseudo R^2	0.212	0.382	0.309	0.292

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Table 14: Robustness check: Hamburg: All wars on each product

	No breaks	One break	Two breaks
Coffee	-3.704^{***}	-1.139	-1.564^{*}
Eau de vie	0.167	0.167	0.167
Sugar	-3.328^{***}	-3.328^{***}	-1.759^{**}
Wine	-1.220	-1.220	-1.220
Product FE	Yes	Yes	Yes
Product time trend	Yes	Yes	Yes
Break Coffee	No	Yes	Yes
Break Sugar	No	No	Yes
Observations	347	347	347
Pseudo R^2			

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Table 15: Robustness check: Hamburg: Each wars on each product

	No breaks	One break	Two breaks
Polish Coffee	-6.539^{**}	-0.221	-2.681^{*}
Polish Eau de vie	-2.482^{**}	-2.482^{**}	-2.482^{**}
Polish Sugar	-4.057^{***}	-4.057^{***}	-1.026
Polish Wine	-4.704^{**}	-4.704^{**}	-4.704^{**}
Austrian1 Coffee	-6.479^{***}	-0.167	-3.148^{**}
Austrian1 Eau de vie	-2.547^{**}	-2.547^{**}	-2.547^{**}
Austrian1 Sugar	-3.586^{***}	-3.586^{***}	-1.116^{*}
Austrian1 Wine	-5.669^{***}	-5.669^{***}	-5.669^{***}
Austrian2 Coffee	-4.359^{*}	-1.689	-1.853
Austrian2 Eau de vie	-2.146^{*}	-2.146^{*}	-2.146^{*}
Austrian2 Sugar	-4.210^{**}	-4.210^{**}	-2.354
Austrian2 Wine	-5.188^{***}	-5.188^{***}	-5.188^{***}
Seven Coffee	-2.263	-2.096	-1.772
Seven Eau de vie	1.291	1.291	1.291
Seven Sugar	-3.411^{**}	-3.411^{**}	-3.048^{*}
Seven Wine	1.616	1.616	1.616
American Coffee	1.179	-1.114^{**}	-1.324^{**}
American Eau de vie	1.406^{**}	1.406^{**}	1.406^{**}
American Sugar	1.108^{*}	1.108^{*}	-0.767^{*}
American Wine	2.424^{***}	2.424^{***}	2.424^{***}
Revolutionary Coffee	-5.172^{*}	1.036	-0.447
Revolutionary Eau de vie	1.796^{***}	1.796^{***}	1.796^{***}
Revolutionary Sugar	-4.370^{**}	-4.370^{**}	3.024
Revolutionary Wine	0.886	0.886	0.886
Napoleonic Coffee	-4.732	1.463	0.605
Napoleonic Eau de vie	0.663	0.663	0.663
Napoleonic Sugar	-4.250^{**}	-4.250^{**}	0.856
Napoleonic Wine	-1.534	-1.534	-1.534
Cons	-167.4	-197.1	-2122.7^{***}
Product FE	Yes	Yes	Yes
Product time trend	Yes	Yes	Yes
Break Coffee	No	Yes	Yes
Break Sugar	No	No	Yes
Observations	347	347	347
Pseudo R^2			

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Table 16: Robustness check: All countries: aggregate

	No breaks	One break	No breaks	One break
Neutral	-0.585^{***}	-0.257		
Polish Neutral			-1.348^{***}	-0.250
Austrian1 Neutral			-1.776^{***}	-0.765^{*}
Austrian2 Neutral			-1.926^{***}	-1.186^{**}
Seven Neutral			-0.112	0.0319
American Neutral			0.619^{***}	-0.241^{*}
Revolutionary Neutral			-0.553^{*}	-1.051^{**}
Napoleonic Neutral			-0.606^{**}	-0.495^{*}
Country FE	Yes	Yes	Yes	Yes
Country time trend	Yes	Yes	Yes	Yes
Chow test	No	Yes	No	Yes
Observations	789	789	789	789
Pseudo R^2				

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Table 17: Robustness check: All countries: All wars on each product

	No breaks	One break	Two breaks
Neutral Coffee	-2.044^{***}	-1.123^{***}	-1.115^{***}
Neutral Eau de vie	0.521^{**}	0.509^{**}	0.488^{*}
Neutral Sugar	-2.189^{***}	-2.183^{***}	-1.421^{***}
Neutral Wine	-0.134	-0.151	-0.172
Country-product FE	Yes	Yes	Yes
Country time trend	Yes	Yes	Yes
Product time trend	Yes	Yes	Yes
Coffee break	No	Yes	Yes
Sugar break	No	No	Yes
Observations	3145	3145	3145
Pseudo R^2			

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Table 18: Robustness check: All countries: Each war on each product

	No breaks	One break	Two breaks
Polish Neutral Coffee	-4.468***	-1.775***	-1.832***
Polish Neutral Eau de vie	-0.236	0.0559	-0.132
Polish Neutral Sugar	-3.846***	-1.407*	-3.703***
Polish Neutral Wine	-2.049***	-1.786**	-1.958**
Austrian1 Neutral Coffee	-3.932***	-1.741*	-1.838*
Austrian1 Neutral Eau de vie	-1.358**	-0.775	-1.125**
Austrian1 Neutral Sugar	-3.575***	-1.614	-3.369***
Austrian1 Neutral Wine	-3.721	-3.349	-3.584
Austrian2 Neutral Coffee	-2.584***	-1.026	-1.079
Austrian2 Neutral Eau de vie	-1.123	-0.631	-0.930
Austrian2 Neutral Sugar	-2.828***	-1.350	-2.713***
Austrian2 Neutral Wine	-4.400***	-4.066***	-4.279***
Seven Neutral Coffee	-1.279**	-1.027**	-1.040**
Seven Neutral Eau de vie	0.920**	1.027**	0.991**
Seven Neutral Sugar	-1.841***	-1.517***	-1.803***
Seven Neutral Wine	0.711	0.818	0.782
American Neutral Coffee	0.943**	-0.713**	-0.702**
American Neutral Eau de vie	0.678	0.666	0.676
American Neutral Sugar	0.715**	-0.721**	0.701**
American Neutral Wine	0.777	0.763	0.772
Revolutionary Neutral Coffee	-4.164***	-0.919	-0.941
Revolutionary Neutral Eau de vie	0.587*	0.511*	0.560*
Revolutionary Neutral Sugar	-3.350***	-0.0583	-3.360***
Revolutionary Neutral Wine	0.310	0.220	0.275
Napoleonic Neutral Coffee	-4.254***	-0.0884	-0.0897
Napoleonic Neutral Eau de vie	0.529	0.333	0.436
Napoleonic Neutral Sugar	-3.716***	-0.686	-3.794***
Napoleonic Neutral Wine	-0.208	-0.418	-0.309
Country-product FE	Yes	Yes	Yes
Country time trend	Yes	Yes	Yes
Product time trend	Yes	Yes	Yes
Coffee break	No	Yes	Yes
Sugar break	No	Yes	No
Observations	3145	3145	3145
Pseudo R^2			

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Table 19: Robustness check: All countries: country product FE

	No breaks	One break	Two breaks
Value			
Neutral Coffee	-2.007***	-1.203***	-1.242***
Neutral Eau de vie	0.900***	0.900***	0.693***
Neutral Sugar	-1.676***	-1.676***	-1.023***
Neutral Wine	0.0705	0.0705	-0.0174
Country-product FE	Yes	Yes	Yes
Coffee break	No	Yes	Yes
Sugar break	No	No	Yes
Observations	3145	3145	3145
Pseudo R^2	0.794	0.807	0.307

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

Table 20: Robustness check: All countries: country product FE

	No breaks	One break	Two breaks
Value			
Polish Neutral Coffee	-5.596***	-3.878***	-4.165***
Polish Neutral Eau de vie	-1.652***	-1.652***	-1.930***
Polish Neutral Sugar	-4.083***	-4.083***	-1.881***
Polish Neutral Wine	-2.267***	-2.267***	-1.987***
Austrian1 Neutral Coffee	-6.442***	-4.925***	-4.202***
Austrian1 Neutral Eau de vie	-5.478***	-5.478***	-5.615***
Austrian1 Neutral Sugar	-4.134***	-4.134***	-2.197**
Austrian1 Neutral Wine	-6.960***	-6.960***	-6.353***
Austrian2 Neutral Coffee	-4.170***	-2.935***	-2.493***
Austrian2 Neutral Eau de vie	-4.323***	-4.323***	-4.447***
Austrian2 Neutral Sugar	-3.210***	-3.210***	-1.671**
Austrian2 Neutral Wine	-8.959***	-8.959***	-8.415***
Seven Neutral Coffee	-2.082***	-1.583***	-1.377***
Seven Neutral Eau de vie	0.344	0.344	0.136
Seven Neutral Sugar	-1.552***	-1.552***	-0.864*
Seven Neutral Wine	0.186	0.186	0.302
American Neutral Coffee	-0.446*	-0.959***	-0.937***
American Neutral Eau de vie	0.339	0.339	0.157
American Neutral Sugar	-0.166	-0.166	-0.808**
American Neutral Wine	0.256*	0.256*	0.201
Revolutionary Neutral Coffee	-5.725***	-0.498	-2.261
Revolutionary Neutral Eau de vie	1.055***	1.055***	1.092***
Revolutionary Neutral Sugar	-3.128***	-3.128***	-0.637
Revolutionary Neutral Wine	0.427**	0.427**	0.303*
Napoleonic Neutral Coffee	-5.454***	0.0368	-1.127
Napoleonic Neutral Eau de vie	1.362***	1.362***	1.392***
Napoleonic Neutral Sugar	-4.639***	-4.639***	-1.414
Napoleonic Neutral Wine	0.0188	0.0188	-0.213
Country-product FE	Yes	Yes	Yes
Coffee break	No	Yes	Yes
Sugar break	No	No	Yes
Observations	3145	3145	3145
Pseudo R^2	0.836	0.846	0.441

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

C Appendix : Other tables

Table 21: Classification Hamburg Large into SITC

Eau de vie	1	Alun	5	Vitriol	5
Tobacco	1	Cochineal	5	Candles	8
Wine	1	Gal	5	Butter	0a
Pernambouc Wood	2	Tar	5	Fruits	0a
Painting Wood	2	Indigo	5	Rice	0a
Cotton	2	Minium	5	Vinegar	0a
Gum	2	Lead Oxyde	5	Cacao	0b
Lead	2	Potassium	5	Coffee	0b
Saffron	2	Soap	5	Ginger	0b
Spermaceti	4	Sumac	5	Pepper	0b
Olive Oil	4	Potassium Bitartre	5	Sugar	0b
Whale Oil	4	Turpentine	5	Tea	0b
Tallow	4	Verdigris	5	Iron	6j

Table 22: Table of conversion *Mark Banco*

1733-35	8.3510000000000009	1753	8.1690000000000005	1767	7.9130000000000003
1736	8.19	1754	8.2230000000000008	1768	8.2170000000000005
1737	8.4030000000000005	1755	8.2490000000000006	1769	8.2880000000000003
1738	8.4130000000000003	1756	8.0129999999999999	1770	8.4320000000000004
1739	8.3970000000000002	1757	7.7830000000000004	1771	8.4510000000000005
1740	8.35	1758	7.6079999999999997	1772-74	8.4410000000000007
1741	8.2870000000000008	1759	7.3840000000000003	1775	8.4359999999999999
1742-46	8.2759999999999998	1760	8.01	1776	8.4250000000000007
1747	8.1950000000000003	1761	8.2959999999999994	1777	8.4440000000000008
1748	8.1349999999999998	1762	8.27	1778	8.4359999999999999
1749	8.1890000000000001	1763	8.24	1779-1780	8.4250000000000007
1750	8.35	1764	8.4700000000000006	1781	8.4250000000000007
1751	8.3420000000000005	1765	8.3689999999999998	1783-1798	8.4629999999999992
1752	8.2650000000000006	1766	7.9950000000000001		

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