Hill, SJ

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The Liverpool Economy during the
War of American Independence, 1775-1783

Simon Hill, University of Chester

Abstract
Much has been written about how the American War of Independence (1775-1783) affected the British Isles. However, within this body of work there is limited reference to Liverpool – a British port-town that was arguably becoming ‘the second city of empire’. This article attempts to fill this gap in the historiography by analysing the economic impact of the war upon this town. It shows that there were four overall stages to Liverpool’s foreign commerce during this conflict – initially trade remained broadly steady, then there was a noticeable decline, the penultimate stage marked a sluggish improvement, and finally it was not until the post-war years that a stronger economic recovery took place. That said, despite these overall trends, individual markets, such as the trans-Atlantic slave trade, often had their own dynamics. Equally, although privateers (private ships of war) contributed towards the town’s eventual commercial recovery, this activity was by no means the only factor in explaining this rebound. Furthermore, the American War had an impact upon other sectors of the Liverpudlian economy, including shipbuilding and infrastructure projects. Combined, this evidence suggests that eighteenth century warfare had both positive and negative repercussions for the UK economy. As a result, we learn more about being ‘at home with the empire’.
Key Words
American Revolutionary War, Liverpool, Trans-Atlantic Slavery, Privateers, Bankrupts, Shipbuilding, Canals
Introduction

The War of American Independence (1775-1783) was brought about by socio-economic, political, and ideological differences between Great Britain and thirteen of its North American colonies. It was a significant imperial conflict because not only did it mark a civil war within the British Empire, but these years also witnessed power struggles between rival empires. Indeed, France, Spain, and the United Provinces (the Netherlands) became belligerents against Britain in 1778, 1779, and 1780, respectively.¹ The outcome was the humbling of British imperial power, and the birth of the United States.

Stephen Conway has written at length about how the War of Independence impacted upon the UK. Amongst other things, it fractured opinion along religious and socio-economic lines.² The American War also affected the UK economy, not least that there was increased demand for manufactured goods (to support the armed forces), and a rising tax burden.³ However, Conway’s publications rarely mention the northern English port town of Liverpool. Granted, these works broadly deal with the impact of the war upon Britain and Ireland, and therefore cannot possibly look in detail at every community. Yet these infrequent references to Liverpool are unfortunate because, as we shall see, this was an important domestic and imperial town. Consequently, this oversight should now be remedied. In addition, whilst existing secondary literature on Georgian Liverpool does consider the Revolutionary War, this too is patchy. At present there is no over-arching study of the town’s wartime experience between 1775 and 1783. Instead, different branches of the impact of the conflict are considered in isolation. This includes local opinion and the
career of Banastre ‘Bloody Ban’ Tarleton, an officer who served in the British Legion and allegedly massacred surrendering American forces. There is some limited coverage of the economic impact of the war upon Liverpool too, with Sheila Marriner painting a largely gloomy picture. For her, hostilities closed markets and severed supplies of raw materials. That said, both Marriner and Conway briefly noted that local privateers provided some relief for the town’s wartime losses.

According to the writer Daniel Defoe, early-eighteenth century Liverpool was ‘one of the wonders of Britain’. The town’s population grew rapidly from over 5,000 inhabitants in 1700 to almost 90,000 by century’s end. This was partially because Liverpool was emerging as the major industrial centre within the North West regional mineral economy, processing Cheshire salt and consuming Lancashire coal. Although not unique, the construction of numerous waterways linked this commercial-industrial hub to its hinterland, and the Mersey estuary arguably became ‘the cradle of the canal age’. Hanoverian Liverpool was also linked to the British Atlantic Empire. This association was enhanced in 1709 when construction began of the Old Dock, which was probably Britain’s first commercial dock. In 1702 the town owned 8,600 tons of shipping, but by 1788 this figure reached 106,000 tons. Eighteenth century Liverpool was synonymous with the trans-Atlantic slave trade. In terms of the number of vessels dispatched from England to Africa, Liverpool overtook Bristol and London during the 1740s. Several factors contributed to this development, not least that Liverpool was less geographically exposed (although not immune) to enemy vessels during wartime. However, it is possible to over-state the importance of the African market to Liverpool. Extant sources suggest that local
merchants often enjoyed diverse portfolios. Consequently, the town was engaged in other business ventures. By 1750 Liverpool stood second only to London in the volume and value of its Anglo-American trade. In this respect, Liverpool literally was the ‘second city of empire’. As a result, this northern English town was affected by the outbreak of hostilities in 1775. Liverpool therefore used its political and lobbying organisations, including the local Members of Parliament and the town’s first Chamber of Commerce, to protect its American interests.

This article acknowledges the valuable contributions made by previous authors in this field, but provides a more detailed account of the economic impact of the American War upon Liverpool. Conway pointed out that when analysing the economic fallout from eighteenth century warfare, ‘such is the complexity and range of the issues to be weighed that a proper audit is probably impossible’. However, some more definitive calculations can be reached for Liverpool c.1775-1783. The first part of this article analyses the patterns of the town’s overseas commerce. Shipping and duty figures reveal four general phases between 1775 and 1783. Initially, Liverpool’s overseas trade remained broadly steady. Then there was a noticeable decline. The third phase was marked by a sluggish improvement. Finally, it was not until the post-war period that the town’s foreign commerce made a stronger recovery. However, it should be stressed that this quadrilateral structure is a broad generalisation of the overall data. Closer inspection of other sources, such as ship’s muster rolls and the profits of local slave traders, suggest that individual markets had their own dynamics – rising and falling at different times. Marriner and Conway rightly suggested that privateering offered some explanation for Liverpool’s eventual rebound in overseas trade. However, seizing enemy vessels was extremely
hazardous. Henceforth, other factors such as the restoration of peace in 1783 contributed towards Liverpool’s recovery. Because the town was closely intertwined with the larger Atlantic World, the American War disrupted several lines of commerce. Thus, to gain a broader understanding of the economic impact of the revolt, this article considers some of Liverpool’s other major overseas markets, namely the African-West Indian nexus and mainland Europe. The second part of this article considers the broader effects of the war upon other branches of Liverpool’s economy. Regrettably, there is virtually no surviving evidence of how local agriculture and banking responded to this crisis, but there is data on bankruptcies, shipbuilding, and infrastructure projects. Analyses of these particular sectors illustrate different patterns to overseas trade, but are nevertheless explainable.

This diversity of economic experiences contributes towards a larger historiographical debate. A.H. John argued that ‘war in the first half of the eighteenth century exerted, on the whole, a beneficial influence’. It nurtured technological innovation, increased access to new supplies of raw materials, and war-induced investment stimulated demand. However, John was more cautious about extolling the benefits of warfare in the latter decades of the century. In starker contrast, T.S. Ashton wrote: ‘If England had enjoyed unbroken peace the Industrial Revolution might have come earlier.’ Warfare disrupted the smooth running of business and diverted resources from domestic economic development. On the whole, the data presented here confirms that the economic impact of the American War upon Liverpool’s foreign trade and local domestic economy was mixed. There were winners and losers in the town, thereby supporting both Ashton’s and John’s assertions.
Shipping and duty figures:

The overall impact of the war upon Liverpool’s foreign trade

Several sources permit measurement of the economic impact of the American War upon Liverpool's overseas commerce. Firstly, there are the shipping figures. Lloyd’s Register of Shipping includes data on the master, tonnage, and crewmembers. Whilst undoubtedly useful, the register only includes vessels covered under Lloyd’s marine insurance, and therefore does not give the full picture. There are also the Naval Office Shipping Lists. Compiled in British colonies, they recorded vessels arriving at ports with descriptions of their cargoes. The records up to 1765 are fairly complete, but few have survived thereafter. A more accessible source, which is illustrated below, is the General Register of Shipping. This branch of the Customs department recorded ‘the Total Number of Ships and Vessels, their Tonnage and Number of Men, belonging to each respective Port’.
### TABLE 1 Total numbers of ships at Liverpool by year, 1772-1786

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<tr>
<th></th>
<th>1772-73</th>
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<th>1774-75</th>
<th>1775-76</th>
<th>1777-78</th>
<th>1779-80</th>
<th>1781-82</th>
<th>1783-84</th>
<th>1785-86</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreign</td>
<td>344</td>
<td>323</td>
<td>326</td>
<td>342</td>
<td>294</td>
<td>227</td>
<td>254</td>
<td>293</td>
<td>329</td>
</tr>
<tr>
<td>Coastal</td>
<td>57</td>
<td>69</td>
<td>52</td>
<td>54</td>
<td>78</td>
<td>66</td>
<td>53</td>
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<td>75</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>402</strong></td>
<td><strong>392</strong></td>
<td><strong>380</strong></td>
<td><strong>396</strong></td>
<td><strong>372</strong></td>
<td><strong>293</strong></td>
<td><strong>307</strong></td>
<td><strong>349</strong></td>
<td><strong>404</strong></td>
</tr>
</tbody>
</table>

Source: General Register of Shipping, 1772-1786, CUST 17/1-9, TNA.

Note: No figures for fishing are provided in the documents for 1773-1786, and the figure for 1774-1775 does not add up correctly. The total given here is the figure in the original document.

Table 1 illustrates the four-stage pattern. For the years 1774-1778, the total annual number of ships remains over 350. However, it drops noticeably to 293 by 1779-1780. Then there is a modest improvement between 1781 and 1783, with the numbers back over 300 vessels. Finally, during the post-war period, the figure exceeds 400 ships – suggesting a stronger recovery.
### TABLE 2 Total tonnage of Liverpool Shipping by year, 1772-1786

<table>
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<tr>
<th></th>
<th>1772-73</th>
<th>1773-74</th>
<th>1774-75</th>
<th>1775-76</th>
<th>1777-78</th>
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<tr>
<td>Foreign</td>
<td>35,977</td>
<td>36,606</td>
<td>37,487</td>
<td>41,029</td>
<td>35,344</td>
<td>30,236</td>
<td>30,371</td>
<td>39,875</td>
<td>50,793</td>
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</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>39,003</strong></td>
<td><strong>39,924</strong></td>
<td><strong>40,592</strong></td>
<td><strong>44,386</strong></td>
<td><strong>39,757</strong></td>
<td><strong>34,258</strong></td>
<td><strong>34,252</strong></td>
<td><strong>43,064</strong></td>
<td><strong>55,865</strong></td>
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</tbody>
</table>

Source: General Register of Shipping, 1772-1786, CUST 17/1-9, TNA.

Note: No figures for fishing are provided in the documents for 1773-1786, and the figure for 1774-1775 does not add up correctly. The total given here is the figure in the original document.
Three types of tonnage were used during the eighteenth century. Registered tonnage accounted for the payment of revenues. For buying, selling or leasing ships, measured tonnage was utilised. Finally, for shipping earnings and capacity, cargo tonnage was recorded.\textsuperscript{23} Regrettably, the General Register does not state which type of tonnage it used. Nevertheless, whilst the years vary slightly compared to the number of ships annually entering Liverpool, the four-stage structure is still discernible in the tonnage figures. Table Two shows that between 1774 and 1778 Liverpool's total annual tonnage of shipping remained over 40,000 tons, or very close to it. Then between 1779 and 1782 the value dropped to just over 34,000 tons. It was not until the end of the war in 1783 that figures rose back up to 40,000 tons. Finally, by the mid-1780s, the annual figure exceeded 55,000 tons.

Another useful quantitative source is the duty figure, which indicates the value of goods entering a port. Board of Trade documents recorded the amount of commodities imported and exported during the eighteenth century. However, for the years in question, this data was rarely broken down according to individual out-ports. Fortuitously, Brooke's history of Liverpool contains this data:
Duty and revenue figures were subject to errors. Indeed, a contemporary customs official retorted: ‘A number of persons at this Port [Liverpool] make it a constant Practice to frequent the Quays, when ships are discharging Tobacco in order to pilfer such’. Regardless, Figure 1 conforms to the four stages. Between 1775 and 1779, the value of duties remained generally stable, being above or virtually equal to the 1774 value. Then there is a noticeable drop between 1779 and 1780. Penultimately, the value of these duties increased up to 1783. Finally, it was not until after the war in 1784 that there was an appreciable increase in the amount of dock duties paid at Liverpool.
Muster rolls:

The overall impact of the war upon Liverpool’s foreign trade

Another source is a ship’s muster roll, which outlines the composition of the crew and states from where the vessel sailed. Table 3 shows the number of rolls for vessels arriving at Liverpool, 1774-1785.
TABLE 3 Liverpool muster rolls, 1774-1785

<table>
<thead>
<tr>
<th></th>
<th>1774</th>
<th>'75</th>
<th>'76</th>
<th>'77</th>
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<td>British Isles</td>
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</tbody>
</table>

Source: Liverpool Muster Rolls, 1774-185, BT 98/35-45, TNA.

There are some limitations with these muster rolls, as they do not always reflect multiple destinations. Nor do the totals in Table 3 equate with those in Table 1 - evidently some muster rolls have been lost. But Table 3 is still useful in two respects. Firstly, it shows the totals for each year, which supports the four-stage model. Between 1775 and 1777 the total annual number of muster rolls is above 300. Then from 1778 there is a clear slide in numbers, reaching a trough of 206 in 1780. A modest improvement occurred between 1781 and 1783, with figures reaching the higher two hundreds. Finally, with the restoration of peace, figures are back to over 300 by 1784 and 1785. The second use of this data is that it illustrates fluctuations within individual markets.
Declining trade with the Thirteen Colonies to 1779

At the start of 1775 both sides of the Atlantic still exchanged business correspondence. For example, in February the Gildart family of Liverpool, who were merchants, wrote to Robert Carter of Virginia, concerning quantities of pig iron. But the Gildarts were vexed by the deteriorating situation. The colonial embargo on British goods was highly detrimental, and made ‘innocent individuals suffer for government grievances’. Nevertheless, the data from the muster rolls shows that Liverpool still traded with the colonies, at least initially. In 1774 there were 39 entries, and 41 the following year.

But very soon there was a drop in the number of vessels sailing from the thirteen colonies to Liverpool. This is unsurprising, given that the war was fought over these territories. Henceforth, there are only eleven surviving entries for 1776 – a decrease of 30 muster rolls from the previous year. There were multiple reasons for this downturn. As British authority in the colonies collapsed the US Congress took over, and the resulting boycotts of British goods achieved their intended results. A Virginian Congressman claimed that several Liverpool ships had sailed to America in 1775, but that they had been sent back. Furthermore, there were violent reprisals against British properties in the colonies. The Totness, owned by the Gildarts, ran aground in Maryland in 1775 and was burned by the rebels. Decisions taken in London in late-1775 also hindered Liverpool's trading relationship with the colonies. Under the Prohibition of Trade Act, British vessels could still sail to America, but only if they had special licenses granted by the UK government. Between 1775 and 1776 a handful of vessels supplied with coal did sail from Liverpool to Boston under these
conditions (presumably to re-supply British troops stationed in Boston). But by 1779 there was a clear downturn in Liverpool’s trade with America - Table 3 registers only six entries for the Thirteen Colonies that year. Yet, as we shall see, British trade to the American colonies did not cease entirely.

Rising then declining trade with Europe to 1781

Between 1775 and 1776 there was an increase in the number of vessels arriving in Liverpool from Mainland Europe, 53 to 63 muster rolls respectively. This was probably due to partnerships seeking alternatives to the American market, for it was not inevitable that France, Spain, and the Netherlands would end up fighting Britain. Indeed, members of the French government were initially reluctant to become combatants because of the poor state of national finances. Madrid was also concerned that an American victory would generate instability in its own imperial possessions. The British and Dutch, too, had enjoyed ties since William of Orange became King of England in 1689.

Nevertheless, Table 3 recorded a drop in Liverpool’s continental trade from 56 muster rolls in 1777 to 48 in 1778. This coincided with France’s entry into the war. Events in upstate New York had proven decisive. In autumn 1777 a British army under General Burgoyne surrendered to American forces at Saratoga. The French saw this as an opportunity to avenge their defeat in the Seven Years War (1754-1763). Hence, on 6 February 1778, a Treaty of Amity and Commerce was concluded between France and the United States. The number of muster rolls from Europe was further cut to 21 in 1779, owing to Spanish involvement (on 12 April Paris and Madrid
signed a treaty of co-operation). The lowest numbers of vessels arriving in Liverpool from Europe dates between 1780 and 1781 (16 and 14 rolls respectively). This dip corresponded with the UK’s dispute with the neutral carriers. Russia was alarmed at British privateers operating in the Baltic Sea, and therefore proposed that the area be policed by the regional powers. The Armed Neutrality of Russia, Denmark, and Sweden ensured that by 1780 Britain was on the defensive.\textsuperscript{30} Matters became more complicated that December as Anglo-Dutch relations deteriorated. The sheltering of American Captain John Paul Jones at Texel suggested to London that the Dutch were assisting the rebels. Equally, the Dutch were enraged by the Royal Navy seizing their vessels, an action prompted by British fears that the United Provinces were supplying France with naval stores. These circumstances ignited the Fourth Anglo-Dutch War.

The West Indies, Africa, and the trans-Atlantic slave trade to 1780

In both 1775 and 1776 there were 123 muster rolls in Liverpool from West Indian destinations. Whilst this figure declined to 115 by 1777, the numbers were still in triple figures - suggesting a broad consistency in trade. A similar pattern was also evident with muster rolls from Africa c.1775-1779, stable with five or six entries per year. As one contemporary noted in 1775, although trade to Africa was not prosecuted with the ‘usual spirit, it was far from being at a stand.’\textsuperscript{31}

Regardless, there was a noticeable drop in the number of West Indian muster rolls between 1777 and 1780, from 115 to 53 respectively. In addition, there were a mere three rolls for Africa in 1780. One reason for this decline was an Order in Council,
issued by George III in 1775, to restrict the exportation of gunpowder overseas. Indeed, a seventeenth century Act of Tonnage and Poundage allowed the monarch to prohibit the transportation of gunpowder outside of the kingdom, on the grounds of public safety. Liverpool slavers were adversely affected by this decision because they used gunpowder for defence and barter on the African coast. Liverpool slave trader David Tuohy recalled: ‘There has been nothing done in the African business here owing to a prohibition of arms and gunpowder which is a material part of an African ship's cargo.’ Whilst undoubtedly troublesome, the deleterious impact of this embargo should not be exaggerated. British slaving vessels could still carry gunpowder overseas under special licenses, and the Order had been issued some time before the noticeable drop in West Indian muster rolls between 1777 and 1779. Thus, there were other factors that contributed towards this decline, which included attacks by American shipping. One Liverpudlian captain recalled that when colonial privateers captured British slave trading vessels, they engaged in economic warfare by selling their human cargoes at discounted prices. This was an attempt to undercut British slave traders. Because of the uncertainty of wartime, merchants hoped that their captains would make short remittances. Nonetheless, by 1777, some bills of exchange (written orders) remained valid for as long as two years. At the same time, problems were exacerbated by the rising cost of maritime insurance.

Arguably the most important reason for the drop in Caribbean trade between 1777 and 1780 was the entry of the Bourbons into the war. A letter by the merchant Richard Watt (a resident of Jamaica who had shipping links to Liverpool) noted: ‘if France and Spain declares war and America are Enemys [sic] we here are badly situated, instead of your being Governor under the United States I am afraid they
Spaniards will appoint a Governor of their own’. The same letter speculated that there would be reduced demand for colonial sugar in Liverpool, and a rise in mercantile bankruptcies.\(^{39}\)

Besides muster rolls, there are several other indicators as to the performance of the slave trade during the war years. Whilst some produce different results to the four-stage model, they nonetheless demonstrate that warfare bequeathed mixed economic results. One measurement is the number of Africans disembarked in the West Indies from Liverpool ships:

**FIGURE 2** Number of African slaves disembarked in the West Indies from Liverpool ships, 1774-1784

Figure 2 supports the four-stage approach. From 1775 to 1776 the number of Africans disembarked in the Caribbean on Liverpool shipping remained broadly stable. However, there was a clear dip between 1777 and 1780, coinciding with European intervention. Then there was a subsequent increase in numbers up to 1783. By 1784, with the restoration of peace, the pre-war performance was finally exceeded. Regardless, as Figure 2 shows, the number of slaves disembarked in the West Indies from Liverpool ships clearly dipped during the middle stages of the war. This did have negative economic repercussions, with Liverpool slave trader William Davenport lamenting in 1779 that the African trade had been ‘dead for sometime past’. Yet these difficult circumstances could, in fact, yield some financial benefits. Davenport wrote in the same letter that because fewer ships had sailed to Africa: ‘[we] propose fitting out three, or four ships to Africa in order to work off their stock, and to reap benefit…as Negroes may now be bought 50 p cent less than they were 12 months ago’. Such comments emphasise the varied consequences of warfare. Figure 3 outlines the price of slaves transported on Liverpool ships to Jamaica during the war:
FIGURE 3 Sterling cash price in Jamaica, slaves transported on Liverpool vessels to the West Indies 1774-1784


Whilst this data does not neatly conform to the four-stage pattern, it does show that the war produced mixed economic results. On the one hand, the cost of this forced African labour declined after 1775, and pre-war prices were not reached again until 1782. This was surely bad news for the slave traders. Yet, on the other hand, the price of these slaves actually rose in 1778.

One way to combine this body of evidence is to look at the profits from the slave trade. David Richardson analysed the aforementioned William Davenport’s manuscripts, which included the years 1774-1784. Owing to gaps in the records, it is not clear if Davenport reflected the experiences of other Liverpool slave traders. Nevertheless, Richardson made some informed comments. Firstly, location
mattered, with Davenport achieving higher profits in the Cameroons than at Old Calabar. Secondly, ‘marked fluctuations in profits were experienced from one voyage to another’. 41 This was true during wartime as well. Davenport achieved profits of over £4,000 in 1779, 1780, and 1783. Conversely, he endured losses exceeding £1,000 in 1775 and 1776. 42 Evidently, warfare produced economic rewards and failures. Finally, the lack of figures for 1777 and 1778 in Davenport’s manuscripts suggests that fewer slaving vessels sailed during the middle of the war. This conforms to the drop in figures during the middle stage of the war in Tables 1, 2, and 3, as well as Figures 1 and 2 – although the precise years vary.

The recovery in overseas trade and the role of privateering

Tables 1, 2 and 3, as well as Figures 1 and 2, suggest that, at various times and in different markets, there was a sluggish improvement in Liverpool’s overseas commerce c.1781-1783. Granted, this was not a smooth process. The British attack upon the Dutch island of St. Eustatius in February 1781, in particular, worried the Liverpool lobby. It was alleged that British commanders had profited from this engagement at the expense of mercantile properties. Thus, by 14 May, a protest from 100 angry Liverpool merchants was presented to Parliament. 43

Still, Liverpool enjoyed a recovery in overseas trade, which Marriner and Conway partially attributed to the town’s involvement in privateering. Indeed, 390 private ships of war operated out of Liverpool between 1777 and 1783. Although this was behind London’s 719 privateers, Liverpool’s privateering fleet was larger than Bristol’s. 44 David J. Starkey pointed out that the net economic impact of privateering
is incalculable, due to sparse evidence. Nevertheless, there are some indications that this activity did benefit Liverpool during the American War. In taking 154 enemy vessels during this conflict, the town was the leading prize-taking port on the British mainland. Between 1777 and 1783 Liverpool’s privateers exceeded their previous wartime performances. Privateering also employed local people. According to Bellona’s 1779 muster roll, all of its 181 crewmembers hailed from Liverpool. Local merchants were also involved in privateering, holding shares in these vessels and re-supplying their ships. The Liverpool privateering enterprise cast a wide geographical net too. In 1779 the Liverpool vessel Knight had a total of 70 crewmembers, of which 28 came from London. Some Liverpool-registered vessels were also owned by metropolitan businesses. Indeed, Minerva was the property of Edward Whinnel & Co. of Leadenhall Street, London. Some individual privateering ventures were also extremely profitable. In October 1778 the 700-ton Frenchman Carnatic was taken by Liverpool’s Mentor, with the prize estimated at £135,000.

Nevertheless, several factors limited the financial worth of privateering. Over 30 Liverpool privateers were captured by the enemy between 1775 and 1783. Assuming that prizes were taken at all, then they were not always valuable. The Spanish Nostra Signora was seized by Liverpool’s Hypocrite in June 1780, but the former’s leaky hold damaged the vessel’s cargo. Other factors potentially diminished returns. There were often long delays between the seizure of the ship and distribution of royalties. Prizes were first ‘condemned’ by Admiralty courts, cargoes advertised and sold, and only then were claims settled. Nor were disputes in the High Court of Admiralty unknown. For example, La Fortuna was suspected of being Dutch, and taken by Liverpool’s Rumbold in 1782. But the owners of the
captured vessel claimed that it was Danish, and therefore neutral. Eventually British authorities decided to restore the ship to its Scandinavian owners, thereby depriving Liverpool of a prize.\textsuperscript{55} The records of the local vessel Enterprise illustrate the problems associated with privateering in detail. The ship’s captain, James Haslam, was warned about the dangers of British men-of-war impressing privateering crews.\textsuperscript{56} It was also possible that a privateer’s crew would plunder goods for themselves. Haslam was therefore directed to post ‘two trusty officers…[to] examine the Trunks and Chest…and they should sign papers to prevent jealousy.’\textsuperscript{57}

Another factor that weakened privateering’s contribution towards Liverpool’s commercial rebound was that these vessels were not active throughout the war. Table 3 indicates that no private warships operated out of Liverpool in 1775 and 1776. This was due to the uncertain status of the enemy - by authorising reprisals against rebel trade Parliament would inadvertently be acknowledging the American Congress. In the event, as Table 4 shows, it was not until 1777 that Liverpool’s privateering activities resumed. Table 3 indicates that the number of surviving Liverpool privateer muster rolls reached double digits in 1779 and 1780. This increase took place after an Order in Council in the second half of 1778, which granted a privateering war against France. The issuing of privateering commissions against Spain also began in summer 1779.\textsuperscript{58} Table 3 illustrates a clear increase in local privateering activity between 1780 and 1781, rising from 13 to 20 muster rolls. This coincided with the onset of the Anglo-Dutch War in December 1780. Indeed, there was approval amongst Liverpool businesses for preying upon the Dutch, who were believed to be a rich commercial power.\textsuperscript{59} Crucially however, in terms of the
number of vessels sailing, Liverpool’s privateering fleet had reached its peak by 1781 (20 muster rolls) – two years before the end of the conflict. After 1781 the number of muster rolls for Liverpool privateers dropped sharply. Evidently the aggression of private warships resulted in the loss and withdrawal of the Dutch fleet. Table 4 highlights the composition of Liverpool’s prizes.

**TABLE 4** Liverpool Prizes taken to High Court of the Admiralty 1777-1782

<table>
<thead>
<tr>
<th>Year</th>
<th>US</th>
<th>FR</th>
<th>SP</th>
<th>DT</th>
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<tr>
<td>1777</td>
<td>9</td>
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<td>1778</td>
<td>5</td>
<td>12</td>
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<td></td>
<td>17</td>
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<td>1779</td>
<td>5</td>
<td>52</td>
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<td>24</td>
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<td>12</td>
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<td>25</td>
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<td>1782</td>
<td>4</td>
<td>4</td>
<td>1</td>
<td>9</td>
<td>18</td>
</tr>
<tr>
<td>TOTAL</td>
<td>30</td>
<td>90</td>
<td>19</td>
<td>15</td>
<td>154</td>
</tr>
</tbody>
</table>

KEY: US (American), FR (French), SP (Spanish), DT (Dutch)

Source: High Court of Admiralty records, 1778-1782, HCA 25/56-122; HCA 26/33-70; HCA 34/43-57; 59, TNA.
At the start of the conflict, Liverpool's prizes were exclusively American. But as more nations became belligerents, the prizes diversified. Regardless, French vessels constituted the largest number (90) of ships taken by Liverpool privateers. This reinforces Starkey's point that nationally the French mercantile marine suffered the most from British privateers. Starkey also noted that across Britain, most prizes had been sentenced between 1778 and 1782. But in Liverpool, the condemning of most prizes had taken place earlier during that period. Whilst Table 4 shows a significant total number of prizes for Liverpool vessels in 1780 and 1781 (24 and 25 respectively) a peak of 61 prizes had been captured in 1779. This data indicates that Liverpool privateering had reached its full potential well before the end of the conflict in 1783.

**Additional factors behind this recovery**

Hence other elements besides privateering contributed towards the town's sluggish improvement in overseas trade during the early-1780s. One potential contribution was smuggling, but this is obviously difficult to assess. Another possible source of relief was merchants re-directing their trade. Indeed, this was arguably why the number of vessels arriving in Liverpool from Europe increased at the start of the conflict. Tables 1 and 2 also indicate that Liverpool's coastal trade grew in numbers and tonnage between 1775 and 1778. Table 3, too, shows an increasing number of muster rolls from vessels arriving in Liverpool from around the British Isles between 1775 and 1777. But this was only a short-term solution. Liverpool Corporation minutes stated in 1777: 'our Ships are frequently taken even in these Channels, and our Coasts annoyed by American Privateers'. Hence, Tables 1, 2, and 3 indicate
that Liverpool’s coastal trade declined during or after 1778, and did not recover until 1783 at the earliest.

Another factor that may have helped Liverpool’s business community was that it could gain from government requisitioning of private vessels. Owing to colonial resistance, the British army in America encountered difficulties living off the land. Therefore, these forces had to be re-supplied from the British Isles. To that end, the UK government chartered numbers of merchant ships, which potentially yielded financial pay-offs for local businesses. In 1776 two privately-owned transports were forthcoming from Liverpool, but it seems that no other private vessels were supplied to the state from the town. Some Liverpool-registered vessels were foreign-built, and therefore ineligible to sail in American waters under the Navigation Acts. Equally, other Liverpudlian ships proved unsuitable for government service because they were designed specifically for the African and Greenland (whaling) trades.

There were other alternative sources of relief. Whilst the evidence is fragmented, it seems that some Liverpool-based companies restructured themselves. For example, prior to 1775 Rawlinson & Chorley consisted of only two partners. By 1780 they were named Rawlinson, Chorley & Gregson. Advertisements in the local press prior to the rebellion show that the firm dealt primarily with the Americas. Thus, they were especially vulnerable to the disturbances in the colonies. It is likely that a new partner was brought in to replace depleted capital and reduce personal risk. One author suggested that local businesses re-trenched by seeking cheaper alternatives. Indeed, one of Davenport’s vessels was damaged in 1781, and was
subsequently repaired in Londonderry. This was because wages and timbers were cheaper there than in Liverpool. However, as we shall see, retrenchment was not always successful, as some local merchants became bankrupts during the war.

Lobbying for naval provision theoretically contributed towards the improvement in Liverpool’s overseas trade. During the American War, the town’s Chamber of Commerce sent numerous petitions to the Admiralty calling for convoys. On 1 February 1776 the lobby requested that the Navy guard homeward bound ships from the West Indies. The Admiralty responded by providing convoys up to 120 Leagues clear of Jamaica. Although this was a positive step the Liverpool merchants wanted more, and by August they called for further protection. Convoys were later appointed for outward and homeward bound trade with the West Indies. But the effectiveness of convoy protection was questionable. Crowhurst argued that whilst the Admiralty became more adept at organizing commercial defence during the eighteenth century, the American War was especially challenging as Britain faced multiple opponents with few allies. Slaving vessels were especially difficult to protect, as they took varying time to load cargoes, and rarely left Africa in groups.

Developments on the battlefield contributed towards Liverpool's recovery. Although British troops evacuated Boston in 1776, they re-took New York the same year, Philadelphia in 1777, and Charleston in 1780. These victories re-opened American towns to British commerce, and as such Table 3 shows muster rolls from the Thirteen Colonies for the duration of the war. David Tuohy sent agents to Charleston, and in 1781 one reported back that provisions of all kinds were ‘very much in demand.’ But there were limitations, as British control extended only six
miles into the South Carolina countryside.\textsuperscript{72} Ironically, British defeat at Yorktown in 1781 proved beneficial to Liverpool’s overseas commerce. Such was the humiliation of this defeat that Parliament later voted to cease military operations in North America, bringing peace one step closer.\textsuperscript{73} Some developments in the field boosted business morale. Referring to the Battle of the Saintes in April 1782, in which the British defeated a French fleet in the Caribbean, Richard Watt wrote: ‘after the news of Sr G.B. Rodney’s Victory and that of our force in these Seas are superior I suppose [insurance] will be done for less.’\textsuperscript{74} Decisive as it was, not even this engagement concluded operations in the Caribbean. If anything, London expected a resumption of French and Spanish offensives.\textsuperscript{75} Only with the final arrival of peace after 1783 did Liverpool’s overseas trade witness a significant recovery. Table 1 shows the total number of vessels in Liverpool rising from 349 in 1783-1784 to 404 in 1785-1786. Table 2 also indicates an increase in tonnage values, rising from 43,064 in 1783-1784 to 55,865 tons by 1786.

**Other branches of the Liverpool economy**

The war impacted upon other branches of the Liverpool economy, which was not always positive. Table 5 outlines the number and composition of Liverpool bankrupts for the decade after 1774.
TABLE 5 Newly recorded bankrupts in Liverpool, 1774-1784

<table>
<thead>
<tr>
<th>Year</th>
<th>1774</th>
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<td>2</td>
<td>3</td>
<td>9</td>
</tr>
<tr>
<td>Merchant</td>
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<td>5</td>
<td>3</td>
<td>9</td>
<td>4</td>
<td>1</td>
<td>3</td>
<td>1</td>
<td>7</td>
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<td>1</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>10</td>
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</tr>
<tr>
<td>Money Scrivener</td>
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<td>1</td>
<td>1</td>
<td>1</td>
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<td>Professional</td>
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<td></td>
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<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>13</strong></td>
<td><strong>9</strong></td>
<td><strong>14</strong></td>
<td><strong>13</strong></td>
<td><strong>20</strong></td>
<td><strong>10</strong></td>
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<td><strong>10</strong></td>
<td><strong>22</strong></td>
</tr>
</tbody>
</table>

Source: An alphabetical list of all the bankrupts from the first of January 1774 to the thirtieth of June 1786 inclusive with the date of the certificates and supersedures to those who have received them. London: 1788.

Owing to the initial relative continuation of overseas trade, one might have expected bankruptcy in Liverpool to be lower at the start of the conflict. However, this was not the case. Table 5 suggests that at the start of the conflict in 1775 there was a total of nine new bankrupts in the town - but by 1778 this figure had increased to twenty. Thereafter, the number of new bankrupts decreased to as few as five entries per
year between 1780 and 1782. Yet in 1783, the final year of the war, the number of new bankrupts rose to 10. This number continued to rise, and by 1784 the figure reached a new high of 22 new bankrupts (surprisingly, this coincided with increased buoyancy within overseas trade). The sources reviewed so far do not state why these particular businesses failed. But the pattern illustrated here can be explained in light of other research. Julian Hoppit noted that for eighteenth century England as a whole, there was often a rise in bankruptcy at the start of a war, followed by a decrease, then the numbers of bankrupts increased again when the conflict ceased. Indeed, the rising incidence of business failure coincided with the initial anxiety of wartime dislocation. The restoration of peace also demanded readjustments, and therefore some companies lost out from the termination of government contracts. Another reason why the Liverpool bankruptcy figures do not correspond with fluctuations in overseas trade is because manufacturers and retailers constituted a larger total number of bankrupts than overseas merchants (59 to 49). That is not to say that manufacturing had no interest in overseas trade, but manufacturers made goods for domestic consumption too – not just foreign markets.

Conversely, some areas of the local economy did well during the war years. Shipyards benefited from the multiplier effect of rising government expenditure. The core of Georgian Britain’s shipbuilding was the Royal Dockyards. However, the rising incidence of warfare during the Long Eighteenth Century meant that it became more common to use private contractors to supplement the construction of naval vessels. Liverpool had seven such private contractors by the 1770s, and they made an important contribution towards the war effort. This was not initially apparent, as no military vessels were launched into the River Mersey in 1775. Indeed, Britain’s initial
mobilization was limited as Lord North’s government hoped to pursue a limited engagement in the colonies. However, a second more intense mobilization took place after Bourbon intervention in 1778. This clearly affected Liverpool, and that year three military vessels were launched into the Mersey. In total, eighteen Royal Naval vessels were launched on Merseyside during the War of Independence. The key factor behind this growth was increased national government expenditure. In 1775, £339,151 was spent on warship construction, of which thirteen per cent was invested in private yards. By 1780 this expenditure had almost doubled to £670,000, and merchant contractors accounted for half of this sum. Whilst Liverpool was behind the private yards in London (in 1778 there seventeen warships being built on the Thames, compared to only five on the Mersey), Liverpool was still ahead of Bristol. Furthermore, the construction of warships in Liverpool had an impact upon the broader regional economy. Many of the anchors of Liverpool-built warships were made in Whitehaven.

Liverpool’s private naval yards made an additional positive contribution towards this war effort. A.H. John pointed out that conflict stimulated technological development. Now, Liverpudlian ship-wright Roger Fisher was a keen innovator, and he responded to the complaints of the Navy Office in 1779 that despite the coppering of hulls to reduce drag on the water, such coppering resulted in the gathering of verdigris - a green pigment that oxidized parts of the ship. Fisher informed the Navy Office that covering a vessel’s hull with paper dipped in hot tar could prevent this, and the Navy agreed that ships-of-the-line could be protected Fisher’s way. Thus, the extent of naval construction in the Liverpool private yards, as well as Fisher’s role in supporting technological innovation, reinforces Roger Morriss’s argument that private
naval yards made a substantial contribution towards British war efforts during the Hanoverian era. Liverpool was part of this process too.

Equally, the war in the colonies had some ambiguous economic consequences in Liverpool. The Leeds-Liverpool Canal originated from the desire of Yorkshire businesses to sell their textiles over a wider area, and from Liverpool's wish to boost its access to Lancashire's coalfields. Consequently, a navigable waterway between these two towns was authorized in 1770, which took over 40 years to complete. By 1773, 31 miles of this canal had been built in Lancashire, and the complete length between Wigan and Liverpool opened in October 1774. The following year the American War commenced. In some respects, this conflict did not hinder the development of the waterway. Liverpool merchant William Blundell recorded that the amount of coal carried on the Leeds-Liverpool increased from 31,401 tons in 1781 to 70,555 tons in 1784. Similarly, the transportation of Limestone along the waterway rose from 2,451 tons in 1781 to 3,229 tons by 1784. However, it can also be argued that the war had profoundly negative consequences for this infrastructure project. No work was undertaken to extend the main line of the canal between 1777 and 1790. Clarke argued that the American War had a detrimental impact upon industry in Lancashire and Yorkshire, as it reduced the supply of money needed to complete the canal. This argument is partially substantiated by Table 5, which shows that manufacturers and merchants (groups that sponsored the canal) were amongst Liverpool's bankrupts during the war years. Yet if the Leeds-Liverpool Canal was adversely affected during this period, the American War was but one factor amongst many that caused problems on the canal. Waterway construction was necessarily expensive, as labourers had to be paid and compensation awarded
to those inconvenienced. The most expensive measure taken by this canal company was the purchasing of the Douglas Navigation in 1772, which improved access to Wigan. As a result, by 1784 the Leeds-Liverpool company was £18,000 in debt. It was not until the 1790s, after changes in personnel and improvements in the national economy, that capital became available again, and construction of the main line of the Leeds-Liverpool resumed.

**Conclusions**

This article considered the economic impact of the American War of Independence upon Liverpool. In doing so, it studies ‘the empire at home’. Previous works on the impact of the American War upon Britain have rarely touched upon Liverpool in-depth. Thus, this article is an attempt to help fill this gap in the literature. The first part analysed the patterns of Liverpool’s overseas commerce during the years c.1775-1783. Shipping and duty figures revealed four general phases: initially there was a period when Liverpool’s overseas trade remained broadly steady, then there was a noticeable decline, penultimately there was a sluggish improvement, followed by a clearer post-war recovery. However, this quadrilateral structure is a broad generalisation as various branches of Liverpool’s overseas commerce fluctuated at different times. Marriner and Conway mentioned the role of privateering in bringing about an improvement in Liverpool’s overseas commerce. Certainly, the number of local privateers increased between 1779 and 1781. But this activity had reached its peak before the end of the rebellion. Henceforth, other factors, such as the restoration of peace by 1783, contributed towards Liverpool’s rebound. The war also affected the broader Liverpool economy. There were victims of wartime dislocation,
and hence some years witnessed a rise in bankruptcy. Alternatively, some areas of
the local economy, namely shipbuilding, flourished from the multiplier effect of
increased national government expenditure. The Leeds-Liverpool Canal, a major
infrastructure project, endured mixed fortunes. Although construction of its main line
ceased during these years, it still enjoyed a rising volume of trade. Thus, on the
whole, the economic impact of the American conflict upon Liverpool was mixed.
There were winners and losers, therefore combining both Ashton’s and John’s
assertions. As Conway stated: ‘The picture...is highly variegated...But whether we
are focusing on costs or benefits, losers or winners, one thing is clear. The American
war made its mark.’

Nevertheless, with the benefit of hindsight, we know that the American revolt did not
halt Liverpool’s longer-term economic development. A combination of factors, such
as the diversification of business portfolios and relative geographical protection,
helped Liverpool become what was arguably the ‘second city of empire’. These
attributes sustained the town’s economy throughout the American Revolutionary
War, and beyond. ‘The years 1783-1793 in Liverpool were a period of economic
upsurge and commercial vitality’. Trade with Europe underwent considerable
expansion, and the African-Caribbean market remained valuable. The 1780s and
1790s also witnessed the development of markets that were important to Liverpool’s
nineteenth century economy, such as the corn and cotton trades. Despite the
economic dislocation of the Revolution, the American market grew in importance for
Liverpool. Hence the port became the largest exporter of cotton manufactures to the
US by 1806 – even overtaking London. This was partially because subsequent
improvements in Liverpool’s shipping and banking facilities made the town more
attractive to US businesses.\textsuperscript{95} Combined, these developments laid the groundwork for Liverpool’s status as a ‘world port’ during the nineteenth century, with links throughout the British Empire.\textsuperscript{96}

Notes

\textsuperscript{1} Cogliano, Revolutionary America, 86-93.

\textsuperscript{2} Conway, British Isles and the War of American Independence, 354.

\textsuperscript{3} Conway, War of American Independence, 188-94.

\textsuperscript{4} Bass, Green Dragon and Bradley, Religion, Revolution and English Radicalism.

\textsuperscript{5} Marriner, Economic and Social Development of Merseyside, 37-8, and Conway, War of American Independence, 191.

\textsuperscript{6} Defoe, Tour Through the Whole Island, 540.

\textsuperscript{7} Borsay, ‘Introduction’, 6.

\textsuperscript{8} Stobart, First Industrial Region, 130-3, 220.

\textsuperscript{9} Bagwell, Transport Revolution, 3.

\textsuperscript{10} Hyde, Liverpool and the Mersey, 14.

\textsuperscript{11} Davis, Rise of the English Shipping Industry, 35.

\textsuperscript{12} Morgan, ‘Liverpool’s Dominance in the British Slave Trade’, 14-34.

\textsuperscript{13} Haggerty, ‘Liverpool, the Slave Trade and the British-Atlantic Empire,’ 17-34.

\textsuperscript{14} Clemens, ‘Rise of Liverpool’, 216-7.

\textsuperscript{15} Bennett, Voice of Liverpool Business, 1-6.

\textsuperscript{16} Conway, War of American Independence, 194.

\textsuperscript{17} Europe was one of the empire’s ‘lateral trades’. Price, ‘The Imperial Economy’, 90.


\textsuperscript{19} Ashton, Economic Fluctuations in England, 83.

\textsuperscript{20} Pope, ‘Shipping and Trade in the Port of Liverpool 1783-1793’, 77-8.

\textsuperscript{21} Ibid., 131-5.

\textsuperscript{22} General Register of Shipping, 1772-1786, CUST 17/1-9, the National Archives, Kew (hereafter TNA).

\textsuperscript{23} McCusker, ‘British Ship Tonnage during the Eighteenth Century’, 91.


[27] Philadelphia Gazette, 26 July 1775.

[28] North Papers, MSS North b.69, Bodleian Library (hereafter BOD).

[29] Scott, British Foreign Policy in the Age of the American Revolution, 207-311.


[31] Liverpool General Advertiser, 6 October 1775.

[32] 'Order by the King in Council, prohibiting the transporting to any parts out of the Kingdom, or carrying coastwise, any Gunpowder, Saltpetre, or any sort of Arms or Ammunition, for the space of three months from the 23d instant.' American Archives Documents of the American Revolution, 1774-1776. Northern Illinois University Libraries. Accessed 2 November 2014. http://lincoln.lib.niu.edu/cgi-bin/amarch/documentidx.pl?doc_id=S4-V3-P01-sp34-D0003andshowfullrecord=on

[33] An Act to empower His Majesty to prohibit the Exportation of Saltpetre; and to enforce the Law for empowering His Majesty to prohibit the Exportation of Gunpowder, or any Sort of Arms and Ammunition; and also to empower His Majesty to restrain the carrying Coastwise of Saltpetre, Gunpowder, or any Sort of Arms or Ammunition, Anno 29 Geo.II, A.D. 1756'. In The Statutes relating to the Admiralty, Navy, Shipping, and Navigation of the United Kingdom From 9 Hen. III to 3 Geo IV Inclusive, edited by J. Raithby, 255. London: George Eyre and Andrew Straham, 1823.

[34] David Tuohy, Liverpool, to Mssrs Ryan and Begone, October 1775, Tuohy Papers, 380 TUO/2/4, Liverpool Record Office (hereafter LIVRO).


[38] William Davenport, Liverpool, to Matthew Alexander, Glasgow, 4 November 1780, William Davenport’s Letter Book, Davenport Papers, D/DAV/1/1, MMM.

[39] Richard Watt to Ortand and Thomas Rawson, 17 June 1778, Watt Family Papers, 920 WAT 1/2/1, LIVRO.

[40] William Davenport, Liverpool, to Charles Ford, 23 March 1779, William Davenport’s Letter Book, Davenport Papers, D/DAV/1/1, MMM.


[42] Ibid., 82-7.


[44] Starkey, British Privateering, 200
[45] Ibid., 269-72.

[46] Ibid., 232.

[47] Bellona, 1779, BT 98/39, TNA.

[48] Account Book of the Enterprise, 1779-1780, 387 MD 45, LIVRO.

[49] Knight, 1779, BT 98/39, TNA.

[50] Minerva, in Registers of Declarations for Letters of Marque against the United Provinces, 1780, HCA 26/54, TNA.


[53] Nostra Signora, in Captured ships with names beginning with N, 1775-1783, HCA 32/411, TNA.


[55] La Fortuna, in Sentences in Dutch Prizes, 1782, HCA 34/57, TNA.

[56] Letter of instruction to Captain James Haslam, Liverpool, 15 June 1780, Account Book of the Enterprise, 387 MD 45, LIVRO.

[57] Ibid., 16 September 1779.


[59] William Davenport to Captain John Smale, 12 January 1781, William Davenport’s Letter Book, Davenport Papers, D/DAV/1/1, MMM.

[60] Starkey, British Privateering, 207.

[61] Ibid., 196, 218, 232.


[63] Liverpool Corporation Records, 15 December 1777, 352 MIN / COU 1, LIVRO.

[64] See Syrett, Shipping and the American War 1775-83.


[66] Liverpool General Advertiser, 6 April 1780.

[67] Ibid. 22 July 1774.


[69] William Davenport, Liverpool, to Captain Peter Potter, 15 May 1781, Davenport Papers, D/DAV/1/1, MMM.

[70] Abstract of the Proceedings and Resolutions of the Several Committees of the Chamber of Commerce for the Port of Liverpool, 1774-1777, Miscellaneous Pamphlets 65, 828 PAM, Liverpool Athenaeum.

[71] Crowhurst, Defence of British Trade, 67-8, 80.
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[73] Hibbert, Redcoats and Rebels, 333.

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[78] Stewart-Brown, Liverpool Ships of the Eighteenth Century, 89.

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[85] Clarke, Leeds and Liverpool Canal, 84.


[89] Clarke, Leeds and Liverpool Canal, 84-5.


[92] Pope, ‘Shipping and Trade in the Port of Liverpool 1783-1793’, 476.

[93] Ibid., 476-82


[95] Milne, Trade and Traders in Mid-Victorian Liverpool, 12-7; 219-21.
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