

The
Wool Trade

In
English Medieval History

Being
The Ford Lectures

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First Published 1941

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Lecture I: Introductory.

I.

I shall perhaps be accused of beating a dead horse if I begin by insisting upon the weakness of the conventional view of the middle ages in Western Europe as mainly a period of natural economy and self-sufficiency. But my theme—the wool trade and English society in the middle ages—demands that I should emphasise the fact, even at the risk of truism. It is true that if, like Weber or Sombart, one wishes to characterise the period as a type of economic structure, in comparison with the type presented by other periods, the medieval age appears preeminently as one in which the bulk of the population is living a static existence in small and self-contained communities, the scale of their production circumscribed by the limits of their market. Yet directly we come to examine the picture in detail, seeking not to establish an ideal type, but to seize something of the infinite variety of the reality, we cannot fail to observe that the picture of self-sufficiency and natural economy is broken in several directions.

It is, to begin with, broken by the towns. Their existence and still more their growth were incompatible with self-sufficiency either for themselves or for the countryside. Fields and pastures we may have upon our hands, as one of my great predecessors as Ford's Lecturer remarked,¹ but the fields and pastures of the burgesses were incapable of completely feeding the town population, and that population itself was engaged in other pursuits and must perforce exchange the products of its industry and trade for food. Not even the smallest town, exchanging only with its own hinterland, could properly be called a closed economy; still less the great industrial and commercial centres whose area of exchange was a country, a continent, occasionally indeed a world.

For the picture of self-sufficiency is broken not merely by all towns as towns, but even more strikingly by certain export industries, the market for

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which spread far beyond the limits of the producing district and formed the basis for a large-scale international trade. Of these there was a great variety, but the earliest to develop and the most important was the textile industry. Cloth for domestic consumption was made in most European countries, but certain areas very early developed such a preeminence in the manufacture of fine luxury cloths that the products of their looms and dyeshops found a market all over Europe and the Near East. Such was the case with the cloth manufacture of Flanders and Italy, and to a lesser extent with the linen manufacture of the North of France and the silk manufacture of Lucca. The leather of Cordova, the metal wares of Dinant, and the glass of Venice are other obvious examples.

Finally, certain forms of agrarian organisation detach themselves with equal clearness from the general picture. There is no doubt that up to a point the medieval village was self-sufficing, in the sense that it produced the bulk of its own food. Nevertheless, few great estates failed to grow some cash crop for the market and the majority of peasant holdings likewise relied on a cash crop in order to pay the money rents which almost invariably formed part of their dues. The heavy sales of wheat recorded in the bailiffs' accounts of manors in corn-producing areas are proof enough of the cash crop basis of a good deal of manorial economy, even if it could not be inferred indirectly from the existence of towns. Of course, the extent to which different estates produced for the market varied, but at least two forms of agrarian economy were entirely based on the cash crop principle and were incompatible with a regime of self-sufficiency: the economy of vineyard and that of pasture. The vine-grower (and for that matter the olive-grower too) and the sheep or cattle farmer, if he produce on any scale at all, must produce for a market, since he himself could not consume more than a fraction of his wine, or his hides, or wool. Moreover, the market for which he produced was an international one, since all regions demanded wine, and many of the cloth-manufacturing or leather-manufacturing regions were far removed from places in which wool and hides were produced. In agriculture the same was true of the specialised industrial crops, such as flax, woad and madder, while mining bore the same relation to the metallurgical centres as the various raw materials used in the textiles bore to the centres of their manufacture.

The economy of these centres of manufacture and raw material, based alike upon production for distant markets, was exceptional, in the sense that it departed from the norm of medieval economic life in a number of directions. The cloth manufacturing areas, as well as other centres of large-scale manufactures, were pockets of capitalism in a pre-capitalistic world. Their great guilds bore no resemblance to the small associations of equal masters in towns, or crafts working for a limited market. They were the homes of financial and commercial capitalists, and a deep and unbridgeable gulf yawned between their captains of industry and the great mass of workers, the 'blue nails,' as

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their employers contemptuously called them in Flanders, who (whether as small masters or as mere wage earners) were entirely under the control of the entrepreneur. The social struggles within these towns were a manifestation in embryo of those of the developed 'Hochkapitalismus' of a later age, and were often more bitter.

And if the manufacturing areas break the simple picture of medieval town economy, the pastoral areas break the equally simple picture of medieval rural life. The pastoral world is a world with different settlements and different holdings from the world of arable agriculture. Its settlements are hamlets and homesteads. As I was first thinking about these lectures I was sitting in a Welsh cottage, looking across a tidal river at the green country beyond, studded with white farms, each distant from the other like a pebble in a ring of green, the immemorial homestead settlements of a pastoral people; so different from the large villages of agricultural England. And if the settlements of the pastoral world are different, so are its fields; its arable is small compared with its pasture. Professor Stenton long ago pointed out the contrast between the small holdings of the free Danelaw sokemen and the large ones held by the unfree villeins of the south, and drew the conclusion that the free sokeman was economically poorer than the unfree villein. This may have been true of a number of smaller sokemen, but it was not true of all of them. Very often a small arable holding in one area represented greater wealth than a large arable holding in another area. For areas differed not only in qualities of soil but also in the amount of pasture attached to arable holdings. The wealth of the northern sokeman was often in his flocks, not in his corn. In England, indeed, the typical large virgate of the textbooks was a corn-growing virgate; large common pastures went with a small virgate, sometimes no more than eight acres; and the peasant and lord alike in these districts valued sheep primarily for wool and only secondarily for the manure which fertilised the ploughlands.

The pastoral world, too, was a less sedentary world than the world of ploughmen. The *transhumants*, the great wandering flocks of the Mediterranean countries, were an extreme case, the product of climatic conditions peculiar to that area. But even in our own islands there were districts where shepherds had their summer shielings in the hills, returning to the valley for the winter, and even in the sedentary areas where there was no such annual migration, life was governed by the fact that corn was rooted in the soil and sheep were not. Pastures might be distant, sheep might have to be navigated on rafts over the fens from one lush island to the next, and wool-carrying services might take your simple countryman annually into the hubbub and bustle of a great seaport.

The pastoral world was a freer world too. Wordsworth was making a strictly economic observation when he said that the voice of freedom was the voice of the mountains. This shepherd-freedom was most marked in the mountain pastures of the Alps and Pyrenees. Switzerland was its fruit, as were those

remarkable Pyrenean villages, which firmly kept out of the wars between France and Spain, and regulated by pastoral treaties among themselves their respective rights on the mountains. The Pyrenees were only a frontier to their rulers, but to these peasants they were a common pasture and the means of life. Turning to our own country, if we look at a map of those areas of England which were marked by exceptional freedom in the twelfth and thirteenth centuries, we see that to a very great extent they coincide with the chief sheep-farming areas. These small virgates and large pastures of the Danelaw go with freedom. Most notably, a pastoral economy was one in which labour services played a small part compared with money rents. The reason was twofold: sheep farming demanded a small amount of labour compared with agriculture; and it provided peasants as well as lords with ready cash, thus enabling them to pay their rents in money. The only labour services which played a considerable part in pastoral areas were the washing and shearing services. These indeed were very long-lived, but they were comparable rather with the harvest boon works than with the week work of the agricultural districts.

Finally, the pastoral world is much less manorial. The trend of all recent research into English agrarian history has been to stress the importance of the village and the estate rather than the manor, for both were true economic entities in the sense in which the manor often was not. But the importance of the manor is least—or perhaps I should say its outlines are vaguest—in the pastoral areas. Here, sometimes, the sheep and cattle of adjacent manors shared the wide pastures, inter-commoning on the waste, 'horn under horn' as the saying went; and village councils regulated the rights of all. On large estates, however strongly manorialised, demesne sheep farming was usually inter-manorial. The unit of management in these cases was a group of manors, ewes being kept on one, wethers on another and hoggets on a third, and there was considerable redistribution and exchange within the group. The flocks were often run by a stock-keeper, who superseded the manorial bailiffs and sometimes rendered a separate account; the sheep-shearing was all done in a central place, and the wool of the whole estate was contracted for and sold wholesale.

Thus the two types of economy which I have been considering—large-scale cloth production and large-scale sheep farming—were exceptional in their intrinsic character. They were also exceptional in the intimacy of their connection with each other. The economic, and a good deal of the political, history of Europe has been profoundly influenced by the fact that the earliest homes of the cloth manufacture were not identical with the most important centres of wool production. The wool-producing areas found their chief market abroad and the cloth-producing areas were all working with imported raw materials. We must now turn to consider what these mutually interdependent regions were.

II.

In the middle ages cloth was produced for local consumption almost everywhere, and export trade too was fed from a large number of countries; from England, from the Languedoc and from many of the Italian towns. Before the middle of the fourteenth century, however, two great centres outshone all the rest in the production of a luxury article, the fine cloth: the Low Countries and Florence.

The Low Countries were in an exceptionally favourable position for the development of industry. The pastures, though supplying only the coarser kinds of wool, were good and gave the local industry an early start, the soil was rich in fuller's earth and suited to the cultivation of dyeplants. The basin of the Scheldt was the seat of a cloth industry from very early times, and Pirenne has argued convincingly that the famous Frisian cloths of the 'Dark' Ages, which Charlemagne sent as a present to Haroun al Raschid, were cloths manufactured in Flanders and carried in Frisian boats, just as Arabic numerals are numerals invented in India and carried westward by the Arabs. But the real expansion of the industry began in the eleventh century and went forward with very great rapidity in the twelfth and thirteenth centuries.

This development was largely due to a rising population, which was itself in part the result of the long regime of uninterrupted peace under the counts of Flanders. At the end of the twelfth century and beginning of the thirteenth century Flanders was one of the most densely populated parts of Europe, and its agriculture was totally unable to support the surplus population. In Belgium, famine occurred four times in the eleventh century and nine times in the twelfth. This accounts for the part played by Flemings in the great eastward colonisation movements of the twelfth and thirteenth centuries, when German princes and landowners imported them by thousands to drain the swamps along the coasts of the North Sea. To the Flemish peasant of the twelfth century the East was what the West was to the Irish peasant of the nineteenth century—a better land. And this accounts also for the industrial development of Flanders. Emigrate or industrialise—there was no other choice. This little country in the thirteenth century faced the same problem which England faced in the nineteenth century and gave the same answer. It turned itself into a sort of medieval black country, exchanging manufactures for food. And here its admirable geographical position stood it in good stead, for the great sources of food supply in Northern France and Eastern Germany were easily accessible, and its position on the trade routes facilitated both the import of raw material and the export of finished cloth.

From the Scheldt valley the industry spread along the rivers. Its earliest centres were the towns of Artois and Walloon Flanders, especially Arras, St. Omer and Douai. But from the last years of the thirteenth century the towns of Flemish Flanders took the lead, notably the great triumvirate Ypres, Ghent and Bruges. The younger industry of Brabant found its chance during the

disturbances of the Hundred Years War, while in the fifteenth century the Dutch towns, especially Leyden, drew steadily ahead.

In the thirteenth century the Walloon merchants carried a good deal of the trade, and the cloth-producing towns formed themselves into great merchant associations: the early 'Hanse of London,' which managed the import trade in wool, and the 'Hanse of Seventeen Towns,' which managed the export of cloth to the Champagne fairs. But with the advent to pre-eminence of the *flamingant* towns Flanders began to exploit trade rather than to carry it. Bruges did not go to the world, the world came to Bruges, and in the last years of the thirteenth century she took the place of the Champagne fairs as the international money market and produce exchange. To Flanders came the wine of the Rhineland and Bordeaux, the salt of Biscay, the iron of Spain, the corn and the candles, the fish and the furs which German merchants brought from the North, and all the silks and spices of the Orient despatched by the Italians in their great annual trading fleet, the Flanders galleys. All these met and exchanged their goods, and Flanders, the honest broker, took her penny on every transaction. Even in the fifteenth century the four great seasonal marts of the Low Countries were the most important emporium of European trade. They brought Flanders her food and they brought her her raw materials—the wool from England and Spain, the dyeplants from Picardy and Toulouse and the Mediterranean, the wood ashes from the forests of Poland, and the alum from the East. In return they took away, all over Europe, wherever there was a rich gentleman or a vain lady, her incomparable cloth. But the decline of Flemish industry was already beginning in the fourteenth century, fostered by internal social struggles in cloth towns, by the constant warfare in which they were involved, and finally by English competition. The English cloth merchants of the fifteenth century, foiled by the German Hanse in their attempt to capture the East European markets, concentrated the bulk of their activity on the Low Countries. They became the mainstay of the Flemish, Brabantine and Dutch fairs, with the result that the Flemings, unable to protect their industry without ruining their commerce, were compelled to harbour the English cloth trade even though it ousted the products of their own industry.

The other great centre for the manufacture of fine coloured cloths was Florence with its two great cloth gilds, the *Calimala* and the *Arte della Lana*. The *Calimala*, which reached pre-eminence first, was not a cloth-making but a cloth-finishing body, working on unfinished cloth imported from all over Europe. But the *Arte della Lana*, which was a cloth-making gild, outstripped it in the course of the thirteenth century. The Florentine chronicler Villani puts the number of persons engaged in the industry in the city, and the country round it, early in the fourteenth century at 30,000. But it, too, fell into decline in the fifteenth century and for much the same reasons as the Flemish cloth industry—internal social struggles and foreign competition.

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The crucial fact about the two great manufacturing areas was that both were dependent on imported wool; not only because they could not supply large enough quantities locally, but because the wool of the Low Countries and Tuscany alike was coarse and could only be used for inferior grades of cloth. In both centres the use of local wool for fine export cloths was strictly forbidden. Many pastoral areas of Europe produced and exported wool, but sources of fine wool were limited to certain well-defined districts. In ascending order of importance they were three—Burgundy, the Spanish Peninsula, England.

Burgundian wool was always used in Florence, side by side with the wools of England, and in a Venetian toll list of the fourteenth century it was classed with them, paying at the highest rate. But as a source of supply of fine wool Burgundy was overshadowed by Spain, and notably Castile, a land of great sheep ranches. Fine merino wool, of which the famous original came from North Africa, was established mainly during the Berber movement into Spain in the second half of the twelfth century. The merino sheep formed the famous migratory flocks, the *transhumants*, which Don Quixote was to meet centuries later on their great annual trek from their summer pastures in the north uplands to their winter pastures in the plains of Estremadura and Andalusia. The organisation of this pastoral industry was in the hands of a famous national association of sheep-owners and herdsmen, which King Alfonso the Learned formed out of a number of local associations in 1273. This was the *Mesta*, which was henceforth to dominate the whole of Spanish economy and subordinate agriculture entirely to its demands.

This fine, white, curly wool, which always held its own in Florence with that of England (partly because of the smaller cost of transport) was imported into Italy from Catalonia and Valencia, notably by merchants of Barcelona. To the northern countries it was shipped from the North Atlantic ports, San Sebastian, Santander and Bilbao, and it was already being imported into both Flanders and England by the middle of the thirteenth century. At about that time (*c.* 1257) it was taxed in London and Winchester, but royal Ordinance forbade it to be mixed with English wool, which was softer and felted more easily; on the other hand *The Libelle of 'Englysche Polycye* in the fifteenth century says Flemings had to mix Spanish with English wool for their cloth.

It is of little value, trust unto me
With English wool but if it mingled be.

In the thirteenth century a good deal of it came into both countries in the form of yarn, and was as yet of small importance compared with English supplies. But as the English export fell off in the fifteenth century the Flemish industry turned more and more to Spain as a source of raw material.

With the wool of Spain must be considered, at least so far as the Florentine market is concerned, the fine wool known to the Florentines as *Garbo*. Originally the product of the Sultanate of Algarve, the southernmost province of Portugal, in course of time the name came to be applied to the wool of North-West Africa. It is, however, possible that the wool known in the Florentine market as 'Garbo wool of San Matteo' came from Valencia and Southern Catalonia.

Most important of all as a source of supply was England and Scotland. Wool of these countries had been imported into Florence since the Norman Conquest, and probably long before, and it enjoyed an easy pre-eminence in the thirteenth century. Welsh and Irish wool was also imported, but it was coarser, and in some manufactures the use of Irish wool was prohibited. In the thirteenth century we find a poet of Artois using 'carrying wool to England' in the sense in which we use the phrase 'carrying coals to Newcastle' to-day, and in the same century another jongleur of Arras produced the amusing lampoon entitled *La Laine a ma Tante*— 'Aunty's Wool.' Aunty is England and the jongleur is her nephew, trying to get payment for fourteen sacks of wool, for which the most exalted burgesses of Arras were in her debt. They are all real personages, mentioned by name, and the device enables him to pay off some pretty scores.

The earliest merchants to export the English wool were the Flemings, but in the course of the thirteenth century the Italians outstripped them, at first supplying both Flemish and Italian markets by land and then, from the early fourteenth century, taking the cargoes designed for Italy by sea. Up to the beginning of the thirteenth century the Florentine industry used all sorts of wool, but from that time on the superior English and Scottish wool drove out all but the Burgundian, Spanish and Garbo wools.

III.

The fact that England was for a great part of the middle ages the largest and most important source of fine wool gave her a key position in the scheme of interdependence which united the cloth-producing and pasture-farming countries. A good part of the Italian cloth industry and almost the whole of the industry of the Low Countries depended on English wool. Unemployment and starvation overtook them if the supply of raw material were interrupted. In 1297, when such a stoppage took place, the land of Flanders, says the English chronicler Heminburgh, was 'well nigh empty (*quasi exinanitam*) because the people cannot have the wools of England,' and in 1336, at the beginning of the Hundred Years' War, starving hordes of Flemish weavers roved the country, begging their bread as far afield as Tournai and other French towns, like the Welsh miners singing to-day in the streets of London. A similar stoppage at Leyden in 1444 caused an exodus of some 2,000 unemployed, who betook themselves to field-work. Moreover, when in the later middle

ages (for reasons which I shall hope to make clear later), it became economically more advantageous for England to make cloth than to export wool, she still occupied a key position. She was now the first cloth-manufacturing country in which a great export trade did not depend on imported raw materials, and she could oust the older centres of the industry both by cutting off their raw materials, and by undercutting their prices in the world market. Spain was to follow much the same policy at a later period, but never with the same transcendent success.

The trade which gave England her key position was bound to dominate the domestic scene: her commerce and her politics alike were built upon wool. When her kings got themselves taken prisoner, like Richard I, the ransom was paid—with grumbling— out of wool. When they rushed into war with their neighbours, like the three Edwards, the wars were financed and allies bought—with more grumbling— out of wool. To trace the three-cornered political relations between England, France and Florence is to recall an unforgettable lesson in mischief wrought by dynastic ambitions in sundering an economic unity. At home honest burgesses climbed upon wool into the ranks of the nobility, only outstripped in their progress there by the dishonest ones, who arrived first, like the de la Poles of Hull. The very Lord Chancellor plumped himself down on a woolsack, and the kingdom might have set on its great seal the motto which a wealthy wool merchant engraved on the windows of his new house:

I praise God and ever shall
It is the sheep hath paid for all.

The English were very early aware of the importance of their quasi-monopolistic position in the wool market. Already in the first part of the twelfth century Henry of Huntingdon sets its 'most precious wool' in the forefront of England's endowments.

The barons in 1297 roundly state that the wool of England amounts to half the value of the whole land. The merchants in 1341 tell the king that it is his 'rich treasure,' and twelve years later the Ordinance of the Staple calls it 'the sovereign merchandise and jewel of this realm of England.' It even moves that most pedestrian of poets, Gower, lumbering his elephantine way through the *Mirour de l'Omme*, to something resembling eloquence in its praise. Wool is the noble dame, the goddess of merchants, the beautiful, white, delightful. If Chaucer is silent on the subject it is probably because as a customs officer he saw too much of it in his working hours. Indeed, the English nation, from king to peasant, was intensely wool-conscious ; how wool-conscious we shall see when we deal with the part which that consciousness played in the history of England's political institutions.

It is impossible, as Stubbs showed long ago, to understand English constitutional development without reference to wool. It is significant that after a long period in which the main emphasis was placed on the judicial and administrative functions of parliament, recent work seems to be swinging back to something like Stubbs' interpretation of the rise of the commons, laying emphasis once more upon the question of taxation. As I shall hope to show, the wool tax was one of the principal new sources of royal revenue at the end of the thirteenth century—it was almost coincident with the appearance of the commons—and it was the one tax round which the early constitutional struggles revolved, and on which the young parliamentary institutions tried their first teeth. The struggles ended in a compromise by which the king was left in possession of a very high subsidy on wool, parliament was left in possession of control over taxation, and a body of English merchants, known as the Company of the Staple, was left in possession, of a quasi-monopoly of the wool trade.

The economic and social changes were equally important. Under the monopoly of the Staple the trade contracted, but the English cloth industry, on the contrary, forged ahead, and this, in its turn, had an obvious effect on the structure of the English middle class. But it was the expanding wool 'trade of the thirteenth and early fourteenth century which gave birth to the great capitalist financiers whose speculations reached highest in the syndicates which financed the Hundred Years' War. But, as I shall hope to show, the effect of the staple monopoly in the fifteenth century was to prevent the emergence of the great financier and to establish instead a large and substantial middle class.

In short, wool entered into every phase of English life in the middle ages. English economy, society and government reacted, each in its own way, to changes in the wool trade: its ebb and flow, its varying relations with the crown, and its continually changing organisation.

Lecture II: Sheep Farming and Wool Production.

The story of English sheep-farming is hidden in a great mass of documents for the most part unpublished. But it has left many visible marks up and down the country, easier to read than dusty records. Where it has left least mark, however, is upon our present-day sheep, for what we might have learned about breeds and their locations has been blurred by the meddling of scientific breeders of modern times. Bakewell may have his meed of praise from the economist, but to the historian he is an arch-iconoclast who defaced an irreplaceable collection of walking documents. We should have preferred the old originals to the New Leicesters. As it is, all we can say about medieval breeds is largely a matter of inference and conjecture.

The uses of the sheep in the middle ages were manifold. Arable sheep were of course valued almost as much for their manure as for their wool; folded on the fallows the little 'golden hoof' turned sand into rich soil. But it remains true that, both in arable and hill districts, what the farmer thought about first was the famous wool. We breed our sheep for mutton in England today, but in the middle ages meat was merely a use to which sheep not good enough to keep for wool or for breeding could be put, and consequently it is by their wool that we must distinguish the different breeds of sheep. It seems fairly safe to assert that there were two of these, distinguished by the length of the staple of their wool. There was a small sheep producing short wool, prepared by carding and used to make cloth (that is textiles of heavy texture thickened by fulling). Larger sheep produced long wool, prepared by combing and used for lighter worsteds and serges (materials which were usually not fulled).

The short-woolled sheep was the native of poor pastures, hills, moors and downs. It was found on the Welsh and Scottish borders, Yorkshire moors and chalk downlands of the South. But most famous of short-woolled breeds was the Ryelands, called from the tract of country between the Severn and the

marches of Wales. The capacity of this little sheep with exceptionally fine wool to thrive on scanty pastures led Sir J. Banks to say it deserved a niche in the temple of famine. It gave easy pre-eminence throughout the middle ages and long afterwards to the wool of Shropshire and Herefordshire, especially to the famous 'Lemster ore,' the golden fleece of England.

The long-woolled sheep belongs to rich grasslands, marshes and fens. The great bulk of the fine wool exported in the middle ages came from two long-woolled breeds, Cotswolds and Lincolns and, some way behind, Leicesters, which were probably common to most of the Midlands. In the fifteenth century the largest source of fine wool seems to have been the Cotswolds. In the days before the study of place names became a science, a more innocent generation derived the name of these rolling hills, with their reddish limestone soil and short sweet grass, from the sheepcotes with which they were studded. We are now instructed that it derived from the wald or forest of a gentleman named Cod. But the appropriateness in the middle ages of Drayton's description 'Cotswold, that great king of shepherds' is undoubted.

If evidence about breeds is scanty, there is ample evidence as to what parts of England produced the finest wool. Pegolotti, a gentleman of the Italian merchant house of Bardi who wrote a commercial handbook in the first part of the fourteenth century, included in it a famous list of wool-producing English monasteries, which certainly goes back to the last quarter of the thirteenth century. This list shows that quantities of highly-priced Wool were being produced in Lincolnshire, and we know from the Hundred Rolls of 1275 that both Yorkshire and Lincolnshire were great haunts of wool merchants of all nations. But the Lincoln wool was the finer of the two, especially that of the Lindsey division, and I have found Lindsey rams being imported for breeding purposes into other parts of England as early as the beginning of the thirteenth century. It is clear, however, that the famous fine short wools of the Welsh border were already in high repute, for the three houses in Pegolotti's list which produced the best wool are Tintern Abbey and Abbey Dore in this district, and Stanfield in Lindsey. Their wool is priced at 28 marks per sack on the Flemish market (a mark = 13s. 4d. and a sack 26 stone), whereas the wool rated lowest in the list fetches only 7 marks.

Pegolotti's list is not, however, a perfectly accurate guide as to the rating of different parts of England, because it is clear that an abbey with a reputation for its flocks, like Waverley or Beaulieu, might get a much higher price for its wool than the small farmers of the district. We have much better evidence for the fourteenth and fifteenth centuries, because there have come down to us five schedules, three for the fourteenth and two for the fifteenth century, in which all the varieties of English wool for which there was a market are priced and graded according to quality. The longest, designed for a scheme of minimum prices payable to English growers, names 51 different grades, ranging from £9 7s. 6d. to £2 10s. per sack. The general features are much the same in

all five lists. The Shropshire and Herefordshire borderlands retain their easy superiority, followed by the high-priced wools of Lindsey and the Cotswolds. These form the top grade of English export wools. The Midland wools form a middle grade, and the chalk downlands of South and South-East England produce mainly coarser grades. Those of Devon and Cornwall, which were too coarse for the foreign market, were not exported at all.

II.

Let us now turn from the sheep to the sheep-farmers. Sheep farms can be roughly classified as demesne farms and tenant farms. The demesne farms include an enormous range, from the great estates of an earl, a bishop or an abbey, to the single manor of a respectable knight of the shire and the rector's glebe, while the tenant farms reveal an infinite variety of peasant flocks.

In the heyday of the middle ages it is the large landowners who particularly attract one's attention: the monasteries, the Bishop of Winchester, Isabella de Fortibus with her Holderness farm, the Bohuns, the Berkeleys and the Clares, and above all the Duchy of Lancaster with its enormous estates all over the country. Let us consider for a moment how sheep farming was organised on one of these large estates. We know a good deal about it, chiefly from manorial account rolls, in which the costs and receipts of the farm were set down on the front of the MS., and the stock account on the back. The stock account was the list of all the stock of the manor in grain, animals and other things. Sheep were carefully divided into ewe flock, wethers and hoggets, or yearlings and lambs, and there was set down the number with which the reeve started the year, the numbers added by purchase or natural increase, lost by disease, sold or given in tithe, and the number left at Michaelmas, when the account was drawn up. All this we must imagine as being dictated to a clerk—in nine cases out of ten by a reeve or shepherd who could not read or write. The help of notched bits of wood was all the assistance that was needed by the tenacious memory of the illiterate, unless, like Shakespeare's clown in *The Winter's Tale*, they had a counting board to help when every shepherd told his tale.

Let me see: Every 'leven wether tods, every tod yields pound
and odd shilling; fifteen hundred shorn, what comes the wool to?...
I cannot do it without counters.

In these reeve's or bailiff's accounts the long round of the shepherd's year unrolls itself like one of those horizontal Chinese scrolls, that have taken one from spring to winter by the time the eye has travelled along their length. We see the shepherd at the lambing season in the dark sheephouse, for which he lays in a stock of candles, for he must sit up all night. We see the pails of milk carried down from the dairy for the weakly lambs, and the great earthen-

ware pots in which it was heated; and we know how many were born and how many survived, which ewes twinned, and which disgraced themselves by remaining sterile. Then comes the ewe-milking when the dairymaids are busy,

I heard them liltin' at our ewe milkin'
Lassies a' liltin' at break of day—

and dozens of fat, round cheeses are made and laid by Even greater is the hustle when the time for washing and shearing comes round. The shepherd himself hardly ever does it. Sometimes the tenants have to do the work as a customary service, sometimes gangs of clippers are hired, and often enough it is a woman's job. The sheep are driven in from outlying manors to the washing place, chosen with due regard to Tusser's advice—

Wash sheepe for the better wheare water doth runne
And lette him goe cleanly and dry in the sunne.

From there they go to the shearing shed, and the shearing and winding of the wool is the great moment of the sheep farmer's year. On a big estate the steward or stock-keeper is always there to supervise it, sometimes accompanied by the lord's chaplain, or if it is an abbey farm, by the cellarer or one of the monks. When the wool has been sold on contract the merchant's agent is often there too, to see that it is up to sample. And at the end there is the sheep-shearing feast immortalised in *The Winter's Tale*.

Besides these great days the ordinary history of the sheep farm is mirrored in the accounts and in the manorial customals. We see the villeins in the corn-land manors, moving the fold from place to place over the arable, each man carrying two wattled hurdles and a stake. We see the reeve, journeying to market to buy ruddle for marking or tar to keep off the scab. We see the attendance at the sheep fair to lay in new stock and get rid of the inferior beasts which twice a year are culled from the lord's flock. We see the building of the great sheepcotes, stout stone buildings, where the sheep are housed at night or in the winter. We see, too, the sudden crises which disturb the even tenor of the shepherd's life — such as the worrying of the Battle Abbey sheep by a dog, or the search for drowned and frozen sheep in the dykes on St. Andrew's Day in Holderness, when extra men had to be hired.

The shepherd himself emerges very clearly from these manorial documents. Almost all over England he enjoyed certain customary rights—a bowl of whey all through the summer and the milk of the ewes on Sunday, a lamb at weaning time and a fleece at shearing. Almost everywhere he could keep a number of his own sheep with the lord's flock, going in the best pastures, and he could fold his lord's flock on his own land to manure it for a fortnight at Christmas. The customs were of great antiquity— one finds them as far back

as the *Rectitudines Singularum personarum*, in Anglo-Saxon times. The shepherd has left his mark both in English art and in English literature. One finds him and his sheep on misericords up and down the country, and the Shepherd's Plays of Wakefield and Chester are the most delightful of all the Corpus Christi mysteries. The thirteenth-century treatises on estate management set forth very clearly what manner of man he ought to be:

It profiteth the lord to have discreet shepherds, watchful and kindly, so that the sheep be not tormented by their wrath but crop their pasture in peace and joy-fulness; for it is a token of the shepherd's kindness if the sheep be not scattered abroad but browse around him in company. Let him provide himself with a good barkable dog and lie nightly with his sheep.

These account rolls, besides illustrating the ordinary routine of a sheep farm, also provide us with full information as to the organisation of sheep farming on a large estate. For this, however, it is necessary to have the main estate account with returns from all the constituent manors, which on large estates was written out on one big document at the end of the year for the purpose of annual audit. These audit accounts make it clear that on many large estates sheep farming was organised on an inter-manorial or extra-manorial basis. Thus on the estates of the Duchy of Lancaster, at the beginning of the fourteenth century, we find that while in Thomas of Lancaster's Lincolnshire and Southdown manors the sheep were supervised by the reeve or bailiff together with the rest of the farming, in other estates of the Duchy a much more centralised system prevailed. The Yorkshire manors were divided into two great groups centring in Pontefract and Pickering respectively, and in each group the sheep farming was run by a special stock-keeper, who was responsible for buying and selling the sheep, stocking the different manors and collecting the wool. The huge flocks which were kept in the Peak district of Derbyshire were still more highly centralised and non-manorial in organisation, for there the stock-keeper had the disposal of huge pastures, a sort of ranch, on which he kept 5,500 sheep. This inter-manorial or extra-manorial organisation was especially characteristic of districts where there were large pastures.

So much for large-scale demesne production. But there were other types of sheep farming in the middle ages, and if we know less about them it is simply because, unlike the manors, they have left behind very little documentary evidence. They were always important and their importance grew as the middle ages advanced. For it must never be forgotten that thousands of peasant farmers all over England were keeping sheep. In a corn-growing area it might only be one or two, like Chaucer's 'poure wydwe somdel stope in age'—

Thre large sowes had she, and namo
Thre keen, and eek a sheep that highte Malle.

But in good pasture country it was very different, and I have a suspicion that even in the heyday of demesne farming peasant sheep flocks exceeded those of demesne, even though the more scientific farming of the latter may have produced the better wool. Here are two illustrations, chosen not because they are exceptional, but because they happen to lend themselves to some sort of statistical treatment.

The first is a passage in the Hundred Roll of 1275 in which we read of a little Oxfordshire manor called Swyncombe, near Wallingford, with two carucates of demesne arable. Its population consisted of ten serfs with small holdings of eight acres and appurtenances, and eleven cotters with little crofts. But each of those serfs could keep a horse, six oxen, and fifty sheep on the common pasture free of charge. Even if we assume the cotters had no animals, not even 'a sheep that highte Malle' (which is most unlikely), this hamlet turned out a flock of at least 500, and probably more. Here again we have the small pastoral holding, only eight acres of arable; but we are not therefore justified in measuring its value by the extent of the ploughland; its wealth was in its sheep and each tenant was supposed to be rich enough to hire a man to come with him to wash and shear the lord's sheep.

We do not know how many sheep the lord was keeping in this little pastoral settlement, but another source of evidence enables a comparison to be made between demesne and tenant flocks. This source is to be found in local assessment rolls, drawn up in connection with the taxation of movables in the thirteenth century, and listing all the taxable property of the townsmen and villagers. Unluckily, only very few have survived, but they provide us with excellent statistics of the livestock owned by the taxpayers. The most interesting from this point of view is the unpublished roll for the fifteenth of 1225 on the estates of three religious houses in South Wiltshire. Rather over 55 per cent of tenants own sheep, though the proportion of sheep-owners and the numbers of sheep per head vary greatly in different villages. But the most remarkable fact which emerges is the size of the flocks placed by certain villages on pastures and its relation to those of the demesne. In the village of South Domerham with its pastoral hamlet of Merton, a body of 198 villagers had 3,760 sheep as against a flock of 570 belonging to the demesne farm of their lord, Glastonbury Abbey. At the Shaftesbury Abbey manor of Berwick, the Abbey had a flock of 400 and its tenants one of 484, but if we add 24 tenants belonging to Wilton Abbey in the village, then the village flock is 890. At Tisbury and West Hatch, tenants had 1,333 as against Shaftesbury Abbey's 250; at Dinton and Teffont 1,181, against the same Abbey's 378, and so on all over the Abbey's manors.

III.

The figures of peasant flocks, already impressive at the height of demesne farming in the thirteenth century, became more impressive still as the result of the changes which took place in the structure of medieval sheep farming as the middle ages advanced. These changes in structure had for their background and possibly for their cause a purely economic movement—that of the successive expansion and contraction of wool production. While the period of rising production witnessed the highest growth of the demesne flock, the period of declining production was marked by the development of the peasant flock.

This economic movement began very early. That sheep farming was already an important industry in England at the time of the Norman Conquest is beyond a doubt. But we should know a great deal more about it than we do if the exchequer clerks who compiled Domesday Book had persevered with the original plan, and included the statistics of livestock sent up to them by the commissioners. The Anglo-Saxon chronicler complained of the ignominious way in which the commissioners numbered every cow and pig! Had their returns been fully reproduced in the Domesday Book we should now have possessed a complete survey of demesne livestock all over England except in the extreme North. Unluckily, they were not, and so all we have left are the figures contained in the so-called 'Little Domesday,' and in the few copies of the original returns which have survived. Still one must not look the gift horses of history in the mouth, and what we have got is valuable enough. We have statistics of all the demesne livestock for the four Eastern Counties (Norfolk, Suffolk, Essex and Cambridgeshire) and the four Western counties (Cornwall, Devon, Somerset and Dorset) and for one great monastery, Ely Abbey. Between them the eight shires carried some 292,000 demesne sheep, the number being approximately equal for each group; but the average for the West is brought down by the inclusion of the sparsely populated Cornish peninsula, and by the fact that returns for Dorset are incomplete.²

The evidence is of course incomplete. It does not give us the peasant farms and, covering as it does only two geographical regions, it leaves a number of questions unanswered. But the survival of a cartulary of the English lands of the Holy Trinity Abbey at Caen in Henry I's reign adds at least one piece of valuable information, namely that sheep farming was in full swing in the Cotswolds at the beginning of the twelfth century: the nuns had flocks numbering 1,700 grazing on Minchinhampton common.

In the century which followed, sheep farming undoubtedly grew with great rapidity. The expansion of Flemish industry increased the demand, and the founding of new monastic orders increased the supply. Old religious orders practised sheep farming on a large scale (Ely Abbey had 13,400 on its estates in six counties at the time of Domesday Book), but the bulk of the estates lay in closely settled land. The Cistercians were drawn to the York-

shire dales and moorlands and to the deep valleys of Wales, not only because regulations bade them shun the company of men, but also because older orders were already in possession of most of the Midlands. Hence they became sheep farmers *par excellence*. The Praemonstratensians and Gilbertines, too, founded the majority of their houses in the North, especially in Lincolnshire, although in the end the Praemonstratensians, like the Cistercians, spread over the whole country. Their importance as sheep farmers is best demonstrated by the fact that in 1193–4 when ransom had to be raised for Richard I the whole of the wool of the Cistercians and Praemonstratensians for that year was taken. Nor must it be supposed that monasteries alone went in for pasture farming at this time. Domesday Book amply demonstrates the importance of lay sheep farmers from the king downwards, and the noble founders of the Cistercian abbeys kept sheep themselves. In 1165 William le Gros, Count of Aumâle and founder of Meaux, Vaudey and Thornton Abbeys, is found contracting for the sale of his own Yorkshire wool in bulk to the famous financier William Cade.

The advance begun in the twelfth century continued throughout the thirteenth, an age of rising production, expanding settlement and technical improvement. Monasteries and lay landowners alike, stimulated by rising population and rising prices, threw themselves into the business of farming as wholeheartedly and intelligently as did the gentlemen farmers of the eighteenth century. For them Walter of Henley and other writers on estate management composed their treatises; many a monastic chronicle (for instance, those of Glaston-bury and Peterborough) records the exploits of a series of improving abbots; it was indeed the heyday of demesne farming. And what is significant is the fact that pasture, as well as arable farming, flourished in the thirteenth and early fourteenth centuries, and the size of flocks grew. Some of the large landowners kept them on an immense scale. There were some 29,000 sheep on the Bishop of Winchester's estates in 1259, the priory of St. Swithun's, Winchester, kept 20,000 in the same part of England early in the fourteenth century, and in 1303 Henry Lacy, Earl of Lincoln, had 13,400 (about half in Yorkshire and Lincolnshire and the rest in the South), while the fenland abbeys of Peterborough and Crowland had 16,300 between them.

The golden age of English demesne farming was the thirteenth century and the early fourteenth century. The later fourteenth century, from about 1340, was the critical age, and the fifteenth century the age of stagnation. Against the background of pestilence and war, prices fell, agrarian profits dwindled, the population decreased and colonisation came to a stop. The slump was most strongly marked in arable farming, but the same thing, though possibly to a less extent, occurred in sheep farming. It is difficult to find signs of that wholesale substitution of pasture for arable farming which, according to textbooks, happened after the Black Death. It is quite true that there was a decline in arable cultivation, and rolls sometimes show lands being turned

back from arable to pasture. But these were 'marginal' lands, put under plough during a boom period and lapsing again during the slump. And this did not necessarily mean more sheep. What happened probably was that the rougher grazing was in turn abandoned for the lands newly laid to pasture. One is indeed forced to the irresistible conclusion that there was a serious drop in sheep farming during this period. Why?

As I have said, the general movement on the land was decline, or at best stabilisation. But sheep farming, besides suffering from general agricultural depression, suffered from certain disabilities peculiar to itself. How flourishing it was in the reigns of Edward I and Edward II is shown by the fact that wool exports mounted steadily though there were serious epidemics of sheep disease during the period. The ravages of Nature were quickly repaired, but it is less easy to repair the ravages of man; and it was from man-made troubles that English sheep farming suffered and declined in the fourteenth century.

In the first place there was Edward III's war taxation. This fell heavily on all landed property, but more especially on the wool grower who had to bear the special burden of taxes *in* wool and taxes *on* wool. Even when the former ceased, the latter continued in the shape of the exceedingly high export duty. In the second place there was the quasi-monopoly of the wool trade by the English Company of the Staple, which replaced the relatively free export by foreigners and English, characteristic of the earlier period. The monopoly undoubtedly damped down the channels of export and reacted upon production.

Figures for foreign trade provide a remarkable reflection of the movements of wool production in the fifteenth century. If we want to find out the amount of wool represented by English exports of wool and cloth we have to make a series of elaborate calculations of the number of cloths to a sack of wool and the relation between broadcloths and worsteds. The figures give this result (taking two fairly normal years): 1310–11: Exports 35,509 sacks all in wool (cloth negligible); 1447–8: Exports 21,079 sacks (of which 13,425 are in cloth), that is a drop of 14,500. This is the foreign market. To gauge the home market is very difficult because of the unreliability of the returns of taxation of home-produced cloth, the so-called 'aulnage accounts.' But let us make one more small calculation. In 1310–11 foreign cloth equivalent to 3,302 sacks had been imported; in 1447–8 the amount imported was negligible because English cloth was meeting the home demand. If we add these 3,302 sacks now made up at home to the 1447–8 figure we still get only 24,381 sacks, as against the 35,509 of 1310–11. Moreover, the calculation is highly favourable to 1447–8 because it assumes that the home market was constant, whereas the population in 1310–11 (after a long period of growth) was certainly higher and probably more prosperous than it was in 1447–8, a century after the Black Death. The production of wool must therefore have dropped considerably, and it is a remarkable fact that in 1481–2, when, according to

Henry VII's legislation, the enclosure movement had already begun, the same calculations give us only 29,100 sacks, still well below the level of the beginning of the fourteenth century.

The period after the middle of the fourteenth century was thus one of decline and stagnation, and it brought with it a change in agrarian organisation. Everybody now knows that the second half of the fourteenth and the fifteenth century was an age in which demesne farming was shipwrecked, and lords, instead of cultivating home farms and selling the cash crop themselves, leased them and became transformed into a rentier class. Needless to say, the change happened more quickly in arable cultivation than in sheep farming. The labour costs of a sheep farm were lower and the lords therefore kept their sheep longer than they kept their plough teams. But in the end the sheep were leased too.

Let us take a single illustration—the estates of the Duchy of Lancaster which have already been mentioned. After a gap of some sixty years the accounts start again in the last decade of the fourteenth century. What do we find? Sheep farming in all the Yorkshire and Lincolnshire manors, except the Pickering group, had passed into the hands of tenants. There is no mention of sheep on any of them, and the stock-keeper of the Peak, too, had now only vaccaries in his charge. An interesting clue as to what had happened in the interval has survived in the case of the manor of Long Button in Lincolnshire, which had had a demesne flock of about 1,000 in 1314. Here in 1439 an exceptionally conscientious clerk, in chronicling the miscellaneous collection of 'rents of assize,' gave an account of what happened seventy years earlier in 1368:

Item, he says, £128. 13. 6. for 1000 acres and half a rood of land, meadow and pasture of the demesne of the said manor of Sutton together with all the fisheries,... let to the tenants of the demesne there, as they had them by the grant of Hugh of Berwick in the time of Henry late Duke of Lancaster, thus let to the whole homage by the Chief Steward of the demesnes of the said Duke... and others of the Lord's Council, being met in the parish church of Sutton, on Sunday the Feast of St. Barnabas [11 June], to have and to hold by the aforesaid homage and their heirs in bondage, to be divided among themselves according to the condition and ability of each of them, as appeareth in the roll of the court of Sutton held there on the aforesaid day and year, paying per annum £162. 4. 5. [at four terms].

Here we have the bondage tenants of the manor, the peasant farmers, leasing the whole of the demesne lands to divide among themselves.³ The Pickering sheep were kept in the lord's hands until 1434, but then the pastures

were leased and the flock was disposed of. In the Duchy's manors in the South of England demesne farming was in full swing till 1443; in that year the demesnes of all the Duchy's Wiltshire and Dorset manors were farmed out. The majority of the leases were stock-and-land leases, in which the flocks were leased to the tenant, but sometimes they were sold to him; in either case the lord no longer concerned himself directly with sheep farming. In one manor the stock-keeper himself took a ten-year lease of two of the manors, in another it is a small combine of the reeve and three peasants. One has the impression that in a great many cases the residuary legatees of the demesne farming were officials and tenants of the manor, though in others new men from outside stepped in.

The Lancaster flocks are merely one example. But the same thing might be illustrated from almost all estates for which there is information. The typical sheep farmers of the fifteenth century were the peasantry, with a sprinkling of new men from the towns, and also, no doubt, the small squireens — the one-manor men—who sat tight; and here and there perhaps a monastic house which still produced corn for its own consumption and retained the sheep on its near-lying manors and let out the distant ones. But for the most part, on ploughland and pasture, 'Hodge rules the field'; it was the day of the small man. Whoever was enclosing in the last part of the fifteenth century it was not the old landlord.

This shift in the balance between large-scale and small-scale production entailed important changes in the organisation of the wool trade too. The boom period of the thirteenth century and the early fourteenth century was an age of wholesale contracts between big producers and exporters. It was an age of free trade, of low taxation and of predominance of foreign merchants in English trade. The period of decline and stabilisation was the age of the middleman dealer, who grew in importance as peasant farmers took the place of the great demesnes. It was also the age of monopoly, of high taxes and of the English Company of Merchants of the Staple.

Lecture III: The Development and Organisation of the Wool Trade.

From one point of view the story of the development and organisation of the English export trade in wool is, as it has always been represented by historians, the story of an increasing predominance and final control of the trade by English merchants. Whether it is equally true that the rise of the English monopoly of the wool trade meant an increase both in the volume of the trade and in the number of Englishmen participating in it is quite another matter, and a much more disputable one. But we need not concern ourselves with this problem yet, for it cannot be profitably discussed until we know how the trade developed and was organised and how the Englishman, both as middleman and as merchant, came to control it.

The most logical place at which to start the story is as near as possible to the producers, and the first question to be answered is, how did the wool produced on sheep farms all over England get into the hands of the merchant, exporting as a rule from a limited number of ports? To answer this question, and to trace the changes in the organisation of trade which correspond to changes in the balance of production, is to explain the rise to importance of one great body of Englishmen engaged in the wool trade, the middlemen dealers.

It has already been shown that wool-growers fall into two clearly marked classes: the big landowners, who were sometimes able to dispose of very large amounts of wool produced on their demesnes, and the small owners and peasant farmers who also had wool to sell, but in smaller quantities. From the beginning the wool of these two classes was marketed differently, and the difference provides a key to the understanding of the changes in the organisation of the trade.

It is possible to put the position in a nutshell by saying that the period when the demesne production flourished was the age of wholesale contracts,

for the great landowner usually disposed of his crop by contracting for it directly with an export merchant. In such cases the exporter or his agent would ride round to the monasteries and big houses, view the crop when it was ready or contract for it in advance. It was to facilitate transactions such as this that lists were circulated among business firms containing details as to monastic houses with wool to sell and the quantity and quality which each produced; two such lists, one Flemish and the other Italian, have survived. In most cases the wool was disposed of by advance contracts, and this was almost invariably the practice of monasteries, who often sold their wool for two or three years and sometimes for as much as fifteen and twenty years ahead. The reason is clear when we examine the contracts. In almost every case the merchants paid large lump sums in cash in advance, known as *arra*, and these were really loans made on security of wool, which converted the transactions into credit deals. This characteristic direction of credit from buyers to sellers was a reflection of the economy of the age, when merchants, especially great foreign firms, were rich in liquid capital, and the agricultural producers pool in it.

These dealings were very lucrative to merchants who exacted heavy interest disguised in the price at which wool was valued or else took it in the form of an extra sack or two 'gratis.' But they constantly involved the monasteries in great difficulties, and the chapter general of the Cistercian order frequently, but quite unsuccessfully, forbade them to mortgage future resources in this way. Imbroglions in which they involved themselves have left many traces, but none more poignant than that illustrated in the Cartulary of Pipewell Abbey—a house always getting into trouble over its improvident wool contracts. Here we find a list of loans, including two wool contracts, raised between 1314–1321, which was a period of famine. But at the end of the list, on a blank page in the middle of the cartulary and in a different hand, there suddenly appears a *cri du coeur* which rings true even to-day:

Be it remembered, beloved brethren and reverend father, that through the aforesaid recognisances and by reason of seven years of sterility and murrain among the animals, the goods of the house of Pipewell were so completely used up that the residue thereof sufficed not for the slender sustenance of the aforesaid house of monks, but sometimes they sat down in the refectory for three or four days with only black bread and pottage and sometimes they bought their bread from market to market and all this they bore patiently. Hence it is that I, the miserable sinner who once occupied the place of abbot, counsel, beg and entreat and (as much as in me lies) warn that none henceforth fall into the hands of rascals, for the saying goes in French—

leger est a prendre

The method of wholesale contracts between grower and exporter was, however, only suitable for dealing with the large-scale production of the great estates. It was quite unsuitable for dealing with that of the small producers, whose wool had to be gathered from their farms all over the countryside. Some of these could dispose of their produce in fairs and markets, but there was also in existence in the thirteenth century a regular mechanism for collecting it. The wool thus collected was known in the technical terminology of the trade as *collecta*, and always carefully distinguished from abbey wool. The collection was made by three distinct methods: by the employment of agents, by contracts with landlords, by purchase from middlemen. Exporters could employ agents, foreign or English, to go round the farms wool-gathering. But more interesting and characteristic of this age of large-scale production was the collection by landlords. The big landowners themselves often contracted with exporters to supply not only the production of their own demesne but so many sacks from their district. In other words, great lords, abbots, and demesne farmers became 'unprofessional' middlemen between exporters and small farmers. The Cistercians habitually entered into contracts of this sort, and almost as soon as we hear of Cistercian sheep farming we hear of this practice, which was forbidden by Chapter General in 1157; but the prohibition was fruitless, for the more wool the monasteries could dispose of by long-term contracts the greater the advances they could raise on its security. Thus we find Meaux Abbey between 1280 and 1290 contracting for as many as 120 sacks of *collecta*. Nor were the monks the only great landowners who were ready to act as middlemen, for lay lords constantly contracted to supply *collecta*. Robert Bozon, the bailiff of the Peak, habitually collected wool from the farmers of the district to sell with his own.

The wide prevalence of this practice is the best proof of the fact that we are in what may be called a boom period, and is proof, too, that the class of professional middlemen was not yet sufficiently developed to meet all the needs of the exporters. Yet English dealers must have existed from the earliest period—must indeed have antedated English exporters. Sometimes they were quite small men, like the Suffolk villager in the reign of Henry II who reaped on his lord's land four times a week in harvest time and was described as a 'wolmonger.' But more often they were burgesses in towns of pastoral districts or in the ports. Up-country dealers were very active in towns like Andover and Winchester, Shrewsbury and Ludlow, Dunstable, York, Lincoln, Grantham, Louth. The business of wool-dealers there was so lucrative that frequently they themselves took to exporting, and some of the great merchant families of Edward I's reign were not Londoners but men from these up-country towns. But the majority kept to the business of middlemen, and it is not surprising that they began at an early date to resent the competition of

monastic houses and big landowners in this matter. Complaints were loudest in Lincolnshire, and as early as 1262 the citizens of Lincoln and the merchants of the country complained to the king that the monasteries in the county 'caused wool and other things to be bought in small quantities by their lay brethren in divers places in the said county, and afterwards caused these to be sold to merchants from beyond the sea and others, together with their own wool, in this way carrying on business contrary to the honour of their order, and to the impoverishment of the city of Lincoln and other of the king's market towns in the county.' These complaints from the Lincoln middlemen went on far into the fourteenth century. The burgesses of the wool towns everywhere wanted to keep the local wool trade in their own hands. This is well illustrated by Henry III's grant to Shrewsbury as a reward for its support in the Barons' War (1265), that 'no wool merchant should make any purchases of wool anywhere in Shropshire save in market towns of the county.'

These English middlemen were of course at a great advantage in dealing with small producers in contrast to large landowners, and exporters habitually dealt with them as well as contracting directly with the larger producers. In proportion as demesne farming declined the middlemen were bound to grow in importance, and the heyday of the English dealer came in the later middle ages, when the demesnes were let out and the peasant farmer was supreme. The small man could not produce in sufficient quantities to make it worth while for an export firm to deal with him, and he could not deliver his wool at a distant port, as the great landowners used to do. Moreover, the rise of the cloth industry in the later middle ages provided the middleman with another customer. The Wife of Bath was in the market and her demands were great—

Of clooth making she hadde suich an haunt
She passed them of Ypres and Gaunt.

So the middleman came into his own at last, and under the name of the 'woolman' appeared in the fifteenth century as wealthy as the export merchants themselves. Nor was it only in the wool trade that he was now active, for under the name of 'brogger' or broker he began to play an important part in trade in corn and other agricultural produce, and in the pamphlets of the Tudor period he would be the villain of the piece—the 'caterpillar of the Commonwealth,' making his insidious profit between the bark and the tree.

The middleman is, indeed, the inevitable product of a society of peasants and small craftsmen, and, because he has exceptional opportunities of preying on it, he is always unpopular, whether he is the English brogger of the fourteenth century or the Irish gombeen man or the Indian buniah of our own day. Yet, failing a system of agricultural co-operation, he is as essential as he is unpopular, the one link between the small man and the market. When the Tudor government tried to suppress the woolman by act of parliament the

cloth industry of Halifax, a district of small masters, began to founder, and another act of parliament had quickly to put him back again (1555).

The great English woolmen of the fifteenth century have left an indelible mark upon the countryside. Some of them were Londoners, but for the most part they lived in the district where they collected their wool and were intimately connected with its life, benefactors of its churches, godfathers of its children, and not infrequently, drivers of hard bargains with their parents. In Linwood in Lincolnshire, there died in 1419 a woolman called after his native village, John Lyndewood. He did well by his four sons, one of whom became a wealthy woolman like himself. Another was the famous William Lyndewood, who was educated both at Cambridge and at Oxford, became Official Principal of the Court of Canterbury, wrote the most famous work of English canon law, the *Provinciale*, was Keeper of the Privy Seal and died Bishop of St. David's.

But it is with the father, not his more famous son, that we are concerned. We know him well, for his brass still lies in Linwood church, and his will is preserved in Archbishop Chichele's *Register*. He left legacies to churches and monasteries all over the county, and, in particular, money to build a bell tower and pave the floor of Linwood church. He left three shillings and fourpence apiece to all his godsons and all old men and women of Linwood who were poor and past work. Then, allowing us a glimpse of the woolman engaged in the exercise of his profession:

Item. I bequeath to the 30 churches in whose parishes I was wont to buy wool that they may pray for my soul and for the souls of those to whom I am beholden, £10, leaving it to the discretion of my executors to choose the villages.

Item. I leave for distribution among poor folk of the countryside, especially in villages where I was wont to buy wool... £10.

The greatest woolmen of the fifteenth century, however, were those of the Cotswolds, for this district seems to have gained greatly in importance as the wool centre at this time. The chief meeting-place of the woolmen and export merchants was the village of Northleach, right up on the wolds. It looks still much as it must have looked in the fifteenth century when rich woolmen rebuilt the church in the magnificent perpendicular style they liked and could pay for. Here lived many great families of dealers in the last part of the century, the Forteys, the Midwinters, the Bussches. They occur in numbers of contemporary documents, and if we go into the church we shall find their brasses on the pavement still. The woolmen of the Cotswolds were very fond of commemorating themselves in this way, and we can usually tell a woolman's brass, because whereas knights rest armoured, toes on lions, and the ladies rest with their toes on lap-dogs, the wool-man has his feet planted squarely on

a woolpack, or sometimes one foot on a woolpack and the other on a sheep; and, if we look carefully, we shall sometimes find his merchant's mark displayed as proudly as any coat-of-arms. In Northleach there are no less than seven brasses, and we find them in many other villages. Indeed those who like mixing their walking with their history can do much worse than spend a weekend wool-gathering in the Cotswolds. In Chipping Campden lies William Grevil, who died in 1401, and is described as 'the flower of the wool merchants of all England.' He was the ancestor of the Grevilles, Earls of Warwick, and his house, with its Gothic doorway and panelled bay windows, still stands in the village street. In Fairford is the brass of John Tame, who rebuilt the church and ordered its famous glass windows. Other woolmen's brasses are in Cirencester, Sevenhampton, Lechlade and elsewhere. Most of these worthy men are accompanied by their wives and certainly seem to have kept those ladies busy while they lived. The brass of William Gibbys in Chipping Campden records a family of thirteen, that of Robert Pagge of Cirencester, fourteen, that of John Taylour of Northleach, fifteen.

II.

We have now traced the rise to importance of one large body of English merchants concerned in the wool trade, the middlemen dealers. We must turn now to consider the other group concerned in it, the exporters. The emergence of the middleman meant a growth in the English hold on the wool trade, and it probably facilitated the growth in the English hold on the export side as well. From the earliest times a number of different exporters shared in the trade. A list of licences to export wool taken out in 1273 shows Englishmen, Italians, Frenchmen, Brabanters, Liégeois, Germans and Spaniards all concerned in it; and the list is incomplete, for it omits the Flemings who were under an embargo that year. The predominance changed from group to group as time went on. First, the Flemings led, then the Italians, and finally foreign predominance ended, and the English by the fifteenth century had excluded others from all but one narrow channel.

The Flemings were thus the earliest to become important. The closer relations between England and Flanders after the Norman Conquest promoted trade, and the first English grant of privilege to a Flemish city was the charter to Ghent, 1081, followed shortly by one to Douai. There are many references to the trade in the records and in literature. There is a famous tale from the *Miracles of Our Lady of Laon* in the first half of the twelfth century, which tells how canons of Laon took ship for England to collect money to rebuild their church, and how they were joined by a number of merchants on the way to buy wool. The ship was attacked by pirates, and the merchants vowed all their money to Our Lady of Laon if she would get them out of the mess. Thereupon a storm arose and wrecked the pirate ship, but directly they were safe at home the merchants resumed their moneybags, leaving Our Lady with-

out a penny. Anyone familiar with the characteristics of the medieval Virgin as manifested in her Miracles can guess the sequel. 'For when,' says the canon of Laon, who tells the tale, 'they had gone almost all over England and had spent their money buying quantities of wool, they stored it in a big house on the seashore at Dover and, behold, in the night before their departure the house with all the wool was burned to the ground and they were reduced to penury.' Similar evidence of the activity of Flemish merchants occurs in Jordan Fantosme's chronicle of the rebellion of 1173, in which he describes the Flemish mercenaries going into battle crying, 'We haven't come into this land to stay here, but to destroy king Henry the old warrior and to have his wool.' But, says the chronicler grimly, telling of their defeat in battle, 'They gathered the wool of England very late that year.'

It was in the twelfth century that there was first founded the famous association of fifteen Flemish towns, known as the Hanse of London, which existed to manage the wool trade with England. Its leader was Bruges, but in the thirteenth century Bruges paled before the activity of Douai, which, with a London house of its own, was joined by Ypres and Ghent. We constantly hear of the great Douai capitalists, Boine Broke, Pied d'Argent, Pilate and others, contracting for English wool; and Flemish financiers were much in evidence. But in the latter part of the thirteenth century Flemish trade was decreasing, partly on account of political differences between the two countries which led, from 1269 onwards, to constant embargoes and confiscations, but largely because of the successful competition of their two great rivals, the Italians and the English themselves.

Although the Italians may have come to this country originally as merchants, their importance in the wool trade, and in particular their dealings with the monastic houses in which they specialised, was due to the fact that in the thirteenth century they came in on a large scale as receivers of papal taxes. From papal taxes to trade in wool the transition was very easy. Their business as collectors of taxes brought them into contact with large ecclesiastical producers with little ready cash but with commodities and especially wool. Their preoccupation with the transfers of funds also led them into the wool trade, for the proceeds of papal taxation as well as the proceeds of the sale of luxury goods, which they imported into England from the Mediterranean, could best be transferred to Italy in the form of wool. From the moment of the appearance in England of the Italians in the capacity of papal bankers they began to oust the Flemings, till in the end they were supplying an important part of the Flemish as well as of the Italian market.

This combination of wool trade and finance led the Italians into a yet further field of activities, from which they, for a time, derived a still further advantage. The loans which they made to monasteries, and indeed lay producers, on the security of wool, were soon followed by loans, on a much larger scale, to the crown. The Italians held so much of the country's liquid

wealth that their co-operation became necessary in all early credit transactions of the crown. Loans led to privileges in customs, and these in turn led to an increased hold over the trade. Wool customs, from the moment of foundation to the early years of the Hundred Years' War, were constantly farmed out to Italian firms or syndicates of firms which were acting at the time as royal bankers, and royal finance was dominated in turn by the Riccardi of Lucca, the Frescobaldi of Florence, and the Bardi and Peruzzi of Florence. All these firms played a leading role in the wool trade from the time of Edward I.

The predominance of the Italians lasted till the first two or three decades of the fourteenth century. By the second half of that century the leadership had passed to the English. Whereas in 1273 export licences, which possibly exaggerate the real share of the English merchants, show them carrying a little over one-third of the trade, customs accounts of a century later (1362–76) show them carrying from two-thirds to three-fourths, and in the fifteenth century they were carrying four-fifths, almost the whole of the one-fifth remaining in foreign hands being left to Italians, who were shipping wool direct to Italy by sea.

At this time the wool trade was in the hands of a company of English wool merchants, the Fellowship of the Staple. For the manner in which individual Staplers ran their trade there is ample evidence not only in official records but above all in a collection of letters and papers belonging to a firm of wool merchants, Cely & Sons, and covering the years 1475–88. Not once or twice in our rough island story the fruits of litigation have been a godsend to the economic historian. The Celys became involved in a lawsuit about a will, in the course of which all their business correspondence and accounts went up to Chancery, and once there, in Chancery they remained, to find a home finally in the Public Record Office. They give an excellent picture of the way in which the firm ran its business from its two offices, in London and in the Staple town of Calais.

One of the most interesting aspects of the trade is the long chain of credit dealings on which it rested. By this time the direction of credit has changed and is now from seller to buyer. At no point in the chain does the purchaser pay more than one-third of the purchase price down; the remaining two-thirds are paid by bills falling due at a later date. Wool dealers in the Cotswolds buy on credit from the sheep farmer. Celys in London buy on credit from the dealers, and Dutch and Flemish customers in Calais buy on credit from Celys. The reciprocal flow of payment begins to move when Celys present their bills, and collect their money some six months later at one or other of the great fairs of the Low Countries, which are the usual places at which payment was stipulated. They transmit the money back to England, since they are not importers and do not wish to invest it in goods, by getting a mercer or merchant adventurer (that is an important merchant who needs cash in the Low Countries for his purchases), to discount their bills. The money can then be col-

lected at the importer's London office, and will be ready just in time to pay the Cotswold dealers, who, in their turn, will by now be expected to pay the balance of their debt to the growers. These bills carry interest which is sometimes expressed in the rate of exchange allowed for different terms—the longer the credit the less favourable the rate of exchange allowed to the debtor. They pass from hand to hand as freely as they do to-day, and in this way a rudimentary discount market grows up.

The general lines of this traffic are well known and there is no need to describe them in detail. Let us consider instead the more interesting question, why this absorption of the trade by the English merchants came about.

III.

The English predominance may have been due to a variety of causes, but the usual interpretation given to it by historians is somewhat simple-minded. We are given the impression that English traders were too inexpert to handle their own foreign commerce in the first centuries after the Conquest. They had to learn the business from the foreigner; they did so steadily, and from very small beginnings rose by degrees, until at the end of the middle ages they had almost ousted foreigners. But this view is far too uncritical. Everything we know about economic history warns us against belief in steady advances and unbroken lines of progress, and everything we know about English trade throws doubt upon the assumed backwardness of the English in commercial matters and their need of long historical apprenticeship in the arts of buying and selling. In some branches of trade the English were actually pioneers in the early middle ages, and were only ousted by foreigners later, to win their position back again in the sixteenth and seventeenth centuries.

A typical example of early English leadership can be found in the northern trade. The prosperity of Boston, Lynn and other east coast ports was largely due to trade with Norway, and in the twelfth century a good deal of this trade was in English hands. Norway, like Flanders, was a country which depended on other countries for most of its food supply, and, moreover, had no wool and cloth and hardly any metals. It relied largely on imports, and in return provided an inexhaustible supply of fish. *Sverri's Saga* has preserved the speech of one of its kings in 1186 on the relative merits of merchants of different countries who came to the port of Bergen. 'We desire,' he says, 'to thank the Englishmen who have brought hither linen and flax, wax and cauldrons, and the men of the Orkneys, Shetland and the Faroes and of Iceland, who have brought here such things as make the land richer, which we cannot do without. But there are Germans who have come here with great ships, taking away butter and dried fish of which the export must impoverish the land, and bringing only wine. To these I feel ill-will—their business has become harmful to us and our realm.' This is a typical medieval classification of commodities into necessities and luxuries, but it is interesting because it shows that the

English merchants ranked among the most important traders to Norway in the last part of the twelfth century, when books tell us there was no English trade save through foreigners. It is true that hardly any English were in this trade in the later middle ages, but that is due to the advent of new German merchants, not Cologners from the West with wine, but Easterlings from Lübeck and the new Baltic towns bringing wheat and ale and raw materials which Norway wanted; and because these towns had an inexhaustible supply of cheap food-stuffs they were able to drive out not only the English but the Norwegian merchants themselves.

Here we have a trade in which the English were active in the early middle ages but lost ground in the later middle ages. In the wool trade, admittedly, it is the other way round. But here, too, it is important not to minimise the English share in the early period. Chance has preserved the names of some English merchants in the twelfth century, and it is incontestable that by the last half of the thirteenth century they were playing an important part. Statistically measured, the volume of their trade, though smaller than that of the foreigners, was nevertheless very large. During troubles with Countess Margaret of Flanders from 1265 onwards, English merchants had £10,000 worth of merchandise confiscated in Flanders, mostly in wool, and we find them active in Bruges. The greatest of them, Nicholas of Ludlow, probably the most famous English merchant of the day, had claims amounting to over £1,800 in 1274. Between 1271 and 1276, when the wool trade was only allowed under a system of special licences, 450 English merchants are found applying for them, and in the year 1273 their applications cover about 35 per cent of the trade. An enquiry into smuggling at the same time shows a large number of English exporters operating in Lincolnshire, Yorkshire and London, and the Londoners include not only citizens of the capital but also twenty-one big up-country merchants from Dunstable, Shrewsbury, Ludlow, Winchester, etc. When Edward I made his great raids on the country's wool in 1294–7 the business was managed for him by a group of big English merchants, and they and many others made him large loans in addition out of the proceeds of their own sales.

The question has sometimes been asked, how far was their trade independent? Were they, as Unwin and others have suggested, merely agents of Flemish or Italian merchants, trading with foreign capital? It is quite true that many instances of partnerships between English and foreign merchants were often nothing but agencies undertaken by the former for the latter, or disguised sales of wool to foreigners in England. But even when they acted in partnership with foreigners the English merchants were far from being mere dependent agents. The English merchant who provided a great Italian firm with wool, and looked like its agent, would also be found on that or on another occasion trading with other foreign firms. He was not an agent but a middleman. Again, if we examine the partnerships we find that they often represented reciprocal arrangements by which the foreigner supplied the English-

man with cloth or spices and the Englishman supplied the foreigner with wool. Moreover, many of the largest English firms habitually doubled the business of middleman and exporter. We find a Londoner entering into a contract with a monastery for the supply of wool in bulk and then disposing of the proceeds to foreigners or himself exporting. In the first phase the line between middleman and exporter is quite fluid, and many of the biggest London firms originated in up-country towns where they had been established as wool dealers.

It is true, of course, that the share of the English in the thirteenth century was smaller than that of the foreign merchant. No English firm could deal in the huge quantities handled by the great Italian firms. But the Italian firms were in the nature of great banking syndicates, and we have already noted the circumstances to which they owed their peculiar position. The fact remains, however, that though the share of the English in the last part of the thirteenth century was relatively smaller than that of aliens, it is very doubtful whether there were absolutely more English exporters engaged in the wool trade in the reign of Edward IV than there were in the reign of Edward I, and whether those exporters were handling an absolutely greater volume of trade than Edward I's merchants. Thus the figures of the 1,273 licences show 284 Englishmen taking out licences for 11,415 sacks; and the customs figures for the middle of the fifteenth century show a number of English merchants, not much if at all greater, exporting under 8,000 sacks. The period of greatest expansion of the wool trade was, indeed, the period of foreign not of English predominance; and while the foreigners predominated the absolute volume of English-borne wool trade may well have been greater, and certainly was not smaller, than it was in the days when the foreigners were almost wholly excluded.

The exclusion of the foreigner and the establishment of English predominance was due not to a natural growth in English commercial *expertise* but to the establishment of an English monopoly in the trade by the action of the state. The process was as much political as economic, and its history is more intimately bound up with the political and constitutional changes of the time, than it is with the spontaneous movement of commercial evolution.

Lecture IV: The Taxation of Wool.

It is unnecessary to be Macaulay's schoolboy to know that during the reigns of the three Edwards a constitutional crisis matured and broke on the subject of the taxation of wool. In this crisis three great forces in the country became interlocked, the king, the parliament and the merchants, and we shall perhaps do best if we start by enquiring what brought each of these forces into the struggle, or in other words what was the interest of each in the wool trade.

Like every great enterprise, whether that of an estate or a kingdom, the crown in its financial expedients was driven by two needs. One was the need of obtaining sources of income capable of covering its budget, whether for the 'normal' expenses of household and government or for the 'abnormal' expenses of war and foreign adventure. The other was the need of mobilising in times of urgency the slow yields of regular resources. The problem was one of temporary accommodation, of securing loans in anticipation of revenue; its solution did not add anything to the royal resources but merely enabled them to be used at the time and place where they were needed.

The growth of the wool trade made it one of the most important sources of royal loans and revenue. For the purposes of both revenue and loans the king could use the wool trade in two ways. The first was direct appropriations and loans in wool—the method by which, in Stubbs' words, 'the wool was made a sort of circulating medium in which supplies were granted,' or borrowed. This method was necessarily an extraordinary one, but it was used more than once, by Richard I, by Edward I, and notably by Edward III, for the obvious reason that wool was a readily available form of wealth. There were in the second place indirect appropriations and loans on wool. These were obviously more likely to become regular and 'ordinary' than the direct seizures or borrowings of stocks of wool from the king's subjects.

The second force to be involved in the matter was parliament. If we remember how important wool was as a source of loans and taxes, and how

important the question of taxation was in the evolution of English self-government, we shall realise at once that the wool loans and taxes must have played a leading part in constitutional developments. Parliament was rising side by side with the wool trade, and the first appearance of the commons, that is the knights of the shire and the burgesses, was almost contemporaneous with the first specific wool tax. The functions of the early parliament, and in particular of the commons in parliament, are, of course, a subject of perennial dispute among historians, some stressing one and some another aspect. We may allow truth to them all and it is fortunately not our business here to arrange them in order of importance. Parliament was a judicial body—the high court of parliament where justice was sought by the medium of petitions; parliament was an administrative body—a meeting of the king's council before which the representatives of the commons came to supply information about the administration of the counties, and from which they returned to act as publicity agents for the government in their own districts; parliament was a deliberative and legislative body—the three estates of the realm, advising the king on all matters of whatever scope concerning which he consulted them. But however we choose to look at it, it would be a gross mistake to underestimate the fourth function of parliament. It was a financial body—a body which granted taxes. This is the aspect which most impressed Stubbs and the earlier historians and it is significant that recent scholars have been steadily swinging back to it, even though they wear their view with a difference. Taxation in fact was a reason, and an important reason, why the commons were summoned to parliament and why they were instructed to come with *plena potestas*; full power to bind the communities which they represented.

If the development of parliament was thus bound up with royal finance, it immediately becomes clear why the early stages of its history ran in double harness with the history of another body to which historians have given the name (the somewhat misleading name) of the Estate of Merchants, and why it was only with the dissolution of that other body that parliament emerged as a single body in control of taxation. The appearance of a separate body of merchants—or rather of wool merchants—was due to the character of the particular tax that evoked it: a tax on the export of wool. It is important to remember that the wool merchants were only a section of the merchants engaged in foreign trade, and a still smaller section of the general merchants of the country. The burgess members of any Edwardian parliament comprised, in addition to the handful of big traders usually concerned in foreign trade, a great mass of respectable middling members of town guilds. Some of the big capitalists were wool exporters, some members of merchant guilds were up-country wool middlemen. But the bulk were concerned not merely in wool but in all sorts of miscellaneous commodities, the groceries, merceries, haberdasheries, foodstuffs and what not, of everyday trade in innumerable boroughs and market towns. It is this great miscellaneous interest which was represented by

the burgesses in parliament, and among these burgesses the wool interest had only a modest proportional representation. But economically the wool merchants were an over-powerful group, because it was they who handled the staple commodity of England, the one which could be taxed, and when taxed provide an important proportion of the revenue. It was almost inevitable in these circumstances that side by side with a parliament which was only just finding its feet there should stand this other body with its special interest and its special powers—the body of wool merchants.

In whatever form the king cashed in on the wool trade he needed the collaboration of the wool merchants. If he raised a loan or tax *in* wool as an emergency measure, he would need their professional aid in disposing of it. If he raised a loan on the security of wool he had to turn to the merchants. Indeed, the easiest and most obvious use of trade in normal circumstances was to use it to mobilise his revenues, that is, to employ a wool tax as the basis of credit and raise loans on its security. It is on this use of the wool trade that the great Italian merchant bankers rose into prominence under Edward I and Edward II, and in this they were followed by the English merchants who financed the Hundred Years War. The wool trade remained the main source of loans in the fifteenth century when the trade was handled by the Company of the Staple. Finally, if the king raised a tax *on* wool, that is a wool custom or subsidy, it was the merchants who directly paid it, though its true incidence might be elsewhere.

The levy of customs was a prerogative right, but the whole attitude of the crown towards taxation was and had to be severely practical, and as a matter of practice, the easiest way to raise a tax was with the assent and help of the taxed. The evolution of parliament hinged on this principle, and so also did the evolution of the other body, the assembly of merchants. With the outbreak of the Hundred Years' War this body was summoned and consulted so frequently as to lead historians, especially of recent years, to see in it a rival estate of the realm. But the assembly of merchants was not new in 1336. For fifty years it had been meeting in some form or other, sometimes as an informal group of important merchants gathered together by the king, but sometimes as a large gathering summoned with the same formality as parliament itself. Of course, it did not meet as often or as regularly as parliament, for it was concerned with much narrower business, and was only required when something abnormal arose to affect that business. It met, in rather peculiar circumstances, in 1275, but really began to take shape in the early part of the fourteenth century. Between 1300 and 1335 we hear of seven meetings of this formal assembly. Up to 1327 it was summoned through the sheriffs in exactly the same way as the commons were summoned to parliament. In 1328 it was summoned through the town governments, as had been the representatives of the boroughs to some of the earlier parliaments. From 1336 it was summoned in a variety of ways: through sheriffs, through towns, by a mixture of special

writs to individuals and writs to sheriffs or towns, but increasingly and in most cases by writs to individuals. Like parliament, it was not concerned with taxation alone, for it had to deal with affairs of the wool trade in general. Its position was consolidated in the reign of Edward II because then it had to meet relatively often to discuss the new problem of the establishment and location of a compulsory wool staple, and it continued to meet to discuss this subject throughout the reign of Edward III. Sometimes it was summoned at the same time as parliament. But there is not a shadow of doubt that it was consulted about taxation—the taxation of its own peculiar commodity, wool—and was considered by itself and the king and everyone else as granting the export duties on wool. In all cases in which a tax was put on foreign trade and had to be directly paid by the merchants, the merchants were asked for it; and on at least one occasion the merchants refused it and it was dropped.

In considering these assemblies it is important to bear in mind that there was nothing in the least surprising about them. In the thirteenth and early fourteenth centuries parliament was assembled for consultation about the affairs of the realm; its constitution was very fluid and its functions were not yet rigidly defined. Why do modern historians find it so difficult to decide what can and what cannot be called a *parliamentum* at this time? Simply because contemporaries were only in process of deciding themselves. The *colloquia* and *tractata* and *magna concilia* which go on throughout the period are quasi-parliamentary bodies, often so like what we have decided to accept as a regular parliament that historians sometimes disagree into which class they fall. The merchant assembly, of course, is not one of these; but other, similar, bodies were frequently summoned for special purposes. Leaving aside the obvious case of the convocation of the clergy, we find, for instance, the summoning of a special *colloquium* of burgesses in 1296 to advise upon the reorganisation and settlement of Berwick. Finally, it was by no means absolutely accepted that the only place in which to negotiate taxes was parliament. In 1282 Edward I sent Kirkby round the country to negotiate separately with boroughs and counties for a subsidy; and Edward III revived this method in 1337. There is nothing more natural than that when the king wanted to raise a tax on export of wool he should ask the merchants: the foreign merchants by a mechanism on which we are ill informed, the English merchants through their assembly.

Nevertheless, the fact that it was this tax in particular that the king wanted to raise, and that he employed this practical expedient of calling together representatives of the interest directly affected by it, was of capital importance. For it produced that play of interests which presides over the early history of parliamentary institutions and figures so prominently in historical discussion.

II.

How was it that the king and parliament and merchants came to be involved in the struggle of the fourteenth century? To begin with a fact of the highest significance, it was over the export tax *on* wool, and not over any of the great loans or taxes *in* wool that the struggle was waged. Seizures in kind occurred periodically but they were by nature extraordinary and impermanent. But money taxes, especially when they became regular and permanent, inevitably brought about a continuous transfer of wealth into the hands of the crown, and raised issues which marked out the distinct economic interests in the country. And, in so far as the development of the English constitution is linked up with the development of English taxation, the grouping of these interests over the question of wool taxes profoundly affected the development of the English state.

What these interests were is as clear to-day as it was to men of the middle ages. There were first of all the merchants. All taxes on foreign trade were negotiated with them up to 1340, but they were affected by those taxes quite differently from the rest of the community. As long as the tax was not higher than “the traffic would bear,” the merchants were of all classes least likely to suffer. They might even benefit from the tax if they could get a *quid pro quo* for granting it, such as the removal of an embargo, or the fixing of the staple somewhere where they wanted it to be, or the grant of a monopoly of export. The reason for this was that they were able to pass on a good deal of the tax. Some of it could be transferred in the form of higher prices to the continental purchaser. But—what was easier—they could pass on the greater part of it in the form of lower payments to the English grower. And this happened so invariably and so inevitably that the mere threat of an extra tax, the mere possibility of such a tax, was enough to set the wool merchants to paying lower prices. The fact was cogently expressed in the statement of the king in 1333,

that the merchants of wool have been publishing abroad against the wool season that the King proposed to extort a subsidy on wool beyond the usual duty by the pretext whereof the price of wool in the hands of the people has been lessened to their cost and the merchants' enrichment.

Here, then, is the attitude of the merchants: they did not want to be taxed—no one wants to be taxed— but if they must be, they bore it with equanimity because they could sometimes extract a compensating advantage and could always pass on the tax. Over and against the merchants stood the other interest—that of the country as represented by parliament. The rise to power of parliament during this critical period was profoundly affected by the fact that on the subject of wool taxes there was a complete solidarity of interests be-

tween the most important groups represented in it: the lay and ecclesiastical magnates and the knights of the shire. They were wool growers—the former the large producers whom we saw making their wholesale contracts, and the latter the small ones. The Shallows and Silences of the thirteenth and fourteenth centuries, as of Shakespeare's day, gossiped at their dinner tables over the price of wool.

‘How a score of ewes now?’ ‘Thereafter as may be: a score of good ewes may be worth ten pounds.’

Behind the knights of the shire in parliament were the shadowy faces of a million small freeholders, obscure suitors at the county court, whom they represented, and who like them were interested in the price of wool. And behind the magnates were a million small customary tenants and leaseholders who paid their rents partly or wholly out of wool. As to the other half of the commons—the burgesses—the bulk of them were not wool exporters and only some of them were wool dealers. To the miscellaneous urban interests which they represented it was no advantage at all that the wool growers should have less money to spend in the town shops and markets. How then did the country as a whole, as represented by parliament, regard the export tax on wool? The answer is that it acquiesced before it had any experience of the tax. But directly experience showed where the true incidence of the tax lay, the country opposed the tax, and opposed it with far more vigour than it did irregular levies in kind. The great constitutional crisis of 1297, when a ‘maltote’ of 40s. was granted by the merchants, shows that the wool growers understood quite clearly that its incidence was on them. ‘The whole community,’ say the earls in that year, ‘feels itself burdened by the tax on wools, which is excessively burdensome, for the wool of England amounts almost to the value of half of the whole land and the tax which is paid thereon to a fifth part of the value of the whole land.’ A century later, when the tax had become a permanent part of the machinery of the country, the Abbot of the great wool-growing abbey of Meaux expressed with perfect clarity the economic principle involved. ‘After that time,’ he says, ‘the price of English wool was brought down lower than ever before. And so it is those who own the wool who pay this tax to the king, and not the merchants who appeared to make the grant to him; for wools are sold at a lesser price the greater the tax payable to the king for them.’

Here then we have two economic interests sharply divided from each other by the export duty on wool. Their variance need not have developed into a major constitutional struggle as long as the tax was occasional and temporary or was not extraordinarily high. But when a very high tax was continually repeated, and threatened to become permanent, then the issue between parliament and wool merchants was bound to be joined. That is why the 40s. ‘maltote’ of 1294 and 1336 in each case precipitated a constitutional

crisis. On this last occasion the issue was raised acutely and finally because Edward III could not in fact do without the 'maltote' for his war finance, for until this fact became clear to parliament after several years of war the question as to who should grant the tax—parliament or assembly of merchants—was not really an issue. On this point I am in entire agreement with Mr. Wilkinson, to whose discussion of the wool custom⁴ I should like to pay a tribute. But where I part company with Mr. Wilkinson is in his view that the issue of consent was not raised because the people failed to recognise at first where the incidence of the tax lay. On the contrary, every shred of evidence goes to show that from the moment they had any experience of the tax they discovered its effect on prices; they were in fact perfectly aware of the effect of both export and import duties at the beginning of the fourteenth century. And if they fought the issue on abolition and not on consent, it is because—though Mr. Wilkinson accuses them of an ignorance of economics—they were in fact more interested in the economic consequences of taxation than in constitutional theory.

III.

With this alignment of interests in mind we can proceed to examine more closely how and why the constitutional struggle over the wool taxes proceeded. To begin with we ought to examine the circumstances in which the first specific export tax on wool—7s. 6d. per sack, ever afterwards known as the 'Great and Ancient Custom'—was imposed in 1275. Who granted it is a debated question. It was certainly granted in Edward I's first parliament, but equally certainly it was negotiated by the king and the merchants. This is first of all suggested by the constitution of the commons. The sheriff was to summon representatives not only from boroughs and cities but from 'towns of merchants.' The terms in which the grant is recorded show that the initiative came from the merchants. It is the 'new custom which is granted by all the magnates of the realm and by the prayer of the commons of merchants of all England.' The grant was made 'by the common assent of the magnates and the will of the merchants,' and again 'at the instance and request of the merchants.' It is quite clear that the tax had been negotiated with them before the magnates were called in, and indeed negotiations must have been going on for some time, for it is certain that foreign merchants, too, must have been consulted.

Why were merchants willing to agree to the export tax on wool? Because they got their *quid pro quo* in the shape of the resumption of open trade with Flanders. In 1273 export had been forbidden except by special licences, which had to be paid for. This was followed in 1274 by a still more stringent prohibition, more licences and the inquisition into smuggling. Three of the leading English wool merchants had gone on a deputation to Edward asking for peace, and peace had been signed and trade reopened that year. A commission was

now sitting to examine the claims from both sides for goods arrested during embargo, and it is significant that writs sent to the sheriff to summon the 1275 parliament were accompanied by letters patent, which he was ordered to forward to all monasteries, bidding them make a return of their debts to alien merchants, and their contracts with them. Those letters arriving at the same time as the summons to parliament must have made it clear that wool was under discussion.

What part, it will be asked, did parliament play? It is not clear that the commons, in so far as they were not merchants, took any effective part in the grant, and the merchants must have met separately. Of the surviving documents two mention the whole parliament, magnates and commons, and three mention only magnates. It is clear that the consent of the magnates was asked and given. The king probably desired to give formality and force to the grant; he may have wished to associate the magnates *qua* wool growers, and also to facilitate the collection of the tax in those ports which lay within liberties.

Thus the Great Custom on wool came into being, and immediately took place as part of the regular financial resources of the crown. It is the only export tax on wool which never roused any opposition. Indeed, it had everything in its favour: it was low (7s. 6d. per sack) and it was imposed in a time of high prices. From this moment, however, the interests of two parties concerned in the first grant—magnates and merchants—were bound to diverge. It was inevitable that the king should try to increase the tax whenever he was in urgent need. When that happens we find ranged on one side the wool merchants, prepared to grant an additional tax because they can pass it on, and on the other side parliament, completely solid, and bent—throughout this first phase—on getting rid of it.

The crisis came within twenty years, as part of the great constitutional crisis arising out of Edward I's war with France in 1294–7. It will be remembered that three oppositions to the crown became intertwined in the issue. There was the opposition of Bohun and Bigod and the magnates towards the king's demands for money, and especially towards the question whether they should go to Gascony without him. There was the opposition of the clergy over the bull *Clericis laicos*, and their outlawry by Edward for refusing him a grant. And there was, finally, the opposition to the new export tax on wool. In 1294 and in 1297 Edward I, at his wits' ends for money, raised two forced loans *in* wool from the growers, and at the same time persuaded the merchants to give him an extra export due—the huge tax of 40s. per sack, always afterwards known as the 'maltote'.⁵

It is extremely significant that the magnates placed this 'maltote' in the forefront of their grievances and demanded fairly and squarely that it should be abolished. The issue quite clearly was abolition and not consent. In the three versions in which we possess the barons' demands, the *nocumenta* sent to Edward I in August, the *De Tallagio non Concedendo* and the *Confirmatio*

Cartarum, as finally agreed, the first two demand abolition and only the last so much as mentions consent, and that in a very perfunctory way.

The reason why the magnates insisted on abolition is plain. They did not raise the great loan on wool into a major issue. A loan was a loan, it might be repaid, they had their I.O.U.s. But a 'maltote' was a very different matter. A 'maltote' meant that merchants were paying them less for their wool (and when we look at the wool prices for those years we see how low they in fact were) and a 'maltote' was harmful to the whole community. And well the community knew why. How otherwise can we account for the enjoyment with which the chronicler of Dunstable Priory recorded the death of Laurence of Ludlow, the great wool merchant who negotiated the grant for the king?

He it was who induced the merchants of England to grant the king 40/- for each sack of wool... And because he sinned against the wool mongers he was drowned in a ship laden with wool.

This concern of a monk for wool-mongers appears excessive until we realise that Dunstable was a great wool-selling priory, and that this chronicler recorded almost every year how their sheep did, and what price they got for their wool. Then his interest in the 'maltote' is clear.

But the clearest proof that objection was to the tax and riot to the fact that it was negotiated with the merchants, is that within six years the king was negotiating with the merchants again for another tax on foreign trade. He turned first to foreign merchants and from them he got the tax known as the 'Petty Custom.' This was an additional duty on wool plus a tax on miscellaneous imports, wine, cloth and luxuries of various sorts. Their *quid pro quo* for this was the commercial charter known as the *Carta Mercatoria*. Then he summoned an assembly of English merchants and asked them to grant a similar tax—but this time he had no *quid pro quo* to offer and they refused point blank, and so the duty remained payable only by aliens. But what happened? In a few years there *was* trouble in the country, not about the extra duty on wool, which no one ever mentioned, but about the import duties. One of the 'Five Articles' of 1309 complains that these duties are putting prices up. For an import duty on miscellaneous goods hit the magnates as consumers: their wine and cloth were costing more. On the other hand, they remained unaffected by the extra wool duty. While the aliens had almost a monopoly in the miscellaneous imports, they were in competition with English merchants in the wool market, and the English merchants were not paying the tax. Consequently, the foreign merchants could not pass on the wool tax as they were passing on the import duty, and the magnates were not suffering as producers. It is true that the Ordainers abolished the foreign or 'petty' tax in 1311 on the ground that it had been levied 'without the consent of the barons,' but it was

reimposed by Edward in 1322 and henceforth became permanent without ever being confirmed by parliament.

Indeed, for forty years after the *Confirmatio Cartarum* the king went on negotiating with the merchants. From time to time he put on an extra tax on wool, yet never got into trouble unless it looked as though the tax would be heavy and more than temporary. Then the country began to get restive at once. On one occasion only, in 1333, did parliament raise any objection, and then it objected that the people were damaged and not that it had not consented.

The second phase in our story begins with the Hundred Years' War. In 1336 the king was in urgent need of money for war. He had got from parliament a tenth and fifteenth on movables, but that was not enough. So in September there were issued summons simultaneously for a great council and an assembly of merchants at Nottingham. The great council granted another tenth and fifteenth and the assembly of merchants granted a 40s. 'maltote' on export of wool. But it was now clearly realised that the 'maltote' would hit the growers, and be opposed by them, and that their objections had to be forestalled. So with the imposition of the 'maltote' an attempt was also made to fix a scale of minimum prices payable to growers.

With this attempt at a compromise a new era opens. In spite of the fixed price schedule, the merchants are agreeable because they have obtained, as their *quid pro quo*, a monopoly in the export of wool, and a consequent prospect of passing the tax to the foreign consumers. In the next year, to mark the compromise, there begins a great series of loans and taxes *in* wool, which are raised from growers and handled by merchants. And throughout the period the three forces, the king, parliament and merchants, are involved in a major constitutional readjustment, and the issue slowly and finally shifts from abolition to control. The parliament continues its traditional opposition to 'maltote.' It demands its abolition in 1339, and several times prefers large grants in wool to the tax. But it is gradually and grudgingly converted to the view that the king must have it, and then it begins to demand to control it. Parliament gets to this point in 1340 and grants the tax for one year only. But when the year is up the king keeps it on as a 'maltote.' Parliament requests its abolition in 1343 but agrees to a compromise, and grants it for three years with revised minimum prices. At the end of the period, the king keeps it on as a 'maltote.' The parliament demands abolition again in 1346 and 1348, and it is not until 1350 that it at last reconciles itself to the tax, grants it, and henceforth converts it into a permanent parliamentary subsidy, though it is still talking about the possibility of superseding it as late as 1362. But during this period the issue has definitely shifted, though with the utmost reluctance on the part of parliament, from abolition to control. Rather than have an extraordinary 'maltote' granted by merchants, parliament has agreed to a regular subsidy granted by itself.

The success of parliament in this struggle was due largely to another important development. While parliament retained its solidarity the estate of the merchants broke up. In fact the same thing which had converted parliament to the necessity of the tax had converted the main body of wool merchants to the necessity of parliament, that is the fact that direct and occasional grants *in* wool and especially loans in wool led in practice to the establishment of a narrow and restrictive monopoly of the wool trade by small groups of capitalists, rarely more than thirty in number. What happened in each case was that this group had to advance money to the crown on the wool granted to the king, and to dispose of it on his behalf. The king was, in almost every case, compelled to impose an embargo on general export for a time (sometimes a whole year) in order to enable his financiers to dispose of the wool on his behalf. And every time this happened a virtual monopoly of a financial group was established. The solidarity of the estate of merchants was gradually disintegrated in the process, and a complete antagonism grew up between financial capitalists, on the one hand, and the main body of wool merchants on the other. Antagonism was completed by the affair of the Dordrecht bonds. In 1338 the king, with extraordinary dishonesty, seized the wool of all the English merchants at Dordrecht and sold it, giving them bonds enabling them to recover the value out of customs payable by them on any wool they exported hereafter. But as the wool export was in the hands of small groups of rich monopolists for years to come, the mass of the smaller merchants never got a chance to recover, and in the end had to get rid of their paper at ruinous discount to the capitalists who did export. It was at this point (in 1343) when a consortium of forty-three men was given power to buy up the Dordrecht bonds, that the estate of the wool merchants definitely split in two, and the majority of the body turned to parliament and in future acted with and through the commons. The breach was finally completed when, the last of the king's private financiers having gone bankrupt, parliament in 1351 granted the subsidy for three years in exchange for the abolition of all monopolies.

In this way the wool trade and the taxation of wool helped to raise and to solve the great constitutional issue of the fourteenth century. It is—in my view—a mistake to regard parliament and the assembly of merchants as rival bodies competing for survival and each representing a different conception of social orders—the estates of the realm *versus* the estate of merchants. They were essentially the representative assemblies of different economic interests. The assembly of merchants did not represent all the merchants, and parliament did not represent all the estates minus the merchants. They were two economic groups—on the one side wool merchants and on the other side the other interests, including the growers and those merchants who were not wool merchants, that is the great bulk of the burgesses. If finally the separate existence of an assembly of wool merchants came to an end (though, incidentally, it continued to function spasmodically for purposes other than taxation) it

was not because the estate of merchants had ceased to exist, but because the separate and united attention of the wool merchants to the one important economic issue, that of taxation, ceased to function. It was no longer separate and certainly no longer united. The result of this fissure was a parliament in which were safely corralled all interests, except the financier—the rogue elephant—who was left outside and for the moment bankrupt. The whole affair enormously strengthened parliament, and above all the commons, by enlarging the interest represented by the burgesses and by consolidating it with the knights of the shire.

The price of settlement was compromise. The king was left in possession of a high permanent tax on wool, and parliament was left in possession of the power to control it. As for the wool trade itself, it now became a quasi-monopoly in the hands of the English Company of the Staple, which was larger than the ring of capitalists but considerably smaller than the great body of English and foreign merchants who had dealt freely in wool in the great days before the 'maltote.' It is by virtue of this monopoly alone that they were able to shoulder the subsidy. And a monopoly suited the king because he found in this company a body which could lend money on a larger scale than any small group of financiers. All his capitalists had been bankrupted in turn—Riccardi, Frescobaldi, Bardi and Peruzzi, de la Pole, Wesenham, Cheriton, Swanland and the rest. But a company with a monopoly of the wool trade of England, and with the custom and subsidy on wool as a security—that was not likely to fail.

Lecture V: The Staple System.

The institution of the wool staple has perhaps been more studied than any other aspect of the wool trade. Yet the thorny question of its origins was only recently elucidated by a young Belgian scholar, de Sturler, and the late history of the staple has been analysed only in the most superficial manner. Historians have contented themselves with more obvious considerations of administration and diplomatic convenience, and continue to a great extent to represent the Fellowship of the Staple as the forerunner and compeer of the Merchant Adventurers in advancing English trade. It is true that that prince of deflaters, the late Professor Unwin, has somewhat reduced the stature of the Adventurers and has drawn a cynical picture of the early connections of the staple with Edward III's shady war finance. Indeed, by far the best analysis of the interests involved in the wool staple are to be found in the few pages devoted to the subject in his Oxford lectures on the Merchant Adventurers. But he did not pursue its effects upon the history of English trade, partly because it was impossible to do so from printed records (especially in the absence of customs accounts) and partly because his death removed too soon the most original mind among English economic historians.

We are not concerned here with the chronological and administrative detail of the history of the staple, or with a narrative of its migrations. Instead I want to consider why it arose, what interests were involved in it and how it was affected by the constitutional compromise, which I have already described. And first let us define what we have to explain. The institution of the staple involved two things—the staple, that is a fixed place through which the export of wool was compulsorily directed, and the staplers, that is a corporate company of merchants handling the wool which comes to the staple. What has to be explained is the establishment of this fixed place and the way in which it became connected with a company.

In both these developments the king took an intimate part. He had an obvious political interest in the staple, for he could employ it as a useful diplomatic lever. Foreign rulers and towns were always anxious to have it on their soil for the sake of the trade and revenues which it brought. Edward I used his embryonic staple as a bait for the alliance first of the Court of Holland, then of the Court of Flanders. Edward II employed it in his negotiations with France, Brabant and Flanders. Edward III bought with it the alliance of the Flemish towns at the beginning of the Hundred Years' War.

But diplomatic considerations alone probably would not have sufficed to interest the king in this method of organising the wool trade. He was interested in the staple because he had a financial as well as a diplomatic fish to fry. To begin with, the staple provided him with a method of handling certain exceptional kinds of loans and taxes, in particular the great levies of wool in kind. In order to realise the proceeds as efficiently and expeditiously as possible, he had to export and sell them at a fixed place, preferably a fixed place on the continent from which he could finance his armies and his allies. This need occurred twice in English history, in 1294–8, and again in 1337–40.

But out of the particular problem of dealing with the proceeds of a levy in kind grew another and more long-lived device of the crown. The king wanted a company of merchants to whom he could give a monopoly in the export of wool, so as to tax monopoly profits by means of a heavy export duty and raise loans from merchants on the security of the duty. The whole development of early financial monopolies in the wool trade, and the final evolution and working of the Company of the Staple, was intimately connected with this policy. Thus, what the king wanted was a fixed place in which to handle the transactions and a merchant company to bear his taxes.

The royal desiderata met different responses from the various groups concerned in the trade. The English exporters strove to make a maximum profit as against foreigners. They, too, wanted a fixed place. Their demand was for a staple on the continent which would enable them to oust the competition of foreign exporters by making these bring their wool from England to the staple instead of taking it straight to customers in Flanders, Holland, Brabant or Italy, as the case may be. They, too, wanted a merchant company composed of themselves in order to get the most possible out of the buyers on the continent. The company of the staple would enable them to squeeze the buyers by means of concerted prices, and sometimes these price-arrangements worked out into *Kartels* in the modern sense. Thus, in 1343 the merchants were ordered to take their wool to the staple at Bruges 'and there be at the orders of the mayor and Company of merchants, saving to each one his freedom, so that all those who pass wool are of one condition and agreement to keep the wool at a high price and receive such payment as shall be agreed by the King and his Council and the said merchants.' Similarly, in 1363 a petition from the commons shows that a similar price-fixing arrangement was

then in existence. They ask that wool may be sold freely without prices being set on them, since by the ordinances of the council to this effect great amounts remain in the hands of merchants there who are not of the Company, and in the hands of merchants and others, both lords and commons of England. Again, between 1429 and 1443 the Company of the Staple, in its final form, put into operation by the so-called 'Partition Ordinance' an even more rigid policy of price-fixing. Each member of the Company was made to pool the money which he had received with that of other members dealing in the same quality of wool, the total sum being distributed according to the quantity of wool brought by each to the staple, irrespective of the amount actually sold by each. This arrangement provoked strong protests both from the towns of the Low Countries and from the smaller English exporters. Indeed, the attempt at a concerted price was always liable to lead to control of the trade by a small group of wealthy staplers.

At this point we should remember the existence of another group of men interested in the establishment of the staple; the small body of native capitalists, who, as we have already seen, acquired for a time the control of the trade. The nascent English financiers were interested in the staple as a means by which they could operate a monopoly in the export of wool at the expense of foreigners and the bulk of English exporters alike. These financial monopolists emerged as a result of the opportunities offered by Edward III's war finance, and for them the staple was part of a bargain with the king by which he secured a high and exceptional yield in taxation, and they secured the monopoly of the trade. There were rarely more than about thirty of them and they dominated the whole situation from 1337 until their final collapse in 1350.

Finally, two other interests were concerned, though unlike the others they wanted the staple to be in England and not on the continent. These were the up-country wool-dealers and the clothiers. Their concern was very simple. They wanted, like the exporters, to use the staple to destroy the competition of foreigners, but to destroy it in the domestic wool market. Prior to 1350 the staple was twice set up at home—between May 1326 and September 1327 and between September 1332 and February 1334. The ordinances establishing it laid down that aliens might not buy wool anywhere in England except in certain staple towns, while the English might buy where they liked, provided that they took their wool to the staple towns and offered it for sale there for forty days before exporting it. The object of this regulation was to put a stop to all dealings between alien merchants and growers. They were no longer allowed to contract with abbeys and big landowners or to send their agents round wool-gathering; they could only buy through English middlemen. Thus conceived, the staple was part of the general policy of the merchants in English towns to get all the wool dealings into their own hands. It was always strongly supported by two groups of burgesses. In the first place there were

the merchants of London, who, although exporters, did a very big business as middlemen, often making contracts with abbeys and reselling the wool to aliens, and whose export and import trade in all commodities and in all places was so large that they had no desire to be tied down to any particular foreign staple. In the second place there were the burgesses of the towns in the wool districts. The staple towns, as first fixed, were London and Newcastle, York, Lincoln, Norwich, Winchester, Shrewsbury, Bristol and Exeter, and of these only London and Newcastle were export ports for wool; the rest were collecting centres or cloth centres. The deliberations at an assembly of merchants held in 1328, called together to discuss the location of the staple, shows that there were two parties: London, York, Lincoln, Winchester and Bristol favouring home staples, and the commonalty of wool merchants wanting a foreign staple.

The clothmakers were another group in favour of home staples and for the same reason, that is that they would not have to compete with aliens in buying wool for their raw material. Most of the staple towns were in fact cloth centres, and it is notable that the establishment of home staples was always accompanied by attempts to foster the cloth industry by prohibiting the import of foreign cloth, thus hitting the aliens as cloth importers as well as wool exporters.

Here then we have four very important interests which for their different purposes favoured a staple system in the wool trade. But they were not all in favour of the same sort of staple, and in the course of the struggle between them different versions of the staple inevitably emerged. The king was mainly interested in an organisation capable of managing taxes and loans, and the foreign staple obviously suited him best for this purpose. But he was prepared to accept a home staple, or even no staple at all, if fiscal considerations made it worth his while to do so. The exporters were interested in a foreign staple so as to facilitate the exclusion of alien merchants and the operation of a concerted price. But they were sharply at variance as to where it should be, since they were divided into groups with different commercial connections on the continent, and each group wanted the staple to be placed in its own habitual foreign market. Thus, throughout the first twenty years of the compulsory staple there was an internecine struggle between two groups in particular, the merchants trading with Bruges in Flanders and those trading with Antwerp in Brabant. Again, the financiers were mainly interested in establishing the most rigid monopoly possible, which meant a foreign staple, but they did not mind in which foreign town it was fixed. Finally, the middleman dealers and clothmakers were interested only in the home market and wanted staple towns at home.

Thus the movement for a staple proceeded in an uneasy co-operation between parties who slept in the same bed but dreamed different dreams. In the end the solution turned out to be a compromise which gave to each a

partial satisfaction, and to none the staple of their dream. And in the end the staple as established also conciliated, voluntarily or involuntarily, the two parties which have not yet been mentioned—the parties which were opposed to having any staple at all. These parties were the alien merchants and the wool growers whose economic interests were bound up in free trade.

The reason for the opposition of the aliens is obvious. They regarded both the compulsory foreign staple and the compulsory home staple of Edward II's reign as an attack on their trade. Indeed, on this question the baronial party of the day and the English merchants found themselves in alliance. The former (not to be confused with the landowning interest as a whole) objected to the Italians as royal financiers, and the latter objected to them as commercial competitors. The compulsory staple was thus conceived as an instrument of anti-Italian policy. The first compulsory foreign staple in 1311 was established immediately after the Frescobaldi, who had been farming the wool customs, were expelled by the Ordainers, and this first staple was throughout opposed by all alien merchants. The Brabanters petitioned against it, the Italians appealed to Magna Carta against it, and continually got licences to avoid it, as the Bardi did in 1325. As regards the home staples, their first appearance in 1326 was partly due to the initiative of the younger Despenser and to the hostility against the Bardi, and their suspension was to some extent due to the damage which they were alleged to have caused to alien trade.

The growers were also adversely affected by both home and foreign staples. The home staple harmed them as producers by lessening the competition of the buyers in the wool market, and as consumers by raising the prices of cloth and spices, which foreign wool buyers brought with them to England. There were significant complaints in 1327 from the people of the East Riding that English wool dealers were making rings in order to keep down prices, and from the magnates that foreigners, who were wont to bring cloth and spices to Boston Fair and buy wool, proposed to go elsewhere, beyond the realm, which would lessen the price of wool and raise the price of these commodities. The reason for suspending the home staples that year was said to be that the king and the magnates considered it useful to the realm that foreign merchants should come with their wares. And the foreign staple was equally injurious to the growers in so far as it was bound up with a monopoly of export and a high export tax which would be passed on to them in the form of lower prices.

These were the free trade parties, and somehow or other they had to be placated in whatever compromise the staple should finally emerge from this welter of special interests. Let us turn now to consider the historical evolution of the compromise.

II.

The evolution of the staple went through three phases, the first two of which need not detain us long. The first embryonic staple may be said to have emerged when Edward I, in order to operate his forced loan in wool and his 'maltote' of 1294–7 directed his own wool and that of the merchants to go to a fixed place in the Low Countries, where he desired to have funds for his war with France. This place was fixed first at Dordrecht and then at Antwerp, and the wool was handled by merchants, who paid him a 'maltote,' and also made him a loan on their sales. While this was in process and while the staple was at Antwerp, the English merchants there received a charter from the Duke of Brabant allowing them to hold the assemblies and courts of their fellowship there, and this was followed later by a further authorisation to elect a mayor. It is obvious that they already had some form of organisation.

But although we have here the germ of a staple system it cannot be called a staple proper. It was a *de facto* staple not a *de jure* one. It was as Tout calls it a 'preferential staple' and not a compulsory one, for wool was in fact going to Bruges and other places. The charter, moreover, was granted to a general body of merchants trading to Antwerp; it certainly did not create a monopolistic company of the staple, and, indeed, in the fifteenth century it was claimed both by Staplers and by Adventurers.

The next phase can be said to begin in 1313, when the first compulsory wool staple was established in the Low Countries with its seat at St. Omer. The period from its foundation up to the outbreak of the Hundred Years' War is, however, highly experimental, for the conflict of the divergent interests which I have just described had not yet been resolved. Between May 1313 and May 1326 the staple was in the Low Countries, but various foreign rulers as well as various groups of English merchants were angling for it and it moved about between St. Omer, Antwerp and Bruges. Between May 1326 and November 1337 there was an oscillation between home staples, which were twice put on, and free trade.

The final phase, from 1337 to 1399, witnessed the emergence of the compulsory staple as an instrument of monopoly connected with royal finance in the Hundred Years' War. By the end of the fourteenth century the compulsory staple developed finally into the Company of the Staple of Calais.

The chief characteristic of the early years of the Hundred Years' War between 1337 and 1353 was the determination of the king both to turn into money his great loans and taxes in kind, and to raise loans on an increased export tax by granting a monopoly in export of wool to a body of merchants operating at a foreign staple. We have already seen how this policy led to the whole trade falling, for a time, into the hands of a small group of financiers, who in one form or another controlled it until 1350. We saw how the result of this was to unite parliament with the bulk of the wool merchants thus squeezed out of the trade, and how in the end parliament took over the subsidy, on the

condition that the monopoly should be abolished. This happened in 1351, and in 1353 a great council, constituted on the lines of a parliament, passed the famous Ordinance of the Staple of that year, confirmed next year by parliament, which was intended to wipe out all possibility of a narrow monopoly by a financial ring in the future.

By this Ordinance staples were set up in England again, but with two remarkable differences from the previous arrangement. In the first place aliens were left free to buy up-country as much as they liked; in the second place, they were given the sole right of exporting, no Englishman being allowed to engage in any but middleman operations. By this arrangement it was intended to make all monopolies impossible, and to give an additional inducement to alien merchants to come to England. As to the king, he had got his subsidy, and he got the higher customs paid by the aliens.

Yet it was in the highest degree unlikely that such an arrangement would last. In fact it lasted less than ten, and began to break up within six years. The English merchants had only got rid of the monopolies by the time-honoured method of cutting off their nose to spite their face. Indeed, the new arrangement was so favourable to the foreigners that the latter specially petitioned for its continuance. Looking back on it some twenty years later (1371–2), the English merchants described this period as one which was ‘to the great profit of aliens,’ and in which ‘the community of English merchants for the most part eschewed and left the purchase of wool to the great decrease in the price of wools and damage of the whole community.’ It began to break down as early as 1357, and from 1361 there began to emerge a new arrangement, the quasi-monopolistic English Company of the Staple at Calais. Its origins and vicissitudes, the stages in its adoption and organisation, and the way in which parliament was finally won over to it, need not concern us here. Suffice it to say that by 1399 the victory had been won and the Company of the Staple of Calais was finally confirmed.

The Company of the Staple of Calais, as it finally emerged, represented a compromise among all the various interests concerned in the establishment of the staple system. The king was satisfied by an arrangement whereby the Company provided the mechanism by which he could raise loans. The custom and subsidy on the export of wool was the best possible security which he could offer, and a chartered company enjoying the monopoly of the trade was a much safer source of loans than the series of firms and syndicates which had, one by one, gone bankrupt in the early years of the Hundred Years’ War. These considerations led at last to the Act of Retainer of 1466 by which the Company farmed the whole of the custom and the subsidy on wool, and undertook in return to pay the wages of the garrison at Calais and certain other fixed charges, repay itself for its past loans and deliver any surplus over and above a fixed sum into the exchequer. Moreover, another function, in which both the government and public opinion generally were interested, could now

be performed through the Company. The bullionist principles which animated them could be put into practice, not only by paying the garrison without transporting cash from England, but also by running a mint in Calais, into which merchants were obliged to deliver a certain proportion of the foreign silver and gold received from their sales.

The other interests—the English exporters and monopolists—also received their share of the compromise. The staple was abroad and not at home. But it was placed in an English town, Calais, which was not intimately connected with any manufacturing area. Thus no one body of English merchants was favoured more than the others, and what is more, the representatives of one body of foreign buyers could not combine to exclude others and keep down prices as the three great towns of Flanders, Bruges, Ghent and Ypres, had done when the staple was at Bruges.

A monopoly of English merchants was, indeed, established, as against the mass of English merchants, who had been accustomed to deal in wool as one of several commodities, and against the foreign exporters, but it was only a quasi-monopoly, halfway between Edward III's syndicates of a few financiers and the old free trade of Edward I's day.

The result was that none of the remaining interests—neither the home staple group nor the free trade groups—were left entirely out in the cold. The aliens were, it is true, excluded from the main body of trade with the Low Countries; but they were allowed to buy freely in England, and they were left in control of the one branch of the wool trade in which they were indispensable and which was indispensable to them, that is the direct trade to Italy by sea via the Straits of Gibraltar. From 1378 onwards the Italians and Catalonians were specifically permitted to engage in this branch of the trade, provided that they did not land the wool anywhere in the staple market of Western Europe. Something under one-fifth of the wool trade in the fifteenth century was carried by sea from Southampton, Sandwich or London in the galleys and carracks of Italy.

The wool dealers, the growers and the clothiers, the first of whom had favoured home staples and the two last free trade, were all appeased, but the appeasement was unpremeditated and certainly neither foreseen nor desired by the Company of the Staple. For all through the fifteenth century the growing English cloth industry brought competitors to the Staplers into the home market, and meant more customers to the middleman, an increasing demand for wool to the growers, and a new prosperity to the sheep farmers. In this process the staple monopoly played a great and unexpected part. It narrowed the channels of export, and, in order to enable the Staplers to shoulder the enormous export tax and make the king his loans, it secured for them low prices in England and high prices abroad. It is not difficult to see at once that this immense margin between the domestic and the foreign prices of wool provided most effective protection for an infant industry. The low home prices meant that English cloth could be sold, not only at home but abroad, much more cheaply than foreign cloth, which

had to pay an immensely higher sum for the same raw material; and the export of cloth became increasingly more lucrative than the export of wool. Cloth was also favoured by the fact that although it had been taxed since 1347, it paid a far lower rate than wool. Whereas wool paid something like 33 per cent, cloth paid under 2 per cent.

What reconciled in the end the middlemen, growers and clothiers alike to the foreign wool staple, was the fact that the export trade in raw wool no longer formed the only outlet for English wool production. An ever-increasing scope was found in the domestic market. And, in the field of foreign trade itself, new and increasing opportunities were being offered by the growth of the cloth exports. The miscellaneous importers of Edward I's day, who had combined their import trade with export of wool, became the Merchant Adventurers of the fifteenth century who combined it with dealing in cloth.

The fact that the monopoly of the Staple Company had as its by-product the rise of the English cloth industry was perhaps its only clearly beneficial result. For taxation and monopoly rarely work out as governments and monopolists intend them to do. Between them the king and the Staplers killed the goose that laid the golden eggs—or should I say the sheep that bore the golden fleece? It is true that the English predominance in the wool trade was finally established by the Staple; but this meant neither an increase in the volume of the trade nor an increase in the number of Englishmen sharing in it. An analysis of the customs figures shows that the average annual exports of English wool declined from 35,000 sacks in the early years of the fourteenth century to 8,000 sacks in the middle of the fifteenth century, and less than 8,000 sacks in the second half of the century. Furthermore, an examination of the whole history of the wool staple in the fourteenth century, while it was still experimental, enables one to observe the interesting, but not surprising, fact that the free trade periods were the periods of greatest expansion; the trade rose rapidly from 1274 to 1313; it fell immediately the foreign staple was put on, and it rose again during the free trade period, 1328 to 1332. With the abolition of the foreign staple and the monopolies in 1353 it picked up again for twenty years under the home staples and export by aliens, but with the appearance of the Company of the Staple at Calais in 1363 it began to fall again and thereafter fell steadily. Moreover, if the volume of the trade shrank under the Company of the Staple, the number of Englishmen engaged in it certainly did not rise as a result of the exclusion of foreign competition. Some 400 English merchants appear to have been exporting wool at the beginning of the fourteenth century, and the number of members of the Staple Company in the fifteenth century certainly was not greater, and was in most years probably less.

There was, however, yet another consequence of the staple monopoly—its effect upon the composition of the middle classes.

Lecture VI: The Wool Trade and the Middle Classes.

The student of medieval economic production, in trying to characterise the period as a whole, is continually aware of a distinction between what is typical and what, though striking, is exceptional. That distinction has to be borne in mind very firmly when we come to consider the medieval class system, and in particular when we consider what is loosely known as the bourgeoisie. It is quite clear that the middle class which is typical of the period is a *petite bourgeoisie* serving an inelastic town market and grouped into the professional associations proper to such a market. The typical and average craft guild of the middle ages is egalitarian in its policy and democratic in its government, just because it is working for a local urban market, in which demand and supply are alike known and inelastic. In such a town there is no room or need for individual businesses to expand, and it must never be forgotten that the majority of the towns of the middle ages were of this type. The whole egalitarian social policy of urban governments and town crafts and the whole body of canonist doctrine on such subjects as usury, the just price, and the fair wage rest upon the fact that the typical *milieu* of the urban middle class is one in which individuals cannot extend their share in that market beyond a certain limit without impinging on the standard of life of other individuals.

But if this is the type, there are notable exceptions. The typical picture of the medieval bourgeoisie as one in which an inelastic market holds the acquisitive instinct in check, damps down speculation, and limits the scale of production, is broken in certain localities and by certain forms of production. There emerge at certain points of time individuals who are very different from the little local tradesmen, and corporations which have none of the characteristics of the average craft. This *haute bourgeoisie*—the representatives of capitalism in a pre-capitalistic age—is formed out of two elements, and occurs when and where those elements find the soil suitable for their development.

It emerges, in the first place, among men engaged in the great export trades whether as exporters or as industrialists. Here the market is neither circumscribed nor inelastic, and therefore no check is placed by authority upon the enterprising individual. These merchant capitalists are to be found in one form or another throughout Europe; Venetians and Genoese sending their fleets all round the Levant for oriental luxuries, Hansards bringing East European goods to the West, merchants in every port or metropolitan centre handling the world trade in wine, corn, wool, metals and textiles. And to these commercial capitalists must be added the industrial capitalists who produce the manufactured goods which fed the export trade; the *marchands-batteurs* of Dinant and the rich employers of Florence and Douai and Ypres who set half the town at work for wages.

The other element out of which the *haute bourgeoisie* was formed was the financiers. If great bourgeois fortunes were made in trade the greatest merchant fortunes were made in finance, and above all in state finance. Where trade was so important as to play a role in royal finance and the traders were so rich as to be able to assist the crown, a still larger role in royal finance and a still further increase in merchant riches were achieved by involving the merchant in the raising of revenues and loans, and by directing into his possession or into his control that part of the national wealth which the state succeeded in converting to its purposes. Financiers of mercantile origin or trading profession were to be found in all parts of Europe, engaged not only in public but also in private finance, for they lent alike to kings and town governments, to monastic houses and to nobles. In some places they rose to spectacular heights, so that certain cities became, as it were, the homes of financial capital. Such were the great towns of Italy which made the name of Lombard synonymous with financiers all over Europe. Such was Cahors in France, whose inhabitants Dante puts in hell for their usury, and who, as Causini, were known and hated, hardly less than the Lombards, by the men of the thirteenth century. And such, too, was Arras, to whose financiers all the city governments of Flanders were in debt, and against whose leading money-lenders Boniface VIII directed the thunders of a papal bull in vain. And, above all, there were the outstanding individuals in the great towns, who in times of war and war taxation were placed in the position of army contractors, providers of war loans and collectors of war taxation. War, indeed, was the parent, the opportunity and sometimes the downfall, of the medieval financier.

These, then, were the sources of the *haute bourgeoisie* of the middle ages. But in considering it we must bear two warnings in mind. To begin with the extent of its influence in medieval Europe must not be exaggerated. Powerful as it was, it was at no time either so large or so powerful as the class of great landowners, which was its equivalent in another sphere of production. Very seldom in the middle ages did the bourgeoisie hold the master key to the social situation. Even assuming that the main sources of power did not in fact

reside in personal position in the countryside, or in social links with the government and control of armed forces, it is still true to say that, over the greater part of Europe, the landowning classes had a far greater command over the merchants' own particular instrument, wealth, and even over liquid wealth.

And, secondly, it must be remembered that the wealth and prosperity of the bourgeois class as a whole, and the appearance within it of great and outstanding capitalists were not necessarily concomitant. In some parts of Europe bourgeois civilisation took the form of a large, solid, prosperous body of patricians, such as those who were the glory of the inland French towns, or the Flemish towns in their decline, or Bruges at its height, or above all the Hanseatic towns. In others the most characteristic figures were the great financiers, firms and individuals, who bestrode the narrow world like a colossus. In Italy, Cahors and Arras the base was narrower but the pinnacles were higher.

Thirdly and lastly the evolution of the middle class in either form was not necessarily achieved as the result of a progressive chronological movement. It has its ups and downs, and the two forms which I have described may occur not as distinct types of civilisation but as different stages of development, in which the higher form—the speculating traders and financiers who represent what we most easily recognise as capitalism—may not infrequently precede the consolidation of a broad-based class of prosperous middling men. That was, indeed, the thesis of Professor Pirenne in a famous essay on *The Periods in the Social History of Capitalism*. Here he points out that, so far from being a steady and unbroken movement, capitalism developed in a series of waves, alternating between these types: the age of the individual adventurers, followed always by the age of solid and respectable prosperity, and associated respectively with unrestrained adventure and with regulation and control.

II.

Let us now come back to our mutttons. In England the wool trade was to such an extent the most important branch of English commerce that it played the dominant part in the evolution of an *haute bourgeoisie*. In so far as there were elements of commercial and financial capitalism in medieval England they developed, or failed to develop, with the progress of the wool trade and the changes in its organisation. And what I have been saying about progressive development in the history of European capitalism as a whole applies also to England. Here, too, there was a phase in which the wool trade and the high finance associated with it produced a large number of individual capitalists of great wealth and power, and there was another phase in which wealth and power were levelled down, within the upper ranks of the bourgeoisie, to a more modest and widely distributed range of prosperity and influence. And of these two phases the first preceded the second, for the first is associated primarily with the period of financial and commercial speculation in the early

years of the Hundred Years' War in the 1330's and 1340's, while the second arrives with the consolidation of the staple system in the later middle ages.

To begin at the beginning, it is plain that there is no time in English history from the Anglo-Saxon period onwards at which a native merchant class was not in existence and had not within it men of economic importance. From the Anglo-Saxon merchant who fared thrice over the sea in his own ship and was of thegn-right worthy, to Gresham in the sixteenth century, the line is unbroken. Sometimes we can see the class in process of formation. It is an Englishman, St. Godric of Finchale, whom Pirenne takes as characteristic of those wandering merchants who in process of time settled down to form the nucleus of the new bourgeoisie of the towns. He was born towards the end of the eleventh century in Lincolnshire of peasant parents, with no endowment except a head for business. He started as a beachcomber collecting and selling the wreckage of the shore. Thence he rose to be a small pedlar going round from village to village with his pack, and then, by degrees, to the position of a merchant trading by sea between England, Scotland, Denmark and Flanders. Lincolnshire and Scotland spell wool, and Flanders spells cloth, so I please myself with thinking that part at least of Godric's fortune rested on the export of wool in exchange for Flemish textiles.

The reason why we know so much about Godric is that towards the end of his life he gave up his wealth and his profession and became a saint, with a saint's *Life* to give him publicity through the ages. How many more merchants, equally rich and important, there were towards the end of the Anglo-Saxon period, who died unrepentant, and therefore unadvertised, we shall never know. But what we do know is that when, in the thirteenth century, our documents become abundant, they reveal the existence not only of a well-established class of town burgesses, but also of great and notable merchants among them. These, like the rest of the merchant class, are recruited from many sources. Some are descended from foreign immigrants, like those two great London families, the Bocointes and the Bukerells, whose forbears were Italian settlers, or the Arraz family which continued to bear the name of its home town. But above all they are descended from those elements in the countryside which, throughout the middle ages, all towns drew to themselves— young men seeking their fortunes, from the penniless peasant to the younger son of a gentleman's family. The number of citizens in every town who bear the names of villages; and in the capital and the great ports the number who bear the names of smaller provincial towns, bears witness to this steady flow. And for anyone interested in the wool trade, it is significant to find the great traders of the ports so often named after upland centres, like Dunstable, Brackley, Ludlow and Winton, witnessing to the trend from money made by collecting wool to money made by exporting it.

At all events, however recruited, the leaders of the English middle class in the thirteenth century have often made their fortunes by combining offices

under the crown with trade, like those 'king's merchants' of Henry III and Edward I, who made good use of their opportunities as royal minters, or butlers, or chamberlains. This, to take only one example, was how the London family of Basinges rose to importance in the thirteenth century. The Pipe and Liberate Rolls of the '30's, '40's, and '50's show Adam de Basinges trading in those silks and brocades and cloths of gold which Henry III required for hangings and vestments, and, dealing largely also in wool, Adam's son was to become one of the leading wool merchants of Edward I's day. Wine merchants, wool merchants, cloth merchants, dealers in miscellaneous commodities, form the top layer of the bourgeoisie. But do they contain among themselves any great capitalists comparable with the foreigners who came to England as traders and bankers from Italy and Arras and Douai?

The answer is that there are some who, if not altogether equal, are so outstanding among the English merchants, that their feet are set upon the same path. I say nothing of that remarkable twelfth-century figure, the financier William Cade, who lent on a large scale to the crown, magnates, monasteries and merchants alike, and was obviously deeply involved in the wool trade. I say nothing of him because it is possible that he was not an Englishman but a merchant of St. Omer settled in this country. But the financial operations of Edward I on the basis of the wool trade in the crisis of 1294-7 bring to the fore certain outstanding figures among the merchants, who are in a position not only to pay the 'maltote' but also to make considerable loans to the king on their sales. The greatest of them is Laurence of Ludlow, *mercolor notissimus*, as the chronicler calls him. Coming from the heart of the best wool area he was a member of a famous Shrewsbury firm, whose father Nicholas before him had been the leading wool merchant of the country. He it was who persuaded the merchants to grant the 'maltote' and who handled the king's first mass export. He may perhaps be known to some of us because he bought and enlarged for himself a house which still remains the most beautiful example of a fortified manor house in the country, Stokesay Castle in Shropshire. And there are other merchants capable of standing beside him. There is Gilbert of Chesterton, who handled the king's wool after Ludlow's death, and of whose creditors and contracts the records are full. There is Thomas Duraunt of Dunstable, the local wool merchant of whom the chronicler of Dunstable Priory stands in such awe that he obviously regards him as second only to the king of England. When he gives a feast to all the gentry and nobility of the neighbourhood 'our prior was present' says the Chronicler, 'against all the rules of the house. But he must be excused, for we were in debt to the said Thomas for a great sum and therefore we dared not offend him.'

Thus there was both a substantial merchant class at the end of the thirteenth century and within that class there were outstanding individuals, although there was no merchant financier who could as yet be named in the same breath with Riccardi and the Frescobaldi. Yet in a short time, and for a

short time only, the English bourgeoisie was to produce a class of men of this type. And I say for a short time, because in this, as in other aspects of the wool trade, the apogee came at a point midway in the middle ages and was followed by a century and half on a very much lower level.

The great age of English capitalists coincides with the tail end of the Italian financial hegemony which had developed powerfully by the time of Edward I and was widely used by Edward III in the early stages of the Hundred Years' War. The parliamentary revolt against the foreign financiers in 1343, and the impending bankruptcy of the Bardi and Peruzzi (which came, with a crash which shook Florence, in January 1345) gave the English financiers their chance. The wool taxes had to be managed by somebody; and where native financiers were not available spontaneously, they had to be called into existence. The war was a forcing ground for capitalists, and in the hot-house conditions of those two decades of speculation fortunes were rapidly amassed and as rapidly lost, and great men rose like meteors and, like meteors, disappeared into the night. For the most part, they belonged to the same class; they had laid the foundation of their fortunes in legitimate trade and then the war brought golden opportunities and they grew rich as army contractors and purveyors. Most of them seized upon the chance offered by the great wool monopolies and it was from these that they turned, when opportunity offered, to speculative finance.

The first and most famous of these financiers was William de la Pole, described by the Meaux chronicler as 'second to no merchant in England,' and the first merchant to found a noble house. He and his brother Richard belonged to a flourishing business house at Hull, and were active both in trade and in the royal service. Richard held the post of king's butler and also undertook army contracts and made loans to the crown, but with the outbreak of the war William stepped into the front rank. It was he who together with a London wool merchant, Reginald de Conduit, ran the syndicate which handled the first purveyance of 30,000 sacks in 1337. In the next year he was personally responsible for a loan of £18,000 to the crown. He became baron of the exchequer in 1339, and handled most of the king's war finance until the ministerial crisis of November 1340, when disaster overtook him and the other leading financiers involved in the wool deals, and he was imprisoned. After this he remained in the background, though we now know him to have been the mainspring of the first of the great syndicates which followed, the so-called 'English Company.' For all his losses he emerged with a substance large enough to provide the foundation of the great fortune of the house of Suffolk.

The great period of de la Pole's activities belonged to the early years of the war, when the king was still relying largely on foreign capitalists and the English merchants were mainly making their money out of army contracts and the wool monopoly. But from 1343 the alien capitalists occupied a minor

role, operating as supporters of the various English syndicates which now emerged as purely speculative concerns formed to handle the royal finances. The security under which they made their loans was twofold. They farmed the customs for £50,000 a year; they obtained the right to discount varying amounts of the Dordrecht bonds.⁶ From time to time loans were secured on other taxes and sometimes the king descended lower still, and the great crown of England would be found in pawn to merchants. I need not trouble you with a detailed list of these various syndicates. Names which appear most often in them are those of the directors who represented them for the crown. Such were John de Wesenham and Thomas de Melchbourn, both members of prominent Lynn victualling and wool exporting firms, who had grown rich first on the corn trade, then on army contracts and on royal offices. Such were the London merchants, Thomas de Swanland and Walter de Cheriton, who were involved in most of the local syndicates, and the much more obscure Gilbert de Wendlingborough, who seems to have had only a small mercantile business to start with, and grew rich as a clerk in the king's service. In 1347 Wendlingborough, Cheriton and their backers are found agreeing to take over the king's outstanding debt to the Gascons and the Peruzzi to the tune of £120,000, and at the same time contracting to handle the last of the big wool loans of 20,000 sacks for the sum of £66,600, payable in instalments within a year. And next year, with Swanland, they farm the customs for £50,000.

Some of these men reached positions of great wealth and power, though the direct headship of these concerns and the full burden of the risks they bore lost them the fortunes they made as quickly as they made them. But behind the shifting succession of financial syndicates, with a new group of directors each time, was apparently a more constant and permanent group of substantial men, deeply involved in the wool trade but with considerable connection with other branches of commerce as well, men who supplied a good deal of the capital for the syndicates but remained in the background themselves.

Of these great figures behind the syndicates two stand out in particular. One is Sir John Pulteney, member of the Drapers' Company and four times mayor of London, who came into prominence as a financier before the Hundred Years' War and was still at the height of his activity (in spite of one period of imprisonment) when the Black Death carried him off in 1349. He also founded a noble house, the Pulteneys, Earls of Bath. The other is Henry Picard, vintner and also mayor. He finds no place in the *Dictionary of National Biography*, though, when all records are assembled, he may yet be found to have been the greatest financier of the day. In 1345 the outstanding debts due to him are said to have amounted to £23,000, and he was at the back of most of the syndicates. He is known to fame chiefly for the legend that he feasted four kings at once in his house; the legend has been exploded as a fact, but like most legends it remains good as a symbol. He was certainly rich enough to have feasted four kings, and they were certainly likely enough to

have accepted his invitation, if only for the pressing reason which caused the Prior of Dunstable to accept the invitation of Thomas Duraunt. This group of financiers behind the scenes could be added to, but I have perhaps said enough to show that England did, in the hothouse conditions of those two war decades, produce, largely on the basis of the wool trade, a race of great speculative financiers comparable with the Italians who preceded them.

This state of affairs did not last. The great English financiers, who for a moment rivalled the Italian bankers of the generation before, were the product of an historical situation—the use made of the wool trade by the crown for purposes of war finance; and that historical situation soon disappeared. In the end the financiers burnt their fingers. All the great Italian firms who did business with the English crown had failed in turn, and it was the same story with the English syndicates. Some of the speculators emerged with their fortunes partially intact, but bankruptcy, imprisonment and temporary or permanent ruin was the lot of many of them. Their reign really came to an end with the failure of Cheriton & Co. in 1350, and henceforward the English merchants were as the burnt child that dreads the fire. We may read in the *Rolls of Parliament* how over thirty years later, in 1382, the Government tried to float a great loan of £60,000 on wool, to finance a French expedition. The commons advised application to the merchants but a committee of merchants flatly refused to have anything to do with it.

The merchants fear to raise this loan to our Lord the king or to do anything in this respect whereby any man might hereafter say that any of them had tricked or deceived their said lord, as hath been done on former occasions in the like case, as with Monsire William de la Pole, John Wesenham, John Malwayn, Walter Cheriton and many other great merchants, who for such transactions made with the King in his great need and for a little gain, have since been impeached for this cause and in other collateral ways and in the end some of them utterly destroyed. Wherefore the merchants now in Parliament fear the like impeachment if they make the said loan and will by no means make it.

The great race of speculative financiers had petered out. Richard Lyons in Richard II's reign was the last flicker of the old flame, and though there were merchant princes who made loans to the crown in the early fifteenth century, they were acting on a very much more modest scale. What is more, there was not beside them a body of financiers comparable, either in their numbers or in the scale of their operations, with those who flourished in the first two decades of the Hundred Years' War.

And this was not only because the early financiers had foundered. The whole historical scene had changed. The decades which saw their brief pre-eminence saw also the three-cornered struggle of the king, the parliament and the merchants over the wool tax. The result, as we saw, was a compromise which destroyed the condition under which the great financiers operated. In

the fifteenth century not only was the total volume of the English wool trade smaller than it had been a century before, but the financial appetites of the crown, though still exacting, were less sudden and less violent. The wool trade still had to finance the crown by means of loans on the security of the export tax, but it did so, not through small groups of individual financiers, but through the collective machinery of the staple, and its loans were much more modest than the sums of £50,000 to £80,000 which used to be outstanding to Edward III's syndicates. Under the Act of Retainer of 1466, by which the Company farmed the customs and all the revenues of Calais, it was anticipated that these would together bring in approximately £15,000 as against the £50,000 for which the syndicates of the 1340's had farmed the customs alone; and the outstanding debt of the crown to the staple in 1473 stood at only £28,000. Moreover, these loans were made by the Company, and within the company they were distributed on a true corporate basis, and supplied by every staple merchant in comparatively small instalments. If Picard's or Pulteney's stake in Edward III's loans may at times have reached five figures, the individual shares in the staple loans in the fifteenth century seldom exceeded £1,000. And when the crown was no longer dependent on individual wool merchants, no wool merchant ever rose to a position of such overwhelming financial superiority as that enjoyed by de la Pole, Pulteney, Picard, Tideswell and their like.

In fact the wool trade of the fifteenth century was so ordered as to level the standard up or down to the scale of a substantial but not over-powerful merchant class. It is here that we find the main difference between the quasi-monopoly of the Company of the Staple, on the one hand, and on the other both the free trade of Edward's day and the small financial monopolies of the first decade and a half of the Hundred Years' War. The number of merchants engaged was larger than during the latter, but smaller than during the former. The more modest traders who had taken a hand in the export of wool under free trade were now excluded, but the great capitalists also were prevented from coming to the top. If we examine the shipments of individual merchants in the fifteenth century we find that it is rare for a single firm to ship as much as 300 sacks a year, and the majority deal in much smaller quantities. They do not compare with the amounts handled by members of Edward III's monopoly syndicates. Indeed, the whole age is that of merchants tuned to a lower scale. The greatest of all—those of whom most is known, like Whittington and Hende—seldom exceed £3,000 in outstanding loans to the crown, a puny sum beside its liabilities to de la Pole and Picard, or beside the dealings of a contemporary great landlord and bishop, Beaufort, who may at certain times have advanced to the crown, and had owing to him, sums exceeding £15,000.

One has the impression that in so far as the structure of the bourgeoisie was bound up with the wool trade, the historical development of that trade resulted first of all in raising up a class of great capitalists and then of level-

ling down the peaks. If we want a concrete expression of what happened, we may get it in comparing the thirteenth-century wool merchant's house, Stokesay Castle, with all those substantial and comfortable houses in the village streets which were built by the clothiers and wool-men who, with the merchants, formed the wool bourgeoisie of the fifteenth century—Grevil's house in Chipping Campden and Paycocke's house in Coggeshall. Indeed, the whole fifteenth century was like that; an age on the land and in the town alike, of a more widespread but a more modest prosperity than that of the years when the Great War began.

Thus we come back to the point with which we started. English history and, above all, the history of the wool trade, shows the existence of a wealthy bourgeoisie throughout the centuries of the middle ages. But its history is one of irregular change rather than one of progressive evolution from small beginnings to great heights. For this absence of progressive evolution some organic tendencies of the middle class may perhaps be responsible. Though it was continually recruited from the land, it tended always to go back to the land, taking its fortune with it. The bourgeois of to-day is the country gentleman of tomorrow, and few of the great London merchant families have a continuous existence in London of more than three generations.

But on the whole, the absence of progressive evolution is mainly due to the historical scene. It was a particular historical situation which enabled the bourgeoisie to throw up a class of great financial capitalists. In so far as their immense fortunes were made not in trade but in trade and finance, they were for the most part lost in bankruptcies as quickly as they were made in speculation. Moreover, the class united against itself all the other sections of society, the landowners and the bulk of the bourgeoisie alike. The compromise, in which the constitutional and financial crisis of the fourteenth century ended, depressed the apex, while it broadened the foundations, of the English middle classes.

Notes.

1. F. W. Maitland, *Township and Borough*, p. 9.
2. It carried 22,900 on royal demesne and a few other estates, which shows that its downlands were an important sheep-farming area then, as they had been in prehistoric times and are today.
3. Incidentally, if they were only farming for subsistence as some books tell us, where did they get the money to pay for the flock on the top of their own rents? There is not the least doubt that they purchased the flock for cash down at the same time that they leased the pastures.
4. In *Studies in the Constitutional History of the Thirteenth and Fourteenth Centuries* (1937).
5. The wool tax imposed in spring 1294 was even higher: 5 marks. By the autumn, however, it was reduced to 40s. (3 marks), and this reduced, though still heavy, imposition, was the 'maltote,' which apparently aroused opposition between 1294 and 1297.
6. That is, the royal I.O.U.s allowing a large number of merchants, whose wool he had seized at Dordrecht in 1338, to recover some of the debt out of customs due on future exports.

