

# The liberalisation of the capital market

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**R**elease of the interest rate (Cabinet order no. 568, The Ruling Cabinet in Denmark 1768-1772)

On 1 November 1770 the king (Struensee) sent out orders for release of the interest rate.

This decree meant that the previously fixed interest rate of 4 percent was lifted. This release of the interest rate solved one of the major economic problems of the day: lack of venture capital.

The king, at Frederiksberg Palace at the time, 'graciously' wished for everyone to be informed of the law. This was accomplished through a printed decree.

The desire to simplify public administration was among Struensee's causes and can also be seen in this order. In addition, the release of the interest rate is found in the same decree as a ban on the export of grain 'to foreign cities.'