

# Chapter 10

## The Merchant

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### A virtuous merchant?

Although it is only 111 words long, the description of the Merchant in the ‘General Prologue’ has nonetheless caused considerable controversy. Chaucer says that he does not know the name of the Merchant (I: 284) but describes him as a fashionably dressed, proud man mounted on a horse (I: 270–4). The Merchant is keen to keep the seas safe between England and the Continent to protect his commercial interests, which include trading in foreign currencies (I: 276–7). He is described as a stately and worthy man who maintains a professional business facade and who is well organized in his business affairs (I: 279–82). He speaks seriously and, rather than reveal any indebtedness, boasts of his profits (I: 274–5, 280).

Much of what has been written about the Merchant has been polarized around a simple dichotomy. On the one hand, for many critics, this is a satirical portrait of an avaricious, shady, usurious, dishonest, and secretive social climber, one who is attempting, unsuccessfully, to ape his aristocratic and ecclesiastical social superiors.<sup>1</sup> Chaucer is thus considered to be

\* In writing this chapter, I have benefited greatly from the comments and advice of Stephen Rigby, Gwilym Dodd, and Rob Lutton. Any errors remain my own responsibility.

<sup>1</sup> John K. Crane, ‘An Honest Debtor? A Note on Chaucer’s Merchant, Line A276’, *English Language Notes*, 4: 2 (1966), pp. 81–5; Emerson Brown Jr, ‘Chaucer, the Merchant and their Tale: Getting Beyond Old Controversies: Part II’, *ChR.*,13 (1978–9), pp. 247–62; Karla T. Taylor,

emulating his contemporaries, such as Gower and Langland, who, as part of their estates satires, berated merchants. The Merchant's forked beard (I: 270), for example, has been understood as revealing his 'two-timing' character.<sup>2</sup> Brown and Reale argue that the Merchant's love of profit and his boasting about his business successes (I: 275) are common characteristics of damnable merchants in estates satire. Thus, although the Merchant is said to be 'estately' and 'worthy' in his 'gouvernaunce' (I: 279–83), his portrait can nonetheless be seen as defamatory since the references to his 'bargaynes' and 'chevyssaunce' (I: 282) make explicit his 'duplicitous nature'.<sup>3</sup> Yet, on the other hand, the text has also been interpreted, particularly by those whose main interest is in medieval financial history rather than in literature, as being unambiguously candid, with the Merchant being portrayed as upright, honourable and well-organized.<sup>4</sup> Martindale, for instance, claims that Chaucer's Merchant 'is honest, innovative and successful in a very competitive business, doing what many other businessmen did, but perhaps a little better'.<sup>5</sup> Examining the historical context of Chaucer's portrait of the Merchant may help us to resolve such disagreements and to decide to what extent the poet was satirizing this pilgrim.

## The morality of trade

Jill Mann notes that whilst Chaucer's portrait of the Merchant himself might be ambiguous, it is set within a tradition of estates literature in which

'Chaucer's Reticent Merchant', in James M. Dean and Christian K. Zacher, eds, *The Idea of Medieval Literature: New Essays on Chaucer and Medieval Culture in Honor of Donald R. Howard* (Newark: University of Delaware Press, 1992), pp. 189–205; Nancy M. Reale, 'A Marchant Was Ther with a Forked Berd', in Laura C. Lambdin and Robert T. Lambdin, eds, *Chaucer's Pilgrims: An Historical Guide to the Pilgrims in The Canterbury Tales* (Westport, CN: Praeger, 1996), pp. 93–107; Roger A. Ladd, 'The Mercantile (Mis)Reader in *The Canterbury Tales*', *Studies in Philology*, 99 (2002), pp. 17–33.

<sup>2</sup> Crane, 'An Honest Debtor?' p. 84.

<sup>3</sup> Brown, 'Chaucer, the Merchant and their Tale', p. 255; Reale, 'A Marchant Was Ther with a Forked Berd', pp. 96–7.

<sup>4</sup> B. A. Park, 'The Character of Chaucer's Merchant', *English Language Notes*, 1: 3 (1964), pp. 167–74; Kenneth S. Cahn, 'Chaucer's Merchants and the Foreign Exchange: An Introduction to Medieval Finance', *SAC*, 2 (1980), pp. 81–119; Wight Martindale, 'Chaucer's Merchants: A Trade-Based Speculation on their Activities', *ChR.*, 26 (1991–2), pp. 309–16.

<sup>5</sup> Martindale, 'Chaucer's Merchants', p. 314.

merchants are generally associated with fraudulent business practices, avarice, money lending, and dishonesty.<sup>6</sup> Certainly, medieval merchants were sometimes criticized because they made money even though they themselves did not skilfully convert raw materials into finished goods. But perhaps the most common worry was that the lure of excessive profits would lead them into sin. For example, Gratian's *Decretum* considered that merchants were, by their very occupation, more prone to avarice than other people because the accumulation of, and desire for, earthly wealth diverted them from Heavenly contemplation, and argued that they were rapacious and that they lied and cheated in order to make money.<sup>7</sup>

However, although the medieval church condemned those merchants who traded dishonestly, it never banned trade *per se*. Indeed, it was often allowed that honest merchants could play a positive role in enriching the state and its rulers.<sup>8</sup> As early as the tenth century, Ælfric, the abbot of Eynsham, wrote that merchants were useful to both the people of a kingdom and the king because they travelled overseas, often in great danger, to supply goods unavailable at home and that, like skilled craftsmen, they deserved payment for this task in the form of a receiving a legitimate profit on their goods. In the 1120s, William of Malmesbury described how the city of Chester's inhabitants were kept alive by the trade of merchants who supplied necessities to the city which its 'barren and unproductive' hinterland could not produce.<sup>9</sup> In the mid-twelfth century, John of Salisbury insisted that the realm would perish if starved of money and that kings needed to be wealthy in order to rule effectively.<sup>10</sup> The realm was made stronger because merchants facilitated the exchange of goods, like wool, which some kingdoms, like England, had in abundance, for those, like spices, which they could not produce. In England in the later fourteenth century, the sermons of Thomas Brinton, bishop of Rochester, described merchants as

<sup>6</sup> Jill Mann, *Chaucer and Medieval Estates Satire: The Literature of Social Classes and the General Prologue to the Canterbury Tales* (Cambridge: Cambridge University Press, 1973), pp. 99–102.

<sup>7</sup> Diana Wood, *Medieval Economic Thought* (Cambridge: Cambridge University Press, 2002), pp. 112–13.

<sup>8</sup> Wood, *Medieval Economic Thought*, pp. 115–31.

<sup>9</sup> *Chester: Contemporary Descriptions by Residents and Visitors*, ed. David M. Palliser (Chester: Council of the City of Chester, 1980), p. 6.

<sup>10</sup> *John of Salisbury: Policraticus*, ed. Cary J. Nederman (Cambridge: Cambridge University Press, 1990), pp. 40, 67.

being an indispensable part of the body politic: merchants were the body's left hand and the citizens and burgesses of England's towns were its heart.<sup>11</sup> By the fourteenth century, men like Chaucer's Merchant were being held up as the kingdom's potential saviours. Certainly, commercial policy was an integral part of the war effort against France with Edward III manipulating the wool trade in order to secure Flemish allies and to fund his military campaigns by taxing wool exports.<sup>12</sup> Later in the century, one solution offered to the growing shortage of silver coins in the economy was that the foreign coins and bullion brought into the kingdom by merchants selling English goods abroad could be recast into sterling.<sup>13</sup> Trade therefore could be of service to the state.

Not only were merchants themselves often presented as an indispensable part of society, many of their methods were, within reason, also deemed acceptable. Despite St Augustine's anxiety that being involved in trade might conflict with a life devoted to God, he nonetheless justified the practice of merchants charging customers for transporting goods over long distances.<sup>14</sup> This validation of reselling goods at a high price, without altering or improving them, was often used in the thirteenth century to allow merchants the chance of salvation. Theologians thus taught that merchants should be permitted to charge for their expenses, transport costs and, particularly, for the risks which they undertook. Aquinas agreed and added that, whilst moderate business profits were acceptable to compensate for the work the merchant has done, they might usefully be employed in helping the poor. For Giles of Rome in the 1280s, buying and selling, contracts and exchange were all necessary for the smooth functioning of society and so should be facilitated by the state.<sup>15</sup>

<sup>11</sup> Wood, *Medieval Economic Thought*, p. 120.

<sup>12</sup> Edmund B. Fryde, *Studies in Medieval Trade and Finance* (London: Hambledon Press, 1983), pp. 133–49.

<sup>13</sup> Terence H. Lloyd, 'Overseas Trade and the English Money Supply in the Fourteenth Century', in N. Mayhew, ed., *Edwardian Monetary Affairs, 1279–1344*, British Archaeological Reports, 36 (1977), pp. 96–124; for Gower's rebuke of the 'truly sinful' alien merchants who took money out of the realm, see Roger A. Ladd, *Antimerchantism in Late Medieval English Literature* (Basingstoke: Palgrave Macmillan, 2010), p. 58.

<sup>14</sup> Richard Newhauser, *The Early History of Greed: The Sin of Avarice in Early Medieval Thought and Literature* (Cambridge: Cambridge University Press, 2000), pp. 10–11; Wood, *Medieval Economic Thought*, p. 115.

<sup>15</sup> Stephen H. Rigby, 'Aristotle for Aristocrats and Poets: Giles of Rome's *De regimine principum* as Theodicy of Privilege', *ChR*, 46 (2011–12), pp. 259–313 at 240.

Contemporary estates satire certainly recognized the evils of commercial malpractice but even Gower, whose *Mirour de l'Omme* condemns dishonest merchants, conceded that merchants had been ordained by God to 'go seek in another country whatever any one country did not have. Therefore, he who conducts himself well and trades honestly is blessed by God and man'. Similarly, while noting the temptation to excessive profits which was faced by wool merchants, he also observed the potential of the wool trade to enrich the state and, in his *Vox Clamantis*, presents this trade as fundamental to the stability of the realm.<sup>16</sup> Langland and Gower criticized merchants guilty of commercial malpractice such as stretching cloth or misrepresenting the goods they sold, falsifying weights and measures, and buying goods, especially food, cheaply outside official markets and then selling them at a huge mark-up and, by so doing, making it too expensive for the poor who most needed it. Langland's 'Covertise' is also accused of making loans to impecunious knights, thereby undermining the social order by acquiring landed estates from defaulted aristocratic loans. Nonetheless, Langland's Avarice, Covertise and his wife Rose and Gower's Triche were castigated because they were dishonest, not because they were merchants. Both poets recognized that merchants could achieve salvation if they lived an honest life and undertook meaningful and appropriate penance with a particular emphasis on good works and charity.<sup>17</sup> Chaucer himself expresses this view of the positive role which merchants could play within society in the 'Parson's Tale' where the Parson, whilst acknowledging that some merchants might practice fraud, treachery, and deceit, insists that the buying and selling of goods is, in itself, lawful and honest when merchants brings goods from one country where there is a surplus to another where there is a shortage (X: 776–80).

However, if the medieval Church did not object to trade *per se*, it did ban the practice of usury, i.e. lending money at interest.<sup>18</sup> It is understandable,

<sup>16</sup> *John Gower: The Complete Works*, ed. George C. Macaulay (Oxford: Clarendon Press, four volumes, 1899–1902): *Mirour de l'Omme*, II. 25189–200; *Vox Clamantis*, V: 669–70; Ladd, *Antimerchantism in Late Medieval English Literature*, pp. 50, 52.

<sup>17</sup> *Piers Plowman: A Parallel-Text Edition of the A, B, C and Z Versions, Volume 1: Text*, ed. Aubrey V. C. Schmidt (London: Longman, 1995), B: III: 256; B: V: 205–10, 213–16, 239–45, 249; B: VII: 26–36; *John Gower: The Complete Works, Mirour de l'Omme*, II. 13285–90, 15481–3; Ladd, *Antimerchantism in Late Medieval English Literature*, pp. 24–5, 39–40, 56.

<sup>18</sup> Charles R. Geisst, *Beggar thy Neighbor: A History of Usury and Debt* (Philadelphia: University of Pennsylvania Press, 2013), pp. 20–7, 34–8.

then, why literary historians have highlighted this aspect of the Merchant's business practices and have argued that, above all, it is his usurious dealings which mark him out as an example of the sinful mercantile archetype of estates satire. Chaucer's phrase, 'with his bargaynes and with his chevys-saunce' (I: 282) has thus been interpreted by Crane, Brown, and Ladd, as a straightforward euphemism for the Merchant's usury.<sup>19</sup> Certainly, Gower and Langland berated those merchants who acted as loan sharks and pawnbrokers and so took advantage of the needy and indigent when they were at their most vulnerable.<sup>20</sup> Similarly, Thomas Aquinas had condemned the mortal sin of usury which merchants regularly practised because any 'just price' for a good was unfairly increased by the charging of interest for deferred payment for it, thus making usury into theft. The worst type of usurious theft was when the wealthy merchant lent money to the poor, using duress to extract an exorbitant rate of interest from them.<sup>21</sup> However, by the fourteenth century scholastic attitudes to the mortal sin of usury had softened. It was then argued that interest, in the form of a penalty charge, might be added to a loan as compensation for a default and because whilst the lender's money sat in the purse of a borrower, any potential use or profits from it were withheld from the lender. To compensate for this, it was claimed that reasonable interest might be charged from the start of the loan.<sup>22</sup> The later medieval understanding that interest could be charged under certain circumstances is reflected in Chaucer's portrait of the Merchant. Chaucer mentions neither usury nor the victimization of the poor in association with his Merchant, but uses rather less loaded words such as 'bargaynes' and 'chevyssaunce' (I: 282). The word 'chevyssaunce', when understood with reference to contemporary attitudes towards trade and the charging of interest, is unlikely therefore to be pejorative, referring instead to everyday business agreements and buying and selling.<sup>23</sup> Furthermore, as we shall see below, none

<sup>19</sup> Crane, 'An Honest Debtor?', pp. 83–4; Brown, 'Chaucer, the Merchant and their Tale', p. 255; Ladd, 'The Mercantile (Mis)Reader', pp. 25–6.

<sup>20</sup> Mann, *Chaucer and Medieval Estates Satire*, p. 100; Cahn, 'Chaucer's Merchants and the Foreign Exchange', p. 91.

<sup>21</sup> Newhauser, *The Early History of Greed*, pp. 12–15; Wood, *Medieval Economic Thought*, pp. 73–5, 111–15, 75, 133–4, 161–6.

<sup>22</sup> Wood, *Medieval Economic Thought*, pp. 190–2.

<sup>23</sup> *M.E.D.*, 'chevisaunce', senses 2, 3, and 6. <<http://quod.lib.umich.edu/m/med/>>(accessed 30 August 2013).

of the Merchant's business activities described in the 'General Prologue' would have fallen foul of usury laws.<sup>24</sup> The Merchant's commercial activities were entirely different to the pernicious, high-interest money lending, so damaging to the wretched poor, which was condemned by Aquinas, Gower and Langland.

Thus when read within the context of contemporary texts which defend the value of trade to the community and which justified many of the merchants' business methods, it is difficult to see Chaucer's Merchant as being simply another instance of the avaricious and dishonest traders who were condemned by theologians and estates satirists. This contemporary conception of merchants and their trade meant that Chaucer's audience would have understood the Merchant as a man engaged in important and sometimes hazardous work and whose activities not only benefited society in general but were also of service to the state.

### Chaucer's knowledge of trade and business contacts

Chaucer had a firm understanding of the mechanics of medieval trade and the financial instruments used by its merchants with which to draw his portrait. His father, John (c.1313–66), held extensive properties in Ipswich and was a prominent and successful London vintner (a wine importer) and freeman of the city.<sup>25</sup> Significantly, Orwell Haven ('Orewelle'), mentioned in the description of the Merchant (I: 277), was the outport for Ipswich through which goods were exported to the Continent. Other family members were also merchants engaged in international trade. Nicholas Chaucer, possibly Geoffrey's uncle, was a London merchant, a merchant of the Westminster Staple and member of the important Pepperers' Company who regularly dealt wholesale in spices using credit transactions under the Statute Staple in the late 1350s and early 1360s.<sup>26</sup> After Geoffrey's death in

<sup>24</sup> Cahn, 'Chaucer's Merchants and the Foreign Exchange', p. 96; Martindale, 'Chaucer's Merchants', p. 311.

<sup>25</sup> *Chaucer Life-Records*, pp. 4–6; Derek Pearsall, *The Life of Geoffrey Chaucer: A Critical Biography* (Oxford: Blackwell, 1994), pp. 14–16.

<sup>26</sup> TNA, C241/139/59; SC8/297/14848A. For other family connections to trade, see Pearsall, *The Life of Geoffrey Chaucer*, p. 12.

1400, his son, Thomas, continued the family connections with the wine trade whilst acting as the Chief Butler of England, an office whose duties included providing wine and other provisions to the monarch at the coronation. Thomas was also engaged in resolving trade disputes related to Bristol's wine import trade in the early fifteenth century and later was himself engaged in, possibly wine-related, commerce using Staple credit in the 1420s and 1430s.<sup>27</sup>

Indeed, if Geoffrey Chaucer himself spurned his family's mercantile roots to become a royal civil servant, he did not stray far from the commercial world which his family inhabited. In order to support himself whilst he wrote, he took an administrative, book-keeping job as controller of the wool custom and subsidy and controller of the 'petty custom' for the port of London between 1374 and 1386.<sup>28</sup> Described by Olive Coleman as 'a modest office for modest men', Chaucer's day job involved him regulating the international trading activities of people exactly like his Merchant.<sup>29</sup> He oversaw the tax-collecting duties of these merchants. This was an important administrative role as the wool customs were the single largest source of royal income.<sup>30</sup> During his time at the customs office, Chaucer was in daily contact with many of the greatest, and in some cases the most infamous, London merchants of the period, who worked as customs collectors whilst Chaucer was employed as their controller.<sup>31</sup> These included John Phillipot, Nicholas Exton (mayor of London and a member of the fishmongers' guild),<sup>32</sup> Nicholas Brembre (a major wool exporter, mayor of London, mayor of the Westminster Staple and a member of the Grocers' Company),<sup>33</sup>

<sup>27</sup> TNA, SC8/173/8635; C241/224/9; C241/245/7; *Chaucer Life-Records*, pp. 540–4.

<sup>28</sup> *Chaucer Life-Records*, pp. 153–6.

<sup>29</sup> Olive Coleman, 'The Collectors of Customs in London under Richard II', in A. E. J. Hollander and William Kellaway, eds, *Studies in London History Presented to Philip E. Jones* (London: Hodder and Stoughton, 1969), pp. 181–94, at 192.

<sup>30</sup> *Chaucer Life-Records*, pp. 150–2; Pearsall, *The Life of Geoffrey Chaucer*, pp. 99–102. See also Chapter 2, Chaucer the Poet and Chaucer the Pilgrim.

<sup>31</sup> Coleman, 'The Collectors of Customs in London under Richard II', pp. 181–95. These types of merchant were heavily criticized by Gower in his bitter critique of fraudulent London merchants and their malpractices, which confirmed his deeply-held suspicions about the temptations of ill-gained, excess wealth and profit leading to sin. See Ladd, *Antimerchantism in Late Medieval English Literature*, p. 65.

<sup>32</sup> Paul Strohm, 'Exton, Nicholas', *ODNB* <<http://www.oxforddnb.com/view/article/52173>>

<sup>33</sup> Andrew Prescott, 'Brembre, Sir Nicholas Brembre', *ODNB* (<http://www.oxforddnb.com/view/article/3312>). For Brembre's financial dealings using Staple credit between 1368 and 1383, see

and Walter Sibyl (a member of the fishmongers' guild and a grain exporter).<sup>34</sup> Furthermore, in his later career as Clerk of Works between 1389 and 1391, Chaucer was tasked with maintaining the king's residences which must have resulted in him dealing on a day-to-day basis with merchants supplying works at the Tower of London, Windsor Castle, and elsewhere.<sup>35</sup>

Some commentators have suggested that although Chaucer does not name his Merchant, he does provide clues to his business and records his distinctive dress and his beard, meaning that the portrait might be modelled on a real man who was well known to Chaucer's audience.<sup>36</sup> As Hodges has argued, the Merchant's clothing of 'motteele', a patterned fabric (I: 271), reflected the latest developments in the domestic cloth industry and, with his buckled shoes (I: 273), was intended to elicit respect and confirm his solemn and stately bearing, attire typical of wealthy merchants. Furthermore his forked beard, rather than symbolizing, as Crane argued, his duplicitous, 'forked-tongued', nature, was merely a fashion statement of the time.<sup>37</sup> A number of late fourteenth-century funeral brasses of merchants depict them with forked beards, including those at Wimington (Bedfordshire), Northleach, and Chipping Campden (Gloucestershire), as did the contemporary stained-glass images of the mercantile aldermen of Coventry's Holy Trinity Guild.<sup>38</sup>

However, it is Chaucer's particular understanding of the instruments of credit and debt used in business, which is most relevant to the understanding of the Merchant in the 'General Prologue'. Not only did Chaucer precisely

TNA, C241/149/66 (£38 6s. 3d.); C241/158/12; C131/24/17 (£30); C241/159/29 (20m); C241/166/96 (£10); C241/170/17; C131/31/17 (£160).

<sup>34</sup> Vincent Di Marco, 'Chaucer, Walter Sibyle, and the Composition of the General Prologue', *Revue Belge de Philologie et d'Histoire*, 56: 3 (1978), pp. 650–62, at 657–9; for Walter Sibyle's commercial debts using the Statute Staple between 1375 and 1395, see TNA, C241/157/65 (£40); C241/157/122 (£200); C241/157/184 (£24); C241/170/12 (£80); C241/178/148 (40m); C241/181/123 (£400); C241/184/17 (£40); C131/43/17 (£400).

<sup>35</sup> Reale, 'A Marchant Was Ther with a Forked Berd', p. 98.

<sup>36</sup> Brown, 'Chaucer, the Merchant and their Tale', p. 252.

<sup>37</sup> Crane, 'An Honest Debtor?', p. 84.

<sup>38</sup> Laura F. Hodges, *Chaucer and Costume: The Secular Pilgrims in the General Prologue* (Woodbridge: Boydell and Brewer, 2000), pp. 75–89; H. Addington, *The Monumental Brasses of Bedfordshire* (Reports and Papers of the Architectural Societies of the County of Lincoln, York, Archdeaonries of Northampton and Oakham and County of Leicester, 17:1 (1883)), pp. 304; Cecil T. Davis, *The Monumental Brasses of Gloucestershire* (London: Phillimore, 1899), pp. 19, 21; *The Register of the Guild of the Holy Trinity, St Mary, St John the Baptist and St Katherine of Coventry*, ed. Mary Dormer Harris, Publications of the Dugdale Society, 13 (1935), pp. xxiv–xxv, 42, 64, 68, 91.

describe the process and instruments used in credit transactions in the 'Shipman's Tale' (VII: 329–30), he also used credit in the course of his own everyday life, being sued five times between 1388 and 1399 for failing to repay his debts, although he is likely to have transacted many more debts for which no evidence remains.<sup>39</sup> He is also recorded as taking out another debt which he did repay on time. The documents do not reveal if Chaucer borrowed money from those who sued him or obtained goods from them on credit. Chaucer was a dilatory defendant and did his utmost to delay repayment so that, in most of his debt cases, at least four or more writs were served on him to compel him to pay up. The increasingly severe threats included impounding his property and imprisoning him before he and the lenders finally came to an out-of-court settlement. The total value of these surviving debts comes to £31 16s. 7d. All except one of Chaucer's debts in this period were contracted with London merchants: John Chircheman, grocer and merchant, had been one of the collectors of the petty custom whilst Chaucer worked at the customs; Henry atte Wode, hostler (innkeeper) of London; William Venour, a grocer and former mayor of London; John Leyre, another London grocer; and Gilbert Maghfeld, a London ironmonger and merchant.<sup>40</sup> Indeed Gilbert Magfeld has even been proposed as a model for Chaucer's Merchant.<sup>41</sup> This demonstrates that Chaucer clearly had an intimate knowledge of how credit and debt worked as well as close working and business relationships with a number of London's merchants. Thus the Merchant described in the 'General Prologue' is a well-informed synthesis of exactly the type of men Chaucer did business with, and worked with, every day, a character that would have been instantly recognizable to his readers.

### The Merchant's business

Chaucer's portrait of the Merchant in the 'General Prologue' furnishes the modern reader with considerable detail about the business operations of an

<sup>39</sup> *Chaucer Life-Records*, pp. 384–401.

<sup>40</sup> *Chaucer Life-Records*, pp. 385–7, 388, 393, 394, 400, 500; Margery K. James, 'A London Merchant in the Fourteenth Century', *Economic History Review*, 8 (1965), pp. 364–76; Stephen H. Rigby, ed., *The Overseas Trade of Boston in the Reign of Richard II*, Lincoln Record Society, 93 (2005), pp. 240–2.

<sup>41</sup> Crane, 'An Honest Debtor', p. 85.

English import-export merchant of the late fourteenth century, a picture with which his contemporary audience would have been familiar. There were three conjoined elements to his business operations: foreign trade, currency exchange and credit. The Merchant traded between England and Flanders. Chaucer describes his fashionable Flemish beaver hat (I: 272) and refers to the trade route between Orwell Haven in Suffolk and Middleburgh in Zeeland in the south-western Netherlands (I: 277). Middleburgh was an important trading centre in the commerce between England and the Flemish cloth-making cities such as Bruges and Ghent, and Orwell Haven was a key departure point for English merchant convoys to Flanders. Between 1384 and 1388, just when Chaucer was a customs official, Middleburgh was selected as the official wool staple by the crown. The crown sought to tax the wool trade by means of a heavy export duty as the wool passed through the staple and a fixed staple on the Continent allowed the king to use the wool-tax revenues directly to finance his armies and his allies in the Hundred Years War. After 1363, the overseas staple was usually fixed at Calais, apart from brief periods when it was transferred to Middleburgh or Dordrecht.<sup>42</sup> However, Chaucer's allusion to Middleburgh does not mean that the 'General Prologue' was written during the time that the staple was fixed there, from 1384 to 1388, as English merchants exported wool to Middleburgh at least from the 1360s.<sup>43</sup>

The Merchant's anxiety about the protection of the sea route between Middleburgh and Orwell Haven (I: 276–7) was the result of increased hostilities in the region in the 1380s. A combination of a Flemish civil war from 1379 and France's invasion of western Flanders in 1382 had seriously disrupted the wool export trade. The turmoil in Bruges encouraged Mediterranean merchants to take their imports to Middleburgh and English merchants reacted by shipping their wool to Middleburgh instead of to Calais even before it was officially designated a staple port in 1384.<sup>44</sup> By 1386 renewed tensions between England and France resulted in increasing acts of piracy in

<sup>42</sup> Terence H. Lloyd, *The English Wool Trade in the Middle Ages* (Cambridge: Cambridge University Press, 1977), pp. 115–20, 207–8, 210–12, 216–22; 225–56; Christian D. Liddy, *War, Politics and Finance in Late Medieval English Towns: Bristol, York and the Crown, 1350–1400* (Woodbridge: Boydell and Brewer, 2005), p. 113.

<sup>43</sup> TNA E213/107.

<sup>44</sup> Lloyd, *English Wool Trade in the Middle Ages*, pp. 229–30; Pamela Nightingale, 'Capitalists, Crafts and Constitutional Change in Late Fourteenth-Century London', *Past and Present*, 124 (1989), pp. 3–35, at 30–1.

the Channel by both sides. For example, in 1386 a Cornwall merchant's convoy of ships laden with leather docked at London in search of more robust and formidable ships rather than sail on to the Middleburgh staple because of the merchant's 'fear of the king's enemies' capturing his vessels and stealing their cargoes.<sup>45</sup> Thus this short stretch of Channel was indeed, as the Merchant suggests, a real challenge for those engaged in the export trade to the Continent.

The Flanders connection certainly suggests that the Merchant was involved in the wool export business. The fact that he had 'shields' to sell (I: 278), which he could have only have acquired through foreign trade in Bruges, means that he must have exported his goods to Flanders. Thus, although wool is not explicitly stated in the portrait as being the good in which the Merchant dealt, the balance of evidence suggests that he was shipping raw wool rather than manufactured cloth.<sup>46</sup> Whilst English textiles were exported in increasing quantities to the Continent in the 1380s, much of it by English merchants, there is little evidence of this domestically manufactured cloth being exported specifically to Middleburgh.<sup>47</sup> There is far more evidence of raw English wool being exported there, both before and whilst it was a staple, and of Flemish manufactured cloth being imported into England from there.<sup>48</sup> England was one of the largest producers of high-quality wool in medieval Europe and despite a growing domestic cloth industry and a decline in overall wool exports in the late fourteenth century, England continued to export fine quality wool for the Flemish cloth industry. The Merchant's wool would have been loaded onto ships in Orwell Haven, along with the wool of other merchants and sent for sale at Middleburgh. Whilst there, most merchants (or their agents) used the money made from selling wool to buy goods such as quality linens, spices, dyestuffs for the domestic cloth industry, iron, fish, and salt.<sup>49</sup> This is

<sup>45</sup> *CCR 1385–89*, pp. 191–2.

<sup>46</sup> For the suggestion that the Merchant might have exported cloth, see Martindale, 'Chaucer's Merchants', p. 312.

<sup>47</sup> *England's Export Trade, 1275–1547*, eds Eleanora M. Carus-Wilson and Olive Coleman (Oxford: Oxford University Press, 1963), p. 138.

<sup>48</sup> *CCR 1385–89*, 337; TNA SC8/311/15568; TNA E213/107. For evidence of imports of Flemish cloth from Middleburgh, see *CCR 1385–89*, pp. 28–9, 61–2, 51.

<sup>49</sup> Richard H. Britnell, *Britain and Ireland, 1050–1530: Economy and Society* (Oxford: Oxford University Press, 2004), p. 333.

probably how the Merchant acquired his stylish beaver hat. These return cargoes would be shipped back to Orwell Haven for sale in England.

With the benefit of hindsight, we can situate Chaucer's Merchant's business into the long-term trends in the export of English wool.<sup>50</sup> From a dramatic expansion in wool exports in the late thirteenth and early fourteenth centuries, the trade went into decline.<sup>51</sup> After a short-lived boom after the Black Death, the number of sacks exported every year fell from the 1360s onwards as demand for English wool fell in the Low Countries, partly as a result of the English government's high export duties.<sup>52</sup> At the end of the 1380s, coincidentally whilst the staple was located in Middleburgh, there was a small and short-term recovery in wool exports, but it never again attained the peaks of the early fourteenth century. However, there was still money to be made exporting wool because denizen merchants, like Chaucer's Merchant, took an increasing share of the wool export business away from their Italian competitors. Both Italian and English merchants exported wool to Flanders via the staples. Customs accounts of the period 1362 to 1376 show denizen merchants carrying between 67 to 75 per cent of the wool exported from England. Thereafter, with the establishment of the Calais staple, English merchants exported nearly all of this wool.<sup>53</sup> Control of the trade was given to the quasi-monopolistic fellowship of English wool merchants called the Company of the Merchants of the Staple. This was a group of about two hundred, predominantly London, merchants who administered the wool trade on the king's behalf, a group of men that Gower considered particularly corrupt, as they manipulated the Staple for their own benefit.<sup>54</sup> They organized the trade to their own advantage and complained bitterly when the Crown, in an attempt to raise more revenue, started selling licences to Italian merchants to allow them to avoid exporting through the staple. These merchants lent money to the Crown as advances on the wool custom they would be expected to pay on their exports. Thus the 1380s

<sup>50</sup> Eileen Power, *The Wool Trade in English Medieval History* (Oxford: Oxford University Press, 1941), pp. 13, 21–2, 31–2, 35; Rosamond Faith, 'The Structure of the Market for Wool in Early Medieval Lincolnshire', *Economic History Review*, 65 (2012), pp. 674–700.

<sup>51</sup> Britnell, *Britain and Ireland*, pp. 326, 330.

<sup>52</sup> Britnell, *Britain and Ireland*, pp. 327, 330.

<sup>53</sup> Power, *Wool Trade*, p. 33; Carus-Wilson and Coleman, *England's Export Trade*, p. 12.

<sup>54</sup> Ladd, *Antimerchantism in Late Medieval English Literature*, p. 65.

saw English merchants taking an increasing share of the wool-export business.<sup>55</sup>

The financial sophistication of the Merchant's business is revealed in his dealing in 'shields' (I: 278). 'Shields' (sometimes known as *écus*) were, like the English mark, not actual coins but were rather the money of account in which English sterling bills of exchange were quoted in Bruges.<sup>56</sup> Merchants often managed their affairs by sending goods and instructions to their agents abroad using a series of informal letters known as 'bills of exchange' (*cambium*). Chaucer's familiarity with these financial instruments is clearly demonstrated in the 'Shipman's Tale' where a merchant, having undertaken some business in Bruges, uses a bill of exchange to pay off a debt to Italian merchant bankers in Paris (VII: 325–34).<sup>57</sup> These bills enabled goods to be paid for in different currencies whilst also taking account of differing exchange rates. Thus, the Merchant would have exported wool to the Middleburgh staple and there sold it to Flemish drapers against a payment in 'shields' (rather than in actual coins) to be collected later in Bruges. Once collected, the Merchant would then deliver (i.e. sell) these funds to a third party in Bruges in exchange for further bills of exchange payable in London in sterling. The Merchant would then redeem his money by presenting the final bill in London within the specified period. Bills of exchange had been developed in Northern Italy in the late twelfth and early thirteenth centuries and were, by Chaucer's time, the principal method of conducting overseas trade. They allowed for the easy transfer and exchange of foreign currencies across borders without the need for transporting chests full of silver or gold coins over long distances.<sup>58</sup>

Cahn and Martindale argue that the Merchant also profited from foreign exchange dealings, suggesting that he might have bought and sold 'shields' on the (conjectural) foreign exchange markets in London and Bruges.

<sup>55</sup> Caroline M. Barron, *London in the Later Middle Ages: Government and People, 1200–1500* (Oxford: Oxford University Press, 2004), pp. 98–100. For an example of such a merchant, see *A Calendar of the Cartularies of John Pyel and Adam Fraunceys*, ed. Stephen O'Connor, Camden Society, 2 (1993), pp. 37–9; Stephen O'Connor, 'Finance, Diplomacy and Politics: Royal Service by Two London Merchants in the Reign of Edward III', *Historical Research*, 67:162 (1994), pp. 18–39.

<sup>56</sup> Cahn, 'Chaucer's Merchants and the Foreign Exchange', p. 85; Martindale, 'Chaucer's Merchants', pp. 310–11.

<sup>57</sup> Martindale, 'Chaucer's Merchants', p. 310.

<sup>58</sup> Bills of exchange are usefully described in Jacques le Goff, *Money and the Middle Ages* (Cambridge: Cambridge University Press, 2012), pp. 94–7.

Theoretically, the Merchant could buy 'shields' in London relatively cheaply (where bills of exchange were quoted in sterling marks) and sell them in Bruges at a profit (where they were quoted in Flemish 'shields'), whilst at the same time buying English sterling more cheaply in Bruges than he could in London by using bills of exchange.<sup>59</sup> There is considerable evidence that merchants, particularly Italian merchant-banks, used bills of exchange both to profit from foreign exchange arbitrage like this and to make loans to finance their long-distance trade.<sup>60</sup> However, even if the Merchant did undertake his business in these ways, he would have been acting within the usury laws. As suggested above, it was understood in Chaucer's time that the merchants were entitled to charge a reasonable rate of interest on transfers that were over an extended period of time (during which time the money lay idle) or if trade took place over long distances (such as London and Bruges) or if, as in this case, all the parties took a risk on exchange rates moving in their favour. It was recognized from the late twelfth century that reasonable recompense, in the form of interest, could be charged when risks, originally storms, shipwrecks, and pirates, threatened the safe delivery of goods. This was later extended to other, more intangible, forms of risk.<sup>61</sup>

The third component of the Merchant's business, in addition to foreign trade and currency exchange, was that of credit and debt. All business used credit to defer payment for goods. As discussed above, Chaucer was well acquainted with these systems. All of the Merchant's transactions would have entailed credit in some form (often one-third of the purchase price down; the remaining two-thirds being paid, often using bills of exchange, at a later date). Chain-like credit relationships existed whereby those that extended credit or lent money also borrowed from others in an often long line of lenders.<sup>62</sup> Wool dealers in the Cotswolds bought wool on credit from sheep farmers; Chaucer's Merchant would have bought that wool on

<sup>59</sup> Cahn, 'Chaucer's Merchants and the Foreign Exchange', p. 93; Martindale, 'Chaucer's Merchants', pp. 310–11.

<sup>60</sup> Raymond de Roover, *Business, Banking, and Economic Thought in Late Medieval and Early Modern Europe* (Chicago: University of Chicago Press, 1974), Chapter 4.

<sup>61</sup> Le Goff, *Money and the Middle Ages*, pp. 71–2.

<sup>62</sup> Richard Goddard, 'Surviving Recession: English Borough Courts and Commercial Contraction, 1350–1500' in Richard Goddard, John Langdon, and Miriam Müller, eds, *Survival and Discord in Medieval Society: Essays in Honour of Christopher Dyer* (Turnhout: Brepols, 2010), pp. 69–87.

credit from these dealers and the Flemish customers in Middleburgh would have bought the Merchant's wool cargo, also on credit. Individual repayment terms (generally six months or less) would be made in each case to allow for each to be repaid in turn. The Flemish drapers would pay back what they owed the Merchant having hopefully made a profit on the cloth they had made; the Merchant would only then be able to repay the Cotswold dealers, who, in their turn, would be able to pay the balance of their debt to the growers. Gower makes a very insightful point about the fragility of medieval credit networks by suggesting that merchants were continually engaged in a web of credit transactions, for which, if they were ever to be ultimately settled, they would have insufficient security with which to make repayments.<sup>63</sup>

Chaucer's claim about the Merchant that 'Ther wiste no wight that he was in dette' (I: 280) has exercised scholars for many years. This might be read as 'if he was in debt, no one knew of it' as the Merchant maintained his professional business facade.<sup>64</sup> If this was the case then Chaucer is suggesting that the Merchant's debts need not be advertised to the other pilgrims and, in order to present himself as a good credit risk to potential lenders, he rather boasts about his growing profits (I: 275). Chaucer must have recognized, through his own experiences and those of the business people he knew well, that the maintenance of a merchant's perceived creditworthiness was central to his business, as someone who could not raise working capital through borrowing was not worth knowing. Chaucer might here be commenting on, from his own experiences, the importance of trust and reputation in the smooth functioning of the credit system.

## History, literature, and the Merchant

Literary critics have suggested that the rise of the money economy was something of a novelty in Chaucer's time and a product of the late

<sup>63</sup> Cited in Mann, *Chaucer and Medieval Estates Satire*, pp. 99–101.

<sup>64</sup> Mann, *Chaucer and Medieval Estates Satire*, p. 102; Cahn, 'Chaucer's Merchants and the Foreign Exchange', p. 118.

fourteenth century.<sup>65</sup> It is important to recognize that, in fact, Chaucer's Merchant was not doing anything new, nor anything that merchants had not been doing for hundreds of years. Wool had been exported across the Channel for centuries; a monetized economy had been in existence since the late tenth century; a highly commercialized market economy, serviced by a huge supply of coins had been developing since the late twelfth century; sophisticated credit instruments had been available to English merchants from at least the late twelfth century and the availability of credit had expanded hugely during the late thirteenth and fourteenth centuries.<sup>66</sup>

As we have seen, medieval theologians and poets could be extremely critical of the abuses to which this money economy gave rise. Yet, when understood in the context of late medieval perception of merchants and their trade, Chaucer's anonymous Merchant fits exactly with contemporary stereotypes of an ideal, honest merchant, working within the law, whose work is essential to the efficient functioning of the state. It is a portrait that would have been widely recognized by, and resonated with, his contemporary readers and, rather than being a veiled, ambiguous or ironic critique of dishonest mercantile practices, provides the modern reader with a detailed and realistic snapshot of a fourteenth-century merchant and his business. Unlike Langland and Gower, Chaucer does not portray his Merchant as deceitful, as victimizing the poor or as a man corrupted by avarice. If we see the Merchant as an estate ideal, this may seem to suggest that Chaucer was a 'conservative' in his social outlook. Yet, in the final analysis the Merchant seems to be just one of a disparate assemblage of people all collected together on their pilgrimage to Canterbury. Rather than making a moral judgement of them, Chaucer's seems more interested, for his own literary purposes, to show what happens when this multiplicity of competing personalities were forced into each other's company.

<sup>65</sup> For references, see Stephen H. Rigby, 'English Society in the Later Middle Ages: Deference, Ambition and Conflict', in Peter Brown, ed., *A Companion to Medieval English Literature and Culture, c.1350–c.1500* (Oxford: Blackwell, 2007), pp. 30–1.

<sup>66</sup> James L. Bolton, *Money in the Medieval English Economy, 973–1489* (Manchester: Manchester University Press, 2012), pp. 87–223; Richard H. Britnell, *The Commercialisation of English Society, 1000–1500* (Manchester: Manchester University Press, 1996), pp. 5–52, 79–127; Robin R. Mundill, 'Christian and Jewish Lending Patterns and Financial Dealings During the Twelfth and Thirteenth Centuries', in Phillipp R. Schofield and Nicholas J. Mayhew, eds, *Credit and Debt in Medieval England, c.1180–1350* (Oxford: Oxford University Press, 2002), pp. 42–67.