

Transitions to Capitalism in Early Modern Europe

Economies in the Era of
Early Globalization, c. 1450 – c. 1820

ROBERT S. DUPLESSIS



SECOND EDITION

New Approaches to European History

Transitions to Capitalism in Early Modern Europe

Between the end of the Middle Ages and the early nineteenth century, the long-established structures and practices of European trade, agriculture, and industry were disparately but profoundly transformed. Revised, updated, and expanded, this second edition of *Transitions to Capitalism in Early Modern Europe* narrates and analyzes the diverse trends that greatly enlarged European commerce, permanently modified rural and urban production, gave birth to new social classes, remade consumer habits, and altered global economic geographies, culminating in capitalist industrial revolution. Broad in chronological and geographical scope and explicitly comparative, Robert DuPlessis' book introduces readers to a wealth of information drawn from throughout eastern, western, and Mediterranean Europe, as well as to classic interpretations, current debates, new scholarship, and suggestions for further reading.

Robert S. DuPlessis, Professor Emeritus of History at Swarthmore College, has published widely on the history of textile industries, material culture, and consumption. His most recent works include *The Material Atlantic: Clothing, Commerce, and Colonialism in the Atlantic World* (Cambridge University Press, 2015), for which he was awarded the Jerry J. Bentley Prize by the World History Association in 2016. He has received fellowships from The John Simon Guggenheim Memorial Foundation, The Camargo Foundation, The National Endowment for the Humanities, the Fulbright Foundation, and the Surdna Foundation.

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*Economies in the Era of Early Globalization,
c. 1450–c. 1820*

Second Edition

Robert S. DuPlessis

Swarthmore College, Pennsylvania



CAMBRIDGE
UNIVERSITY PRESS

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University Printing House, Cambridge CB2 8BS, United Kingdom

One Liberty Plaza, 20th Floor, New York, NY 10006, USA

477 Williamstown Road, Port Melbourne, VIC 3207, Australia

314–321, 3rd Floor, Plot 3, Splendor Forum, Jasola District Centre,
New Delhi – 110025, India

79 Anson Road, #06–04/06, Singapore 079906

Cambridge University Press is part of the University of Cambridge.

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www.cambridge.org

Information on this title: www.cambridge.org/9781108417655

DOI: [10.1017/9781108278072](https://doi.org/10.1017/9781108278072)

First edition © Cambridge University Press 1997

Second edition © Robert S. DuPlessis 2019

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First published 1997

Reprinted 2001, 2004

Second edition 2019

Printed in the United Kingdom by TJ International Ltd. Padstow Cornwall

A catalogue record for this publication is available from the British Library.

Library of Congress Cataloging-in-Publication Data

Names: DuPlessis, Robert S., author.

Title: Transitions to capitalism in early modern Europe : economies in the era of early globalization, c. 1450-c. 1820 / Robert S. DuPlessis, Swarthmore College, Pennsylvania.

Description: Second edition. | Cambridge, United Kingdom ; New York, NY : Cambridge University Press, 2019.

Identifiers: LCCN 2019020773 | ISBN 9781108417655 (hardback) | ISBN 9781108405553 (paperback)

Subjects: LCSH: Industries – Europe – History. | Industrialization – Europe – History. | Agriculture – Economic aspects – Europe – History. | Capitalism – Europe – History.

Classification: LCC HC240 .D82 2019 | DDC 330.94/022–dc23

LC record available at <https://lccn.loc.gov/2019020773>

ISBN 978-1-108-41765-5 Hardback

ISBN 978-1-108-40555-3 Paperback

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Preface

This book recounts Europe's economic history and the emergence of a radically new socioeconomic system across three and a half tumultuous centuries marked by bitterly contested religious reform, far-reaching cultural innovation and scientific revolution, and contentious state formation within Europe, together with expanding overseas trade, colonial settlement, and empire-building. Organized chronologically as well as by sector, *Transitions* seeks to elucidate the complexity of early modern economic history: broad general trends and structural changes that affected Europe as a whole; important national and regional differences; the diverse impacts of social, political, and cultural influences on economic life; constant interplay between European and global developments. It draws on the extensive scholarship written on the subjects it discusses, particularly recent work that has introduced fresh topics while also redefining long-held interpretations. To assist students who wish to learn about topics in greater depth, suggested readings have been provided at the end of each chapter.

Economic history can be a difficult, even a frustrating subject. Though not lacking dramatic events and famous individuals, it is more often characterized by processes that take place over extended periods of time, begin and end at dates that are almost impossible to pinpoint, occur unevenly and discontinuously over time and space, and involve the efforts of people who mostly remain anonymous. Yet the study of past economies can also be exciting, for it reveals the manifold ways that human beings have acted within the constraints and opportunities offered them by geography, resource endowment, demography, institutions, values, and beliefs to produce the goods and services that they need and want. Examining the formations that preceded the currently hegemonic capitalist order also underlines the historically contingent nature of all economic systems: rather than inevitable results of intrinsic laws or proclivities, they are historically specific structures that humans have produced and can alter.

Like every significant discipline, economic history is replete with controversies generated by efforts to extend empirical knowledge and advance new explanations. Some debates arise from diverse theoretical commitments. Others concern methods of and results yielded by techniques employed to construct and interpret data regarding an age notoriously lacking in many types of basic economic information. This book draws eclectically but critically on a variety of approaches and findings to try to understand – both across Europe and within specific states and regions – the functioning and transformation of early modern economic structures and practices.

Familiarity with economics is not required for understanding *Transitions*, but frequently used terms and concepts deserve definition. *Production* denotes the process of creating goods and services by an individual, household, enterprise, economic sector, or entire society; *productivity* the ratio of output (the volume of goods and services turned out) to the volume of inputs, the resources required by the production process, as measured by criteria such as hours of labor, quantities of raw materials, extent of acreage plowed. Three inputs or *factors of production* are usually distinguished: land, labor, and capital. Land refers to property used for cultivation, pasturage, woodland, and so forth, but can also include other natural resources, like ores. Labor is physical or mental work directed toward or expended in production. Capital encompasses both circulating or working capital – the funds or claims on funds (credit) needed for wages, raw materials, and other operating expenses; goods in process and finished but not yet sold; and amounts owed for goods sold but not yet paid – and fixed capital, the physical assets (land, buildings, and equipment) used to produce goods and services. Though often transferred in non-market transactions, land, labor, and capital were increasingly exchanged in *factor markets*. *Commodity markets* for raw (primary) materials and *product markets* for finished goods date back to antiquity, but they too took on increased importance in the early modern era. No more than in other periods, however, were markets “free,” as they were regulated both by formal institutions (such as city and state governments, guilds and other corporate institutions, and religious authorities) and by informal norms, conventions, and practices.

Growth signifies an increase in output, conventionally measured in per capita terms to distinguish between *extensive* growth (expansion of the total output of an economy’s goods and services due to and only matching increased inputs of factors of production) and *intensive* growth (sometimes called *development*), in which improved skills, technological innovation, and/or more efficient use of land, labor, and capital result in productivity gains that outstrip demographic increase, enabling

improvement in living standards.¹ *Industry* is often taken to mean only mechanized production; in this book it refers to any processing of raw materials to make goods for exchange and therefore may be used synonymously with *craft*, *trade*, and *manufacturing*. Both *workers* and *artisans* perform manual labor; here, *artisan* connotes a skilled worker laboring at home or in a small shop. *Peasants* and *farmers* may also be used interchangeably to designate those who work the land. At times, the terms suggest different social relations: a peasant owes a landlord both a land rent and tribute (whether paid in cash, in kind, or by service), whereas a farmer is a property owner or a tenant owing only land rent. Peasant often carries overtones of subsistence agriculture; here it includes those who produce for the market.

Transitions considers *capitalism* an historically specific system of organizing the production of material wealth that entails distinctive asymmetrical relations between the classes engaged in economic activities. In a capitalist economy, individuals and groups who possess both circulating and fixed capital directly organize production by hiring laborers to turn out agricultural and/or industrial goods using the capitalists' land, labor, raw materials, plant, and equipment. Capitalists' profits consist of the difference between the costs of their capital inputs and the price their output receives in competitive markets. To gain or preserve advantage in those markets, capitalists are under continuous pressure to innovate to cut production costs. Capitalism grew up within and shared components with the multiple non-hegemonic economic formations specific to early modern Europe. To some degree, demesne lordship, peasant proprietorship, petty artisanal production, and proto-industry all featured market exchange, private property, and wage labor, and all could – and often did – experience growth. As we shall see, however, the key relations and dynamics of each differed fundamentally, if diversely, from those that defined the capitalist order that supplanted them.

Finally, the terminological conventions used in *Transitions* need mention. Non-English terms are italicized only on first usage. Names of settlements, political units, and geographical features are given in the form currently common in anglophone economic historiography. From

¹ Scholars have constructed historical estimates of per capita Gross Domestic Product (GDP, the market value of total output of a given economy in a specific period, corrected for inflation and expressed in terms of a standard currency in order to indicate purchasing power parity across economies). For pre-industrial economies, such calculations unavoidably rely on sparse data; lack information about income distribution and sustainability issues; and omit household production, payments in kind, barter, and other non-market activities that loomed large in early modern times. This book cites such estimates as rough approximations of trends in economic performance, not as evidence about individuals' welfare.

the later sixteenth century, the erstwhile Low Countries are therefore referred to as Belgium (the southern provinces ruled at various times by Spain, Austria, and/or the Bishop of Liège), and the Dutch Republic or United Provinces (the independent northern provinces). Before the mid-nineteenth century, Germany and Italy were geographical expressions, not political entities; in this book, the many states that each encompassed are sometimes analyzed together, sometimes by region. The various kingdoms of Spain were dynastically united, but economically diverse; here, Catalonia, the most dynamic, is often examined separately. The catchall term northwest or northwestern Europe designates the northern and southern Low Countries, England and Wales (after the 1707 union with Scotland, Britain), northwestern Germany, and northern France; Mediterranean Europe includes today's Italy, Spain, and Portugal; east Elbia includes today's east central and eastern Europe. While mentioned at times, the Balkans, then under Ottoman rule, and European Russia are not extensively examined. For the sake of brevity, the modern terms Indonesia and India are primarily used, though individual Indonesian islands and separate states on the subcontinent are named when relevant. Despite the many differences within states, only state-level data are usually available and presented in *Transitions*.

All scholarship is to some extent a collective endeavor; a synthesis like this one is unusually dependent on the contributions of other scholars. Many works that I have found especially useful are cited in the notes and suggested readings, though the latter includes few of the numerous books and articles in languages other than English upon which I have repeatedly drawn. Such works are essential reading for anyone wishing to explore in greater depth many topics discussed in this book for which the English-language literature is unsatisfactory or nonexistent. This revision has also benefited from the works of and discussions with Pierre Gervais, John Styles, and Giorgio Riello; comments and suggestions made by my students over the years, by colleagues in various venues, and by several anonymous readers; and the support of my editors at Cambridge University Press.



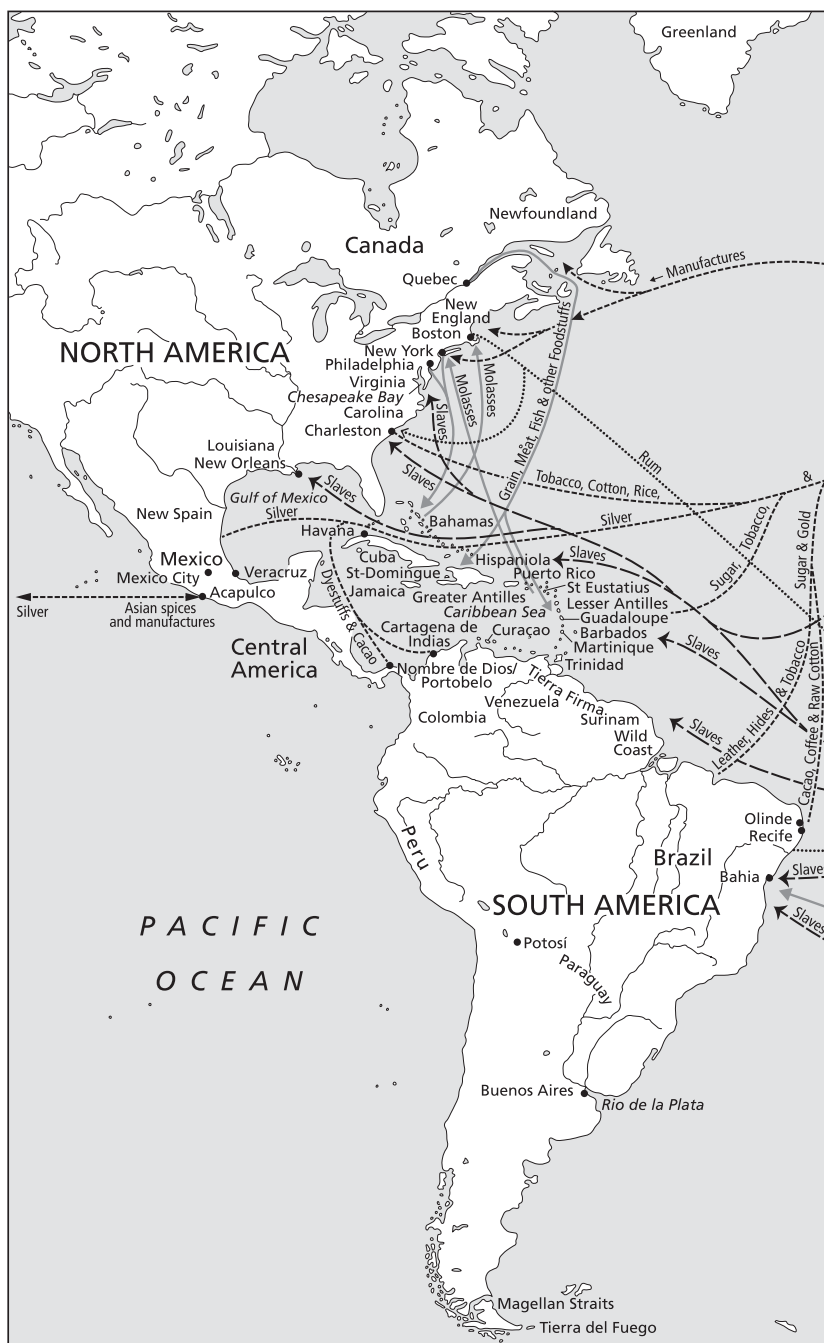
Map 1: European Regions



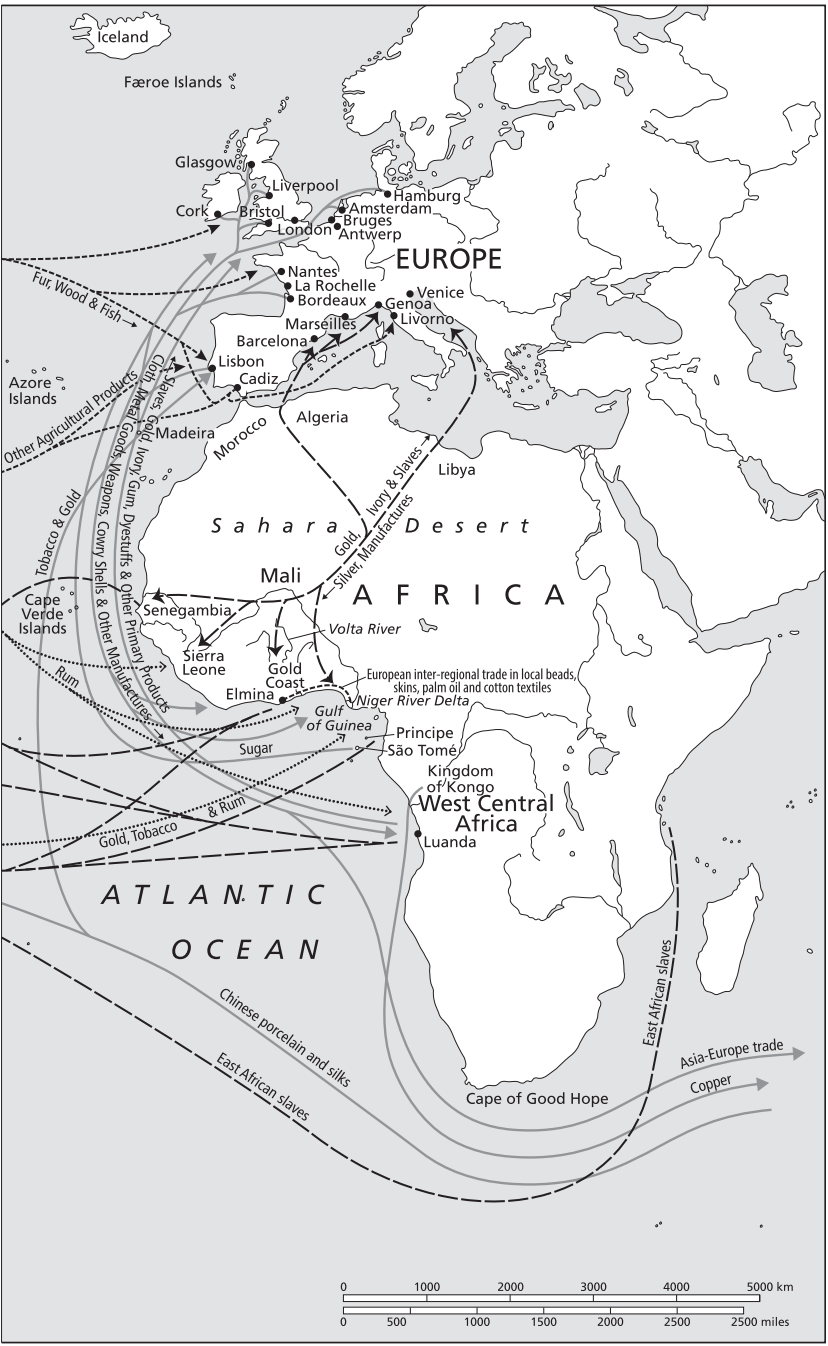
Map 1: (cont.)



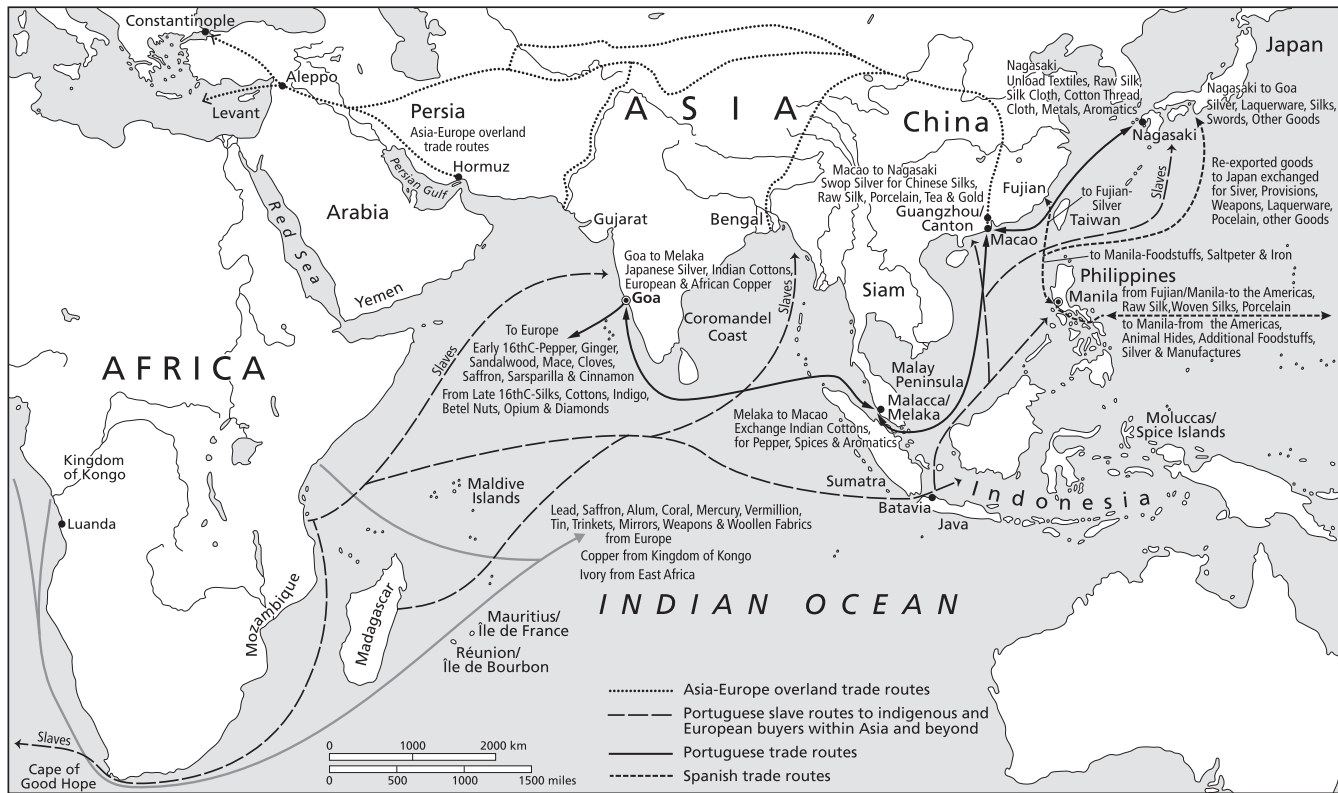
Map 2: European Towns and Cities



Map 3: Europe's Overseas Atlantic Commerce



Map 3: (cont.)



Map 4: Europe's Asian Commerce

Part I

1 Issues and Interpretations

In the early nineteenth century, at least four-fifths of Europeans lived in small towns and villages or on individual farmsteads, where the majority engaged, as their ancestors had since Neolithic times, in farming characterized by generally low land and labor productivity. Aristocrats, urban residents, religious institutions, and others not directly involved in agricultural production owned a great deal of land and received much of the agrarian surplus. Artisans who worked in their homes or small shops using hand-powered tools made most manufactured goods. As in the past, Europeans traded mainly with each other, and they continued to spend most of their incomes on familiar goods. Protectionist laws, privileged groups, and poorly developed commercial institutions, communications, and transport often hobbled the effective operation of factor, commodity, and product markets.

Yet much had changed significantly across the early modern centuries. Population had risen from a post-Black Death low point of about 60 million around 1400 to more than 200 million in 1820; Britain and Scandinavia registered four-fold increases (see Appendix A).¹ The urbanization level – measured as the proportion of inhabitants living in towns of more than 10,000 residents – had doubled from some 5 percent in the fifteenth century to at least 10 percent in 1800. The rate of advance was greatest in England and Wales, which jumped from 3 percent to 20 percent, and the level highest in the Dutch Republic, which by 1800 boasted nearly 29 percent city dwellers (see Appendix B).² Commercial farming

¹ Lacking proper censuses, all early modern population figures are estimates; they also often omit portions of Eastern Europe, the Balkans, and European Russia. See Massimo Livi-Bacci, *A Concise History of World Population*, 5th ed. (Chichester, UK, 2012), 25, Table 1.3; Paolo Malanima, *Pre-modern European Economy. One Thousand Years (10th–19th Centuries)* (Leiden, 2009), 9, Table 6; Angus Maddison, *The World Economy: A Millennial Perspective* (Paris, 2001), 232, Tables B-2 and B-3.

² Lowering the urbanization threshold to 5,000 residents yields higher percentages of city dwellers at both dates (some 15–20 percent around 1800 in Europe as a whole). See Paolo Malanima, “Italian Cities 1300–1800. A Quantitative Approach,” *Rivista di Storia Economica* 14 (1998): 91–126, especially 92 Table 1, and 98 Table 5.

had become broadly dominant, and new crops, practices, and tenurial systems had boosted agricultural output and productivity in key regions. Industries had spread into new areas, and were notably abundant in many rural districts, as countless farm families spun thread, wove cloth, drew nails besides raising crops and tending animals; in addition, a large and growing population had wholly abandoned agriculture for manufacturing work. Entrepreneurs who bought raw materials, put them out to rural and urban wage-earners (occasionally assembling them in large workshops or proto-factories), and sold the finished goods on markets near and far now controlled a substantial share of manufacturing throughout Europe, and in some places predominated. Innovations ranging from navigation instruments and assembly-line shipbuilding to maritime insurance and trading company organization had helped reduce transaction costs (the various expenses associated with commercial exchange); new financial institutions and instruments had improved some markets' efficiency. Overseas exploration, colonization, and globalizing commerce had greatly extended merchant networks, introduced unfamiliar consumer goods and raw materials into Europe, and stimulated the development of novel re-export and import-substitution industries. Europe's economic center of gravity, since antiquity located in the Mediterranean, had shifted to the northwestern region; according to recent calculations, at least England and the Low Countries had achieved impressive GDP gains.³ By the end of the period, factories equipped with new technology were springing up, most thickly in England, but also on the Continent. Most momentous, as northwestern Europe had become hegemonic over Europe, its overseas colonies, and its global commercial networks, capitalism had taken root in northwestern Europe.

Understanding the causes, nature, extent, and significance of these manifold phenomena has long occupied scholars. In his epochal *An Inquiry into the Nature and Causes of the Wealth of Nations*, published in 1776, Adam Smith (1723–1790) argued that interdependent processes of market expansion, specialization, and widening divisions of labor were generating quantitative growth within the “commercial society” of his time. Due to an innate “propensity to truck, barter, and exchange,” Smith held, humans engage in commerce to obtain necessary goods and services, and to trade most advantageously they specialize in tasks at which they excel. The resulting divisions of labor had upgraded skills and increased wealth, stimulating innovation that raised productivity,

³ For estimates, see Angus Maddison, *Contours of the World Economy 1–2030 AD: Essays in Macro-Economic History* (Oxford, 2007), 382, Table A.7; Luciano Pezzolo, “The Via Italiana to Capitalism,” in *The Cambridge History of Capitalism*, eds. Larry Neal and Jeffrey G. Williamson, 2 vols. (Cambridge, UK, 2014), I: 269, Table 10.1.

lowered prices, and unleashed growth. Public authorities and private bodies had repeatedly intervened to shape economic activity to their advantage through regulations, monopolies, tariffs, and the like, but their main accomplishment, in Smith's view, had been to divert land, labor, and capital from their most productive uses, constraining improvement. To promote the true wealth of nations – the full development of agriculture, industry, and commerce – individual initiative, competition, and free trade had to flourish. Enabling them, Smith and his fellow “political economists” insisted, liberated inherent human qualities within a self-regulating natural order, an “invisible hand” that through market transactions begot the common good from individuals’ admittedly clashing “self-love” (self-interest).⁴

Smith did not propose that European economies had embarked on a process of unending growth. The complication was not simply obstructive pressure groups and institutions: rather, despite specialization and division of labor, over time economies experience diminishing returns (when additional inputs yield progressively smaller increments to output), halting advance. *An Essay on the Principle of Population* (1798) by Thomas Robert Malthus (1766–1834), built on the kinds of empirical data that practitioners of “political arithmetic” (the application of statistics to policymaking) had been systematically gathering since the late seventeenth century, evaluated early modern economic outcomes yet more somberly. Periods of expanding output and rising standards of living had occurred, Malthus acknowledged. But that was not a boon. The demographic growth that inevitably ensued sabotaged these achievements, as technological limitations and a fixed land area prevented agricultural output from matching population increase. The subsistence crises that had invariably eventuated had only been resolved by what Malthus termed “positive” population checks (famine, disease, war) or – less often – “preventive” checks such as delayed marriage or sexual abstinence. In either case, the result was demographic decline to the point where a new cycle could begin – but only to repeat the same predetermined pattern.

Malthusian views long dominated interpretations of early modern European economies. Despite recurrent periods of improvement, demographic, institutional, behavioral, and technological features internal (or “endogenous”) to the economy sooner or later frustrated sustained growth, resulting in long-term immobility or at best minimal and fragile advance. A powerful external (“exogenous”) force – in most accounts,

⁴ Adam Smith, *An Inquiry into the Nature and Causes of the Wealth of Nations* (New York, 1937), 13, 423, 14.

breakthrough technology – had therefore been necessary to usher in ongoing growth, improvements in standards of living, and changes in behavioral practices and economic structure alike.⁵ More recently, however, scholarship grounded in fresh quantitative analyses and a Smithian emphasis on the knock-on benefits of market enlargement has challenged the stagnationist orthodoxy. Without denying that serious downturns and setbacks occurred, this revisionist historiography maintains that by exploiting a combination of existing and new practices, techniques, and organizational forms, northwestern Europe in particular achieved significant growth, which over time sparked the innovations that set off continuous development.

To Karl Marx (1818–1883), on the contrary, it was profound structural transformation, the establishment of a wholly novel form or “mode” of production subsequently dubbed capitalism, that induced the new and more productive divisions of labor, specializations, and technologies necessary for sustained growth.⁶ In Marx’s definition, capitalism is an order of structured inequality between wage-earners who lack productive property and capitalists who control such resources. To earn their subsistence, workers must sell their labor – or, more precisely, the productive power embodied in it. The capitalists who purchase labor power earn profits (in Marxist terminology, extract surplus value) by selling the goods made with it for more than their total production costs. To maintain their profits in competitive markets, all capitalists constantly seek to reduce the cost of their inputs, wages most of all, by investing in innovation. Thus the technological and/or organizational prerequisites for growth were the outcome rather than the cause of the capitalist system.

The genesis of capitalism lay in the process that Marx called “original” or “primitive” accumulation. At once destructive and creative, original accumulation was an economic, social, political, and cultural phenomenon that encompassed town and country, industry and agriculture, expropriation and concentration of capital assets. For capitalism to arise, Marx asserted, capital – both in the form of land and equipment, and in the form of specie and credit – had to be amassed by individuals who invested it productively rather than consuming it. This process involved dispossessing peasants from their holdings, crushing autonomous artisans and guilds, and engaging in slaving, colonial exploitation, and usury. Government laws, monopolies, taxes, and debt promoted

⁵ This type of growth is often termed “Schumpeterian” after the theorist of innovation Joseph Schumpeter (1883–1950).

⁶ The term “capitalism” is a mid-nineteenth-century neologism, but analyses of the system it characterizes and of “capital” as a distinctive entity had been taking shape across the early modern period.

these undertakings and supported the system thereafter; far from being a brake on or enemy of economic change, the state was one of its principal progenitors and servants. These initiatives took time to come to fruition and often eventuated in transitional forms of production. Still, Marx maintained, across the early modern centuries original accumulation gave birth to European capitalism.

Later scholars have sought to flesh out Marx's sketchy historical account of capitalism's origins. The "world-system" approach, represented most prominently by the work of Immanuel Wallerstein, derives in part from Marx's postulate that capital derived from commercial exploitation of colonial possessions was both a prime solvent of Europe's prior feudal order and a source of funds to finance its successor. It also amplifies Smith's argument that the growth of trade furthers the division of labor, combining this with theories holding that capitalist development in favored areas necessarily bred underdevelopment elsewhere. According to Wallerstein, capitalism in western Europe (the "core" of a new world economy) was built on the exploitation of other regions, notably eastern Europe and the colonized New World (the "periphery"). Together with an intermediate "semi-periphery," these regions were assembled into a global economic order characterized by a unified market but sharply hierarchic forms of production, labor regimes, and politics: capital-intensive agriculture and industry, a predominantly free and skilled workforce, and strong states in the core, labor-intensive production, mainly coerced (enslaved and enserfed) and less skilled workers, and feeble states in the periphery, intermediate forms in the semi-periphery. Unequal exchange of more profitable European items for less lucrative colonial goods, backed up by similarly unbalanced power relations, transferred surplus capital from the periphery to the core where it built sustained development simultaneously with minimal growth in the semi-periphery and outright backwardness in the periphery. Though subsequently the world-system incorporated additional areas and states shifted position within and between zones, before the mid-seventeenth century a Europe-based capitalist economy with a global reach was firmly in place.

Issuing from Marx's insistence on the importance of peasant dispossession, analyses by Robert Brenner and his followers locate the principal early modern economic dynamic in class structure and attendant class struggle in the countryside. In particular, they emphasize social relations between lords and peasants founded on asymmetrical property ownership and expressed in peaceful and violent interactions mediated, in a variety of fashions, by state institutions and policies. The different outcomes of this interplay, they maintain, accounted on the one hand for divergent

patterns and levels of growth both within the western European core and between western and eastern Europe, and on the other for the eventual advent (or frustration) of agrarian capitalism, “the indispensable foundation” for industrialization and subsequent “ongoing economic development.”⁷ In contrast to world-system theory, which contends that capitalism issued from the resources and structures provided by Europe’s global commerce, Brennerian approaches situate its main-springs within Europe, notably rural England and the Netherlands.

This book draws on and evaluates these interpretations; deploys theoretical insights and empirical data from disciplines including cultural anthropology, sociology, women’s and gender history, slavery studies, and consumption and material culture research; and examines global influences on early modern Europe’s economic development. It maintains that

–early modern Europe was characterized by a variety of non-hegemonic, contemporaneous economic arrangements including peasant farming, demesne lordship, artisanal handicrafts, manufacturing in urban and – most of all – rural households – all, across the eighteenth century, increasingly dominated by merchant capital and control;

–these formations achieved growth, albeit uneven and discontinuous over time and space, by more thoroughly exploiting locally adapted best practices and techniques; product, process, and organizational innovation; creation and incorporation through overseas trade and colonization of critical new resource supplies, finished goods, and consumer markets;

–though wage labor, market orientation, secure private property, and entrepreneurial activity were to be found in these formations, and in them new financial instruments and institutions emerged, domestic and overseas trade expanded, and technical and organizational change occurred, they did not represent quasi-, proto-, or incomplete capitalism but were organized according to their own logics, dynamics, and purposes;

–capitalism was the unforeseen outcome of crisis in the cottons industry in the second half of the eighteenth century rooted in Europe’s globalizing commerce and consumption that was resolved by technological innovation that crystallized elements of preceding formations into a novel configuration, dynamic, and logic of production.

The multifarious nature of early modern economies and the many debates and research their history has stimulated have determined the scope, subject matter, and shape of this book. [Chapter 2](#) sketches common and distinctive features of European economies in the fifteenth century. Its anatomy of European economies at the dawn of Europe’s early modern overseas exploration, colonization, and commercial

⁷ Robert Brenner, “Property and Progress: Where Adam Smith Went Wrong,” *Marxist History-Writing for the 21st Century*, ed. Chris Wickham (Oxford, 2007), 109, 107.

expansion identifies influences that molded subsequent developments, examined in the next six chapters. During what is often labeled “the long sixteenth century” (1450/70–1620/50), the subject of [Part II](#), trade, migration, and commodity flows initiated and directed by Portugal and Spain interacted with discrepant agricultural and industrial trends to alter economic conditions within and among European states and regions as well as abroad. Crisis during the seventeenth century interrupted some of the impressive growth and stirrings of structural change that had characterized the previous period. The period also saw significant shifts in economic primacy, the brief but splendid Dutch cultural and economic “Golden Age,” and the first stages of renewed expansion.

These developments bore fruit in the eighteenth century. [Part III](#) examines the multiple global and domestic forces that refashioned commerce, agriculture, and industry, and by disproportionately advantaging northwestern Europe enabled capitalism to achieve hegemony there. They also consolidated regional economic disparities, lately dubbed a “little divergence” as contrasted to the “Great Divergence” that the Industrial Revolution purportedly opened between Europe and Asia. The Conclusion reviews the opportunities and constraints that shaped early modern Europe’s diverse economic formations, the birth of the system that superseded them, and interpretations that help make sense of these phenomena.

Whereas short series of data are exhibited in tables within individual chapters, the appendices should be consulted for data that are cited throughout the book: Appendix A – European population grouped nationally and regionally; Appendix B – European urbanization percentages by nation and region; Appendix C.1 – trans-Atlantic shipments of enslaved Africans by 25-year period and annual average; Appendix C.2 – European and American shippers of enslaved Africans by flag of ship; and Appendix C.3 – regional disembarkations of enslaved Africans throughout the Atlantic basin.

To reveal both the general patterns of early modern Europe’s economic history and its discrete shapes and tempos, this book is geographically, chronologically, and topically expansive. It ranges from East India Company trading networks in Southeast Asia to slaving stations on the Atlantic coast of Africa, from Mediterranean latifundia to minuscule market gardens in Flanders, from European industrial zones to New World plantations. In addition to the increasingly similar and interconnected ways by which crops were cultivated, animals bred, raw materials obtained, goods manufactured and exchanged, *Transitions* explores features specific to disparate places and institutions. Each of these arrangements implied a characteristic set of economic and social relations, so the

book introduces wage-earners and entrepreneurs, artisans and merchants, slaves and masters, serfs and lords.

To examine the rise of capitalism is to investigate the origins of the economic order that at present dominates Europe and the world. But it is also to court epistemological danger. Knowing how the story has “come out” so far can all too easily lead into a teleological and deterministic account of the origins of that result. This is not an easy problem to avoid in early modern economic history, because the very phrase “early modern” implies movement toward the present. Similarly, “transition” acquires its logic retrospectively, from the vantage point of capitalist hegemony, while terms like “pre-capitalist,” “pre-industrial,” and “proto-industrial” can imply partial or defective versions of subsequently dominant systems.

This book does not entirely avoid the trap of teleology; present concerns inevitably – and appropriately – suggest questions about the past and ways of answering them. *Transitions* does, however, seek to understand the operation of early modern economies in their own terms, rather than insinuate that they obeyed flawed logics so that the ascendancy of capitalism was ineluctable. By attending to a broad range of regions, structures, sectors, and patterns of change and continuity between the mid-fifteenth and early nineteenth centuries, it attempts to recapture the diversity and contingency of economic development during that momentous period.

Suggested Reading

Book III is the most explicitly historical section of Adam Smith’s *An Inquiry into the Nature and Causes of the Wealth of Nations* (many modern editions), while Chapters I–III of Book I discuss the division of labor in a context of expanding markets. The several editions of Thomas Robert Malthus, *An Essay on the Principle of Population* have also been frequently reprinted; some editions include sources and commentaries. For a brief survey of the thought of these and other early analysts, along with a useful bibliography, see José Luís Cardoso, “The Political Economy of Rising Capitalism,” in *The Cambridge History of Capitalism*, eds. Larry Neal and Jeffrey G. Williamson, 2 vols. (Cambridge, UK, 2014), I: 574–99. In their bulk, the three volumes of Karl Marx, *Capital, A Critique of Political Economy* (originally published 1867–1894; many English translations and editions) can be intimidating. For historical materials, see especially volume I, Chapters 14, 26–32, and volume III, Chapter 20. Karl Marx, *Pre-Capitalist Economic Formations*, ed. E. J. Hobsbawm (New York, 1965), provides a superb introduction to Marx’s thinking. The earlier Marxist-inspired transition debate can best be followed in Paul M. Sweezy, *The Transition from Feudalism to Capitalism* (London, 1976); S. R. Epstein, “Rodney Hilton, Marxism and the Transition from Feudalism to Capitalism,” *Past and Present Supplement 2* (2007):

248–69, is a recent evaluation; for an update, Shami Ghosh, “Rural Economies and Transitions to Capitalism: Germany and England Compared (c. 1200–c. 1800),” *Journal of Agrarian Change* 16/2 (2016): 255–90. For Immanuel Wallerstein’s work, see his *The Modern World-System*, 4 vols. (New York, 1974–1989; Berkeley, 2011). *The Brenner Debate: Agrarian Class Structure and Economic Development in Pre-Industrial Europe*, eds. T. H. Aston and C. H. E. Philpin (Cambridge, UK, 1985), includes Brenner’s work and commentaries by other scholars. Ellen Meiksins Wood, *The Origin of Capitalism: A Longer View* (London and New York, 2002), ably synthesizes Marxist scholarship arguing that agrarian capitalism caused English industrialization.

Recent essays that emphasize the cyclical nature of early modern economies requiring an exogenous shock to set off ongoing growth include George Grantham, “Contra Ricardo: On the Macroeconomics of Pre-industrial Economies,” *European Review of Economic History* 3 (1999): 199–232; Jack A. Goldstone, “Efflorescences and Economic Growth in World History: Rethinking the ‘Rise of the West’ and the Industrial Revolution,” *Journal of World History* 13 (2002): 323–89. For more extended presentations that cover longer time spans, see Gregory Clark, *A Farewell to Alms. A Brief Economic History of the World* (Princeton, 2007), and J. L. Luiten van Zanden, *The Long Road to the Industrial Revolution. The European Economy in a Global Perspective, 1000–1800* (Leiden, 2009). Bas van Bavel, *The Invisible Hand? How Market Economies Have Emerged and Declined Since AD 500* (Oxford, 2016), maintains that markets inevitably self-destruct; Ronald Findlay and Kevin O’Rourke, *Power and Plenty: Trade, War, and the World Economy in the Second Millennium* (Princeton, 2007), attribute responsibility for long-term cycles of growth and contraction to the interplay of war and international trade. For interpretations arguing that primarily endogenous forces slowly accumulated, eventually causing qualitative change, see Jan de Vries, “Economic Growth Before and After the Industrial Revolution. A Modest Proposal,” in *Early Modern Capitalism: Economic and Social Change in Europe 1400–1800*, ed. Maarten Prak (London, 2001), 175–92; and Regina Grafe, “Economic and Social Trends,” in *The Oxford Handbook of Early Modern European History, 1350–1750*, ed. Hamish Scott, 2 vols. (Oxford, 2015), I: 269–94. Francesco Boldizzoni, *The Poverty of Clio* (Princeton, 2011), is a sustained critique of dominant quantitative approaches and economic theories that currently inform many explanations of early modern economic history; Jürgen Kocka, *Capitalism. A Short History* (Princeton, 2016), gives a very brief introduction to concepts and scholarship covering the title subject up to the present day.

Notable broader works that amply repay further study, are Fernand Braudel, *Civilization and Capitalism, 15th–18th Centuries*, 3 vols. (1979; New York, 1981–1984); *The Cambridge Economic History of Europe*, eds. Stephen Broadberry and Kevin H. O’Rourke, vol. I (Cambridge, UK, 2010). *The Cambridge History of Capitalism*, vol. I, reveals the wide variety of definitions of capitalism and approaches to its history, though it is disappointingly incomplete on medieval and early modern Europe. *The Oxford Encyclopedia of Economic History*, ed. Joel Mokyr, 5 vols. (Oxford, 2003), contains fine short introductions to many subjects explored in this book, though some entries are becoming dated. In

economic history as in economics in general, much of the path-breaking scholarship appears in journals. Some, like *Economic History Review*, *Explorations in Economic History*, *Journal of Economic History*, and *European Review of Economic History*, include a broad range of topics and eras; others, like *Textile History* and *Agricultural History Review*, specialize in particular sectors. An increasing number of national and regional periodicals, such as *Rivista di storia economica*, *Histoire, Économie & Société*, *Low Countries Journal of Social and Economic History*, *Scandinavian Economic History Review*, and *Revista de Historia Económica-Journal of Iberian and Latin American Economic History*, are published wholly or in part in English. More general scholarly journals such as *Past and Present*, *Journal of Interdisciplinary History*, and *Annales. Histoire, Sciences Sociales* (English edition) also regularly publish important articles on early modern European economies.

2 European Economies on the Eve of Globalization

The mid-fifteenth century provides a good vantage point from which to locate the salient characteristics of Europe's economies after a long period of adversity. For nearly two centuries, Europe had suffered repeated harvest failures, famines, and epidemics (including, in 1347–1353, the notorious Black Death); abandoned fields and deserted villages; diminished manufacturing and mining output; disrupted domestic and international trade; destructive wars and rebellions. Conditions had not been uniformly difficult. Epidemic disease spared some areas; elsewhere, post-plague labor shortages boosted many workers' wages; peasants were able to add vacant land to their holdings; new crops, crafts, and commercial areas developed. Still, over Europe as a whole population had dropped by a third to a half; governments had intervened to block wage increases; those already in possession of land and capital often captured many of the gains from innovation. Again, while upswings had periodically interrupted the protracted "late medieval crisis," most had petered out after a few decades. By no later than 1470, however, economic indicators pointed to broad-based improvement.

Demographic revival would bring overall population and urbanization levels back to their medieval high points by about 1500. Long-neglected fields were plowed, forests cleared, marshes drained. Urban workshops hummed again; craft production spread throughout the countryside; rich new mines boosted output. Agricultural and industrial commercialization accelerated; numerous international fairs sprang up; direct trade routes advanced ever further south along the west African coast and west into the Atlantic as Madeira and the Azores were colonized. Few years were free from the clash of arms. But the most baleful conflict, the interminable Hundred Years' War (1337–1453) between England and France, had wound up, freeing resources and improving security.

Against this backdrop of incipient recovery, this chapter outlines the situation of European economies as the Middle Ages came to a close. It describes the organization of agriculture, industry, and commerce; relations obtaining between and among peasants and landlords, artisans and masters, shopkeepers and merchants; and conditions that shaped economic structures and practices.

Agrarian Structures and Relations

As befitted an area that had experienced countless migrations, invasions, and changes of regime and legal codes, and which encompassed a bewildering array of topographies, climatic conditions, and soil qualities, the agrarian arrangements and usages that had evolved in Europe across the Middle Ages were extremely complex. Broad patterns in the ways that land was owned, occupied, and worked can nevertheless be discerned. Some property was “allodial,” owned by those who inhabited and farmed it though often owing a tax and perhaps military service to a superior. The greatest proportion of land belonged, however, to landlords who rarely cultivated it themselves, instead deriving their income from peasants who did. All lordly estates yielded their owners land rents. Most had a bundle of feudal (seigniorial) rights attached as well. Enshrined in law and custom, these rights were upheld in the seigniors’ own courts or, if necessary, by the threat or use of force. Although serfdom and compulsory labor services had disappeared from most of Europe, feudal rights survived. They permitted lords to levy cash or in-kind (produce) dues; demand payments when peasants sold, exchanged, or bequeathed holdings; collect fees for peasants’ mandatory use of seigniorial monopolies like ovens, wine-presses, and mills; demand market fees and bridge tolls; and charge for the civil and criminal justice administered in their courts.

Though some country folk were landless, most peasant families occupied individual “tenements,” private tenures or holdings often exploited in accordance with collective regulations enforced by communal institutions. Specific contractual terms varied greatly, but peasants enjoyed effective possession of most land so long as they fulfilled the obligations imposed by lords. The confusion of ownership and occupancy, not to mention disagreements over the nature and level of appropriate lordly charges, ensured continuous conflict over the division of the surplus that the peasantry generated. Yet extensive customary and written rights and organized village communities, together with occupancy of the land and control of agricultural production, not only allowed peasants a good deal of autonomy in their daily lives but gave them powerful weapons for negotiating with or even defying seigniorial demands.

Peasants and Lords

Lords’ land was organized into manors (seigniories). Although mainly lay nobles and princes, proprietors also included ecclesiastical institutions, clergy, and, increasingly, bourgeois merchants, financiers, lawyers, and notaries. A lord might own one or more manors; sometimes a single

manor was subject to several lords. The boundaries of manors and villages ordinarily coincided, yet some manors comprised more than one settlement, whereas others contained just a portion of a single village, so in size they ranged from a few to thousands of hectares.

Manorial territory typically comprised two parts of unequal size: the lord's "demesne" and the peasants' holdings, which in the aggregate were larger. Neither farming practices nor technology distinguished them, however: similar crops were planted, livestock raised, rotations followed, and implements used on demesne and holdings. In the earlier Middle Ages, demesnes employing slaves, serfs owing labor services (*corvées*), and on occasion paid workers had produced farm goods for lords' consumption and/or sale. But from the twelfth century onwards, resistance to *corvées* stiffened and slaves became harder to obtain; concurrently, rural and urban population growth raised demand for land, foodstuffs, and raw materials, while a growing throng of landpoor and landless needed wage work to earn subsistence; in the fourteenth century, peasant rebellions weakened lords' ability to levy feudal dues, payments, and fees. In the circumstances, many lords had granted or sold freedom to slaves and serfs, exchanged ("commuted") labor services for payments in cash or kind, and leased their demesnes to cultivators. Late medieval demographic collapse confirmed these trends; even lords who maintained demesne agriculture usually hired wage labor to raise crops or rear livestock for market exchange.

Well before the end of the Middle Ages, therefore, the peasant tenement had become the basic unit of agricultural production. A holding was typically occupied by one household consisting of a nuclear family, augmented as needed by a spouse's aged parent, live-in servants, or local or migrant farmworkers. In mountainous or insecure areas, several related nuclear families might reside together in a house and work a single tenancy.

A model holding contained a dwelling and outbuildings; garden for fruits, vegetables, and sometimes industrial crops like madder or flax; and access to arable (cropland), pasture, meadow, waste, forest, and waterways. As these resources were not distributed uniformly across Europe, disparate agrarian structures had arisen. Primarily pastoral or livestock grazing regions covered much of Scandinavia, Celtic-speaking areas (notably Scotland, Ireland, Wales, Brittany), upland districts throughout the continent, and the Pannonian Plain in east Elbian Europe. More often, cropland predominated. Some arable districts specialized in tree and vine crops, horticulture, or industrial crops; but cropland principally grew cereals (mainly wheat and rye, though also barley and oats, which could grow on the poorest land) used in bread, gruel, and ale, the staples

of the popular diet. Grain fields were customarily farmed on a triennial (“three-course”) rotation planted successively in the fall and spring, followed by fallow; on light, thin soils and in the warmer Mediterranean basin, two-course rotations were preferred, with fall planting and fallow every second year.

Holdings in some grain areas comprised little but cropland. They were the exception. In most regions, occupancy of a tenement conferred right of access to common pastures and wastes to graze horses, oxen, cows, and sheep that supplied dairy products, wool and hides, hauling power, and manure. Tenants likewise might claim a share of hay from common meadows; building materials, fuel, nuts, and game from woodlands, where their pigs, the most common source of meat, also foraged; and fish from the manor’s waterways. Lords might demand recompense for the use of forests, fishponds, and streams, but peasants evaded payment whenever possible. What was poaching to the one was legitimate custom to the other.

Peasants in mainly cropland districts usually lived in nucleated villages or hamlets surrounded by large open arable fields divided into numerous plots; an individual holding routinely included plots scattered among several fields. Over time, rules had developed to regulate plowing, sowing, harvesting, and grazing on fallow in the open fields, as well as the exploitation of common resources. In “closed field” regions, dispersed settlement on isolated farmsteads was the norm and fences, hedges, ditches, or other barriers separated the individual plots often dedicated to specialized crops. But there, too, and in pastoral areas, access to common lands was controlled by limits or “stints” placed on the quantity of stock that each household could graze.

Initially, perhaps, landlords had enforced the regulations that mandated the sharing of common resources. But by the later Middle Ages, if not earlier, village communities, embodied in periodic assemblies of heads of households, discharged this and other important administrative duties such as levying taxes, managing the parish church’s land, resolving intra-village disputes, and, in frontier and other thinly populated areas, dividing and leasing vacant land to settlers. These functions conferred a good deal of power on village communities, equipping them to help defend peasant interests against landlords, tax collectors, and other officials. Performing these tasks also promoted communal solidarity, as did practices like trading labor among households or teaming up individual families’ draft animals to pull village-owned plows. Villages, which usually coincided with parishes, also celebrated carnival, processions, and similar collective rituals and festivities.