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LORDS, LADIES, PEASANTS,  
AND KNIGHTS:  
CLASS IN THE  
MIDDLE AGES

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## Chapter Five

# MERCHANTS AND TRADERS: THE ART OF MAKING MONEY

**M**erchants and traders were a rare commodity in the early medieval era, far fewer in number than farmers, serfs, members of landed families, and ordinary townspeople. This was mainly because at first, most towns and large estates were fairly small and isolated from one another. In the wake of the destruction of the Roman Empire by tribal peoples from central and northern Europe, many cities were sacked, communities were fragmented, and commerce in general diminished considerably in the disrupted subsistence economy.

Crafts and trades continued at a local level, however, as social conditions stabilized and gave rise to shops owned and run by merchants and usually concentrated in towns. Thereafter, such local production for local consumption represented the first of the two principal

aspects of medieval commerce. The second was trade, at first between neighboring towns and districts, and eventually among foreign cities and kingdoms. The economic need for and development of long-range commerce created a growing class of traders (traveling merchants). The great early twentieth-century Belgian scholar Henri Pirenne ably described the origins of these men who were destined to play such an important role in medieval society:

[They] were originally recruited from among landless men, who lived, so to speak, on the margin of a society where land alone was the basis of existence. . . . The younger sons of a man over-burdened with children were often forced to [strike out on their own, and] they swelled the crowd of vagabonds who roamed



through the country ... hiring themselves out [as farm helpers, soldiers, sailors, and dock workers]. The savings of a little peddler, a sailor ... or a docker furnished him with quite enough capital [money], if only he knew how to use it. ... With luck, the best among [such men] could not

fail to seize the many opportunities ... which commercial life offered to ... [those] who threw themselves into it with energy and intelligence.<sup>28</sup>

Such enterprising individuals, who saw the potential of buying and selling raw materials and craft goods, were further

*A painting dating from late medieval France shows merchants inspecting barrels of wine. Merchants were members of a small middle class.*



inspired by exposure to new foods, goods, and knowledge brought back from the Crusades, and by the rise of stable European currencies over the old barter system. Their success spearheaded the growth of a small but economically viable middle class, beginning in the 1100s. Middle-class merchants were better off than the peasants but usually not as well-off as the nobles. A few merchants and traders grew rich, however, and rivaled the traditional aristocrats in wealth and influence. Some of these successful businessmen became wealthy bankers, who lent money not only to traders, but to people of all walks of life. Thus, by the thirteenth century, commerce and the merchant class were well established and thriving in Europe.

## From Temporary Stalls to Permanent Shops

The first successful medieval businessmen were merchants who bought crops, livestock, wool, clothes, craft items, or other materials produced in the nearby countryside and sold them in the towns. They usually set up movable stalls (often consisting of large wagons or tents) in markets held once or twice a week in town squares or in other open spaces in the towns. Noted scholar Marjorie Rowling gives a colorful description of such a market:

Before the stalls displaying fresh fish . . . a [man] from a neighboring estate might be seen bargaining for his lord. At another [stall would be] an overseer buying butcher's meat,

honey, salt, oil, butter, cheese, fruit, and wine for his daughter's wedding feast. Meanwhile, the girl herself, with her mother, might be haggling over the cost of . . . bridal garments. . . . At another stall, peasants might be inspecting knives for pruning vines . . . or spades for digging. Nearby, a display of . . . cowhide, from which shoes could be made, would attract its own purchasers.<sup>29</sup>

Over time, many merchants made enough money to replace their movable stalls with permanent versions. In other words, they built or rented space for shops that were open for business on a daily rather than weekly basis. It became customary in most towns for most or all of the shops selling a certain product to occupy one street or sector; thus, there was often a butchers' district, a drapers' (fabric-sellers') district, or a goldsmiths' district.

Those local merchants who were most successful bought or built large, comfortable homes. In most cases, their new upper-middle-class lifestyle contrasted sharply with the poverty they knew growing up. A twelfth-century Italian document describes two poor boys who became wealthy merchants in northern Italy:

Sceva and Ollo were . . . boys of low birth [who] acquired at the same time a small capital [pool of money], and in our days became first hawkers of small commodities, then by continued success, of large ones. From pack-



men, they arose to be carriers, from that to masters of many wagons, and always remained trusty partners.<sup>30</sup>

Another successful merchant, Jean Boine Broke, ran a thriving fabric business in Flanders in the late 1200s. He owned a very large house, which he used as a factory, office, and warehouse as well as his residence. He employed many workers, who sorted raw wool, combed and oiled it, and dyed it. Some of his customers placed special orders for bolts of fabric of certain qualities and colors; others came to his warehouse and bought products right off the shelves.

## The Rise of Wealthy Mercantile Families

Men like Sceva, Ollo, and Broke usually passed on their businesses to their sons (and in rare cases to their daughters), who, conditions permitting, continued to expand them. Some European families grew quite wealthy and influential this way. The most famous examples were the leading mercantile families of Venice (in northeastern Italy), the greatest trading city of the Middle Ages. There, and in some other large cities, a few of these fortunate families formed a sort of new nobility that rivaled that of the traditional aristocrats.

One reason these rich family businesses were so successful for so long was that they learned to control most of the production processes of the goods they traded. First they obtained the raw materials



## A Trader Disputes a Price

*Sometimes medieval traders were forced to dispute the prices of room and board when they were away on business trips. These are excerpts from a letter written home by an English trader named William Cely in the late 1400s, in which he complains about a host who tried to charge too much:*

There is a variance between our host Thomas Graunger . . . for [he] promised us . . . that we should pay no more for our board [food] but 3 shillings, 4 pence [pennies] a week at the high table . . . and now he says he will have no less than 4 shillings a week at the high table. [In protest, my fellow merchants] will depart into other lodgings, some to one place and some to another.

Quoted in H.E. Malden, ed., *The Cely Papers, Selected from the Correspondence and Memoranda of the Cely Family, Merchants of the Staple*. Camden, UK: Royal Historical Society, 1900, p. 135.

(such as wool or precious metals); then they hired and trained the workers who turned these materials into salable products; and finally, they sold the finished products for large profits.

Considering the enormous fortunes these wealthy mercantile families accumulated, it is not surprising that they eventually learned to make money from money itself. Such families, particularly





*French coal merchants transport bags of coal in an illustration in a publication distributed by a local merchant guild. Such guilds operated in every city.*

in the Italian cities of Venice, Florence, Naples, Genoa, and Rome, operated financial firms that lent money to various merchants and nobles and charged hefty interest on the loans. Among the

leaders in the rise of banking was the powerful Medici family, based in Florence. The Medicis operated banking branches in other Italian cities, as well as London and Paris.





## High Praise for Merchants

*Medieval merchants and traders naturally tried to promote themselves and their profession to potential customers as well as to society in general. This obviously biased statement of praise for merchants was composed by an Italian trader in 1458:*

The dignity and office of merchants is great and exalted in many respects. First . . . the advancement of public welfare is a very honorable purpose. . . . The advancement, the comfort, and the health of [countries] to a large extent proceed from [the efforts of] merchants. . . . And

with respect to mercantile business and activity . . . [it] also brings about an abundance of money, jewels, gold, silver, and all kinds of metals. . . . Cities and countries are driven to cultivate the land, to enlarge the herds, and to exploit the incomes and rents. And [merchants] through their activity enable the poor to live. . . . Neither kings nor princes, nor any other rank of men enjoy as much reputation or credit as a good merchant.

Quoted in R.S. Lopez and I.W. Raymond, *Medieval Trade in the Mediterranean World*. New York: Columbia University Press, 1955, pp. 416–18.



*Fruit and grain merchants ply their trade in fifteenth-century Italy. Some successful merchants exported goods across the entire Mediterranean area.*

## Merchant Guilds

The wealthy mercantile families were not the only organizations that controlled and influenced medieval production and commerce, however. These families recognized the powers exercised by so-called merchant guilds, regulatory and protective associations that emerged across the continent. Eventually there was a guild for practically every craft and mercantile activity—guilds for grocers, spinners and weavers, drapers, metalworkers, candle makers, and so forth.

These organizations helped their members in a number of ways. First, they helped to safeguard their financial interests, so that aristocrats and wealthy manufacturers did not take advantage of them. When possible, they banded together to set fair prices on raw materials, for exam-

ple. Guilds also functioned as social and charitable organizations in a society in which there were many destitute homeless, jobless, or elderly persons. If a metalworker fell ill and could not work, for instance, his guild might help him support his family during the crisis. Merchant guilds also paid for the funerals of those members whose families could not afford them. And such funerals were always well attended. One of the rules listed in the official ordinance of a guild in Southampton, England, stated:

When a guildsman dies, all those who are of the guild shall attend the service of the dead, and guildsmen shall bear the body and bring it to the place of burial. And whoever [in the guild] will not do this, shall pay

*Many medieval merchant guilds produced illustrations depicting their members at work. This one was made by the Venetian Weavers' Guild.*





. . . two pence, to be given to the poor. . . And so long as the service of the dead shall last . . . there ought to burn four candles of the guild, each candle of two pounds weight or more.<sup>31</sup>

Guild members also frequently traveled together in groups in order to help keep them safe from thieves and pirates.

## Traveling Traders

The merchants who were most at the mercy of attacks by such criminals were the long-range traders who traveled far and

wide buying and selling a wide range of goods. By the year 1000, traders had established themselves in many parts of Europe. And in the following two centuries the more enterprising of their number boldly opened up new markets in remote regions that had long been isolated from Europe's growing economic mainstream.

One of these pioneering traders about whom evidence has survived was an Italian, Corrado of Ora. In 1236 he reached the remote town of Tesserò, in northern Italy. He met with some of the leading citizens and struck a deal with a landowner named Otto Grasso. For a set price, Ora promised to keep Grasso (and per-

*This illustration was part of a sign made by the Venetian Boat Builders' Guild in 1517. It shows several ships under construction.*



haps his neighbors) supplied with high-quality beans, rye, millet, and herbs grown in other parts of Italy on a yearly basis for as long as needed.

Among the other medieval traders, one of the best known was an English wool merchant named Thomas Betson—the same man who expressed his love for his fiancée in an often-quoted letter. (In fact, almost all we know about Betson comes from a group of his letters that fortunately survived.) Betson's eventual wife was the daughter of another well-to-do wool trader, William Stoner. In his business, Betson bought wool from English sheep ranchers and had the wool cleaned. Then, with the aid of his apprentices, he packed the merchandise and delivered it in person to buyers in northern France and more distant locales.

During such business trips, Betson and his fellow traders were always on the lookout for pirates and other criminals intent on stealing their valuable goods. Pirates plied their disreputable trade along most of Europe's coasts. But they were especially numerous in waters frequented by merchant vessels, such as the English Channel. A number of traders' letters have survived informing loved ones, backers, or customers that the goods made it through safely. One, penned by Englishman Thomas Henham, states: "I departed from Sandwich the 11th day of April and so came into Calais [in northern France] upon Shrove Thursday last with the wool ships, and so blessed be Jesus [that] I have received your wools in safety!"<sup>32</sup>

Traders like Ora, Betson, and Henham naturally had to find places to stay when they were away on business in foreign lands. Betson reveals in his letters that he often found lodgings in the homes of local people who made businesses of their own by renting out rooms to traveling merchants. Along with religious pilgrims and other travelers, merchants also sometimes found accommodations in hospices run by monks. These were small sections of monasteries set aside to lodge people in need of a place to spend the night. A merchant might also stay in the manor houses or castles of some of his well-to-do customers, where he would dine with them and tell them about recent events in his native land. In addition, there were inns located at intervals along Europe's major roads. And finally, local merchant guilds often ran inexpensive hostels that welcomed less well-off merchants, as well as poor religious pilgrims. One such establishment is mentioned in a surviving English public record dating from 1340: "The Guild Merchant of Coventry provided a hostel with thirteen beds. . . . A governor [manager] presided over it, and there was a woman to keep it clean. The upkeep was £10 a year."<sup>33</sup>

## The International Fairs

Although the busiest traders, including Betson, sometimes had individual customers they serviced on a regular basis, a large portion of their business was transacted at international fairs. These were well-known gatherings of traders that took





*Among the many international fairs held in medieval Europe was the Lendit Fair, near St. Denis in north-central France.*

place annually in various northern European locales. Some of the largest fairs were held in Flanders, Switzerland, Germany, and England. A typical fair lasted from one to six weeks, during which time the attending traders had to find whatever lodgings they could in the area. As happens today when a large convention is held in a city, finding a vacant room was difficult, so many of the traders had to rough it in tents. Such events could be colorful and exciting, except when the weather turned foul. An Englishman

who attended the Westminster Fair, held one year in southern England during the often chilly and raw rainy season, recalled:

All the merchants, in exposing their goods for sale there, had no shelter except canvas tents; owing to the changeable gusts of wind assailing them . . . they were cold and wet, and also suffered from hunger and thirst; their feet were soiled by mud, and their goods rotted by the showers of rain.<sup>34</sup>



The traders naturally tried to dress according to the weather, as well as to look their best for potential buyers. Excerpts from Betson's letters reveal that his outfits varied according to the season

in which a fair was held. In the winter, for what was called the "cold mart," he decked himself out in furs; whereas at the "Pask mart" in the spring, he wore lighter clothes and stuck a flower in his cap.

*Merchants of all types gathered at the international fairs. These trade shows offered opportunities to sell goods and gain new customers.*





Betson's letters also talk about some of the deals he struck with customers and the manner in which he was paid. In the centuries before he was born, merchants and traders received either money, in the form of gold or silver coins, or barter (goods exchanged for goods). But by Betson's day, a supplementary form of payment had emerged at the international fairs (as well as in the larger towns), namely, buying on credit. In this new system, a customer could take possession of the goods and promise to pay the seller later. Similarly, rich bankers extended credit to traders like Betson when they were short of cash. In such a deal, the merchant signed a promissory note, in which he promised to pay the asking price of the goods, plus interest, in a set number of months.

Sometimes the use of credit could cause unwanted delays and anxiety. In

Betson's case, for instance, he often purchased wool from English ranchers on credit and promised to pay them within six months. But on the other end of the deal, sometimes his customers took their time paying him. If he could not repay his creditors when the six months were up, he would have to pay additional interest, or he might lose these ranchers to another trader. In the end, profit was the bottom line. In Europe's emerging capitalist society, everyone—sellers, buyers, and traders alike—had to have money to live. Unbeknownst to Betson and his contemporaries, the art of making and accumulating money was laying the foundations of the market economy and modern society that would inevitably sweep away the feudal system and medieval culture with it.