Section V: The Rise of Capitalism and the National State to 1500

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1. The Revival of Commerce

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1. The Revival of Commerce

Abstract
Throughout the Middle Ages, and indeed until quite recent times, Europe's economy was primarily agrarian. From the eleventh century onward however, commerce followed by manufacturing and urbanization, became increasingly characteristic of Western Europe's society. But the old made way for the new so slowly that the shift may be clearly discerned only through the lengthened perspective of the years. [excerpt]

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Comments
This is a part of Section V: The Rise of Capitalism and the National State to 1500. The Contemporary Civilization page lists all additional sections of Ideas and Institutions of Western Man, as well as the Table of Contents for both volumes.

More About Contemporary Civilization:
From 1947 through 1969, all first-year Gettysburg College students took a two-semester course called Contemporary Civilization. The course was developed at President Henry W.A. Hanson's request with the goal of "introducing the student to the backgrounds of contemporary social problems through the major concepts, ideals, hopes and motivations of western culture since the Middle Ages."

Gettysburg College professors from the history, philosophy, and religion departments developed a textbook for the course. The first edition, published in 1955, was called An Introduction to Contemporary Civilization and Its Problems. A second edition, retitled Ideas and Institutions of Western Man, was published in 1958 and 1960. It is this second edition that we include here. The copy we digitized is from the Gary T. Hawbaker '66 Collection and the marginalia are his.

Authors

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1. The Revival of Commerce

Throughout the Middle Ages, and indeed until quite recent times, Europe's economy was primarily agrarian. From the eleventh century onward, however, commerce, followed by manufacturing and urbanization, became increasingly characteristic of Western Europe's society. But the old made way for the new so slowly that the shift may be clearly discerned only through the lengthened perspective of the years.

Despite the dislocations accompanying the disintegration of the Roman Empire, some trade had existed throughout the early Middle Ages. Nevertheless, except for limited local trade in occasional surplus agricultural commodities, a general commercial stagnation prevailed throughout Europe during the Dark Ages. Two commercial movements, both originating from Constantinople, constitute important exceptions to this generalization. The first of these was the exchange of goods between East and West by way of Russia and the Baltic Sea whence commodities were distributed through northwestern Europe by Northmen, once pirates and now turned peaceful traders. This commerce was tenuous, the total small, and by the twelfth century it had almost disappeared, contributing little of permanent significance to the Continent's commercial revival. The second of these movements, and in the long run the more important, connected Constantinople with Venice. The great Italian port had been settled in the sixth century at the head of the Adriatic Sea by refugees from the barbarian invasions. In 810 Charlemagne ceded it to the Byzantine Empire. Although emperors at Constantinople exercised little effective authority over Venice, this political connection enabled Venetian merchants to engage in trade with the eastern metropolis.

Until the eleventh century, however, most Europeans lacked both the incentive and the means for participating in extensive trade with the East or with each other. There were many reasons for this lack. First of all, the twin menace of Moslem and Norse expansion made Europe's primary task that of providing security. To the south the Mediterranean Sea routes from the Bosporus to Gibraltar fell into Moslem hands. Only a dribble of trade continued, such as that between Venice and the Moslem cities of Baghdad, Cairo, and Damascus. The Norse invasions of northwestern Europe during the ninth century found the recuperative powers of Europeans at a low ebb. The Continent was beset by a series of raids from Scandinavia by invaders whose fierce abandon is memorialized in the medieval litany: "From the fury of the Northmen, good Lord, deliver us!" Secondly, feudal society, which developed from these conditions, drew its livelihood chiefly from the soil and obtained its economic wants on the manor. Thirdly, in a prevailing self-sufficient economy the decline of craftsmanship limited the production of manufactured articles. Fourthly, the decay of the once magnificent Roman
road system, the excessive tolls exacted from defenseless travelers by territorial lords, and the perils of piracy and brigandage (often aided and abetted by the lords themselves) further impeded the flow of goods. The almost complete lack of a medium of exchange constituted a fifth obstacle to the exchange of commodities over an extended area. What little money there was was often debased and hence of uncertain value. A perhaps imponderable factor was the Church's strictures against trade conducted for the sake of profit and its general suspicion of the commercial life.

The eleventh century marked the beginning of an important change in European affairs. The Northmen had settled down in Europe and accepted Christianity, quickly adapting themselves to the social system they found there. Moreover, some of them turned their expansionist energies farther south against the Moslems, and between 1072 and 1091 they conquered Sicily and established on that island a Norman kingdom. In addition, rising Italian port cities like Pisa and Genoa succeeded in clearing the western Mediterranean Sea of Moslems. With the passing of the Norse and Moslem threat a new order came to the Continent.

An indication of the new sense of security was the marked growth in Europe's population. People turned their attention to improving agricultural methods, clearing more land and putting it under cultivation, all of which increased the food supply. As more food became available the mortality rate declined. The increased population sought for even more land, created a restive surplus labor supply, and made for an increasing scarcity of manorial estates to care for the younger sons of the nobility -- conditions which stimulated European expansion. In part the twelfth century zeal for the Crusades arose in the desire of younger nobles for land which they imagined could be acquired in Palestine.

The Crusades, described by Sir Ernest Barker as "that wonderful and perpetually astonishing act in the great drama of human life," evolved from forces which were partially religious and in great part secular. The exhortatory sermon of Pope Urban II (1095) initiated a movement which lasted intermittently for nearly two hundred years and sent thousands of knights and their retainers to the Holy Land. Troops and supplies were conveyed thither by Italian fleets and, once the Christians had established their Latin Kingdoms in Palestine, Venetian merchants obtained a virtual monopoly of the resulting commerce between Europe and the East. Merchants of Venice did not scruple to trade with the Moslems even as Christian knights embarked on the Crusades, and in 1198 Pope Innocent III threatened to excommunicate those Venetians who persisted in selling "iron, oakum, pitch, sharp instruments, rope, weapons, galleys, ships, and timbers" to the Moslems. So lucrative was this trade that merchant adventurers from Pisa and Genoa entered into competition with the Adriatic port city, and ere long Barcelona and Marseilles were dispatching ships to the eastern Mediterranean.
It was the Italian cities, however, which took the lead in ushering in the commercial revival stemming from trade with the East. The effects of this trade at length penetrated inland to stimulate the economy of the western part of the Continent.

While it is true that much of this commercial revival was energized by the Eastern trade it was also self-sustaining. To the south the Venetians and Genoese (the latter eliminated Pisan competition in a naval war in 1284) dominated the Mediterranean routes and the Venetians sailed out past Gibraltar up along the Atlantic coast to London and Bruges. In these cities the Italians exchanged luxury articles from the East for the products of the North. In the fourteenth century northern European commerce was almost entirely monopolized by a commercial association of over fifty cities called the Hanseatic League. The league’s headquarters were at Lübeck (known as the northern Venice), and among its more prominent members were the merchants of Antwerp, Bremen, Hamburg, Copenhagen, Danzig, Stockholm, and Riga.

Of all the exotic goods which Europeans imported from the East spices were the first objects of trade. European demand was almost insatiable, and those merchants who participated in the spice trade realized considerable profit despite the risks they ran from pirates, shipwreck, and formidable competition. By the thirteenth century the Italians, through whose hands these goods passed, were also transporting fruits, raw silk, cotton, dyestuffs, and such finished cloths as muslin, damask, and gauze. These imports provided a fillip for the Continent’s burgeoning trade and industry and added to Europe’s rising living standards. In return for these luxuries, northern Europe shipped the resources of the Baltic region (naval stores, timbers, herring, and Russian furs), woolen goods from Flanders and England, and even arms to the Mediterranean lands.

The Flemish cities of Bruges, Ghent, and Antwerp prospered because of their favorable location as the meeting place between Italian and Hanseatic merchants and at the mouth of the Rhine, Scheldt, and Meuse Rivers, which gave access to a considerable hinterland. The wealth that flowed from the resulting commerce was gathered in by these cities, stimulating the local industry which arose to participate in the commercial currents. Because of her superior woolen manufacturing, Flanders briefly experienced an unparalleled prosperity. Flemish and Barbantine weavers were among the most skilled and the products of their looms were unrivaled for flexibility, softness, and beauty of color. Competition for the Flemish trade was an important factor in precipitating the Hundred Years’ War (1337-1453) between France and England. Cloth weaving also featured the economy of many towns in northern Italy, particularly the production of silk cloth at Lucca and fustians at Milan.

Not the least of the important commodities introduced in the trade revival were the products of France’s superior vineyards. From the thirteenth century on, French wines moved in
trade channels from the Seine valley and from Burgundy, and were rivaled only by those of the regions around Bordeaux and La Rochelle. Wine was much in demand in such non-wine-producing countries as England where it was the usual beverage of the wealthy classes. The inferior quality of Italian wines and the limited production of Rhenish wines made them less profitable for export. French wines, therefore, enjoyed a preponderance in the international wine trade.

It is not clear whether the commercial revival was a cause for or an effect of the progress in mining and metallurgy. Advances in the techniques of extracting and refining ores came concurrently with the growth of trade and urban life. After the third century the quantity and quality of mineral production had declined from the high level of Roman days. As towns disappeared, trade shrank, and population declined, most Europeans contented themselves with such ores as could be obtained near their village huts in the remnants of old workings. Although the ninth century production of gold, silver, copper, lead, and tin shrank to a small fraction of its former amount, the century saw a rise in the production of iron. Always in demand for tools and weapons, it was available in greater quantity and with less effort than were the other metals. Mining communities, separate from those of the local peasants engaged in agriculture, were scattered through the Continent. Iron was an early important item of Venetian exports to the East.

Beginning with the tenth century there was general progress in both mining and metallurgy. Later, in the twelfth century, the development of rich silver-bearing ores in Saxony inaugurated a new chapter in the history of mining in Europe, and the production of minerals increased steadily during the economic resurgence of the next two hundred years. It was an era of building — cathedrals, churches, abbeys, castles, and guildhalls. Lead was in demand for roofing; iron was used for fine window grills, for decoration of strong boxes, and for the more mundane tools, weapons, armor, locks, and keys; gold and silver were sought for decoration and coinage. Lead and tin figured in England's exports while Germany and the Low Countries were the chief sources of silver and gold. Iron was distributed widely throughout the Continent, and when it was imported it was usually to supplement local supplies.

Metallurgical processes advanced greatly and attracted capital after the beginning of the thirteenth century. In the first decade of this century, new sources of power for hammering crude ore and for bellows became available with the use of water wheels, particularly in the eastern Alps. Improved types of furnaces appeared in the fourteenth century. As in mining the first large investments were made in connection with silver extracted from argentiferous lead ore. Nevertheless, the study of the natural sciences necessary to advances in metallurgy was discouraged by reliance on the dogmatic systems of the schoolmen and the classical philosophers.
The heavily forested areas of the Continent provided a ready supply of charcoal for the furnaces and smelters, but as the metallurgic industry increased its output the forests no longer furnished a sufficient amount of this fuel. Europeans thereupon turned to coal on a limited scale in the thirteenth century. The story that Europe greeted with skepticism Marco Polo's tale of the Chinese burning "black stones" is probably apochryphal, since thirteenth century records abound with evidence of the use of coal. Northern England, Scotland, and the Low Countries were the chief sources of this mineral.

The revival of commerce and industry loosened the economic blockade which had surrounded Europe. As some Europeans moved about over a wider area the horizon of medieval man was extended and he began to lose some of his intellectual provincialism. He learned of the new comforts of life which this world's goods could furnish him. What had once been considered luxuries now became more common. Merchants and craftsmen, in order to meet the demand created by this new concept of needs, required additional labor, a convenient base of operations, and new techniques for organizing production and distribution. These requirements were met by the creation of an urban working class concentrated in population centers and organized into corporate social entities.