

Cambridge University Press

978-1-107-58698-7 - The Eastland Trade and the Common Weal in the Seventeenth Century

R. W. K. Hinton

Excerpt

[More information](#)

Chapter I

INTRODUCTORY: THE EXPANSION OF THE
EASTLAND TRADE IN THE SIXTEENTH CENTURY

In the sixteenth century there was a great increase in sea-borne trade through the Danish Sound. The major part of this trade was handled by Hanseatics and Dutch, and the most important single commodity was rye. Rye, the product of Poland, was shipped from Danzig and a few neighbouring ports, and found its way to the countries of western and southern Europe from Norway to the Mediterranean. Much of it went through the Dutch entrepôt at Amsterdam. As the corn trade expanded, Dutch merchants became the most powerful group in the Baltic. For corn, they exchanged salt, wine and fish.

English merchants and English ships began to go to the Baltic at the same time. They had traded there in the fourteenth century but had retreated from it in the fifteenth. In 1497 the Sound Tables show no English ships passing through the Sound, but in 1504 they show a few and in the 1530's they show enough to denote a regular trade, while in the 1560's and 1570's they show numbers that stand comparison with the numbers for most of the seventeenth century. Still it was a small number compared with the total of all nations' ships. In round numbers we may say that a hundred English voyages was normal at the end of the sixteenth century (though there were large fluctuations from year to year), when the total figure approached three thousand, and the Dutch figure alone was about fifteen hundred. The English ships brought to England corn and other Baltic commodities, and took to the Baltic English cloth, including, as the staple export, expensive dyed and dressed cloth made in Suffolk and Essex. The Sound Tables first record ships' cargoes in 1562; from that date for many years the only cloth exported to the Baltic was English cloth in English ships.

The return of the English to the Baltic was part of what we commonly know as the Elizabethan expansion of trade, though, as in some other trades, it had its beginning a little earlier. There was also a revival of trade with Norway, whence English merchants had withdrawn at about the same time as they had turned their backs on the Baltic; so that the whole of our Eastland trade was expanding at the same time. In the same period English ships and merchants began to make voyages to the Mediterranean, to Africa, to Hamburg, to Russia.

Cambridge University Press

978-1-107-58698-7 - The Eastland Trade and the Common Weal in the Seventeenth Century

R. W. K. Hinton

Excerpt

[More information](#)2 *The Eastland Trade and the Common Weal*

This Elizabethan expansion was properly a geographical one, a redistribution into wider channels of the trade that had formerly been largely concentrated on the Low Countries. An increase in volume of exports had taken place somewhat earlier, culminating under Henry VIII, when English trade was still in the main tied to Antwerp, and in a sense, therefore, the opening of the Eastland trade was only the removal of one strand of the old trade to a more distant market. But it was not unimportant. For one thing, the exports probably earned more in the new market, because they were carried further, because they were predominantly finished cloth whereas the Antwerp market absorbed largely unfinished cloth, and because, while the big expansion in cloth exports took place under Henry VIII, some even higher points were sometimes reached subsequently. Mainly, however, it was important because it gave employment to fair-sized ships, carried the name of England farther afield, and reduced the galling and dangerous (if profitable) dependence on the Low Countries.¹

The movement into the Eastland was therefore a victory. To explain it one may speak of the troubles in the Low Countries and the sack of Antwerp, but the voyages to the Baltic preceded these. Queen Elizabeth harried the Hanseatic merchants in England, but English merchants could hardly have penetrated to the Hanseatic homeland on 'policy' alone. The vital factor was probably that they had a commodity to sell there on favourable terms and one for which there was an increasing demand. This was cloth—*finished* cloth, which they could afford to offer better cheap than cloth either made and finished in the Low Countries or made in England and finished in the Low Countries; for, as is well known, the sixteenth-century price rise came to the Low Countries earlier than it came to England. The Eastland bought this cloth, as it bought wine, salt and all the other western goods of which it stood in need, with corn. Through the sixteenth century, as we have seen, the volume of Baltic corn exports increased, and their value increased too because they were sold to countries where prices were rising fast. Thus, the more corn that passed to these rewarding markets, the more English cloth was bought in the Baltic and the more it yielded. Likewise when Baltic naval stores were in demand in Spain to fit out an Armada or a fleet for the Indies, doubtless

¹ On Tudor trade: P. Ramsey, 'Overseas trade in the reign of Henry VII', *Ec.H.R.* 2nd series, vi (1953), 173 ff.; F. J. Fisher, 'Commercial trends and policy in sixteenth-century England', *Ec.H.R.* x (1940), 95 ff.; L. Stone, 'Elizabethan overseas trade', *Ec.H.R.* 2nd series, ii (1949), 30 ff.; N. J. Williams, 'The maritime trade of the East Anglian ports, 1550-1590' (unpublished dissertation, 1952, Bodleian Library), 109 ff. It is difficult to link up the early story of the Eastland trade with the story of sixteenth-century trade as a whole because the main evidence for the latter, being based on consolidated customs returns, is by nature general, whereas the Eastland trade was only a very small part of it.

Cambridge University Press

978-1-107-58698-7 - The Eastland Trade and the Common Weal in the Seventeenth Century

R. W. K. Hinton

Excerpt

[More information](#)*Introductory*

3

the English cloth exporter felt the benefit. Furthermore, in England too the demand for Baltic products was increasing. Eastland naval stores were needed not only to resist the Armada but to build ships for the ordinary course of the expanded Elizabethan commerce, including the Eastland trade itself. And as the price of domestic English corn rose—and it rose very steeply from about 1530—so we must imagine a growing demand, especially in years of scarcity, for the cheaper imported Baltic rye. This trade by itself could well have been handled by Hanseatics or Dutchmen, but since Englishmen had penetrated to the Baltic on the strength of their cloth they were the better able to handle their own imports.

In this light the English expansion to the Eastland appears as a subsidiary venture in the general expansion of Baltic trade of which the Dutch were the chief agents and beneficiaries, resting on the ability of England to supply cloth at competitive prices. No new thing, probably. In the distant past, when there had been English factories at Danzig and Bergen similar to those now being re-established, dyed and dressed cloth was the English export; when the English gave up those outposts the Dutch were trading there more and more; and when the English confined their exports to the Low Countries these consisted of white cloth, unfinished. It is therefore possible to imagine English commerce swinging to and fro over the centuries between the distant markets and the nearby one, according as the English gained or lost control of the finishing processes; and to read back into the Middle Ages the same cross-Channel rivalry that is the main feature of the seventeenth century.¹

We have an interesting account of Poland, with sidelights on Polish trade, from the English traveller Fynes Moryson, who journeyed there in 1593. From Elbing, where the English merchants were then living, he visited Danzig. He describes the granaries. ‘The garner for laying up of corn . . . are very fair, and very many lying together, in which the citizens lay up corn brought out of Poland, and according to the wants of Europe, carry it into many kingdoms, and many times relieve fruitful provinces in time of casual dearth.’ Moryson gives an impression of Poland in these words:

The revenues of the king and gentlemen are moderate, scarce sufficient to maintain a plentiful table, and to exchange with merchants for wines and spices (which they much use, especially in dressing of fish) and for foreign stuffs and cloths of silk and wool. . . . [Poland] hath some, but very few mines of gold and silver. . . . It abounds with honey. . . . It yields great quantity of wax, flax, linen cloths made thereof, hemp, pitch of both

¹ On medieval trade, see *The Cambridge Economic History of Europe*, II, ed. M. Postan and E. E. Rich (Cambridge, 1952), 232–56.

4 *The Eastland Trade and the Common Weal*

kinds, masts for ships, boards and timber, rich furs, salt digged out of pits, amber, soap-ashes, and all kind of grain, especially rye, which hath made Danzig famous, for relieving all nations therewith in time of dearth.

No marvel then if merchants bring unto them silks of Italy, cloth of England, wine of Spain, and the very spices of India, with most remote commodities, since they not only sell them at what price they list, but also bring from thence such precious foresaid commodities. Poland is all far within land, excepting Borussia (vulgarly Prussia)... and the very inhabitants of Borussia have but few ships, using strangers to export their commodities. Poland aboundeth with the foresaid most necessary commodities, and the people live content with their own; yet are they not rich, because they want the foresaid foreign commodities far brought, and so dear. And they have so little gold and silver, as despising all in respect of it, they sell all commodities at a most low rate, especially those which are for daily food, and unfit to be exported.¹

Nothing struck Fynes Moryson more forcibly than this general cheapness. The observation was based on his own experience of the cost of meals and horsemeat and of the ordinary expenses of the traveller, which he hardly ever failed to note down, and is a true reflection of the general level of prices. That is to say that the domestic price level in Poland, though it rose during the sixteenth century as it did in other countries, remained lower than elsewhere; and it was this important fact that encouraged the export of Polish corn. Secondly, Moryson was struck by a fact which he probably learnt from the English merchants at Elbing, that in spite of this low price level there was a good demand in certain quarters for expensive goods from the west.

Under these circumstances English trade could not have failed to expand and English merchants to prosper. They had a firm hand on the cloth trade, and sold more cloth as the Poles sold more rye. The corn trade was principally in the hands of the Dutch, who took it to Amsterdam, stored it, and re-exported it. The state of harvests in western Europe influenced the price of corn at Amsterdam, and the price at Amsterdam governed the price in the Baltic; the rising prices in the west allowed rising prices in the Baltic. Rising prices in the Baltic allowed English cloth prices to be raised (as we know they were), while at the same time the quantity of cloth exports increased as the volume of the corn trade increased. From any vicissitude of the harvest in western Europe the English merchant stood to gain. Since England too imported corn, if by chance a bad harvest in England coincided with lower than usual corn prices in the Baltic (which would occur when the harvest in other western countries

¹ Fynes Moryson's *Itinerary* was first published in 1617. See remarks on Poland (Glasgow ed., 1907–8), I, 131; IV, 69–70.

Cambridge University Press

978-1-107-58698-7 - The Eastland Trade and the Common Weal in the Seventeenth Century

R. W. K. Hinton

Excerpt

[More information](#)*Introductory*

5

was good), the English merchant expanded his import trade. If a good harvest in England coincided with higher corn prices in the Baltic (which would occur when the harvest in other western countries was bad), he expanded his export trade. If the harvest was bad in England and all over western Europe as well, he had the opportunity of a good trade in both directions. We know that 1556 and 1596 were years when crops were bad over very wide areas and in which we should therefore expect both his exports and his imports to have been unusually high, and, though the evidence does not permit us to check this in 1556, a striking boom in exports and imports is in fact clearly visible in 1596. Indeed, 1596 turned out to be the end of the period of expansion, and we shall discuss in a moment the decline that succeeded it.¹

The English made their way into the Baltic as free traders. Fynes Moryson found them as a regulated company. They had received a charter of incorporation from Queen Elizabeth in 1579. There were sixty-five charter members. Their area was Norway, Sweden and the Baltic, except Narva (reserved to the Russia Company, whose charter was earlier; but the Eastland company traded there in our period). There is no need to describe their boundary with the Merchant Adventurers in detail: both companies had rights in Denmark and in the part of Germany bordering on the Baltic Sea, but Copenhagen and Elsinore—the Sound—belonged to the Eastland company only; the Eastland company could pass their goods through Hamburg if they wished (as, for example, when the Sound trade was stopped), although the Hamburg trade itself belonged to the Merchant Adventurers. In their area the Eastland company regulated the trade of all Englishmen; this meant for practical purposes that only members could trade. The charter has been published in part by Miss Sellers in her *Acts and Ordinances*. The foundation of the company has been well described by Miss Deardorff. She sees three contributory occasions. First, piracy: a Danish subject had been pillaged by an English privateer and if not indemnified would have induced his king to take reprisals on English ships at the Sound. The merchants were therefore to advance a sum of money towards the indemnity, and found that they could not levy it equitably without a certain measure of organisation under an authorised government. However, temporary measures could have met this case. Secondly, the same organisation and government were required for

¹ On east-west trade through the Sound, see A. E. Christensen, *Dutch Trade to the Baltic about 1600* (Copenhagen and the Hague, 1941); and Astrid Friis, 'The two crises in the Netherlands in 1557', *Scandinavian Economic History Review*, 1 (1953), 193 ff. For 1596 see Appendix D.

Cambridge University Press

978-1-107-58698-7 - *The Eastland Trade and the Common Weal in the Seventeenth Century*

R. W. K. Hinton

Excerpt

[More information](#)6 *The Eastland Trade and the Common Weal*

levying money to contribute to the cost of a royal ambassador to the King of Denmark, in order to negotiate among other things about the tolls that were being imposed at the Sound. A more permanent organisation was indicated here, inasmuch as the necessity for embassies might recur. Thirdly, the English merchants or some of them wanted to move from Danzig to Elbing, where they had been offered better conditions. This involved intense diplomacy in which again the crown took part. The English sought privileges at Elbing without giving way to the condition desired by Elbing, namely, to trade at Elbing only. Danzig wanted the English to stay at Danzig, but without the privileges they wished for. The King of Poland favoured Elbing over Danzig (an over-powerful and insubordinate town) but was unwilling for any one town to monopolise English trade. He also required a custom on English goods, which was a matter for negotiation with both towns equally. As the strength of the parties was nicely balanced, so the negotiations were long and arduous, and required the English to speak with a single voice. By the same token they were expensive and required them to contribute to a common purse. They were not in fact concluded before the foundation of the Eastland Company. In the end the company established a residence at Elbing with very full rights, analogous to those of the Hanseatic Stillyard in its heyday. In return the company undertook to confine their export trade to Elbing alone. The performance of this condition absolutely required a permanent company.¹

The convenience of the arrangements at Elbing can easily be appreciated. Elbing recognised the company as an autonomous corporation with its own court and its own law; the company even had a share in choosing the town's customs officers; the members could keep warehouses, were exempt from municipal taxes, and could freely trade (this was the point chiefly objected to by Danzig, as infringing what Danzig alleged to be the laws of Prussia)—though only at wholesale—with strangers as well as with burghers. Great importance attaches to the warehouses, in which unsold cloth could be carried over from year to year and without which the cloth trade could hardly have been accommodated to the fluctuating demand of the Polish market; for, since the Polish demand for English cloth rose and fell according as the Poles sold more or less corn, it would happen that in some years the English sold less cloth than England could

¹ N. R. Deardorff, 'English trade in the Baltic during the reign of Elizabeth', in *Studies in the History of English Commerce in the Tudor Period* (New York, 1912); also A. Szelagowski and N. S. B. Gras, 'The Eastland company in Prussia, 1579–1585', *Trans. R. Hist. Soc.* 3rd series, vi (1912), 163 ff. For accounts of Anglo-Danish diplomacy in the reign of Elizabeth, see E. P. Cheyney and W. Kirchner in *The Journal of Modern History*, i (1929), 9 ff. and xvii (1945), 1 ff.

Cambridge University Press

978-1-107-58698-7 - The Eastland Trade and the Common Weal in the Seventeenth Century

R. W. K. Hinton

Excerpt

[More information](#)*Introductory*

7

produce in a year, and in other years more. Again, we shall see when we come to examine the Eastland company's internal organisation that they used to sell cloth on credit, so that a right to sue in the town's courts was indispensable; the agreement granted it. The agreement also accorded necessary legal protections sufficient to cover more permanent forms of property. It did not envisage that Englishmen would hold real property unless by inheritance or dowry, but it did envisage, by implication, that they would hold goods or money, and it secured to the English community their native laws of inheritance and placed in their own hands the administration of dead members' estates. These estates may have been large, for it is likely that there were plenty of opportunities for profitable local investments, for example by loans at interest and shares in ships. At a much later date, about 1650,¹ the Eastland company claimed it as a major stroke to have been able to bring dead members' estates home to England intact, in defiance of a Polish law that a proportion of the property of deceased foreigners was forfeit to the crown.

During this phase of expansion the value of exports must sometimes (and may generally) have exceeded the value of imports, and there was probably a more or less continuous remittance of money from Danzig to England. In 1620 there will be talk of 'the many thousands of dollars in former times brought by the Merchants Adventurers from Hamburg and by the Eastland merchants from Danzig and other parts of Prussia into England'—not the sort of statement that could be made without some foundation of truth. We gather from the context that this money was silver coin; it was not remitted by bills of exchange.²

Fynes Moryson described his arrival at Elbing in 1593.

From Kettell we passed ten miles, and came to the port of Melvin [Elbing]... We saw Danzig seated not far from the sea shore, where it hath a haven, but not so safe as this: and towards the north-east in the same place a channel runneth up to Königsberg, the court of the Duke of Prussia. The port of Melvin is scarce ten foot deep, but our ship passed through the mud, like a plough upon land... Melvin is a little and fair city, lately compassed with new walls, and at this time grown rich by the English merchants, having their staple in the same... The English merchants at Melvin had no preacher, though the citizens gave them free exercise of religion: so that howsoever they excused it, by reason that learned preachers could hardly be drawn to come so far for means to live, yet I thought them not free of blame on this point.³

At the time of Fynes Moryson's visit the Eastland company were approaching the high tide of their prosperity. Seven years of extra-

¹ Appendix A9. ² Appendix A2 (b). ³ *Itinerary* (Glasgow ed.), I, 129–30.

Cambridge University Press

978-1-107-58698-7 - The Eastland Trade and the Common Weal in the Seventeenth Century

R. W. K. Hinton

Excerpt

[More information](#)8 *The Eastland Trade and the Common Weal*

ordinarily high exports from 1595 to 1601 lay before them. That over, their exports declined. According to the Sound Tables, in 1597 they exported 22,000 broadcloths. At the end of the seventeenth century they were exporting about 2000. The downward trend is clearly visible, through interruptions and fluctuations, in the figure at Appendix D. It is one of the symptoms of the seventeenth-century malady known as the decay of the old draperies.

In 1600, according to the Sound Tables, Dutch cloth was beginning to make its way to the Baltic. Competition was also felt from locally made cloth. In cloth a small difference in price made a great difference to demand. Demand was elastic. Thomas Mun observed about 1622 that 'twenty-five in the hundred less in the price . . . may raise above fifty upon the hundred in the quantity vented'. When they had a monopoly of supply, he wrote, they might charge as much as they could, 'so far forth as the high price cause not a less vent in the quantity'. But when they had no monopoly,

we must in this case strive to sell as cheap as possible we can, rather than to lose the utterance of such wares. For we have found of late years by good experience, that being able to sell our cloth cheap in Turkey, we have greatly increased the vent thereof, and the Venetians have lost as much in the utterance of theirs in those countries, because it is dearer. And on the other side a few years past, when by the excessive price of wools our cloth was exceeding dear, we lost at the least half our clothing for foreign parts. . . . For when cloth is dear, other nations do presently practise clothing, and we know they want neither art nor materials to this performance.

It may be relevant to notice that the average price of an English broadcloth shipped through the Sound rose through 1595, 1605 and 1615, whereas some Baltic prices in Polish price histories show a tendency to fall. Since Baltic prices were controlled from Amsterdam, it is possible that there too they were turning downward. We need not speculate in terms of the ending of the price revolution. The demand for English cloth could be affected by price differences imperceptible in constructed price series and with little relation to general price levels.¹

Professor Friis has written of the difficulties of the English cloth exporter to the Baltic in the first twenty years of the seventeenth century. The volume of their exports declined at the same time as the volume of Dutch exports increased. The Dutch cloth was English-made but dyed

¹ Mun, *England's Treasure by Foreign Trade*, ch. 3. Most of this was written as early as 1622 or 1623; B. E. Supple, *Bull. of Inst. of Hist. Research*, xxvii (1954), 91 ff. Polish price histories will be cited in the next chapter. Some average prices of goods shipped through the Sound are given below, pp. 36, 42.

Cambridge University Press

978-1-107-58698-7 - The Eastland Trade and the Common Weal in the Seventeenth Century

R. W. K. Hinton

Excerpt

[More information](#)*Introductory*

9

and dressed in the Netherlands. Professor Friis suggests that the scheme known as Cockayne's project was intended to put a stop to this practice. Cockayne's project was to prohibit the export of unfinished cloth to the Netherlands. Cockayne and the chief movers were Eastland merchants. The scheme failed and had no observable effect on the trade to the Baltic.¹

In this situation the English cloth exporter might gain some relief from his import trade. If English cloth was becoming too dear in the Baltic, it is possible that Baltic goods were becoming cheaper in England. The extra profit thus made possible was transferable, so to speak, in the form of a subsidy to the export trade. This was certainly done later. But, however favourably the terms of trade shifted in favour of the importer, it could no more than palliate the disadvantage of the exporter; for the demand for Baltic goods was inelastic. The demand for all Baltic goods, especially for unpalatable rye, depended more on need than on price. There could be no expansion of the import trade sufficient to counterbalance the shrinkage of the export trade. English cloth exports marched strikingly in step with English corn prices, high and low points together. Yet while corn prices tended on the whole upwards, cloth exports tended downwards.

In any case the time soon came when the English felt Dutch competition in imports. When Antwerp had lost its supreme place in the European economy there was perhaps a chance for London, but it was lost. Amsterdam had long been a shipping centre and corn entrepôt, and by 1609, when the Dutch war of independence ended, its commercial supremacy was well established. Even while the war was in progress Dutch merchants had traded with profit, and the years of peace are full of signs of expansion. Dunkirk privateers ceased to trouble them—Dunkirkers, as we shall see during the Thirty Years War, could double freight charges—and the unarmed economical *fluitschip* came into its own. The States-General promoted their merchants' interests in diplomacy with the Scandinavian kingdoms, with the Hanseatic towns, with Russia. Sooner or later in every field their expansion led to friction with the English. In some places there was fighting. Meetings of Dutch and English commissioners could achieve no lasting settlement of the many deep differences. Meanwhile, a more insidious form of competition was added to the rivalry in foreign markets: the Dutch began to encroach on English merchants' trade in

¹ Astrid Friis, *Alderman Cockayne's Project and the Cloth Trade* (Copenhagen and London, 1927). This is probably the best account of trade and trading policy under James I. It is specially good on the Eastland trade and contains names of Eastland merchants. It accepts, however, the then traditional view of the effects of Cockayne's project, namely that it led to the depression of 1620, an opinion that is now under revision.

Cambridge University Press

978-1-107-58698-7 - The Eastland Trade and the Common Weal in the Seventeenth Century

R. W. K. Hinton

Excerpt

[More information](#)10 *The Eastland Trade and the Common Weal*

England itself. They began to sell foreign goods in England alongside English merchants.

At the small port of Boston the Dutch import trade is conspicuous from about 1615. In French wine, Norway deals and Baltic rye, the Boston port books show the onset of an entrepôt trade from Amsterdam. In three years, 1615–17, there were heavy imports of rye: over 1000 lasts came from the Netherlands, less than fifty from the Baltic. The Dutch invasion must have been as obvious to anyone watching the port then as it is to anyone looking at the port books today. At first arrives a single ship of Amsterdam. It returns, makes repeated visits, plies as fast as it can sail to and fro across the North Sea. One sees the shipmaster building up his business. He becomes a familiar figure in the port books, as he must have been at the quayside among the merchants of Boston.¹

It is reasonable to suppose that in this respect the port of Boston is typical. In 1615 the Levant company of London complained to the crown that the Dutch were engrossing the import trade in Mediterranean goods. The reason was their cheap freights. The crown gave the Levant company a proclamation which had the effect of making them sole importers of Mediterranean goods. Hitherto the Levant company had controlled trade *in* the Mediterranean, but it was lawful to import Mediterranean goods from elsewhere. The proclamation, by placing the import of Mediterranean goods solely in the hands of the Levant company, ensured that in future they would be imported only from the Mediterranean.²

This proclamation was an obvious forerunner of the Navigation Act of 1651. The Dutch entrepôt trade was perhaps the most important single factor in shaping English economic policy in the seventeenth century. It is to be wished that we knew enough about it to assess accurately its effects. Port books are still a relatively untapped source, but in any case they survive inadequately for the two crises of 1620 and 1649, when the entrepôt trade was said to be at its height. The Eastland merchants alleged that when Eastland goods were imported from Amsterdam the export of cloth to the Baltic necessarily and proportionately declined. This raises questions about the structure of European commerce, to what extent it was multi-lateral or bilateral, which are probably better attacked in Dutch records than in English. Here contemporary economic theory can be called in question. It is difficult to see the truth. We are on firmer ground when we notice the effect of the Dutch entrepôt on English shipping: it tended

¹ Hinton, 'Dutch entrepôt trade at Boston, Lincs., 1600–40', *Ec.H.R.* 2nd series, IX (1957), 467 ff. This is based on my *Port Books of Boston 1601–1640* (Lincoln Record Society, 1956).

² *A.P.C. 1615–1616*, 98. The proclamation is printed below in Appendix A4.