# PROBLEMS

## *The State and Commercial Expansion: England in the Years 1642-1688*

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"Trade... Being well understood by our neighbours, and made so much the Concerne of them as they now place the very vigilant part of their Interest and Government in it this seemes to take away all choice from us, and to lay a necessity now Inevitable upon us; That eyther we must leade this great and generall affayre of State by making ourselves the Masters of Commerce or Keeping up an Equality at least in it; Or we must be content to be lead by it and humbled under the power of them that have the ability to Rule and Governe it".[1]

These words — probably written by Dr. Benjamin Worsley — epitomise the mood and attitude of official circles in England from the late 1640s and emphasise that mutual dependence between "power and plenty" which is now recognised as a fundamental tenet of "mercantilist" policy. The influences and pressures which induced the English State to embark upon a deliberate and sustained policy of commercial, industrial and colonial expansion were both domestic and foreign, economic and political. It is the purpose here to discuss the origins of the commercial policies which attended the elevation of England to the status of a leading maritime and commercial power within a few decades.

That the participation of the State was an essential ingredient in the progress of the "commercial revolution" is suggested by reference to the trend

[1] London, Public Record Office. Shaftesbury Papers. PRO 30/24/49/89. *Some Considerations About the Commission for Trade*. Circa 1670.

of events in Europe, for despite the preoccupation shown by students of the period with the rapid growth of overseas plantations and the evolution of the "Old Colonial System" it was the European market which was of the greatest concern for the vending of both exports and re-exports.

The beginnings of England's aggressively expansionist commercial policy date from the late 1640s, when the expansion of the European economy which had begun in the early sixteenth century had faltered. Demographic growth faded, and during the 1620s and 1630s many areas suffered great reverses. Recovery was uneven, both in time and place, so that by 1700, total population was not much greater than it had been in 1600.[2] In contrast to the "long sixteenth century" inflation prices, which had risen consistently, eased and frequently declined. Agricultural output increased in many areas — a development underlined by the decline of the Baltic grain trade, and on a more parochial level, by the attempts of the English government to stimulate grain exports and curtail cattle imports during the Second Anglo-Dutch War.

The impact of these trends upon effective demand are as yet unclear, since regional variations make generalisation difficult. Domenico Sella has posed the problem by suggesting that the stimulus given to aggregate demand for industrial goods by rising population was probably offset by declining real wages during the sixteenth and early seventeenth centuries, whilst in the latter part of the seventeenth century, the effects of rising real incomes were probably offset by declining population. It does appear that the European market did not grow significantly in extent, although this says nothing of rising real wages in many areas, or of the social distribution of wealth and income.

The commercial crisis of the 1620s and the continuation of the Thirty Years War inevitably reflected adversely upon the foreign trade of Europe. De Vries has pointed to several indicators of trade and industrial activity, which led him to the conclusion that "The great European expansion of the sixteenth century was coming to an end".[3]

England was not directly involved in the Thirty Years War and was able to take advantage of the important commercial opportunities which fell to the neutral in time of war. But this stimulus to expansion was curtailed in the 1640s with the outbreak of Civil War in England and by the coming of peace in Europe. The statistical evidence for the advancement of English trade conforms with this pattern. Prof. Minchinton, in his summary of available data has suggested that in the first four decades of the seventeenth century, English exports expanded by about 75%, or 1½% per annum.[4] Between 1640

[2] Roger Mols, *Population in Europe, 1500-1700*. In C. Cipolla (Ed.) *The Fontana Economic History of Europe Vol. 2*, p. 38.

[3] J. de Vries, *The Economy of Europe in an Age of Crisis, 1600-1700*. (Cambridge, 1976), pp. 14-15 & pp. 18-19.

and 1660 the rate of growth was higher — between 37 and 64% or 1.3 to 2.1% per annum. However, much of this great increase was "largely attributable" to the meteoric growth of re-exports.[5] But in the later decades of the century the rate of growth eased, so that between the mid-1680s and the late 1740s overseas trade grew by about 1% per annum.[6]

The impression gained from Prof. Minchinton's narrative is that progress was not continuous but that trade advanced in periodic bursts, followed by periods of slower growth, and this uneven course is also indicated by contemporary literary evidence and was important in shaping attitudes and policies. During the early years of the Restoration there was a nostalgia for a time, a not wholly imagined Golden Age, when English trade had enjoyed greater buoyancy. Although it was recognised at that time that the volume and diversity of English trade had never been greater, this did not allay or assuage the feeling of malaise which seemed to be afflicting the domestic economy. It was, for instance, during a period of remarkable stability that Sir William Petty produced his much printed book, "Britannia Languens". In 1668 Sir Thomas Culpepper reflected upon the course of events since the start of the Thirty Years War when English trade advanced, albeit after the traumatic crisis of the 1620s. "It was" he wrote "as yet convenience, for the Dutch had then their hands full of their war with Spayne which (although Prosperous enough) was some curb to their growth in Commerce; Germany was so harassed and embroy'd, that it could neither Trade nor Till; Sweden a mere limb of the French interest; we alone (sitting under the shadow of our own Vines) might afford to give them all great Odds, for all the Markets of the World were full of our Growth, and thin of theirs; The Kings Customes upon yearely great advancement; the Gentleman yearely raised his Rent, yet duely received it, which the farmer cheerfully paid; the Merchant... thrived in his Principal; Our land was yearely improved, and with it our Manufactures increased, our poor generally imployed... Our debtors dayly cleared themselves... so as in a short time there would be no decay... and no complaining in our streets".

The Interregnum — 'a vast Gulf of twenty years ruin and distraction' — during which the Treaty of Munster was signed, changed this situation, so that the commercial advantages which had fallen to the English, especially during the 1630s, evaporated. English trade suffered many reverses, particularly in the shipping industry, 'and the Dutch being unmolested and secured from Spanish pretence, were at leisure to intend their Trade and undermine ours; Germany hath had time to replant and re-people; Sweden is become an Independent Power of much weight in the Balance of Christendom; and France (first by

[4] W.E. Minchinton (ed.). *The Growth of English Overseas Trade.* (London, 1969). Editor's Introduction, pp. 9-10.

[5] Loc cit. p. 10.

[6] Loc cit. p. 15.

making peace with the Emperor, then with Spain) is... in a few years become dangerous to us all'.[7]

Although the growth rate of commercial expansion might have declined, and despite severe competitive pressures, there was a remarkable degree of stability during this period in England. Certainly, there was no crisis to compare with that of the early 1620s, and those fluctuations which did occur were closely associated with the dislocation and interruption of shipping as a direct consequence of war at sea. With the exception of the late 1640s, England was free from the consequences of severe harvest failures, or crises of subsistence, and the high levels of mortality associated with them. These facts were clearly reflected in the tone of both economic writing and the quality of legislation and other executive action by the State.

The evidence of the economic pamphleteers and of the debates in parliament do not suggest the concerns of a crisis-ridden society. Rather, many debates and commentaries dwelt upon the predicament of the farmer and landowner, whose economic and social status were undermined by falling agricultural prices, rents and land values. Significantly, the hopes that were placed in the expansion of the domestic export sector were emphasised by the evident need to stimulate the consumption of wool — for sluggish demand leading to periodic gluts were attributed directly to the languishing condition of the textile export trades, especially the 'Old Draperies'. The unmistakeable message of the most important book on agriculture of the period was that since prices were drepressed 'by the Great Plenty, and smallness of Value of the Ordinary Productions of the Earth' the prosperity lay in diversification — the cultivation of new crops and commodities.

The problems of vagrancy and chronic under-employment, which had so pre-occupied the governments of the Tudor and early Stuart periods, did not appear to be an urgent concern at this time. Indeed, the legislative record of the years 1642-1688 had little to compare with more than one hundred penal statutes passed during the sixteenth century which had extended government regulation over industry, agriculture, the market place, trade and commerce. Such legislative activity did not continue into the second half of the seventeenth century, and if this was because there was little to add to the existing corpus of the law, then it was equally significant that the rate at which the government issued proclamations — which announced the more rigorous enforcement of existing laws — slackened off.

This could have been due in part to administrative reasons, but much more importantly, it was because of a fundamental change in the economic climate. The economy was not as vulnerable to severe short run crises which made such executive action necessary. Rather, commercial problems were of a more long

[7] Sir Thomas Culpepper, *A Discourse Showing the Many Advantages by the Abatement of Usuary*. (1668).

term nature and thus demanded a different and more sustained response from the State.

In the middle decades of the century, there was a subtle shift in the emphasis of economic policy. The English economy was not threatened with instability and crisis requiring the 'paternalistic' responses of the Tudor and early Stuart governments. By contrast, political and economic events in Europe which affected English trade and commerce demanded the unceasing vigilance of the government, and consequently the most important policy initiatives of these years were much more concerned with the outside world than with purely domestic matters.

## The policy responses of the English state

It has been argued that conditions in Europe did not favour the rapid general expansion of commerce in the decades between 1640 and the end of the century. The view was often expressed at that time that the volume of world trade was fixed, and this was entirely consistent with the evidence of slow growth. Consequently, it was possible for a particular country to increase its share of commerce only at the expense of some rival nation. Although this simple 'mercantilistic' notion has met with much scholarly criticism, there is much to suggest that at various junctures it was quite justified. This explains in part the intense feelings of suspicion and jealousy between trading rivals, and also the sense of urgency which characterised discussions about economic and commercial policy. This suggests also that the very real advances made by English merchants and shippers in this claustrophobic and essentially hostile environment were the more remarkable and such conditions did much to shape attitudes, feed prejudices and influence policies.

The success of Dutch commerce was frequently attributed to their use of councils of trade peopled by those 'who have not only the theoretical knowledge, but the practical experiences of trade, by whome laws and orders are contrived'.[9] Between the 1620s and 1670s several such bodies were constituted in what was the prehistory of the Board of Trade. In 1650 an influential Council for Trade was set up by the Council of State, and a similar body was established in 1656. In 1660 the 'Grand Council for Trade and Plantations' was appointed under the aegis of the Privy Council, which continued to administer the affairs of the colonies long after the machinery of enforcement of domestic statutes for the regulation of industry and agriculture had vanished in the upheavals of the 1640s and the defeat of the King in the

[8] Samuel Worlidge, *Systema Agriculturae.* (1669).

[9] Josiah Child, *Brief Observations Concerning Trade and the Interest of Money.* (1668).

Civil Wars. The 'Grand Council' was re-commissioned several times — for such bodies tended to lapse during war, but found an enduring structure in the 1670s.

The emergence of a permanently established and paid bureaucracy concerned with mercantile and commercial problems was of great importance, for its permanence and continuity of work was in marked contrast to the various committes formed within the Commons and Lords. As Michael Hawkins has observed, before 1640 it would be wrong 'to impose on the government an unrealistic degree of consistency, coherence or long term planning'.[10] However, after the 1640s such attributes became less fanciful and more real, and this institutional development was made in response to the needs of commercial expansion, for the considerable problems confronting England made consistency, coherence and long term planning essential.

The Instructions and Commissions to these Councils for Trade echoed the concerns of State, and their content did not change after the 1650s. One objective was adopted in the face of growing competition and the simultaneous rise of protectionist and exlusive policies, and this was the diversification of economic activity, such as the nurturing of new domestic industries, the establishment of plantations in the New World capable of yielding novel commodities, the extention of the range of shipping and other commercial activities, and the development of existing and new markets overseas.

The first concern of the Council for Trade of 1660 was an aspect of policy which has been inexplicably neglected by students of the period, and this was the conduct of commercial diplomacy. The Council was ordered to 'take into your consideration the Inconveniences which English trade hath suffered in any partes beyond the seas And are to inquire into such articles of former Treaties as have bin made with any Prince or State in relation to trade and to draw out such Observations and Resolutions from these as may be necessary for us to advise or insist upon in any forreign Leagues or Alliances that such evills as have befallen these Our Kingdoms through want of good informations in these great and public concernments may be provided against it in time to come'.[11]

This renewed concern dated from the late 1640s, and was crucial for the driving of trade, for the status of English shipping, crews, merchants, factors, merchandize and estates had to be defined as favourably as possible in order to defeat the protectionist and exclusive policies of foreign states, themselves seeking the greatest possible degree of economic self-sufficiency, and the least possible dependence upon imports either of goods or of services — such as shipping.

[10] Michael Hawkins, *The Government: Its Role and Its Aims.* In Conrad Russell (Ed.) *The Origins of the English Civil War*, p. 38.

[11] PRO State Papers Domestic, SP 29/21/27. November 1660.

Between 1650 and 1677 a large number of commercial and maritime treaties were concluded with such powers as Sweden, Portugal, Tunis and other Barbary States, the United Provinces, Spain and France, amongst other nations. Diplomatic contacts were established in virtually every corner of Europe — and indeed beyond — for the struggle for commercial supremacy extended beyond Europe to the West and East Indies, and the Americas. The merchant community was necessarily active in these endeavours, and was well represented on official bodies such as the Councils for Trade and were frequently consulted by the Secretaries of State whose function it was to co-ordinate diplomatic activity and with other members of the Privy Council, to draft new treaties.

Political factors were important in determining the chronology of diplomatic events. Before 1650 the English Crown had been singularly ill equipped to pursue an aggressive and expansive foreign policy. Domestic cares, constitutional, religious and political, as well as a persistent shortage of cash, epitomised by the Crown's attempt to raise Ship Money, deprived the State of the most important instrument of commercial policy, a powerful navy. English interests undoubtedly suffered as a consequence, and as Hinton has remarked, 'all over Europe, Charles I's diplomacy rested on negotiations without strength'.[12] The massacre at Amboyna symbolised the weakness of England in defence of her vital interests, and equally the determination of the Dutch to exploit such weakness wherever they found it in order to advance their own position.

During the Commonwealth and Protectorate this situation changed, and the Navigation Act of 1651, the First Anglo-Dutch War, and the struggles with Portugal and Spain announced a new determination by the English to redress the balance of naval and commercial power in their favour. This determination continued in full flood after the Restoration in 1660, and indeed many of the most influential figures responsible for policy formulation in the 1650s, such as George Downing, Anthony Ashley Cooper and Dr. Benjamin Worsley, were common to both eras. Henceforth it became more difficult for the Crown to pursue foreign policies which were inimical to English commercial interests, as the events leading to the Declaration of Neutrality in the Third Anglo-Dutch War were to show.

There were also important political changes abroad which influenced English policy. The shifting balance of power within Europe centred upon the economic and political decline of Spain, and the emergence of French ambitions for the creation of a 'long fetched and designed Universall Empire'. Dynastic and imperial rivalries brought tension and uncertainty to Europe,

[12] R. W. K. Hinton, *The Eastland Trade and the Commonweal.* (Cambridge, 1959), p. 67.

and the shifting system of alliances bore full testimony to the atmosphere of anxiety and collective insecurity.

It was possible for the opportunist power, not directly involved or immediately threatened by these dynastic and political rivalries to profit from the discomfiture of others. The English policy which was adhered to consistently, was to exploit both the ambitions of the aspiring Princes, and the weakness of those threatened, as Sir William Temple commented, '... it will behove us in these disorders amongst our Neighbours to secure our own interest as best we can'.[13] In the event of war — as between France and Spain, Spain and Portugal or the United Provinces and France — the political and military understanding of England could not be ignored by any party. England could participate in such crises either as a belligerent, or remain a passive neutral or an active mediator. The aim of this commercially oriented foreign policy was to use such difficulties to gain privileges for English nationals in foreign markets. There was nothing uniquely new in this, for as Henry Coventry remarked, the Dutch had for long fomented strife amongst the 'Northern Kings' then to strike the posture of the mediator, 'and the peace was never made without some article of advantage to themselves'.[14]

The marriage of Charles II to Catherine of Braganza yielded distinct economic advantages, since the English acquired Bombay — a much needed commercial base in the East Indies. Portugal was herself involved in war with Spain, and the military support of a powerful ally served to strengthen her position.

The conduct of Anglo-Spanish diplomacy affords perhaps the best example of this use of power for economic ends. Spain could not resist French embitions either in Europe or her American Empire without support. Sir Richard Fanshaw, on his missions to Spain in search of a new and more favourable commercial treaty, pointed out to the Court at Madrid their own weakness in ships and men, and told how the English were similarly elevated 'to a strength and power infinitely superior to what it ever was, and consequently in a state of demanding not only the advantages to the fullest extent which are granted to... the Hollanders or any other nation whatsoever, but bonds of convenience and benefit to our side, as may endear us to a more useful support of that Crowne, now threatened by so many dangers and accidents as are visible to the whole World, and which will without an extraordinary providence endanger the total subversion of it.[15]

In the event the French assault upon Flanders in 1667 undermined Spanish resistance to English demands for commercial concessions, and two highly

[13] SP 77/37/217. November 1667.
[14] SP 95/6/101. 1666.
[15] SP 94/45/172. 1664.

favourable treaties were concluded, which facilitated trade in both Old and New Spain.[16]

The focus of attention within the several Councils for Trade moved towards such matters as petitions from merchants and companies, which related mostly to obstructions and hindrances in overseas markets, the growing weight and complexity of colonial administration and the enforcement of the Navigation Laws. The consideration of purely domestic problems faded into relative unimportance, so that shipping and colonial commerce came to occupy the same position in the 1670, which woollen exports had enjoyed during the 1620s. Two exceptions to this assertion were the conduct of the affairs of the Royal Mint, and the enduring problem of the illegal exportation of raw wool from England which was frequently cited as the main cause of the decay of the English industry and export trades.[17]

No problem generated more petitions, pamphlets and lamentations than the languishing condition of the English manufactures, which in effect meant woollen textiles. As Professor Supple's study has shown, the export trade was undergoing structural change during the first half of the century, and in the second the self-evident decline of the Merchant Adventurers Company, the rise of industries abroad — often under the patronage of foreign states — and the growing sophistication of the market, were all of immediate concern to governments of this period. The reason was obvious, for as Alderman Patience Ward said, the export trade 'touches the land-lord, the tenant, the merchant, the mariner, the whole'.[18]

Great hopes were placed upon the revival of the export trade, and in this instance the connection between overseas commerce and domestic prosperity was emphasised — perhaps overly so. The industry embodied all the mercantilistic virtues, owing nothing to the foreigner except the consumption. As Thomas Maynard said, any further decline of the industry and export trade 'will be a great losse to the King in His Customes... and will be felt by our Nobility, Gentry and Farmers in respect of the expence of their Wolles, as likewise our Tradesmen and Poore that gett their livelyhoods by Spinning and Carding'.[19]

The export trade was adversely affected by the growth of international competition and the rise of protectionist policies. The recovery of production, for example, in the United Provinces after 1648, and in other quarters, against the background of a sluggish market, were held responsible for the difficulties

[16] The Treaties have been reprinted in full. See Clive Parry, *The Consolidated Treaty Series*. The Treaty of May 1667, Vol. 10, pp. 115-131.

[17] London, British Museum, Department of Manuscripts. Additional Manuscripts 25115. Also PRO Colonial Papers CO 391/1-6. 1675-1690.

[18] SP 29/373/21. August 1675.

[19] SP 89/16/302. 1686.

encountered by English exporters.[20] France afforded the best instance of this, for import duties were raised during the 1660s 'so that they amount to an utter prohibition'. The French government did nothing to restrain municipal authorities from imposing further taxes, in fact this was encouraged. The French set about 'the rigorous execution of obsolete Laws for the assize of woollen Manufactures' which penalised ill-made fabrics, and given the tendency for lighter cloth to gain favour, this policy led to endless trouble for importing merchants.[21] The efforts of the French government to discourage imports culminated with the simple expedient of threats 'to those French merchants, whose trade hath been principally in English Manufactures, That if they did not totally renounce it, they would render themselves Obnoxious to the Highest displeasure of the King'.[22]

In this France was not unique. Similar obstructions were raised in Hamburg, Portugal, the United Provinces and other vital markets. It was for this reason that the State was concerned for the maintenance of standards of production, and the Council for Trade was instructed to see 'by what occasions they are corrupted and debased and disparraged and by what probable means they may be restored... by a just regulation and standard of weight, length and breadth...'.[23] Despite this constant concern, no general legislative action was taken to improve standards, and demands for this course died down after the 1660s.[24]

Official discussion and deliberation of the 'ways and means other nations do prefer theyr own growth and manufactures... and do discourage and suppress those of these Our Kingdomes...' prompted no solution. Even the policy of prohibiting the exportation of wool and fullers earth — which greatly exaggerated the importance of these illegal trades — was not properly enforced. Indeed, the State tolerated a considerable illicit or unofficial trade, doubtless in deference to the interest of the landowning and farming community.

The promotion of domestic manufacturing industry, especially that capable of yielding exports, was of prime concern to the State, but the means to bring this about were not simple or obvious. For the problem was not so much that of the maintenance of standards in a buoyant market, but of coming to terms with competition which made markets resistant to imports and with more fundamental changes in fashion and demand. In the 1670s for example,

[20] For example, SP 29/57/117 and SP 29/281/101 a. December 1670.

[21] SP 78/115/131. 14 December 1660.

[22] SP 78/123/339. 1667.

[23] SP 29/21/27. November 1660.

[24] J.P. Cooper, Economic Regulation and the Cloth Industry in Seventeenth Century England. *Transactions of the Royal Historical Society*, Fifth Series, Vol. 20. 1970.

Sir George Downing initiated discussions within the Court to find ways of countering the ability of the French to determine the fashions of the day which made the sale of English textiles so difficult, even in the home market.[25]

The State certainly attempted to ease the path of exports by ensuring the most favourable terms in trading relations with other nations, and the treaties invariably included articles concerned with access to the European market. However, the problem of over-production remained, and as Alderman Ward said, English output 'was double more than sufficient to supply the whole World we Traffique with'.[26] This situation provided the clearest incentive for the diversification of English industry, for if the Dutch and other nations were set upon the establishment of their own production to the exclusion of ours, and were also invading other export markets, and since the French had become the arbiters of luxurious and fashionable consumption, then it was plainly essential to imitate diverse skills and manufactures.

The most effective means to bring this about was the encouragement of the migration of skilled workers and artesans — especially from France and Holland — to England. Sir William Temple reminded the Privy Council of the benefits which would follow an invitation to such people to come 'and free use of their trades and their religion too... I am sure that the first great growth of all our manufactures was owing to such a councell in Queen Elizabeth's time upon the troubles breaking out in Flanders which Canterbury, Norwich and other Townes are witness of'.[27]

The policy found official favour, but the two obvious means of bringing it about which were open to the government were not taken. No Act of Parliament either for general naturalisation or religious toleration were passed at this time, and this was because the logic of economic advantage was not sufficiently great to discount the realities of religious bigotry, political suspicion and indeed, simple xenophobia.[28] Nevertheless, in both the Second and Third Anglo-Dutch Wars, the English had as an objective of war the displacement of both men and capital from the United Provinces and Spanish Netherlands. It was anticipated that both might seek refuge in England, as Sir George Downing wrote, '... there is little or nothing to do in this Country (Holland) at present for the poor people... upon the account of the stop of trade and the Consequence of this warre will be, that as other warrs drove the merchants and handy crafts people into this country, this will make them

[25] PRO CO 391/1/45. March 1675.

[26] SP 29/373/21. August 1675.

[27] 77/34/113. March 1666.

[28] SP 29/21/110. March 1660. This document is a representative statement of official thinking. Also, H. T. Dickinson, The Tory Party's Attitude to Foreigners: A Note on *Party Principles in the Reign of Queen Anne. Bulletin of the Institute of Historical Research*, Vol. XL 1967.

thinke of other habitations, and to take their trade into another channel'.[29]

In the Third War, the danger that the French would overrun Flanders and destroy the United Provinces prompted the English to issue more direct invitations to the inhabitants to remove themselves and their families to England, and this was a major concern of Arlington and Buckingham in their diplomatic dealings there. The hope was that whole towns would declare a willingness to accept English protection and as Samuel Tucker reported from Rotterdam, these people 'would rather be English than French'.[30]

The most conspicuous diversification of commercial activity however, was the acquisition and development of overseas plantations. They provided such novel crops as tobacco and sugar and constituted a growing market for English exports and re-exports. In the late 1660s after the unsatisfactory conclusion of the Second Dutch War, and against the background of glutted wool markets and declining prices in the agricultural sector, Dr. Benjamin Worsley, the great luminary of commercial policy commented that 'there is nothing in trade now left us, That was either so valuable or so capable of being improved as that of our Plantations...'.[31]

Worsley emphasised the advantages of the colonial re-exports to the balance of payments, 'by exporting those commodities abroad into foreign parts again we do further increase the Ballance of our Trade and make recompense for that consumption of foreign commodityes which being so great as it would otherwise inavoidably be a ruin to us'.[32] Furthermore, the colonies themselves became a captive market as the rigour of the Navigation Laws increased, consuming 'all sorts of iron and brass, tin and leaden manufactures, with several others of leather, silke, and woollen... all sorts of provisions, drink and all other countries'.[33] This new commerce therefore took a very wide range of English goods, in imitation of the home market itself, thus stimulating employment, the consumption of agricultural produce and the use of English shipping.

Despite these self evident advantages, there were those who cast doubt upon the actual value of further colonial expansion. Since 'it being universally agreed that people are the foundation and improvement of all plantations, and that people are encreased principally by sending of servants thither...' it was feared that England could ill afford to lose labour on such a scale. In the Restoration period, it was frequently argued that England was underpopulated, thus accounting for the tendency for wages to rise, with obvious repercussions for both the farmer and the clothier. There is no doubt that the

[29] SP 84/174/20. January 1664.

[30] SP 84/190/10. July 1672. Also SP 84/189/67 & SP 84/189/177.

[31] Oxford, Bodleian Library, Rawlinson Manuscripts A 478 f. 48.

[32] Loc cit.

[33] Loc cit.

peopling of the Plantations and of Ireland, the growth of London and other urban and industrial centres, and the manning of the navy and merchant fleets made heavy demands upon the labour supply. This explains the fundamental change in attitudes which took place, for in the early decades of the century the plantations were regarded as a place for the disposal of surplus labour, whilst in later decades, the State was much more pre-occupied with the encouragement of migration from Europe into England than with migration from England to the West Indies and America.[34]

The race for supremacy in the West Indies, America and the East Indies, brought England into violent conflict with Portugal, Spain, France and the United Provinces, and in this was seen the great dependence of trade upon force of arms. The English were placed in a position where they were effectively obliged to lay claim to new colonies simply to pre-empt and prevent any territorial expansion by her rivals. Nobody doubted the nature of the struggle, the rule of international law counted for little — particularly in the West Indies — and as Lord Willoughby advised the King, if not challenged, 'the French will grow quickly too powerful in these parts, and you must either beat them out, or they will indeavour to beate your Majesty out of all interest in the Indies'.[35]

In this, as with the negotiation of commercial privileges in Europe, much centred upon the fundamental weakness of the Iberian powers, and the adequacy of their alliances to ensure their preservation. English policy had to maintain a careful balance. In the first place diplomatic pressure — and force if necessary — had to be applied to secure concessions in trade for the English and to the exclusion of rivals. But equally it was essential to prevent Spain (for example) becoming so isolated that she would be unable to contain French advances, with the possible result that her Empire would fall into French hands. The English followed the same policy in supporting Portugal in her struggle with Spain. The growing power of France meant that by the mid — 1670s this policy of opportunism had to be modified, and more serious attention given to the containment of French aggression.

Perhaps the most obvious preoccupation of the State, and the clearest departure from the earlier part of the century was the elevation of the English shipping industry. In the 1650's it was said that the Dutch '...have used their utmost endeavour by right or wrong, to ingratiate themselves into the favour and league of the Mightiest Princes of the World, working in some by pretext of religion, in others by presents and promises of Assistance... in all by their outward apparent strength at sea'.[36]

[34] Roger Coke, *Treatise Wherein is Demonstrated that the Church and State of England are in equal Danger with the Trade of it.* (1671).

[35] CO 1/20/204. July 1666.

[36] British Museum, Thomason Tracts E 710 (20). *The Seas Magazine Opened.* Circa 1653.

As a consequence the Dutch enjoyed many advantages and privileges invaluable to trade, such as the immunity from arbitrary arrests and searches of ships and their cargoes, freedom from the imposition of unwarranted taxes and protection against the taking and disposal of merchant ships and their contents by privateers and pirates. Finally, the Dutch reaped the gains of the policy contained in their dictum, 'Free Ships, Free cargo'. This allowed them to trade and sail between nations at war — and their driving of such a trade during the Anglo-Spanish conficts of earlier decades was well remembered by the English who coveted this power. The Navigation Act of 1651 ushered in a policy intended firstly to arrest the decline of English shipping which had taken place during the troubled 1640s, and secondly, to undermine the entrenched superiority of the Dutch which was typified by the conclusion of the Redemption Treaty with Denmark in 1649 which emphasised their grip upon the trades of the Baltic.

The elevation of English shipping depended partly upon their ability to oblige the Dutch to accept them as equals, and in this there were many areas of dispute, such as the Dutch refusal to accept the title of the 'British Seas' and the provisions of the Navigation Act, English claims to an equality in the trade of belligerents and the problem of English access to the ports and havens of the East Indies.

The Dutch attempted to secure the repeal of the Act of 1651, but conceded defeat over the issue by the terms of the Anglo-Dutch Treaty of 1654, which stipulated free trade between the nations 'conforming to the Laws of the Respective States'. This was in accordance with the arguments of Dr. Worsley, the self-proclaimed architect of the Act, that the English should take both their export and import trades into their own hands, excluding the Dutch from their entrepot trades, so that English merchants 'should buy at the first hand' and 'fetch commodities at the immediate places of their production or growth'.[37] The first concern in the drafting of the Act was with imports, but the effectiveness of the measure was increased by the provisions of the Treaty of 1668, in which it was agreed that English goods found by the Dutch in the ships of enemies of the States should be forfeit, but goods belonging to the enemies of the States found in English ships should be free, thus providing a further incentive for English merchants to lade in ships of their own nation.[38]

Furthermore, the wording of the 1654 Treaty meant that the English could, with impunity, extend the terms of the Navigation Act, for instance, to prohibit Dutch shipping from English colonies altogether.

The English claim to an equality in the carrying trades between nations at war was bitterly contested by the Dutch and De Witt himself said that 'it was a

[37] British Museum, Thomason Tracts E 712 (1). Dr. BENJAMIN WORSLEY, *The Advocate*. (1651).

[38] Parry, op. cit. Vol. 10. Treaty of Jan 1668. Aricle X. p. 453.

point Cromwell could never gain of them'.[39] The issue was only decided in England's favour after the conclusion of the Second Anglo-Dutch War and it must count as one of the most tangible gains of an unsatisfactory war, especially as the article was not reciprocal.

The Dutch for long used several devices to exclude the English from the ports and harbours of the East Indies. For example, they argued that if a place were at war with the States, and under siege, then they were able to forbid entry to English ships. Also, they frequently claimed that they had negotiated exclusive contracts with various petty princes for the supply of spices and other goods which bestowed upon the Dutch a monopoly of the trade. Such claims gave rise to endless friction and complaints by the English, particularly during the 1660s, but until the 1670s the Dutch were adamant in refusing to make any concession over these points. However, these stratagems and devices were totally demolished in the Treaty of 1674 between England and the United Provinces.[40]

The tenuous security of the United Provinces in relation to both England and France undermined her integrity as an ally, and the English sought to attack her privileged commercial standing wherever possible. In the Baltic for example, the English concluded three treaties with Denmark, each one reflecting the growing power and confidence of the former, and the anxiety of the latter over the threat of Swedish arms. Thus by 1670 the English had secured a greater equality with the Dutch over the assessment of taxes upon ships passing the Sound and engaging in the Norway trade, and over the status of merchants, their estates and debts. The rising fortunes of English shipping contrasted markedly with those of the Dutch during the 1670s when as a consequence of war they sailed without their accustomed security.

Without the maintenance of a strong navy such commercial and maritime treaties tended to lose their value, for as Roger Coke said, 'The safety of the People is the Highest Law'. In the Mediterranean, for example, shipping suffered seriously from the activities of the Barbary pirates. Samuel Martin reported that the trade of Algiers was 'the most inconsiderable of any great populous Citty in the World, depending chiefly upon the success of their Pirates... Among the Turkes I do not find ten merchants'[41] The corsairs were always quick to exploit European wars by stepping up their attacks upon merchant shipping and it is clear that in such circumstances the niceties of diplomacy failed to curb them. However, between 1662 and 1686 no fewer than five treaties were signed with Algiers, three with Tunis, three with Tripoli and one with Marocco — and all were mainly concerned with the security at

[39] SP 84/184/204. March 1669.

[40] Parry, *op. cit.* Vol. 13. Treaty of December 1674. Articles I & VI, pp. 269-270 & pp. 272-273.

[41] SP 71/2/71. 1675.

sea of ships, crews, passengers and freight. Ultimately all depended upon the use of force as the Earl of Winchelsea wrote after the failure of yet another attempt to curb the activities of the Barbary pirates — '...my opinion is that nothing will avert theyr obstinacy but a fleet of English friggates, the Sight whereof in Likelyhood may make them stoop, or if that fail, theyr Force make them feel what theyr Ignorance will not beleeve'.[42]

Although shipping faced many dangers and obstructions by the mid-1670s the English had greatly enhanced their prestige. The Anglo-French conspiracy to attack the Dutch drastically reduced their ability to resist English ambitions, for the advance of French arms threatened the very survival of that State. The English exploited this political weakness to the full through their assault upon Dutch trade, which 'will kill the hearts of the people... the Lords will never quiet them without a peace with England'.[43] After the English withdrawal from the Third Dutch War, the pursuit of these policies was vindicated and efforts rewarded and from 1674 they reaped exactly those benefits of neutrality which the Dutch had tried to deny them. The boom of the 1670s was short-lived but English shipping and commerce made lasting gains. The Treaty of 1674 underlined the vulnerability of the Dutch Republic and in his survey of Dutch foreign policy, Franken has seen this as a turning point in the rise of English power.[44]

Not only was shipping of prime importance in its own right, but it was also the means by which the English intended to establish a more direct presence in overseas markets and commercial centres, most of which were dominated by Dutch merchants. Commercial treaties at least minimised the extent of Dutch supremacy and the first objective was to achieve the status of 'the most favoured nation'. This was a valuable initial encouragement to trade, as the liberty of merchants to trade freely, to own and stock warehouses, to obtain speedy justice and to enjoy their own religion and to bequeath their estates was at least nominally ensured.[45] Inevitably some of these treaties could not be fully enforced and in this much depended upon the power of the State concerned. A weak country like Spain could be threatened and cajoled into compliance while a strong power such as France was immune to such tactics and could — and did — ignore treaty obligations to the English with total impunity.

In conclusion therefore, it was clear that English commercial policy entered upon a period of great initiative and energy after a period of quiescence

[42] SP 71/1/185. November 1660.

[43] SP 84/195/74. September 1673.

[44] M. A. M. Franken, *The General Tendencies, and Structural Aspects of the Foreign Policy and Diplomacy of the Dutch Republic in the Latter Half of the 17th Century*. Acta Historiae Neerlandica, Vol. 3.

[45] A good example of a comprehensive treaty was that of May 1667 between England and Spain. See Parry, *op. cit.* Vol. 10, pp. 115-131.

which had been dictated by domestic political considerations. The execution of the King in 1649 marks the watershed and the passing of the Navigation Act and the assault upon the rival powers of Holland and Portugal in the early 1650s indicated the new determination of the English to redress what they considered to be an unfavourable balance of mercantile and colonial power. The concern with purely domestic economic problems, the 'paternalism' of the sixteenth and early seventeenth centuries faded into insignificance both because economic circumstances themselves changed and no longer warranted such responses and because the machinery for the enforcement and administration of rules and regulations was dismantled in the aftermath of the Civil Wars.

Professor Supple has argued that policy initiatives in the first half of the century were prompted by fluctuations in the level of commercial and industrial activity. However, this preoccupation with downswings was not so pertinent to the latter half of the century. Rather, from about 1650 the economy enjoyed a remarkable period of stability in which serious crises, either of subsistence or of overseas trade were notable by their absence.[46] Those commercial fluctuations which did take place were themselves largely the result of the dislocation of shipping and trade during war, and England's wars were entered into deliberately with the clear economic objective of securing the long-term expansion and prosperity of English commerce.

Such forceful adventures as the succession of violent struggles for colonial and mercantile supremacy with the United Provinces, Portugal, Spain and France were undertaken with the objectives of diversifying the export trades, obtaining greater and easier access to foreign and colonial markets, reducing the superior and privileged status of Dutch shipping and merchants and the securing of plantations in the New World, and of preventing any rival from achieving a domination of any sector of trade which could then threaten the position of the English.

The widespread desire of many nations for economic self-sufficiency and the promotion of national self-interest meant that English merchants encountered a multitude of problems in overseas markets. England was relatively a very free market — in very marked contrast to those of Europe with the exception of Holland. Trade was encumbered with taxes, tolls, arbitrary levies, rules and quality controls. Merchants residing abroad enjoyed little real freedom, either to trade, to travel or even to pray. Therefore, it was essential that the rights, liberties and privileges of the merchant, the shipmaster, the factor, as well the status of their merchandise, property and estates should be defined. It was for this reason that the years between 1650 an 1677 were of such frenetic diplomatic activity as the English sought to correct the imbalance between their own status and that of the Dutch, who had for long been more

[46] B.E. SUPPLE, *Commercial Crisis and Change in England 1600-1642*, p. 226 et seq.

assiduous in the advancement of their own interest.

The first step towards the strengthening of the English position in the commerce of Europe and the wider world was the reduction of the esteem of Dutch shipping. The Navigation Act of 1651 and subsequent additions to the law had the effect of driving both the import and then the colonial trades increasingly into English ships.

In all this the English exploited both the strengths and weaknesses of the several nations such as Spain, Portugal, France and the United Provinces, Denmark and Sweden who were engaged in the struggle for political supremacy which clouded the relations between these States and which created tension, anxiety and suspicion in all quarters of Europe.

In this atmosphere the political understanding of the English, now a notable naval power, was valuable and this was traded for commercial privileges. In time, however, the political necessity of preventing the further rise of French power assumed greater importance, for England could not allow the Most Christian King to attain hegemony in Europe.

Professor Supple has noted his conclusion that in the early part of the seventeenth century 'Only rarely was there any attempt to propound policies primarily designed to get to the roots of potential dislocation'.[47] The altered economic climate in the later part of the century means that such a conclusion does not apply to the same degree. In attempting to counter structural rather than frictional problems in trade and commerce the English developed new institutions of State, and even more significantly they survived beyond the confines of an immediate crisis and were evidence of a much more enduring and sustained approach to economic policy. Such developments as the foundation of a permanent bureaucracy concerned with such matters in the Board of Trade which operated continuously from the early 1670s, were clearly necessary since the rise of illiberal mercantilistic ideas and policies abroad could only be countered and vitiated by an authority of equal standing, namely the English government.

Although not unique, the pursuit of commercial, maritime and colonial elevation by England was followed with a dogged single-mindedness and consistency, which following upon a period of weakness and inactivity of which Dr. Hinton has written, was the more remarkable and striking. To assess the impact of policy upon commercial development and vice versa is a complex question, but the simple fact is that at the outset of the seventeenth century England was a minor power, whilst in the early decades of the eighteenth century she was challenging Holland for the position of Europe's major commercial and colonial power and this could not have been so without the formation of a coherent understanding and reaction to a rapidly changing world.

[47] *Ibidem.*