Social Science History (2024), page 1 of 23
doi:10.1017/ssh.2024.37

RESEARCH ARTICLE

State servants, cash, and credit market modernizations in early modern Stockholm

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(Received 10 August 2023; revised 31 May 2024; accepted 13 June 2024)

Abstract

This study examines the credit market in seventeenth-century Stockholm, a rapidly growing city whose credit market is an early example of a market with both private and institutional actors. Using a sample of 1,500 probate inventories from 1679 to 1708, we focus on the practices and experiences of municipal and state servants, and we examine in detail the probate inventories of employees of the royal court. The latter group had their wages paid by the king in a world where being in arrears was the norm, and their spatial and social proximity to the Bank of the Estates made them potential pioneers in the movement towards an institutionalized and formalized capital market. The credit market has a mixed character, both in terms of the opportunities available to investors and in terms of their behavior. For people with a surplus of cash and good connections, money lending could be a way to increase their income. The court servants and many others moved seamlessly between institutional and private, as well as formal and informal, credit. The article shows that wage earners and state servants were central to the transformation of the early modern credit market. For them, the credit market and the bank offered investment opportunities that matched their skills and circumstances.

Keywords: credit; early modern; financial history; urban history; wage earners

When he died in 1691, the lackey Jöns Nelsson had no family and no heirs; when the officials came to create a probate inventory the only witnesses present were his landlord, from whom he rented a single room, and two friends who had promised to arrange his funeral. Despite his modest lifestyle, the probate inventory reveals an intricate network of credit in which Nelsson played a major role. Under the heading of gold and silver, the notaries listed a silver pitcher with jewels, three silver cups, two precious stones enclosed in an envelope, a ring with a precious stone, and more, all pawned by fellow servants of the Royal Court and noble courtiers in exchange for cash loans. At the same time, the lackey had two major deposits in the Bank of the Estates (SSNBB: 23–35). By making his living as a wage earner – although combined with a lending business – and having deposits in a bank, Nelsson belonged to a minority in seventeenth-century Sweden, but foreshadowed what would later become the norm in many societies: wage work and institutional credit. In this article based on probate inventories from late seventeenth-century Stockholm, we argue that people like Nelsson played a crucial role in the development of a formalized credit market with institutional actors.

In studies on France, Elise Dermineur (2018a: 335–39; 2018b: 224–26) has suggested that the growing population of civil servants had a causal role in the formalization of credit markets, as they were generally outsiders to local communities. Because they were not embedded in those local communities – having few social ties or obligations to the people of the local communities – the civil servants were more solicitous and more likely to use formal credit instruments than others were. Additionally, the credit market may have been a more attractive investment compared to land, which they may not have had the skills to evaluate or use. Furthermore, access to the land market was restricted in many parts of Europe. As an example, in Sweden, relatives had pre-emption rights, and a substantial share of the land was monopolized by the nobility (Winberg 1985: 3–8). Another factor, although not discussed by Dermineur, is the competences of the civil servants. Many possessed skills in writing and arithmetic that served them well in a more impersonal credit market. For England, Muldrew (2018) has highlighted people like John Cannon – a former excise officer, schoolteacher, and scrivener, who made a living by drawing up local bills and notes of hand – as crucial for the development of paper credit in the eighteenth century. For the Swedish case, Maria Ågren (2017: 69–70) has shown how regional treasurers (*lanträntmästare*) used their position and access to state money and connections with taxpayers to supplement their incomes by lending against interest.

Throughout early modern Europe, ongoing processes of state formation made the group of people serving sovereigns and states in capitals and throughout countries in local administrations to growth. Besides high-ranking officers and senior civil servants of noble descent, the early modern states employed a growing share of people in lower positions with a cash wage (e.g., excise and custom, and tax officials, non-commissioned officers, etc.) (Ågren 2017: 2–9). However, a characterization of early modern wages was that they tended be paid irregularly. Ågren (2017: 64) and Kühn (2020: 56–64) have argued that wageworkers – state servants as well as others – regularly had their wages withheld or had to use their own resources to cover for their employer. To work for a wage in the early modern period – no matter whether the employer was the state, a member of the nobility, or someone else – could either expose the wage earner to the risk of becoming creditor to the employer or provide them the opportunity to become an investor.

State and court servants represent a group whose economic and social circumstances and relationships differed from those of self-employed artisans, farmers, and members of urban merchant elites which has been in focus of much previous Scandinavian, as well as English and Continental, research on credit. The economic relations of merchants as well as freeholding peasants have been characterized as deeply embedded in social, and often horizontal, relationships

(Ågren 1992; Erikson 2018; Hansen 1952; Hildebrand 1997; de Jong 2005; Ladewig Petersen 1990; Müller 1998; Nergård 2001; Nibon 2022; Nyberg 2010; Perlinge 2005; Poulsen 1990; Samuelsson 1951; Sprauten 1974). As employees, state and court servants were placed in a vertical, hierarchical, relationship with the employer, and they were often outside the horizontal social relationships that existed within early modern communities, like the farmers village or parish communities, or the merchants national or international trade networks.

Finding capital for private and government investments, or for other purposes, faced challenges due to lack of information and risk in early modern Europe (Hoffman et al. 1999: 69–76). How could a lender know whether a borrower had the capacity or intention to pay back a loan? The standard answer is that credit remained personal, and capital was thus locked up in social networks. Concepts such as the "moral economy," "embeddedness," and "economy of obligation" have been used to define the nature of credit in European societies before the eighteenth and nineteenth centuries (Fontaine 2014: 4–5; Muldrew 1998: 4–7; Polanyi 2001 [1944]: 60–64). With the rise of impersonal lending and institutional credit – accommodated by brokers and banks and underpinned by elaborated legal frameworks – the role of personal bonds may have decreased. In the words of Craig Muldrew (1993:183), "Institutional credit has freed both 'capital' and individual 'credit' from communities, giving the first more liquidity, and the second more flexibility." The institutionalization of credit is by Muldrew described as one of the major forces driving the evolution of "modern individual liberty" (Muldrew 1993: 183). Growing states and cities, driven by continuously increasing needs for resources, were driving forces behind the expansion of institutional credit in Europe at the time. Annuities, bonds, and other types of financial instruments issued by states, cities, and public institutions – but also by individuals – became widespread among the public in some parts of Europe and stimulated a second-hand market for financial assets (O'Brien and Palma 2022; van Zanden et al. 2012).

It was, however, a complex process; impersonal lending of various forms played a significant role in seventeenth- and eighteenth-century Europe (Hoffman et al. 1999; Ogilvie et al. 2012), and personal relationships continued to be important in the nineteenth and twentieth centuries in a capitalist economy as well (Hoffman et al. 1999; Lamoreaux 1994). In a study of Florentine commercial capitalism, Padgett and McLean (2011: 46) argued that new models or techniques for business transactions "did not displace the oligarchic social networks" but formalized them into markets. For the Swedish case, Lindgren (2002) and Nyberg (2010) have described the process as rather swift and linear, taking place in the latter half of the nineteenth century, while Sandberg (1979), Winberg (1985) and Ågren (1992) have seen it as a winding process with roots reaching back to the seventeenth century.

We analyze the credit market in Stockholm at the turn of the eighteenth century, with a particular focus on how different groups of people in a rapidly expanding community utilized new elements of the credit market. Stockholm, at the periphery of the thriving economies of the North Sea, and the capital of the Swedish Baltic Empire, was one of Europe's fastest growing cities, and the Swedish state was eagerly trying to implement financial institutional and jurisprudential novelties – such as banks and chartered companies – from the United Provinces in a Swedish context

(Jakobsson 2021; Thomson 2005; Wirta et al. 2021). Until that time, the Swedish domestic capital market had been small and hampered by an insufficient legal framework; the nation had been dependent on foreign credit to finance the expansion of its metal industry and its continental warfare (Heckscher 1936: 371–73, 571–81; Nyberg 2010). In the 1650s and 1660s, two banks – serving both as loan banks, extending loans and receiving deposits, and as banks of exchange – were successively founded in Stockholm with the active support of the state (the second bank was even made the Bank of the Estates to provide economic and political legitimacy), and legal reforms were introduced to strengthen the position of creditors by, for example, easing the process of foreclosure (Ågren 1992: 40–62; 2009: 14–18, 62–97; Pihl 2023).

Stockholm is an early example of a credit market with both private and institutional actors, and a series of well-preserved probate inventories give us the opportunity to study a broad section of people operating in this market. Our study is based on a sample of more than 1,500 probate inventories from Stockholm in the period 1679–1708. We focus on the employees of the Royal Court and municipal and state servants. We can show that these groups, particularly the former, had their wages duly paid by the king in a world where arrears were the norm, and their spatial and social proximity to the Bank of the Estates made them potential pioneers in the development toward an institutionalized and impersonalized capital market. Court servants are also a delimited group for whom we have comparatively good information through sources other than inventories, such as payrolls, work instructions, and previous research.

Seventeenth-century Sweden was undergoing a process of urbanization that especially came to affect Stockholm. The economic thinking of the period identified towns as essential for an expanding economy, and the government pursued a policy strongly promoting towns (Heckscher 1936: 672–75; Lilja 2000: 157–58, 166–71). Together with this policy, an expanding state bureaucracy and military contributed to population growth; in 1629, state servants already outnumbered burghers by about 40 percent. During the seventeenth century, the town's population boomed from an estimated 8,900 to 57,200 inhabitants (Jansson 1991: 4; Sandberg 2002: 128). Immigrants from all parts of the Swedish realm, as well as from abroad, sought their fortune in the capital (Lilja 2000: 149–94), and the group of people detached from their established social networks was therefore growing.

Employment as a court servant in Stockholm was a sought-after position (Persson 1999: 155–57). Apart from wages, court servants would be fed or, increasingly, receive extra money for food. They had special benefits, such as being entitled to healthcare from the court physicians and having their wedding expenses paid by the employer. Job security was high, with many working until old age. A significant benefit of working at the court was the status and informal influence it could convey, which may have resulted in strong social credit. Most non-noble court servants were either recruited from the households of prominent members of the nobility, who would often work hard to get their servants employment at court, or from the families of servants already working at the court – some positions even became de facto hereditary. Others would be recruited from abroad, especially servants in more prestigious positions (Persson 1999: 89–90).

Probate inventories and credit markets

A probate inventory contains an introduction with the name, social or occupational title, and family relationships of the decedent, followed by a detailed list not only of the decedent's belongings in terms of clothes, jewelry, furniture, and so on, but also a list of their debts and claims, with varying degrees of information. Dates, interest rates, payments of interest or partial repayment of the debt, whether it has been secured and with what, the occupation of the creditor and their relation to the decedent, and the reason for the debt may all be included in varying constellations.

Our study is based on an examination of probate inventories from *Nedre borgrättens arkiv* (the archives of the Lower Palace Court) covering the 20-year period after the first probate inventories from 1688, thus ending in 1708, and consisting of 83 probate inventories (SSNBB) (See Table 1). A separate court for all non-noble court servants, the palace court handled the probate inventories of deceased servants; this provides us with a collection of inventories limited to a specific group (Persson 1999: 17). The economic conditions and credit relations of the court servants are contextualized through an asymmetrical comparison with a sample of 1,418 probate inventories from non-noble inhabitants of Stockholm, including 481 state and municipal servants from the years 1679, 1685/1686, 1690, 1695, and 1699 (SSJFB, vol. 27–28, 1679; vol 35, 1685; vol 36, 1686; vol 42, 1690; vol 50–51, 1695; vol 56, 1699). These inventories originate from the *Förmyndarkammaren* (the Guardianship Chamber). From the 1660s, the Chamber was required to make probate inventories for all deceased with minor heirs or heirs not present in Stockholm and to manage the assets for the minors until they had come of age or the heirs had arrived in town (Pihl 2019: 214).

There are some well-known issues related to the representativity of probate inventories. Their age distribution is the most obvious. By nature, probate inventories cover the population of deceased individuals. Accordingly, these individuals tend to be older than the rest of the population, which in turn may mean that they have had the opportunity to accumulate more wealth or had ceased to be economically active. However, in the case of the *Förmyndarkammaren*, the majority of the deceased had minor children, which makes their average age likely to be lower than in other samples of inventories, while also making the group of unmarried people and people without children – such as most household servants and apprentices – smaller than they were in reality (See Table 2). In the case of *Nedre borgrätten,* only those who died while employed are included, which mitigates their tendency to be of advanced age.

Probate inventories were made mandatory in 1734 for all deceased in Sweden, but as shown by Lindgren (2002: 818–19), comparing the mortality rate to the number of inventories for a period and place, the rate of inventories was as low as 10 percent in rural areas outside Stockholm in the 1770s. In general, those with greater assets or those with debts would more frequently have had their property inventoried. People dying with large debts would be more likely to have their probate inventory made, as it would be in the interest of their debtors to settle their debts. If those with many debts or claims are more commonly inventoried simply due to the need to settle credits, any conclusions about the frequency of

Table 1. Quantity, average wealth and indebtedness of occupational groups among the court servants

Occupational category	Quantity	Average wealth, d km (*daler kopparmynt*)	Debt ratio, average %
Administrators	11	4,796	48
Musicians and painters	9	17,468	35
Artisans	20	7,035	45
Guards	7	4,938	45
Officers	2	1,717	37
Surgeons	2	33,963	17
Inner servants	19	4,555	41
Outer servants	12	1,138	33
All	82	9,451	40

Source: SSNBB.

Table 2. Quantity, average wealth and indebtedness among the population in Stockholm

Occupational category	Quantity	Average wealth, d km	Debt ratio, average %
Administrators, higher	84	9,911	109
Administrators, lower	176	1,720	94
Artisans	571	3,670	74
Guards/soldiers	119	472	68
Officers	39	2,334	145
Inner servants	32	1,534	181
Outer servants	71	599	59
Merchants	88	20,040	308
Retailers	77	5,554	194
Transport	95	1,394	63
Undefined	66	5,173	59
All	1418	4,720	101

Source: SSJFB, vol. 27–28, 1679; vol 35, 1685; vol 36, 1686; vol 42, 1690; vol 50–51, 1695; vol 56, 1699.

indebtedness become questionable. Below, we argue that some of these problems can be solved by using the inventories from the *Nedre borgrätten*.

Until 1734, the law governing credit in Swedish was of medieval origin and undeveloped, although additions were made by royal decrees throughout the seventeenth-century favoring the rights of the creditor over those of the debtor in an attempt to stimulate the credit market (Ågren 1992: 44). At the request of the Bank of the Estates and other creditors, the government attempted to instigate a formal

https://doi.org/10.1017/ssh.2024.37 Published online by Cambridge University Press

Table 3. Frequency of relationships to creditors and debtors

Relation	Number among debts	Number among claims
Employer/Employee	12	0
Family relation	58	32
Via the court	20	55
Other professional relation	7	5
No discernable relation	249	216
Sum	347	314

Source: SSNBB.

Table 4. Most important types of non-trivial private debt

Credit description	Quantity	Volume, d km	Average value, d km
No description	142	59,196	417
Räkning	33	11,344	344
Deferred payment	25	1,755	70
Pawn	17	1,442	85
Obligation	11	12,594	1,145
Quittence	10	2,979	298
Cash loan	4	1,668	417
Other promissory notes	2	352	176

Source: SSNBB.

process of registration of ownership and encumbrances but met opposition from noble and merchant actors in the credit market. The bank developed ways to counter the information asymmetries and weaknesses of legislation, for example by demanding that borrowers hand over the title deed as a security. Other than that, the absence of formal measures of credit meant that even the bank had to rely partly on reputation and personal knowledge of individual finances (Pihl 2019: 217).

Occupational categories

To get an overview of the wealth and credit relations of the people in the sample, we have categorized them according to occupational titles, which capture economic conditions (wage) and social status, as well as differences in education and training. Married women have been categorized according to their husband's occupation unless they were given an occupational title of their own in the inventories, which they unfortunately seldom were (see Table 1).

Guards and *officers* include military personnel such as soldiers, sailors, the royal guard, and their officers, respectively. *Artisans* include people involved in various crafts, such as smiths, tailors, and farriers. *Servants* in the narrower sense of the word have, inspired by Persson's (1999: 80) use of "proximity" in his analysis of the Royal Court, been divided in two groups: "inner" and "outer" servants. While wages and socio-economic status naturally varied by occupation, Persson (citation) also points out that the level of closeness to royalty mattered, even for common servants. In the inner sphere were those with direct personal access to the royal household (e.g., uniformed manservants such as valets and lackeys), and in the outer were laborers like stable hands and washerwomen. Inner servants were expected to have some education – that is, to be able to read and write. For example, regarding the lackeys, the king stated that he did not want any "farm hands" knowing nothing else "but to run after a carriage" hired (Persson 1999: 88). Education was a prerequisite for the system of internal recruitment and climbing through the ranks that was practiced in the court; the lackeys formed a pool from which able men were picked to fill more senior positions. The same practice was also to be found within the central and local administration of the state. Young boys – often with some education – started off as copyists, and if they showed talent and diligence, they could climb through the ranks (Ågren 2017: 60–61; Pihl 2024: 279–81).

Similar categories are also applicable to the broader population of separate servants working in private houses or in the offices of the state or the city administration apart from servants involved in manual labor. *Administrators* consist of the heads of the different subdivisions of the court – such as the silver master, who oversaw the royal silver – as well as those in charge of bookkeeping, purchases, and other roles that involved administration, education, and management of money. In the city sample, the administrators have been divided into two groups – higher and lower – to separate people in managerial positions from those serving in more subordinate positions such as tellers and secretaries. The former had a special relationship to credit, and their education and access to state money may have conditioned their credit market activities (Ågren 2017: 7; Jansson 1991: 97–98).

There were two *surgeons* in the group of court servants: one court barber (surgeon) and one royal field surgeon. They have been assigned their own category, as they strongly stood out as very wealthy and were thus not comparable to any other group. We have done the same for *musicians and painters*, whose wealth and wide networks of credit made them stand out from other groups. In the town sample, these groups were a small part of the total and did not stand out from other artisans.

Compared to the population of Stockholm (see Table 2), two groups of people are missing at court: people involved in various kinds of trade and transport. The first were the second largest group in the town sample after artisans. Because they were a heterogeneous group from an economic perspective – consisting of wealthy merchants involved in international trade, as well as retailers and petty traders providing the local community with the necessities of life – we have separated them into three groups: *merchants*, *retailors*, and *transport*. The latter includes members of both the carriers' guild and ship captains.

Wealth and debts in late seventeenth-century Stockholm

In this section we summarize the scale and character of the sampled population's debts and wealth and analyze the meaning of the types of debt described by the notaries. A significant part of the recorded debt can be labeled "trivial debt" – that is, debt resulting from technicalities of administration or accounting, and these debts have been deducted in this study. Most significant of these were inheritances, administrative, and funeral expenses for the deceased. Withheld and irregular wages seem to have been a universal experience among state servants in the early modern period (Jansson 1991: 75; Kühn 2020: 56–64; Nilsson Hammar and Norrhem 2022: 497–500). Although most arrears and rents were trivial in the sense that they were a product of how wages and rents were managed, Muldrew (2001: 85) argues that the very system of settling wages, rent, and other transactions of certain dates was itself a product of an economic system based on credit. According to this view, transactions made on credit, including wages, would be reckoned and canceled against each other at certain dates as a way of coping with the lack of cash in the economy.

Wages to courtiers and court servants were, however, prioritized in late seventeenth-century Sweden. Fiscal reforms of the 1680s increased state incomes through repossession of alienated land and revenues and made wage payments more regular. Even so, state servants could at times still face problems with wage arrears throughout the eighteenth century (Jansson 1991: 102–5; Lagerroth 1928: 6; Upton 1998: 66–69, 87–89).

Only 11 of the 82 court servants had a total of 18 claims against the state for wages; of these claims, 7 were for the period immediately preceding the death of the court servant. In the Stockholm sample, 25 percent of the people serving the state, or the city had claims on their employers in 1679. This number decreased dramatically during the period, and in 1695, 3 percent had claims on their employer, and in 1699, there were no wage arrears at all, which indicates the effectiveness of the financial reforms of the 1680s. The arrears among the court servants belonged mainly to the wealthier and more highly paid servants. Lower strata of state servants more rarely had their wages withheld in this period (Jansson 1991: 99; Lagerroth 1928: 157–58). All but three of the arrears were less than two years old, and these were not for the full wages. Pierre Werdier and the husband of Gertrud Horleman – the richest and most highly paid individuals in the sample – had their wages reduced by half after 1700, when Sweden entered into a costly war against its neighbors. None of the deceased lacked their full wages for more than a year before death. Considering the descriptions of state servants as often struggling with wage arrears, the court servants – and to some extent also the state servants – stand out.

Compared to people outside the Royal Court, the court servants as a group appear to have been wealthy and comparably free from debts. Especially for those belonging to the less wealthy groups – artisans, soldiers, and servants – employment at court provided a chance to obtain a higher income.

Merchants were by far the most affluent group among the general population of Stockholm, but they were also the most indebted. The debt ratio of retailers was also high, which illustrates the essential role of credit in early modern trade. This is very much in line with previous research on early modern Stockholm, which has described the town as characterized by high economic inequality and economically dominated by a group of nobles and merchants benefitting the mercantilist politics – including chartered companies with trade monopoles – conducted by the state (Bengtsson et al. 2022: 175–77). The debt ratios of people serving the state and the town were also at a high level, with an average above 100. Artisans, outer servants, and people working in the transport sector seem have been dependent on credit to a lesser extent.

A comparison of the total volumes of debt and claims for the court servants and the general population shows a dramatic difference: 281,245 *daler kopparmynt* (d km) in claims versus 116,288 d km in debt among the court servants and 2,448,360 in claims and 6,676,330 in debts among the people outside the court. At an aggregate level, the court servants were net lenders by a large margin, while the general population in Stockholm were net borrowers.

Among the court servants, indebtedness was evenly distributed both among occupational groups and when compared to wealth. Naturally, wealthier people had higher debts in absolute terms because of both their greater access to credit and their likely greater expenses, but the debt ratio was between 35 and 48 percent for all occupational groups except the two surgeons, who were outliers at just 17 percent. While the total volume of debt was low compared to their claims, an even more striking result is the fact many were completely free of debt; 19 had no debt recorded at all and 3 had exclusively bank loans. In total, 22 individuals (about 27 percent) had no debts on the private credit market. Among the population of Stockholm, the average debt ratio was 100 percent and median ratio 62 percent; only 3 percent of the deceased were recorded as being free from debt.

It is more the lack of debt than the lack of credit market activity in general among the court servants that is striking. The court servants had secure employment with, in most cases, regular pay, and they were overall financially better off than people in general. This would have reduced their propensity for certain causes of indebtedness, but if the usual characterization of the early modern credit market is accepted, then this is not a sufficient explanation to their low level of indebtedness. They should still have had plenty of debts to reflect the function of debt in daily economic life: as the means of everyday exchange. Because a major cause for the use of credit was to facilitate exchange in an economy marked by a lack of cash, being paid in cash would mean less need to go into debt. While a credit relation need not necessarily imply that cash was exchanged in all cases, large deposits in the bank demonstrate that court servants had access to comparatively large cash reserves. Steady employment and a salary, as opposed to farming or self-employment as a trader or artisan, could mean less demand for credit and loans due to a predictable and constant income.

An alternative explanation could be that the sample of court servants was in fact representative of the population at large, or at least those with similar characteristics. However, the lack of debt among the court servants does not indicate a lack of debt in society, as they had large claims and the population of Stockholm had large debts, which means that others were in debt to the court servants. Nevertheless, it could still be that the probate inventories from the lower palace court represent those without debt more accurately than other inventories do. A common critique of the use of probate inventories is that different groups are not proportionally represented in the sources, even if they were meant to be. A bias toward wealthier groups is common, but another bias, more important here, is that those who died with significant debts or claims on others were more likely to have probate inventories made, because their creditors or heirs had an interest in settling their affairs. Thus, those in debt or with many claims would be overrepresented among probate inventories in general. The fact that there were many individuals with little to no involvement with the credit market in this sample could be explained by the fact that they came from quite a limited group closely related to the administrators making their inventories. Thus, those without debt still had inventories made upon death.

While it should be kept in mind that these explanations are not mutually exclusive, the most decisive factor seems to be the court servants' direct access to cash and their stable economic status compared other groups. They did not have their wages withheld, and the cash-rich court servants thus seem to have taken the opportunity to invest in the credit market. The court was one source of credit and currency in Stockholm and spread cash to groups with lesser access of it. Other groups with a higher share of assets in the form of claims were administrators at both lower and senior positions, which indicates that they were in a situation comparable to that of the court servants.

Forms of private credit

A transition here would help. The inventory of Elisabeth Falck, the late wife of a court purveyor, contains a *quittance* of 60 d km from a bookkeeper for the service of making several *räkningar*. Although the creditor was a bookkeeper, it was not payment for ongoing bookkeeping, but the making of individual debt instruments, which exposes a market for bookkeepers, scriveners, and others possessing skills in writing, accounting, and arithmetic. All credits and debts in the Falck inventory were documented by some kind of papers or secured by pawns; none were based only on oral agreements or statements. Most of the debts in the inventory were documented by *räkningar* (bills for goods or services), while credits were documented by *obligationer* (promissory notes) or secured by pawns (clocks and textiles). Compared to the average court servant or Stockholmer, the credit relations of the Falck couple can be characterized as formal. If and how a debt was documented and secured can reveal context in which it was made and the nature of the relationship between creditor and debtor. In this section, the terms for, and types of, credit arrangements used in the probate inventories of the court servants are analyzed: how they were used, by who, and in relation to whom.

In contrast to the credits and claims of the Falck couple, more than half of all debts and claims among court servants were simply noted as a sum and a name in the probate inventory, sometimes with information about the debtor's/creditor's occupation, interest rate, and date. In other words, they did not report any specific form of credit instrument. A similar rate of unspecified debts and claims can be found among inventories from Stockholm including claims, 57 percent did not mention any sort of security – chattel or real estate – or written documentation at all. We call these "undefined debts or claims," and they may have been reported orally or kept track of in private accounts: in some cases, the notary referred to the account books of the deceased (e.g., SSNBB: 31–35).

On the other hand, it is possible that some of these were in fact secured by the debt instruments described below but were simply omitted by the notary. Nonetheless, the patterns of when and how the undefined debts and claims appear

Table 5. Most important types of non-trivial private claims

Credit description	Quantity	Volume, d km	Average value, d km
No description	160	56,219	351
Obligation	88	53,689	610
Räkning	10	33,046	3,305
Pawn	29	5,138	177
Other promissory notes	7	3,338	477
Deferred payment	5	2,906	581

Source: SSNBB.

make it possible to differentiate them from other types of credit. The undefined debts tended to be for small or moderate sums owed to merchants and artisans, particularly petty traders such as hawkers, who were absent as creditors in more formalized forms of deferred payments. Among the court servants, undefined debts were often to family members, as well as to fellow court servants; they were informal loans made on the basis of personal knowledge and trust within social networks.

The occupations of creditors and debtors, and their eventual relationship to the deceased person, can be used to sketch the composition and limits of credit networks. Family and occupation relations were the most common relations specified in the probates, see Table 3, and they often overlapped: court servants were often sons of court servants, or married to their daughters, and certain positions were, in practice, occupied by dynasties of servants (Persson 1999: 84). As expected, debts to relatives were commonly unspecified in form and often lacked any form of security; trust and knowledge seem to have been the grounds for the loans.

However, among the claims, the court was a more common connection than family. The court servants both received and extended loans to their fellow court servants. The non-noble court servants were also involved in credit relations with noble courtiers: eight court servants had a total of 27 claims on, and a handful of debts to, courtiers (SSNBB: 211, 418, 1042). The claims were also held by some of the more prolific creditors in general, such as Jöns Ersson and Jöns Nelsson, two of the most prominent moneylenders among the court servants. Ersson preferred using the *obligation* when lending to nobles and held five such documents proving debts of 3,545 d km in total from nobles (SSNBB: 95). Nelsson provided loans against pawns of, for example, silver pitchers and jewelry (SSNBB: 23). Ersson's and Nelsson's credit relationships illustrate how social relations established in the court were combined with written instruments and pawns in their lending practices; informal and formal practices were intertwined.

The prevalence of lending to nobles is an interesting inversion of the normal relationship between creditor and debtor, which is often considered to follow a vertical relationship where the creditor is in an economically and socially superior position (Fontaine 2014: 26, 34–35; Ilmakunnas 2012: 370–377; Kühn 2020: 53–54; Nilsson Hammar and Norrhem 2022: 497–500). When a servant lends to her or his master, that is clearly not the case, and the loan may not even be voluntary. One may question whether a servant could even expect to be paid back – as we have shown, the more practiced lenders at the court countered this risk by only lending to nobles with pawns or obligations that could be sold, passed on, or more easily enforced. In recent studies, Sebastian Kühn and Anna Nilsson Hammar and Svante Norrhem discuss servants as creditors of their masters. They focus on deferred wages and payments for services, which in practice made servants the creditors, and how the relationship this created was managed. The court servants in our case differ in that the creditors were not lending to their masters – the state or the king – but to other people in the court – perhaps to potential patrons who, in exchange for a monetary loan, gave the creditor access to his or her political and social capital (Norrhem 1993: 72–78). Moreover, court servants were active lenders of cash, not forced to become creditors by the evasion or inability of employers to pay out wages or buyers to pay in cash for products and services.

Among the court servants, the most common formalized form of debt was the *räkning* (See Tables 4 and 5), which at the time meant a general reckoning of a two-part financial relationship. In the case of the probate inventories, the word specified a form of written documentation, because they were occasionally described as being signed as well as sometimes having been delivered to the notaries by a creditor, debtor, or a third party (SSNBB: 29, 49). With a handful of exceptions, they ranged in size from just 2 d km up to about 300 d km, with most between 50 and 200 d km. The almost complete absence of civil servants or unskilled laborers as creditors for a *räkning*, while artisans and traders were common, further strengthens the impression that they were written bills of hand from providers of goods or services. It is also telling that family relationships are absent. Another common instrument used in a similar way as the *räkning* was the *quittance*. While common as debts in the inventories of the court servants, *räkningar* and *quittances* were rare among their claims, with only nine examples.

Promissory notes, *obligations*, were present both among claims and debts; they appear to have been common for interpersonal loans of cash and large transactions between individuals. Apart from obligations, several miscellaneous types of promissory notes appear a handful times each: the *assignation*, *attest*, *sedel*, and *revers*. All but the *sedel* were used for loans of moderate sums without security, and by the same groups as the obligations: there is no obvious difference apart from the terminology employed. *Obligations* were uncommon among the debts of the court servants, with only 11 examples among the total of 398 separate debts in the data set. The creditors employing this instrument were other court members, higher civil servants, nobles, and bookkeepers; they were people at senior positions possessing at least some skills in reading, writing, and arithmetic. They used the *obligations* mainly to secure bigger loans, which indicates that obligations were seen as more secure and formalized than other forms of credit.

Obligations were far more common among the claims held by the court servants themselves; they made up almost a quarter of the 361 total claims recorded on sums from just 15 d km up to 6,000 d km, with an average value of 610 d km. *Obligations* stood for the third-largest volume of loans, behind bank deposits and those lacking a description. The more educated and wealthier tended to use obligations more often than other groups. Loans on *obligations* could also be further secured; two obligations among the debts had been exchanged for the title deed to a house

(SSNBB: 298, 1072). Among the claims, six *obligations* were secured by title deeds and three by movables. The majority, however, lacked collateral.

It may be tempting to assume that the Swedish *obligations* (promissory notes) were equivalent to the French credit instruments of the same name, and the words were surely related, but examining their use shows that the Swedish obligation was a distinct phenomenon. The French *obligation* was a notarized, transferable document with a specified date of repayment (Dermineur 2018a: 323). None of the Swedish *obligations* mention a date of repayment, but neither did any other form of credit. They were all dated, however, which some – but far from all – other debts or claims were. This indicates that inclusion of the date was an essential part of the format of the *obligation*. Moreover, 27 percent explicitly mentioned an interest rate, compared to just 3 percent of the total data set.

The inventories give a few examples of transferred credit instruments, which shows that this practice was possible but probably not yet common (SSNBB: 95, 103). Besides private instruments and cash, papers issued by the Bank of the Estates circulated as a means of payment. Although the bank was banned from issuing notes because its predecessor had crashed due to too heavy note issuing in the 1660s, various papers (e.g., deposit receipts) intended only for personal use by the account holders in their dealings with the bank began to circulate in Stockholm (Brisman 1918: 134–37). These papers appear in the inventories of people outside the court who belonged to more affluent groups such as merchants and senior civil servants (e.g., SSJFB, vol. 51, 1695: 11, 347, 1154).

In the inventories from people outside the court, formal credit was dominated by pawned chattels and mortgage lending; paper credit without collateral was rather rare and totally dominated by promissory notes. The promissory notes are not found among the poorest, but neither are they found only among the richest. Six percent of the inventories mentions mortgages – one fourth of them in the Bank of the Estates – and 13 percent pawned chattel, often small silver objects like spoons.

The prevalence of a rather homogeneous flora of generally accepted written credit instruments is a sign of an ongoing formalization of private credit markets. In the inventories of the court servants, these instruments were used by more educated artisans and merchants as well as by civil servants, but particularly by the court servants themselves, who extended significant credit on *obligations* and other promissory notes. Written documentation may have reduced risk in a dynamic environment with credit relations between people lacking social bonds. That the court servants were particularly enthusiastic users of *obligations* indicates that they belonged to a group that had a formalizing influence on the credit market. This impression is further strengthened by the practice of demanding the title deed when immovable property was used as security. Out of 16 loans on property or land, 13 were secured by the handing over of the title deeds to the creditor. This was also the strategy employed by the Bank of the Estates due to the insufficient system for registrations of ownerships and encumbrances for real property. The fact that nearly all loans against houses and land made by private individuals were secured by deeds shows how both institutional and private lenders faced the same challenges: they struggled with information asymmetries and adopted the same practices to solve them (Pihl 2019).

Institutional credit: The bank of the estates

From 1668, citizens of Stockholm with a surplus of cash or needing to borrow had an alternative to the private credit market in the Bank of the Estates. Especially among the court servants, the bank was a prominent lender and debtor. No single private actor is as ubiquitous in the inventories as the bank. One quarter of the court servants had at least one loan or deposit in the bank. Among the population in Stockholm, the bank was used to a much lower extent. In the 1690s, 6 percent of probated estates had deposits in the bank and about 15 percent had received loans from the bank (SSJFB, vol. 27–28, 1679; vol 35, 1685; vol 36, 1686; vol 42, 1690; vol 50–51, 1695; vol 56, 1699). In comparison, 27 percent of court servant inventories recorded deposits – and bank deposits stood for about 27 percent of the total volume of claims within the group – and 23 percent were indebted to the bank over the period 1688–1699 (SSNBB).

In comparison, it is clear that the court servants were rather unique in their use of the bank. No more than 10 percent in any of the occupational categories of Stockholm had deposits in the bank (merchants and administrators and officers were the proportionately biggest depositors), and bank deposits stood for about 8 percent of the claims. Although a small share of the artisans had deposits in the bank (3 percent), the group was so big that it had the largest total claim on it. As debtors, the people of Stockholm occurred more frequently, up to 20 percent of administrators and officers was indebted to the bank. Other groups that used the bank as lender were merchants and artisans, with 13 percent of the latter and 15 percent of the former having debts to the bank (SSJFB, vol. 27–28, 1679; vol 35, 1685; vol 36, 1686; vol 42, 1690; vol 50–51, 1695; vol 56, 1699).

In a few cases, people outside the court had turned to institutional lenders other than the bank. Four deceased guild members had borrowed from their guilds against securities, chattels, or, in one case, with the house as security. Another person had taken a mortgage loan on his parish church, and three others had borrowed from the Guardianship Chamber of Stockholm, which managed the property of minors. The loans from guilds were in the line with the social function of the guilds to provide a safety net for their members. However, being secured by pawns, the social bonds seem to have been seen as an insufficient assurance of repayment.

Compared to the average non-noble inhabitant of Stockholm, a larger proportion of court servants used the bank for both deposits and loans, and the contrast is particularly striking for deposits. The total volume of deposits was far larger than the volume of loans: 77,049 d km in deposits compared to 7,104 d km in loans. We have already established that they were net creditors by quite a large margin, and the difference was even more pronounced with the bank. The sums deposited in the bank provide further evidence that the court servants possessed cash. It also supports the idea that their lending often represented loans of money, not goods or services, and possession of cash in an environment where it was usually in short supply can explain some of our findings. Deposits in the bank were yet another way that the funds of court servants were dispersed with the bank as an intermediary, which allowed for a larger network than the personal connections of the individual.

Almost all occupational groups among the court servants were represented as both depositors and borrowers. Still, depositors had a clear bias toward the wealthier section: the average wealth of the depositors was 20,298 d km, compared to 7,278 d km on average for the court servants. For borrowers it was the opposite, with a slightly below average wealth of 7,059 d km.

The depositors among the court servants were thus wealthy, and deposits at the bank formed a significant portion of this wealth: the average deposit was 2,568 d km, but most depositors had more than one deposit, for an average total 6,421 d km per person spread over several deposits. The numbers are higher than the average deposit in the bank, which was about 1,500 d km (Pihl 2020: 205). The loans were of moderate size. They ranged from as little as 34 d km to a maximum of 1,673 d km, with an average of 338 d km. The Bank of the Estates required all borrowers to provide security in the form of movables, preferably gold or silver, or real property. Thus, access to sufficiently valuable securities might have limited people. However, one way for people without sufficient security to obtain a loan was to privately borrow a pawnable object; the inventories from people outside the court mention borrowed silver objects that had been pawned in the bank (SSJFB, vol. 35, 1685: 1533; vol. 52, 1695: 472). Only one of the loans to a court servant was secured by real estate, that of Brita Hall, who had borrowed 606 d km with a house valued at 2,100 d km as security (SSNBB: 487).

For five of the court servants, the bank was their sole creditor or debtor, and they had no relations in the informal or private credit market. Exclusive use of the bank may indicate a certain level of demarcation between the institutional and private spheres of credit, but there are also trends that point in the opposite direction: the other nine depositors were all prolific private lenders as well. They put their money out against interest on the private market and were engaged in pawnbroking, while also depositing significant sums in the bank – spreading their risks between the bank and the private market. Depositing money with the bank could be lucrative: Maria Reüter and her husband, the king's bodyguard (*vaktdräng*) Johan Flink, had no debts, and their only claims were three separate deposits totaling 11,898 d km in the bank, which alone would have netted over 500 d km in interest each year, which was more than her husband's annual wage (RHKH: 40).

It may appear puzzling to lend money to numerous private individuals in a system with weak institutional protections for creditors when the bank offered nearly the same level of interest – four to five percent compared to a maximum of six on the private market – in a single place, without the hassle of multiple debtors and the need to collect the loans. However, trust in banks was not a given at the time, considering the collapse of the Bank of Stockholm (*Stockholms banco*) in the 1660s and a persistent fear in the political and economic discourse of the time that monarchies and banks were incompatible; the king might appropriate bank funds in cases of emergency. The new bank that was founded after Stockholm Banco was therefore consciously made independent of royal power – thus it was called the Bank of the Estates, and its independence was generally respected (Pihl 2023). Nonetheless, people rushed to withdraw their funds in reaction to the outbreak of the Great Northern War in 1700 and again after the defeat at Poltava in 1709, which demonstrates a drop of trust in the bank (Brisman 1918: 207–17). It is thus perhaps more notable that the court servants did deposit as much as they did.

There may be several factors behind the high level of trust in, and use of, the bank by the court servants. First, bank deposits can be interpreted as an act of loyalty: an explicit purpose of the bank was to provide funds to the state, and depositing money with the bank in times of crisis meant both financial and moral support of the regime (Carruthers 1996: 195–208). Second, the court servants' connections to the court and the state, combined with their comparatively higher level of education, may have increased their knowledge of and confidence in the bank. In a previous study, Pihl has shown that, apart from technical knowledge, the first generation of bank staff was chosen based on personal credit and networks. The bank itself lacked credit in the wide sense of the word, and its leaders were thus chosen to lend their personal credit to the institution (Pihl 2024: 12–14). If we look at the inventories from Stockholm, higher administrators, officers, and merchants were overrepresented among those with deposits in the bank. As servants of the state, the administrators and officers came from backgrounds similar to and were in positions like those of the court servants. The personal connections between the bank and the court and civil administration, as well as the importance of personal networks to the bank's expansion, may explain why a group such as court servants in Stockholm were particularly active depositors. This is another indication of how informal factors such as social relations played an essential role for the bank as well.

Investors and "bankers": Frequent actors in the credit market

The court servants' claims exceeded their debts by far: they extended credit to a variety of people. They employed formalizing debt instruments, they engaged in pawnbroking, and they took title deeds as securities for their loans. They were active and strategic moneylenders.

Table 6 shows that, unsurprisingly, the wealthy court servants were more active lenders, but also that members of all occupational groups and levels of wealth were active as lenders. Claims made up a larger part of the total wealth among the wealthier portion of the court servants. Court administrators diverged from the others by having a very large proportion (88 percent) of their wealth in claims, while being less wealthy, on average, than artisans who held only 33 percent of their wealth, on average, in claims. Among the administrators, Jöns Ersson's 24,000 d km in claims skew the average for administrators. Without Ersson, the average falls to 2,406 d km and 50.2 percent: still among the higher percentages but less extreme. The difference can be explained by factors other than wealth: all administrators had roles that required education and in which they handled state money. The claims were rather unequally distributed. The total value of the claims was 283,120 d km; the top five creditors held over half of that, and the top ten held 76 percent. On the other hand, the bottom 65 individuals held only 2.5 percent of claims. The individual variation within groups and the wildly unequal distribution of claims prompts a closer look at who the different creditors were and how they acted as lenders.

A few individual creditors stand out as particularly active lenders, but there were also middling lenders who held a moderate number of claims. The court surgeon Michel Heine is an illustrative example. He was one of the wealthier individuals in the sample, with an estate valued at 32,221 d km, of which 25,430 d km were made up of six *obligations*, three of them to relatives or colleagues at the court, five

Table 6. Claims and wealth per occupational group, the royal court

Occupational category	Average total claims, d km.	Average wealth, d km.	Part of wealth made up of claims, %.
Surgeons	21,220	33,963	63
Musicians and painters	10,133	17,468	58
Administrators	4,222	4,796	88
Artisans	2,312	7,035	33
Guards	1,813	4,938	37
Inner servants	1,543	4,555	34
Outer servants	525	1,138	46
Officers	198	1,717	12

Source: SSNBB.

deposits in the bank, and a single *räkning* (SSNBB: 390). Heine illustrates the complexity of categorizing individuals. He had a relatively low number of separate claims, primarily embedded in personal relations, but on the other hand he had considerable sums invested in the credit market and regularly collected what must have been substantial interest payments. Heine's ambiguity is representative of the group of "middling" creditors, but there were people whose inventories stand out as uniquely active lenders. Two of them were Jöns Nelsson and Jöns Ersson.

Considering that his annual wage was 144 d km, Nelsson, a lackey, did have a fairly large sum in claims, 1,389 d km; his total estate was valued at 4,846 d km (RHKH: 40). He had 18 private claims and 2 deposits in the bank. His private loans went to a variety of people, including maids, fellow lackeys, noble courtiers, and higher military officers. The claims were a mix of *obligation*s, pawns, and informal loans; the larger claims were secured either by pawns, *obligations*, or both, while smaller loans were made informally (SSNBB: 23). What makes him special is his personal accounts, which are referenced in the inventory, according to which he had crossed out paid-off debts; noted terms of repayment, securities, and if the loan had partially been paid back; and calculated interest rates. Nelsson not only invested his surplus funds in the credit market, but he also kept track of his loans and made sure they provided a continuous income. He used different strategies for different debtors and loans, taking pawns from nobles, using *obligation*s for higher sums, and informally lending small sums to others, while also spreading out his risks by depositing funds in the bank (SSNBB: 23). The case of Nelsson shows how education, including knowledge of writing and accounting, could facilitate moneylending. His occupation as a lackey would have granted him access to many parts of the court and may explain his lending to the nobility. In the grand scheme, Nelsson's loans were insignificant compared to those of many other court servants, but *how* he made them and the role they seem to have played for him makes him stand out.

Jöns Ersson, master of the silver, was the fourth largest creditor among the court servants with a total of 25,001 d km – and 47 fathoms of firewood! – owed to him on

46 separate claims, ranging in size from 6 to 3,165 d km. The backgrounds of his debtors also ranged widely: from a peasant who borrowed 6 d km, to the marshal of the queen dowager's court, who owed 2,500 on two *obligations*. Many of his debtors were noble and employed at the court. Others were civil servants, artisans, and shopkeepers in Stockholm. He also had connections outside Stockholm. The Scottish merchant Patilos owed him a total of 10,683 d km spread out over four *obligations*. His debtors also included peasants from the surrounding countryside and people in Åbo, Falun, and Brandenburg (SSNBB: 95). Some of them can, however, be connected to the court in Stockholm; the Scottish merchant traded with the Swedish state, and the man in Brandenburg had stayed at the court for some time in the 1660s and 1670s (RÄPS: 107).

Ersson was an active user of *obligations*: they made up 30 out of his 46 claims. Only five had securities, two by title deeds. He also had three miscellaneous promissory notes and one large bank deposit. The remaining nine claims lacked description and security. Some of his loans were partially paid off over time. One of the securities is noteworthy: a notary had borrowed 600 d km on *obligation*, in turn using another *obligation* as security (SSNBB: 95).

The story does not end with Ersson's inventory. He died in 1695, but his widow turns up as creditor in later inventories. Some of the debts were present in Ersson's inventory, but there were also debts dating from after his death; his widow actively continued his lending business, although it is also possible that she was the primary actor even before her husband's passing, because the inventories contained the combined property of the household (SSNBB: 147).

The positions of the lackey Nelsson and the master of the silver Ersson in the "inner court" facilitated their lending. Their positions afforded not only a wage but also connections, as can be seen in their lending to the nobility. Other lenders among the court servants also served there, such as Lars Gram and Johan Otto, both lackeys, and the previously mentioned surgeon Heine (SSNBB: 390, 648, 1080). Another commonality was their role as administrators or bookkeepers, which is demonstrated by the master of the silver Ersson and senior accountant Lars Swensson Laurell, another lender (SSNBB: 894). Servants in charge of state funds may have used their position – and sometimes even state funds – to supplement their income by lending: The administrator Fredrich Kröger had a debt to the state for some state funds he had kept in his home (SSNBB: 572). Administrators and accountants would, of course, be trained in reading, writing, and arithmetic, but even lackeys were expected to be able to read and write, skills demonstrated by Nelsson in keeping his own account book (Persson 1999: 89).

The most important factor, and what allowed the court servants to lend at all, was their reliable access to cash wages in an otherwise cash-poor environment. Access to cash formed the precondition for moneylending. An alternative investment for people with a surplus would have been real estate. However, among the court servants, few were active investors in the real estate market. In the present sample, 7 of the 84 individuals owned more than one property, which might indicate investment in real estates; some of them owned more than one house in the city or both town properties and arable land. Just one of them, the senior accountant Lars Swensson Laurell – who owned five properties – combined his ownership of properties with prolific lending activities (SSNBB: 894).

Wealth, education, and connections all played a role in enabling semi-professional moneylending, but no single factor provides a sufficient explanation for why some court servants became moneylenders and others did not. The lackeys Jöns Nelsson and Lars Gram were prominent lenders, but many of their 15 colleagues in the sample were not. Dermineur (2018b: 224–26) has suggested that civil servants were more likely to invest their surplus funds on the credit market, because land was a less attractive investment for individuals who may have lacked access to the market and the skills and knowledge required to evaluate or use it. To that we would like to add education and access to cash. The same could probably be said of investments in trade and business. The credit market and the bank would thus have been an attractive and lucrative way to invest their surplus funds that was suited to their skills and conditions of life.

Conclusions

In this study, we have examined credit in seventeenth-century Stockholm using probate inventories that cover a cross-section of the population with a focus on people serving in the royal court. Our study shows, in line with the research of Dermineur (2018a), Muldrew (2018), and Ågren (2017), that civil servants and people possessing literate and numerate skills were one of the groups that drove the development towards a formalization of the credit market in the early modern period. Furthermore, we can show how this group more often than the average Stockholmer deposited their money in the newly founded Bank of the Estates. Some of them had even their only credit relation to the bank. But alongside Dermineur's explanation in their role in their lack of embeddedness and access to the land market, and Muldrew's and Ågren's focus on skills, we would like to add the importance of a duly paid wage, in other words access to cash in a society marked by a shortage of cash, and familiarity, proximity, and loyalty to credit institutions such as the public Bank of the Estates. The early modern state played a crucial role for the development of a more formal credit market, not only as law maker and lender, but also as employer.

People at all social levels in late seventeenth-century Stockholm were in debt; when they died, their debts tended to be as large as or even larger than their possessions. Their credit relations were often embedded in social relations; creditors and debtors seem frequently to have known each other beyond the level that enabled an assessment of creditworthiness. Loans were made based on trust between relatives, in-laws, workmates, and neighbors. When looking closer, however, we can see that the credit market was far from homogeneous; different practices for securing and documenting a loan and different sources of credit were used depending on the type of credit and people involved.

The court servants, and many others in late seventeenth-century Stockholm, seamlessly moved between institutional and private credit, between the formal and the informal. Experiences of early modern credit were heterogeneous. These results are not to be interpreted as debt has been overstated or that informal lending was insignificant during the period, but that the line of progress may look very different depending on the group and the location studied. It is therefore more fruitful not to look at the relation between informal and formal or between personal and impersonal credit as dichotomous, but rather as two aspects present in any economic relationship. A telling example of this was the bank, which in its early years very actively recruited "well-known" people at senior positions (Pihl 2024: 12–14).

The specific attributes of the court servants, often also shared by municipal and state servants, defined their interactions with the credit market. As receivers of duly paid wages, their access to cash reduced their need to become indebted in the form of deferred payments, while allowing them to lend money to a wide section of society. Being cash-rich in a cash-poor economy, the lending of the court servants both gave them an income and spread cash throughout society, thus contributing to the monetization of the economy.

The form of the court servants' debts and claims shows a system where institutional banking and formal contracts played a significant role even at the turn of the eighteenth century. Many people in late seventeenth-century Stockholm were both familiar with written credit instruments and institutional credit, which makes the claim that a modern Swedish credit market did not evolve until the late eighteenth century (Nyberg 2010; Lindgren 2002) questionable.

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Cite this article: Pihl, Christopher and William Renström (2024) "State servants, cash, and credit market modernizations in early modern Stockholm," *Social Science History*. doi:10.1017/ssh.2024.37