

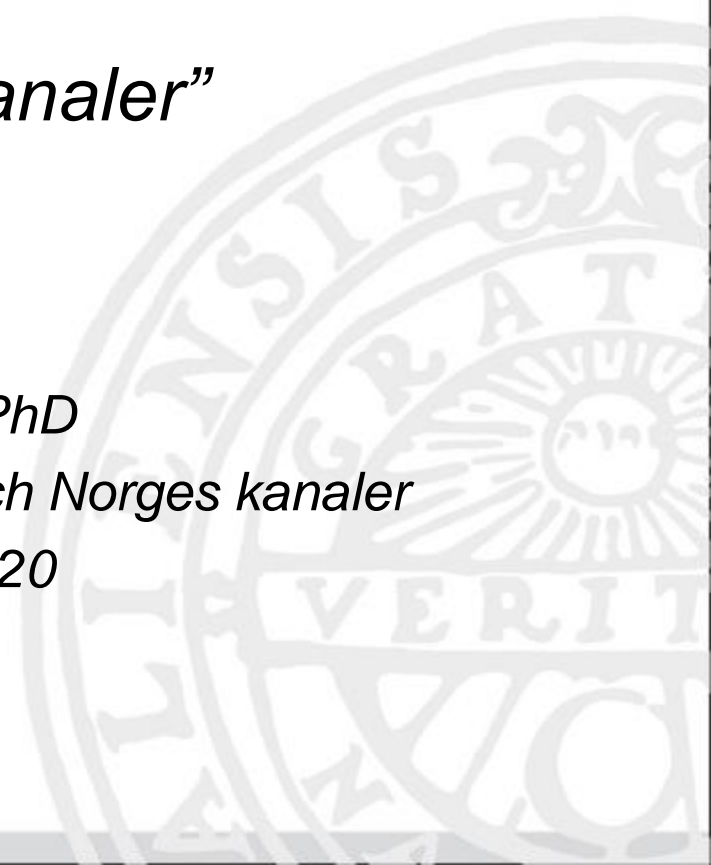
Göta Kanal och den politiska ekonomin

"Konstitutioner och kanaler"

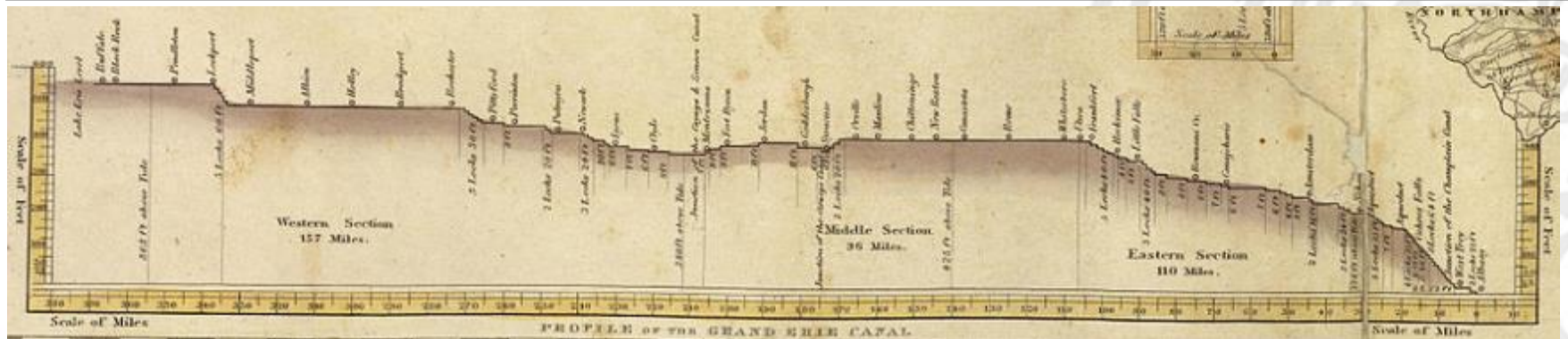
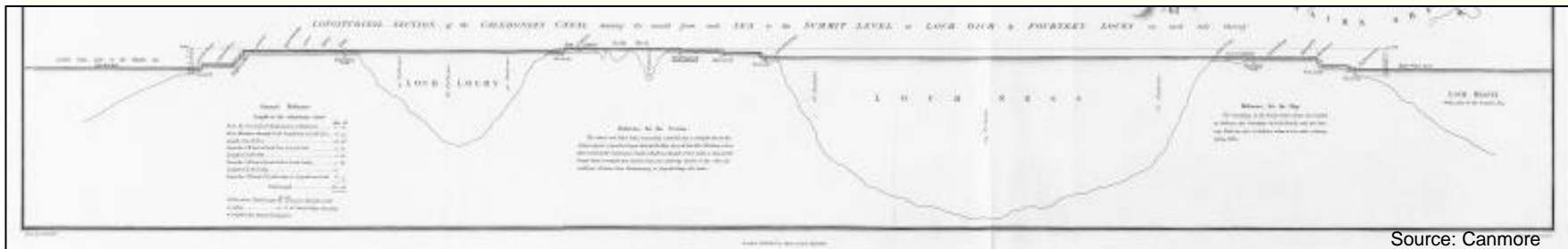
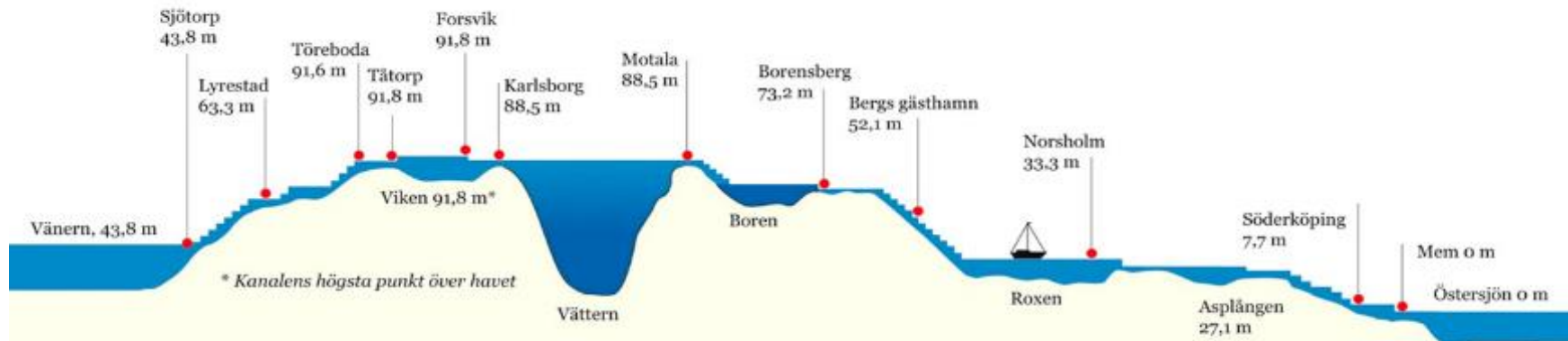
Björn Hasselgren, PhD

Årsmöte i Föreningen Sveriges och Norges kanaler

Motala 31 mars 2020



Göta Canal and contemporary projects



Three contemporary projects

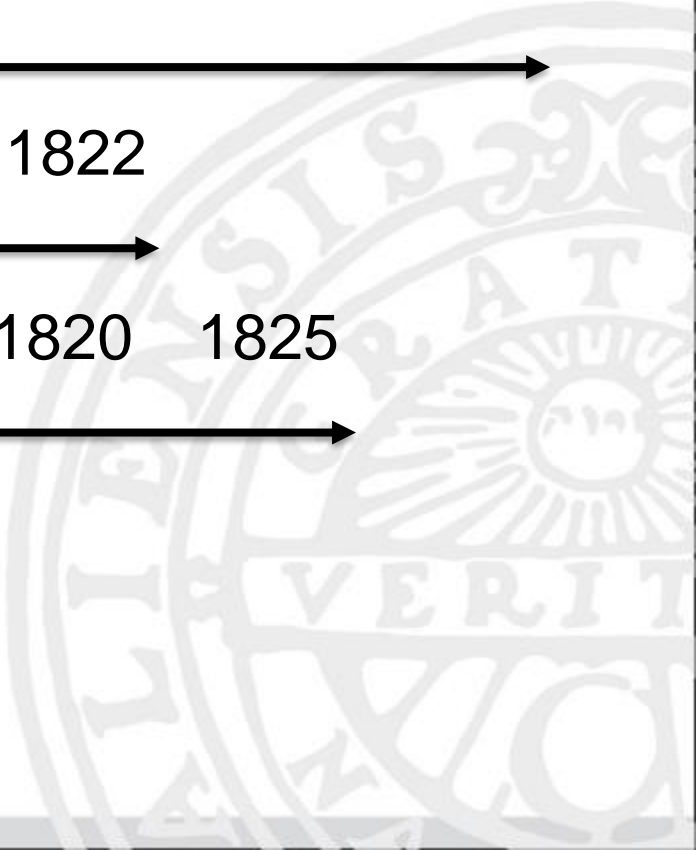
Göta
Kanal 1806 1808 1822 1832



Caledonian
Canal 1803 1822



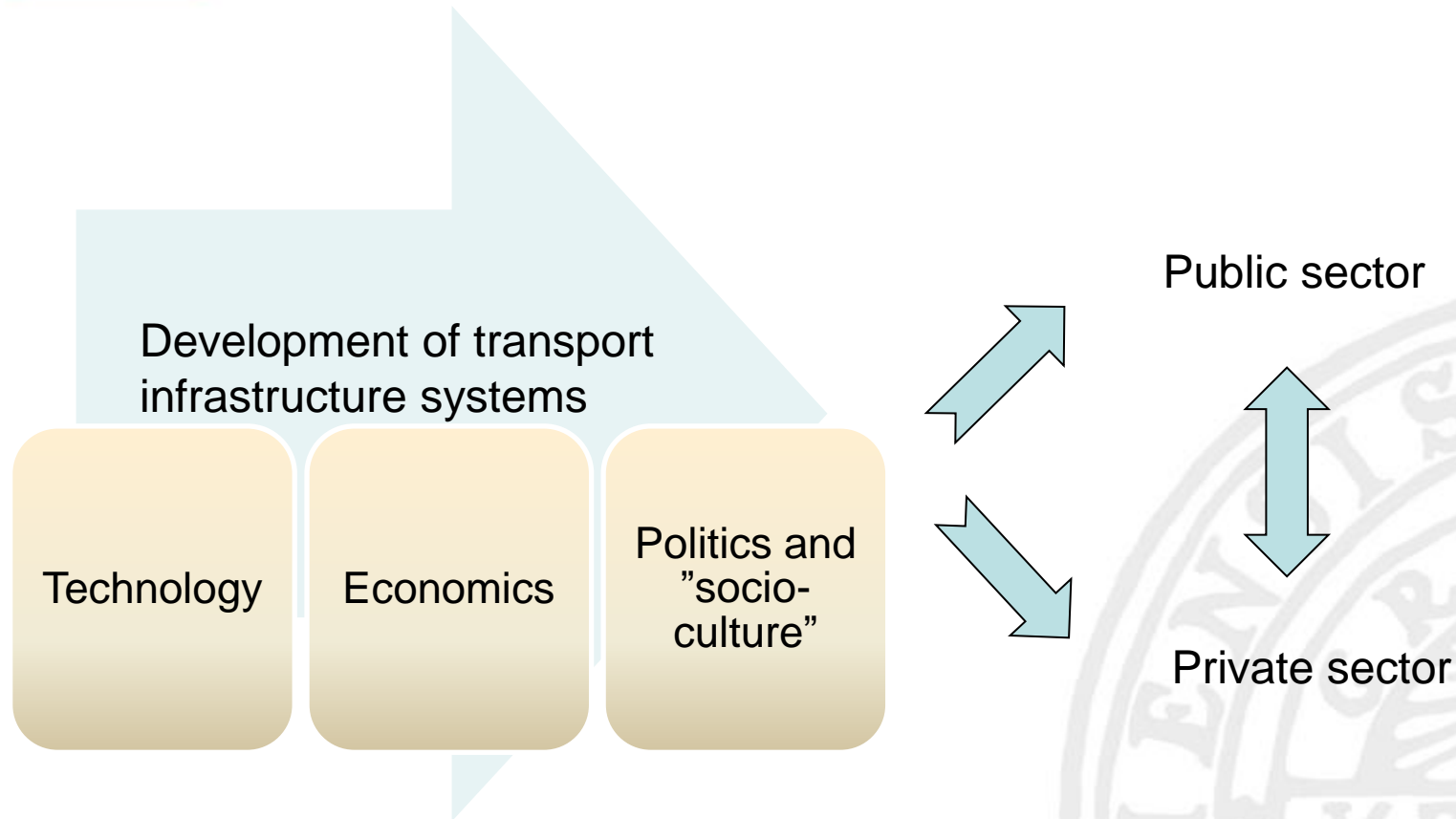
Erie
Canal 1808 1817 1820 1825



But of different kinds...

- Göta Kanal
 - A national project, innovation and growth, agriculture and trade, cut the distance
- Caledonian Canal
 - A regional development project, military (Napoleonic wars) and trade enhancing
- Erie Canal
 - A modernization and nation building and defining project. State vs federal (internal improvements)
 - The making of free republican citizens

Development of Transport Infrastructure Systems



Time period	Technology	Economics	Politics/Socio-culture	Organizational principle
1800 – 1809 Planning and raising support for the vision	International experiences	Socio-economics	Connect east and west	Not in focus
1810 – 1818 The independence phase	Lack of technology	The Diskont for financing	Successively in political focus	A private sector/von Platen business
1819 – 1832 A national business project	Education of Sweden and the Motala Verkstad	Continuous distress. Revenues from operations.	Communicate long term vision and growth/-defense	A national concern, but private operation
1832 – Using Göta Kanal – business operation or national corporation?	Focus on transport modernization	Marginal costs?	Varying arguments over time	Private operation regulated by the government

Literature

- Trew, A (2010) *Infrastructure Finance and the Industrial Takeoff in England*
- Arnold, A. J. and McCartney, S., (2011) *Veritable Gold Mines Before the Arrival of Railway Competition: But did Dividends Signal Rates of Return in the English Canal Industry?*. 2011.
- Bogart, D (2019) *Investing in early public works: financial risks and returns in English and Welsh turnpikes, 1820–82*
- Cassis, De Luca, Florio (2016) *Infrastructure Finance in Europe*
- Cross-Rudkin P (2010) *Canal Contractors 1760-1820*
- Burton, A (2015) *Thomas Telford: Master Builder of Roads and Canals*
- Burton, A (1972/2015) *The Canal Builders*, Pen and Sword Transport
- Sheriff, C (1996) *The Artificial River*, Hill and Wang

Locks and the constitution



Lock no 1 *The Constitution*



Lock at Forsvik: *Carl XIII*

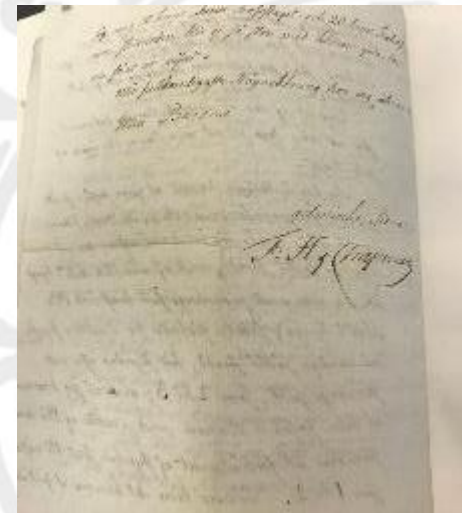
Research questions



- How did the political and constitutional conditions affect the Göta Kanal-project?
- What role did von Platen play in the 1809 revolution, and how did it affect the Göta Kanal project
- How did the financing of the Göta Kanal-corporation affect the organizational and "corporate/political setting?"
- Are there contemporary international comparisons primarily in Britain and the US during the Canal era.

Baltzar von Platen 1766-1829

- Born Rügen, Pommern 1766
- Swedish Navy 1779-1800 (captured at Hogland 1788)
- Served at many of the Skärgårdsflottan vessels
- Discusses ships and construction with af Chapman
- Member of the board of governors of Trollhätte Kanal
- Close friend of Georg Adlersparre



von Platen's proposal, 1806

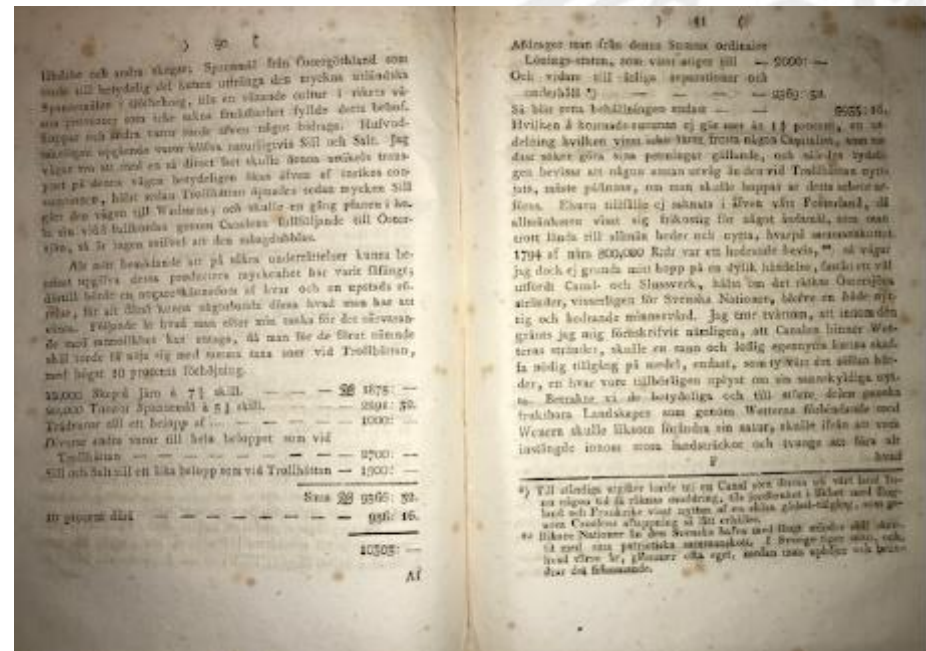


- Suggests a canal from West to East
- Inspiration from Britain, France, Holland etc (Telford's proposal in 1802)
- Bubble Act 1720 + 1794 amendments
- Discusses the width and depth of the canal
- Economics of the canal operations
- Ownership
- Proposal sent to Adlersparre for comments in 1806

Financials of the Canal

- Starting from the transport flows and fees for Trollhätte Kanal
- Counting on western line (Vänern – Vättern)
- Receipts (iron, crops, wood, salt and hering, other) + 10% 10 303:00 Rdr B
- Costs (staff + maintenance/repair) - 4369:32 Rdr B
- **Net result 5933:16 Rdr B**

- Investment cost 333 333:16 Rdr B
- 1 4/5 %
- “is a dividend which would not attract any Capitalist, who only seeks return on his capital” (von Platen 1806)
- Calculation for eastern line, very simplified
- Discusses how amortization could be arranged
- > **Support by the government necessary**

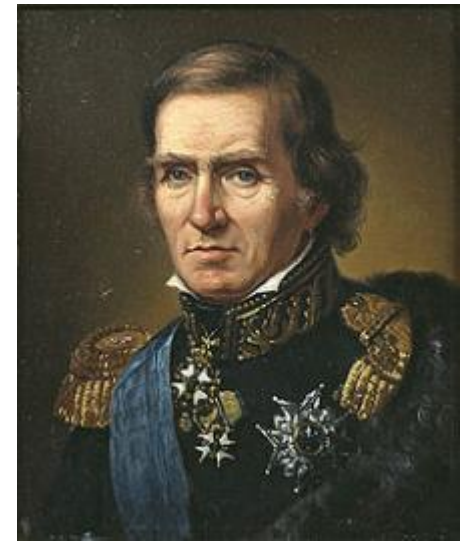


The gustavian supremacy 1772/89 - 1809

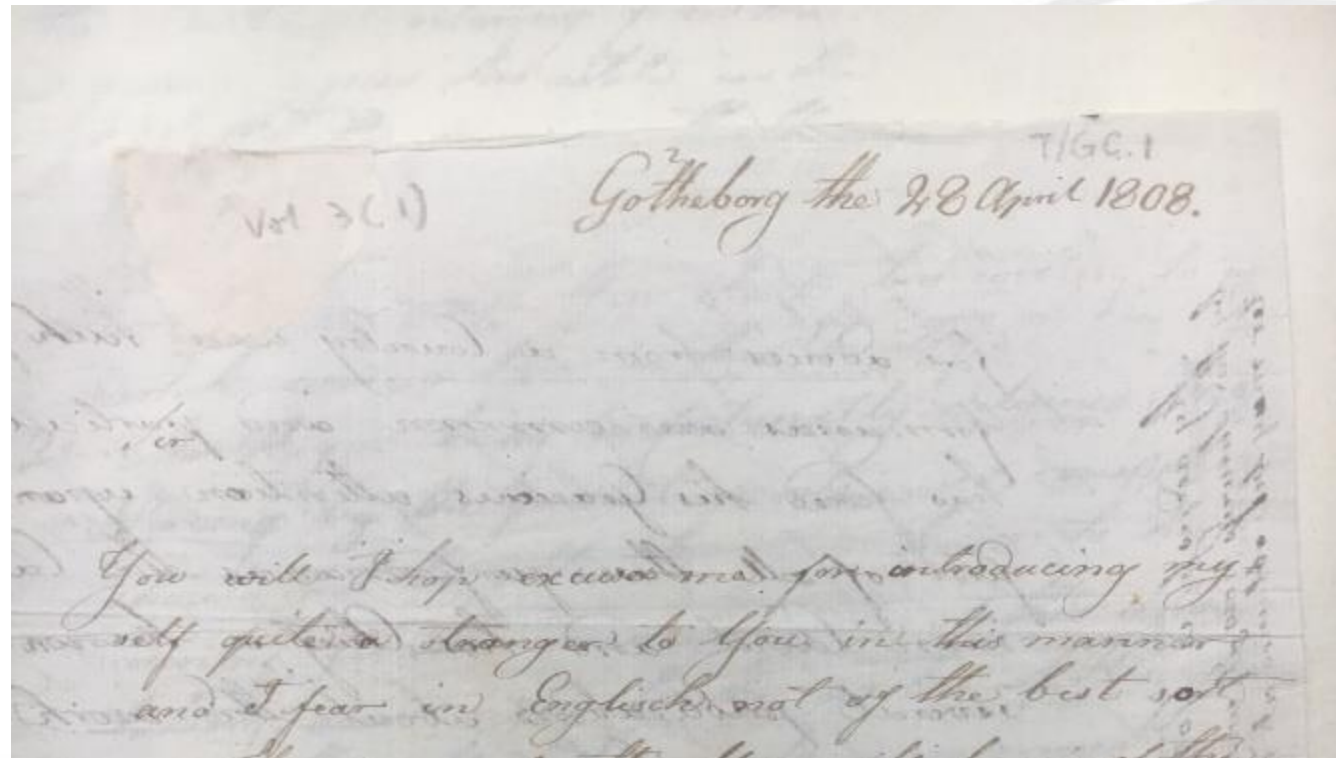
- Wide decision-making powers between the parliamentary sessions
- Only one parliament summoned 1800
- Von Platen among the members of the Nobility given different assignments (Trollhätte Kanal, commander of the naval forces 1808, member of a committee with the aim of solving the financial distress (?))
- The 1806 proposal was sent to the King
- Support for further investigation was given 19 February 1808, Telford mentioned



Telford and von Platen



- Close working relation 1808 – 1829
- Project, technology, politics
- Friendship?



Inspection tour 1808, report 1809

- Telford and von Platen travels along the plan
- Telford makes some proposals for changes
- Report written during September - March 1809
- During August 1808 – Adlersparre meets with von Platen at *Frugården* (Carlsson 1944)
- Von Platen allegedly refuses to support Adlersparre on the revolution, but supports suggestions of connecting to Norway/Danish prince Fredrik Kristian August
- **Why this slow progress? Report 10 March 1809 explicitly to Gustavus IV**



The 1809 revolution

- 13 March – G IV dethroned
- Adlercreutz and Adlersparre driving figures
- From 10 March to 13 March to 28 March to 30 April

Von Platen carried out three assignments (Bring 1922)



Frederick 4B. March 1807.
T/oc-17

My dear Sir

I have only just of the 28. Feb. Recd. your letter, and have
 long occasion in the country; and I suppose you
 had for some time past been in the change
 in Government, and as yet to receive very
 little disturbance in the country, as no
 action so yet is heard of from any quarter, you
 find it will go on as usual, and that we could again
 come to a state of quietude so foolishly but
 in our heads; as yet nothing is decided
 in this way as with, as in any other the
 Direct being determined to the 1. May when
 we probably the fate of Sweden will
 be determined; what will become of it
 I do not know, but decided to fall or stand
 with my Country, I should be at the Pit
 and then between the things being forward
 the result of our mutual's decisions, I am
 sorry I had no letter from you since yours
 of the 18. Jan and consequently am as yet at
 a loss for the calculations; but my mind



Von Platen - One of the leading "men of 1809"

- Member of the 1809 constitutional committee
- Collaborates closely with Adlersparre
- 9 June 1809 member of Cabinet (until 1812)
- Autumn 1809 – Parliament- MoPs proposes Göta Kanal



Järta

- » Mayor Gezelius Vadstena
- » Bishop von Rosenstein Linköping
- » Santesson, Gothenburg

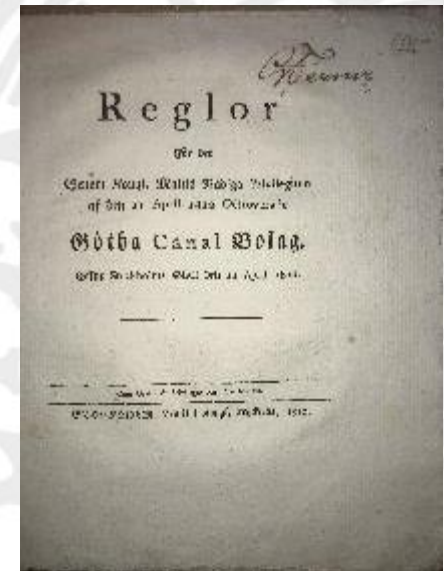
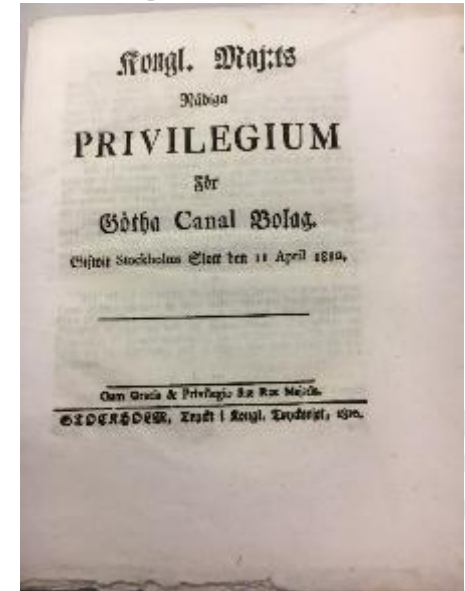


BERNDT SANTESSON
Målning (beskriven) av P. Kallbäck
Foto: SVA

Santesson

Organization and financing, 1810-

- Private corporation ("Actie-bolag"). Shareholders from all over the country.
- Close connection to government/Cabinet. Land, timber, powder, workers/soldiers, government guarantee.
- A bank for financing the project – Göta Kanal Diskont. Borrowing in Stockholm, lending in Gothenburg and regional.
- Diskont dismantled 1817, following crisis for sister Diskont in Malmoe.



Subscription in May 1810

Subscription in May 1810 in accordance with the Company Regulations.
Supported by a broad set of citizens around the country.
What was a corporation, from a legal perspective?

Subscriptions-Lista till deltagande i Götta Canal-Bolag och den dermed förenade Discont-inrättning, enligt bifogade Aktie-Reglor och Discont-Reglemente af den 11 April 1810.

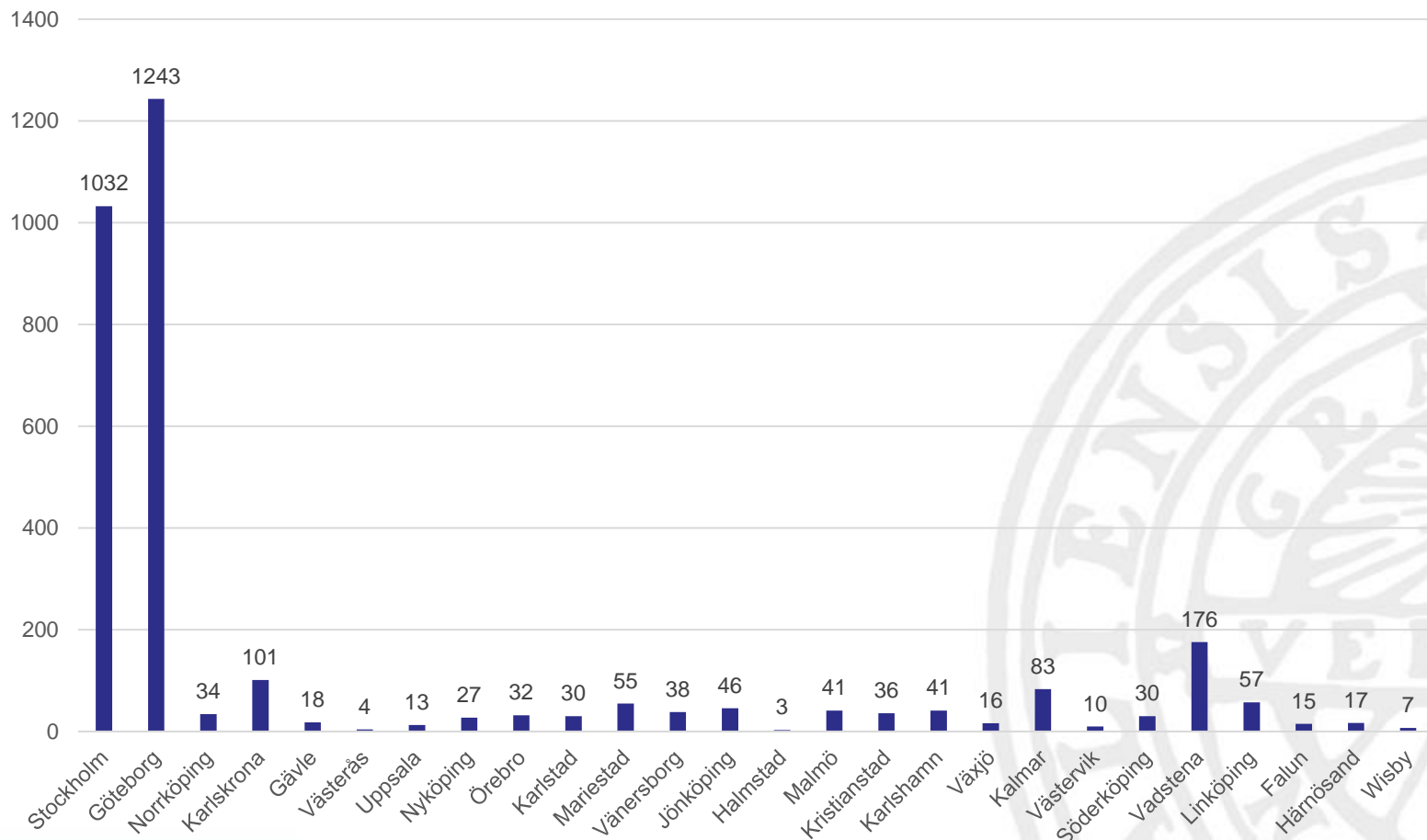
Hvarje Subskribent behagade här till fulla runde Riksdaler-tal, uti hvad antal fördelad, och slutligen beloppet af de utskifvader.

No	Namn	Subskription		Förskott i penning		Förskott i god värde		Summa skulder	
		Engl. Daler	Riksdaler	Skuld	Penning	Skuld	Penning	Skuld	Penning
1	Carl	16000	16000		16000				
2	Sten Carlsson	5000	5000		5000		2500		
3	Carl August	17000	17000		17000				
	Transport				1100				



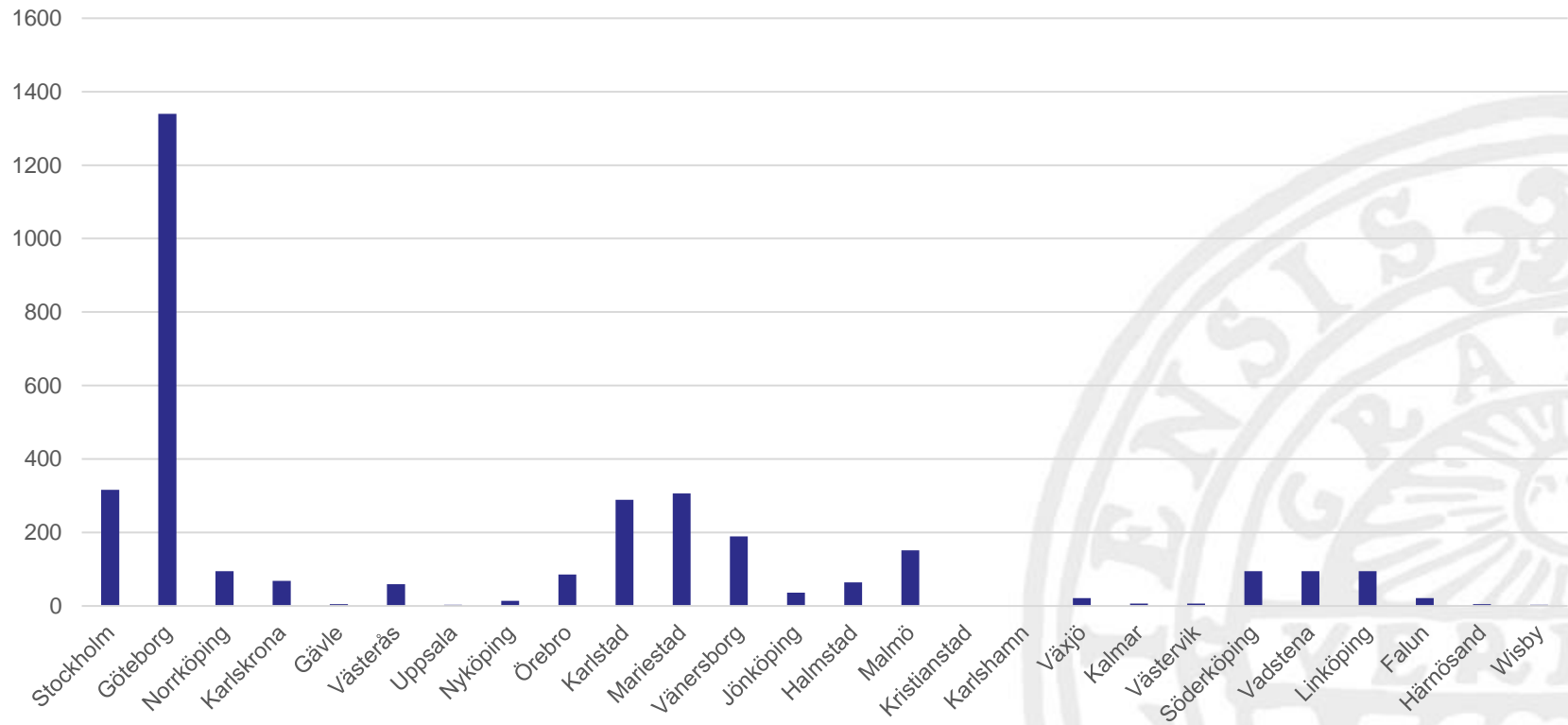
Broad subscription 1810

Subscribed shares 1810, tRdr



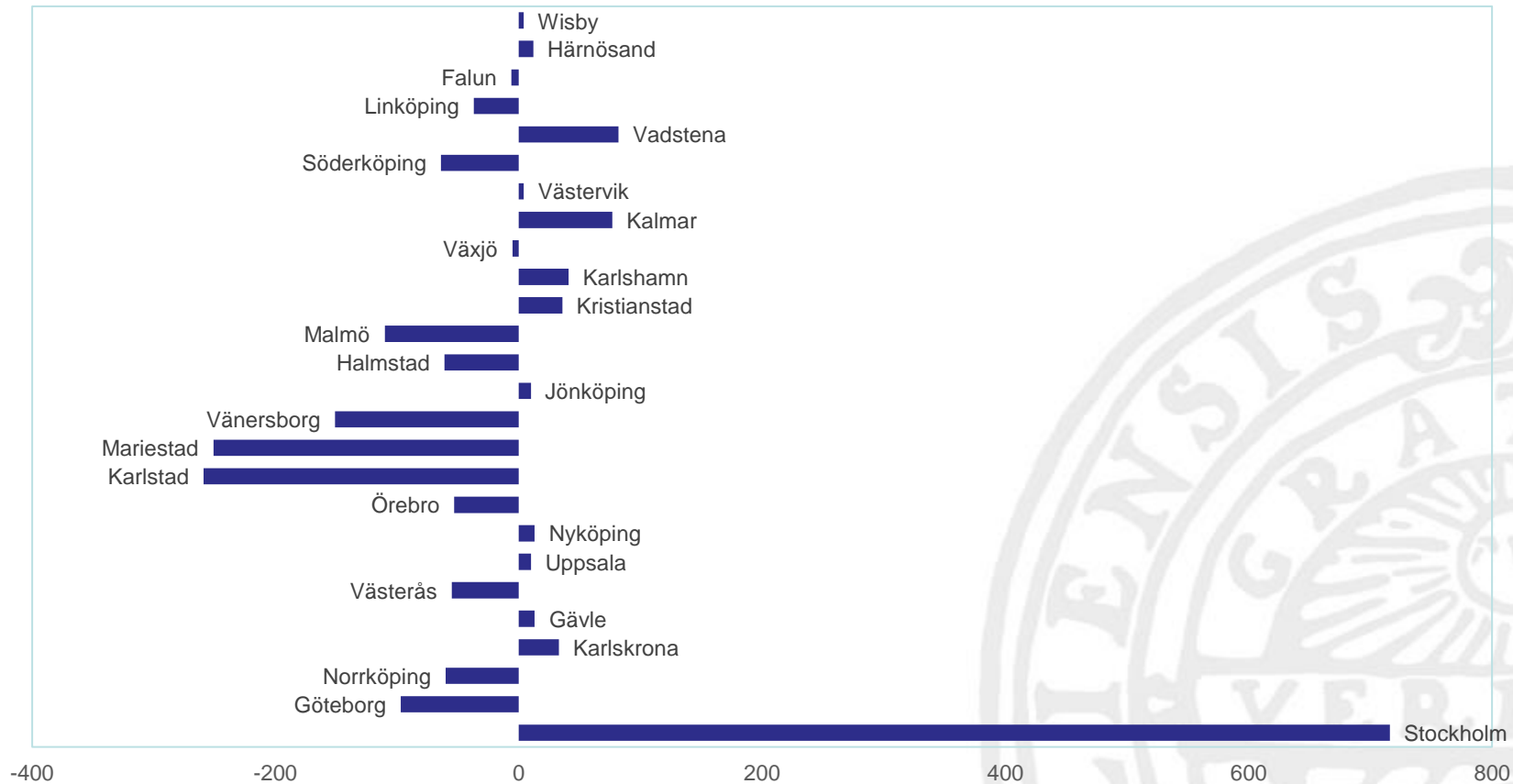
The Göta Kanal Diskont lending

Lending from the Göta Kanal Diskont 1811 tRdr



Source: Bring 1930, adjusted

”Net” of subscription and lending, t Rdr (1810/11)



Conclusions and further research

- How did the political and consitutional conditions affect the Göta Kanal-project? **Not too much?**
- (Any contemporary international comparisons?) **Yes**
- What role did von Platen play in the 1809 revolution, and how did it affect the Göta Kanal project **Active, naming the locks after the constitution had meaning**
- How did the financing of the Göta Kanal-corporation affect the organizational and "corporate/political setting?" **Powerful additional interest groups were included that would influence the project until 1832**
- **Further research comparing with UK and US**
- **Further data on the shareholders**