

## England and the Promotion of Trade in 16<sup>th</sup> and 17<sup>th</sup> Centuries

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Generally speaking, commercial activities within every state are the essential concern and the matter of national importance. As far as the position and role of trade in the English history is concerned, we shall begin by posing more questions than just how the English state of the 16<sup>th</sup> and 17<sup>th</sup> centuries wanted to promote it. Another question arises: to what extent was trade in general important for the development of the state and therefore, was it worth to make an effort to promote it? In this essay, the issue of significance of commercial activity and its impact on the state will be discussed, as well as the means which early modern England used to support trade, protect merchants and sought new markets where English goods could be exported. There are several reasons which demonstrate positive effects of flourishing trade on the growing prosperity of the state: the first one is the increase of employment which is directly linked to a better welfare of people. It brings money and consequently, food for families, better living conditions and possibly, the rising number of population. This can lead to more taxes being withdrawn from the people and finally, it results in more money for the state itself, which can be further invested back into the people and improvement of their living conditions. Clearly, all which have been stated above correlate to successful trade.

Secondly, international trade also brings money to the state treasury by imposed toll on the imported goods to England. Again, this contributes to the better condition of the state. Then, another significant advantage of the

developing trade is a variety of goods that can be offered to people. This includes not only the common products which were accessible within Europe, but it covers also exotic and luxurious products that enabled higher comfort and level of utility for people and eventually a better welfare system. In fact, this is the goal which every state should aim for: to have satisfied people with a good standard of living.

Finally, the stimulation and increase of the trade affected the development of certain skills and craft. The most significant one in this sense is the increase of shipping and ship-making. Thanks to the growing importance of overseas trade and long distance voyages, ships must have been altered accordingly. As a result, trade “*stimulated a large demand for shipwrights, carpenters, carvers, blacksmiths, glaziers, sail-makers, gunmakers, instrument-makers, and other craftsmen needed for the annual refitting of several hundred ships, as well as the more fundamental task of initial building*”.<sup>1</sup> Apart from that, more people were required to work in this industry because the fact that the ships were bigger meant that it demanded also more people to be hired as crew. Also, sailors and workers were on the journey for a longer period of time than if they were shipping just to the Mediterranean or Baltic Sea. Again, it resulted in higher number of workers needed. This was most remarkable especially during the 17<sup>th</sup> century when the value of trade increased fivefold and trade, which had been carried until that time mainly between London and Antwerp or Hamburg, spread almost all over the world.<sup>2</sup> This factor is associated with the first argument mentioned before, that employability grows thanks to the flourishing trade.

All that has been listed above declares the significant role of the trade for development of a state in general and explains the reason why government had a tendency to support and promote it. It might be argued that in the early modern period, it was one of the basic responsibilities of the Monarchy.

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<sup>1</sup> N. ZAHEDIEH, *Overseas Expansion and Trade in the Seventeenth Century*, in: N. CANNY (Ed.), *The Oxford History of the British Empire: The Origins of Empire*, Oxford 1998, p. 408.

<sup>2</sup> R. DAVIS, *English Overseas Trade, 1500–1700*, London 1973, p. 9.

However, sometimes the role of trade within English foreign policy is said to be exaggerated, as historian Jeremy Black suggests in his book where he discussed the extent to which the government adjusted its foreign policy to the commercial needs with a presumption that it did have a particular importance but we should be careful about sticking to the idea too much.<sup>3</sup> On the other hand, what should be kept in mind is that it can be just partly applicable on the period of Tudor and Stuart England as at the end of 17<sup>th</sup> and mainly in the 18<sup>th</sup> century, the situation about international significance of England, respectively Britain, and the commercial interests and success on the global scale was different; it was more progressed. The fact that trade played a crucial role in various spheres of life of English people can be declared by the following words: *“By 1700 ships and portorage occupied a very important section of the urban labour force, especially in London; overseas trade supplied goods that went into nearly every household and sold the products of an important part of the nation. Finally, it was the most common path to great wealth for individuals, and provided examples to encourage ambition and enterprise.”*<sup>4</sup>

Based on what has been mentioned above, it could be assumed that the English state had several considerable reasons why to promote trade. The way England of the 16<sup>th</sup> and 17<sup>th</sup> century tried to support it was various. The first and probably one of the key factors which helped to maintain the commercial interests of the Monarchy was a successful foreign policy and amicable international relations. Avoiding wars should have been a priority as they destroy stability of the state, they force people to focus on other issues than commerce, they cause a loss of goods because it can be damaged during fights and also, they limit the range of market where the particular products could be offered. It means that if a state is in a war with another country, it will probably decrease the number of goods which would be imported to its enemy. For example, for traders themselves, it poses a high risk to send

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<sup>3</sup> J. BLACK, *Trade, Empire and the British Foreign Policy, 1689–1815: the Politics of a Commercial State*, London 2007, pp. 3–4.

<sup>4</sup> DAVIS, p. 10.

their ships into hostile waters as it is likely that they will be attacked and the bulk would be lost by either sinking or being taken by the enemies. As a reasonable consequence, traders would be careful about spending money on such a business and they would hesitate to invest a capital in it. This is a concern of primarily the overseas trade but generally speaking, war affects negatively even the internal trade.

Essentially, international tensions influenced the level of trade in these two centuries of Tudor and Stuart monarchs several times. It already started with the reign of Henry VII who signed *Intercursus Magnus* in 1496 which was an important trade treaty between him and Holy Roman Emperor Maximilian I about the commercial cooperation and free trade with the Netherlands.<sup>5</sup> Later on, during the reign of Henry VIII, there were the wars of 1542–1543 and 1547 which brought about the collapse of trade because the city of Antwerp, where the majority of English wool was exported, dyed and processed for further sale into European cities, was cut from its continental markets.<sup>6</sup> On the other hand, Henry VIII was careful in his foreign policy towards Charles V, ruler of Holy Roman Empire and Spanish Empire. In spite of the fact that the relations between the two monarchs were tense, they were both aware of the importance of the Anglo-Netherlands trade connection that they did not let it destroy completely for example by the conflict caused by Henry's divorce from Catherine of Aragon (who was the aunt of Charles).<sup>7</sup>

On the other hand, a deteriorating effect on trade was also caused by the English state itself by the quarrel with Hanseatic traders at the beginning of 1550's. Apart from that, in the half of the 16<sup>th</sup> century, the state failed to promote the trade by currency devaluation in 1546 and a harsh intervention came also in 1551 when the English isles were struck by a severe epidemic of the sweating sickness. It occurred in this year for the fifth time in England

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<sup>5</sup> S. ADAMS, *England and the World under the Tudors, 1485–1603*, in: J. MORRILL (Ed.), *The Oxford Illustrated History of Tudor & Stuart Britain*, Oxford 1996, p. 397.

<sup>6</sup> DAVIS, p. 11.

<sup>7</sup> ADAMS, p. 402.

and had a very quick progress resulting either in death or recovery of a patient within one day and caused the death rate of 1.2% of the English population.<sup>8</sup>

For English trade of the early modern period, the crucial point was the connection to Antwerp. This town had a trading affiliation with Cologne from where the goods could have been sold in Europe. Therefore, it represented the strategic destination for further sell of the key exportable commodities: wool and woollen cloth. To maintain a good relation to this town was supposed to be a highest interest of the English state. This alliance was worth especially since the half of the 15<sup>th</sup> century when central European regions as Bohemia, Moravia, Bavaria or Hungary grew rich thanks to the extraction of the following minerals: silver, copper, lead and zinc. These regions started to prosper and demanded an exchange of these metals for manufactured products. The trade of these regions increased not only with Middle East or Italy, but also with the Netherlands and above all, England.<sup>9</sup>

The second half of the 16<sup>th</sup> century meant the decline in the English trade because of several reasons. One of them was directly associated with the policy of Elizabethan government and hostile relation to Spain, which was partly caused by religious antagonism between catholic Spain and protestant England, but also the clash of interest in overseas areas, and also privateering in the Channel. Apart from that, the growing number of silver being imported predominantly by the Spanish from America devaluated its price in the Old Continent and it resulted in the decrease of demand for this metal from central Europe. In addition, the Netherlands of the 1560's onwards became a place of revolution against Habsburg monarchs and struggle for independence which negatively influenced the possibility of maintaining a stable commerce between the continent and England. The decline of Antwerp meant for English traders that they needed to seek a new route to the inland, which was eventually found

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<sup>8</sup> A. DYER, *The English Sweating Sickness of 1551: an Epidemic Anatomized*, in: *Medical History*, 41 (July 1997), <http://www.ncbi.nlm.nih.gov/pmc/articles/PMC1044802/?page=1>, pp. 362–379, [2014–01–03].

<sup>9</sup> DAVIS, p. 12.

in the port of Hamburg, from which the river Elbe could have been used for shipping products to central Europe.<sup>10</sup> However, similarly as Henry VIII cared about the preservation of commercial connection to Spain and its territories, Elizabeth I altered its foreign policy as well: “*The strongest arguments in favour were commercial, both the older Anglo-Netherlands trade and the expanding trade with Spain itself (both domestic products and colonial re-exports).*”<sup>11</sup> Still, the antagonism between both countries was so strong that it eventually resulted in the trade war in 1570’s.

The period of 17<sup>th</sup> century and England under the rule of Stuarts brought about several strategic moments as far as the war affairs are concerned. After the trade boom of 1630’ (resulting also from successful foreign policy embodied in isolating England from the major European conflict of that time: the Thirty Years War), the most significant moment in that sense was undoubtedly the civil war. This event created unstable conditions for the trade. However it complicated the situation, it caused rather temporary decline in trading and in the long run “*the civil war apparently did no enduring damage to Britain’s world trade*”.<sup>12</sup> After the war, the state sought to re-establish the good commercial connections and in 1650’s it focused on the region of Baltic Sea and signed commercial treaties with Sweden and Denmark.<sup>13</sup> Apart from that, growing attention was of course paid to the continents distant from Europe, both westwards and eastwards: the trade with America and Asia (primarily with China and India) was highly encouraged and the English state made an effort to maintain intra-Asian commerce in which the textile industry would play an important role.

In the second half of the 17<sup>th</sup> century, the foreign policy was more complicated as the scope of European powers all over the world spread and the trade was getting to the centre of attention more intensively. The Monarchy

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<sup>10</sup> DAVIS, pp. 15–16.

<sup>11</sup> ADAMS, p. 406.

<sup>12</sup> Ibidem, p. 426.

<sup>13</sup> Ibidem, p. 425.

in that era openly rebelled against its rivals. The most dangerous one were the United Provinces which were very successful in expanding their influence, as far as its commercial interests are concerned. This is the reason why England fought against this country in three Anglo-Dutch wars in years 1652–1654, 1664–1667 and 1672–1674. Another military conflict of the 17<sup>th</sup> century in which Britain participated was the Nine Years War, which took place between years 1688–1697 and was supposed to ease the aggression of Louis XIV' French state.

Secondly, closely related to the topic of international relations, another sphere of promoting the trade shall be discussed: the support of navigation and colonial activity. In particular, the 16<sup>th</sup> and 17<sup>th</sup> century was a central point for future English dominance of the sea and its full demonstration of power later in the 18<sup>th</sup> and 19<sup>th</sup> centuries. The support of navigation and the search for new territories in the world had several reasons. Probably the most important one was a matter of trade. The state looked for new markets where English products could be exported and also from where the local products could be imported back to England. Consequently, the exchange of goods might be perceived as a core stimulus for English effort to spread its power.

In comparison with Iberian empires of Portugal and Spain, England started to support the exploratory voyages quite late. Its beginnings date back to the reign of the first Tudor King, Henry VII. He supported navigation, production of ships and consequently, the quest for the western passage to the Orient which was in abundance of many various spices as the most tempting exotic goods among Europeans. Henry VII initiated the navigation of John Cabot in 1497 with the expectation of getting to Asia by going westwards. The ships reached shores in the area of Newfoundland or Labrador and meant the first proven English contact with American soil (even though a speculation exist that English sailors, who hunted cods in waters around Iceland and Greenland had already got there in 1480's but without any reliable evidence<sup>14</sup>). The destination of North America was also reached later when the Crown

<sup>14</sup> S. BINKOVÁ, *Čas zámořských objevů*, Praha 2008, p. 117.

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stimulated the search for the Northwest Passage to Asia. This included the journeys of John Rut in 1527, who probably navigated alongside the American shore from Labrador to Antilles. Then, Martin Frobisher's voyage in 1576 brought back to England loads of stone which was supposed to contain gold. This initiated another two voyages in the following years with the purpose of simply getting this stone even though previous confirmation of presence of the noble metal in it was absent. Unfortunately, it ended as fiasco because gold was not found. In 1580's, there were also navigations of John Davis whose primary success was an import of a huge amount of cods from the sea near Labrador. The Arctic destinations were searched even later during Stuart age, into which the navigations to Canadian and North American areas by Henry Hudson and William Baffin are dated.

It would be a mistake to presume that the English state was only interested in finding the western passage to the Orient and would ignore other areas in the world, which could bring about new products and stimulate the trade. Apart from Hugh Willoughby and Richard Chancellor's navigation to the White Sea and territories in the north of Russia in 1553, the huge interest was found in the Pacific areas where the English tried to oppose Spanish and Portuguese dominance and initiated many privateer attacks by Francis Drake, John Cavendish or Richard Hawkins in the second half of the 16<sup>th</sup> century. For these activities, they received certain extent of support from the Crown. In the 17<sup>th</sup> century, the continuing trend of exploratory navigations could be noticed; apart from Hudson's and Baffin's success, also the southern parts of the Atlantic Ocean got into the centre of attention. John Narborough's research of Patagonia could be mentioned. Moreover, William Dampier, who first was a buccaneer in the Pacific, reached the shores of Australia and New Guinea as the first Englishman in history.<sup>15</sup>

More importantly, the Stuart age is not only the time of expeditions to the unknown parts of the Earth but it is primarily the age of core overseas settlements. The Crown definitely had an interest in colonisation of the New World. Not only did it increase its power but it also helped to establish new

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<sup>15</sup> Ibidem, p. 149.

commercial connections between Americas and Europe, from which England enormously prospered. The first settlement in North America was established in 1580's, however, it soon disappeared. The first official English settlement is considered to be in Jamestown in Virginia and is dated to 1607. The eastern coast of the latter United States of the America was a preferred destination of the Crown's interest and the expansion of colonisation continued to territories of New England (associated with the arrival of Pilgrim Fathers in 1620), Maryland, Carolina, New York (originally the Dutch city called New Amsterdam), New Jersey, and also Pennsylvania, last one mentioned to be established in 1681. Furthermore, this century was also the time of continual settlement in the Caribbean, namely Jamaica, Bermuda islands and Lesser Antilles (Barbados, Saint Kitts and Nevis and the others). These territories, which had not been settled by the Spanish yet, were fundamental for establishing the sugar trade. Sugar eventually became the most important commodity for export to Europe, interestingly enough, even more demanded than tobacco. Another commercial impact of English expansion to the New World was the creation of the slave trade. First English attempts to make money from this prosperous activity are associated with John Hawking in 1562 who tried to sell slaves from Guinea to Spanish colonizers in Caribbean.<sup>16</sup> For the following 250 years it played a very important role that had an impact on the commercial activities between the Old and the New World. The rise of slave trade was intimately connected to the production of sugar, as the American economic historian Robert Fogel remarks, "*it was Europe's sweet tooth, rather than its addiction to tobacco or its infatuation with cotton cloth, that determined the extent of the Atlantic slave trade*".<sup>17</sup>

If other mechanisms of promoting the trade are to be discussed, apart from altering the foreign policy and support of markets all over the world, the Crown enabled creating of trading companies, whose establishment is closely

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<sup>16</sup> Ibidem, p. 136.

<sup>17</sup> R. FOGEL, *Slavery in the New World*, in: L. B. GOODHEART – R. D. BROWN – S. G. RABE (Eds.), *Slavery in American Society*, Lexington 1992, p. 23.

related to the expansion of English power and possible foreign markets. Both in the 16<sup>th</sup> and 17<sup>th</sup>, centuries, a number of trading companies were chartered by the Monarch and participated in commercial activities which took place nearly all over the world (the world that had already been discovered and known to Europeans). *“The trading companies chartered in the period between 1550 and 1640 represented a technique whereby national government, at little cost to the exchequer, could act to promote the expansion of English commerce. In fact, so successful was the strategy that by 1580’s it was only trade with France, Scotland and Ireland that was not in the hands of a company.”*<sup>18</sup> Such words declare the extent to which chartered companies were fundamental for the development of the trade and what role the state played in it. There was also an important combination of the state and individual interests. Since 17<sup>th</sup> century, many courtiers had their own private commercial intents and they tried to merge the state and private interests to take advantage.

Generally speaking, in the early modern period, the significance of the overseas trade was remarkably growing. However, there was a big issue connected to its development: a high risk of profitability resulting from several reasons. First one was the uncertain demand for the offered goods. Then, it was a possible complicated political relation between the two areas where the trade was carried. Last but not least, it was the commercial competition between traders from other countries.<sup>19</sup> For this reason, English traders tended to band together and share the risk in the trading companies of which there two types: first one was a regulated company in which every merchant traded individually under the auspice of the particular company. This was the older type which mainly worked since the late Middle Ages until the sixteenth century, the most famous example being the Company of Merchants Adventurers of England which held monopoly on export of woollen cloth to Antwerp.<sup>20</sup>

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<sup>18</sup> M. BRADDICK, *State Formation in Early Modern England, c. 1550–1700*, Cambridge 2000, p. 398.

<sup>19</sup> *Ibidem*.

<sup>20</sup> DAVIS, p. 44.

On the contrary, in joint-stock companies each trader invested an amount of money to the shared capital and based on his investment, the profit was derived. They became effective since 17<sup>th</sup> century onwards in connection to the trade with distant territories. Clearly, the support of the commercial activities from the Crown, for instance by granting charter right or monopoly rights, was required as the rivalry with foreign traders was increasing. This was the case in the 17<sup>th</sup> century relation between England and the United Provinces (concretely due to the spice trade from Orient) which resulted in the conflict called the “Amboyna massacre”. It happened in 1623 on the Indonesian island of Amboyna where ten English merchants were beheaded from the command of the Dutch governor of the island. This incident made James I very angry and affected the relations between the two countries.<sup>21</sup>

To concentrate more on the trading companies themselves, first of them were established already in the second half of the 16<sup>th</sup> century. It was the Guinea Company, which provided the commerce between Africa and Caribbean after the voyages of John Hawkins and his father William. Then, it was the Russia Company, sometimes called Muscovy Company, which was based on the joint-stock as well. Another one of the earliest companies was the Levant Company which was established in 1581 by London merchants with the purpose of carrying the trade with Turkey, Syria and Egypt.<sup>22</sup>

The companies which were established after the year 1600 were of more importance. Predominantly, it was the East India Company, which will be discussed later, but in 1606 the Virginia Company received its charter and it operated in the territory of North America as well as Massachusetts Bay Company or Bermuda Company (created in 1684). In 1663 the Royal African Company was established to raise the importance of England within the slave trade between Africa and Americas. Seven years later, the Hudson’s Bay

<sup>21</sup> K. CHANCEY, *The Amboyna Massacre in English Politics, 1624–1632*, in: *Albion: A Quarterly Journal Concerned with British Studies*, Vol. 30, No. 4, 1998, <http://www.jstor.org/discover/10.2307/4053850?uid=3737856&uid=2&uid=4&sid=21103199522431>, p. 585, [2014–01–04].

<sup>22</sup> DAVIS, p.18.

Company was established to challenge France and its dominant position in the fur trade in North America.<sup>23</sup> Some of the companies were tightly associated with London merchants and they had their headquarters in the capital of England. It was the East India, Royal African and Hudson's Bay Companies.<sup>24</sup>

Undoubtedly, the most crucial position among all the commercial companies had the East India Company which was established by the Elizabeth's royal charter on 31<sup>st</sup> December 1600. Its purpose was to carry the trade with Asia (specifically with Indonesia and Indian subcontinent, even though there were tendencies to establish the commercial connection to Japan in 1620's and also to China towards the end of the century). It primarily sought to trade with oriental spices which were one of the most demanded commodities in Europe. If it started as a group of merchants who wanted to share the risk of uncertain trading and long distances voyages, it eventually became closely associated with the state itself and represented not only the interests of individuals but of the Crown itself as well: "*Since investment in the Company proved attractive to monarchs, ministers, lesser officials, and MPs, its activities both by sea and on land should not be seen as a private enterprise in the conventional sense, but rather as a kind of state imperialism by proxy.*"<sup>25</sup> This trend continued further in to modern age and "*the Company became involved in politics and acted as an agent of British imperialism in India from early 18<sup>th</sup> century to the mid-19<sup>th</sup> century*".<sup>26</sup> It was convenient for merchants to become a part of such a company as for the sake of the collective trading, they seemed more powerful in negotiating with local rulers or other traders. Moreover, it was given political support of the state. In return, the Company annually granted gifts to the state. Thanks

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<sup>23</sup> E. MANCKE, *Empire and State*, in: D. ARMITAGE – M. J. BRADDICK (Eds.), *The British Atlantic world, 1500–1800*, Houdmills 2002, p. 206.

<sup>24</sup> G. E. AYLMER, *Navy, State, Trade, and Empire*, in: N. CANNY (Ed.), *The Oxford History of the British Empire: The Origins of Empire*, Oxford 1998, p. 477.

<sup>25</sup> *Ibidem*, p. 470.

<sup>26</sup> Encyclopaedia Britannica, <http://www.britannica.com/EBchecked/topic/176643/East-India-Company>, [2014–01–04].

to the fact that the Company was guaranteed the monopoly in East-India trading, it eliminated the competition among traders and consequently, it held prices higher than if they would be forced to compete with other English merchants.<sup>27</sup> As a consequence of that, their biggest rivals were Dutch and Portuguese traders.

In addition, another way the state tried to promote the trade was by imposing trade laws and establishing state institutions dealing with trade issues. The outstanding position within English commercial legislation had the Navigation Act of 1651. It was passed as a response to growing rivalry between English and Dutch traders and was supposed to eliminate the direct impact of Dutch merchants on English market. These laws were improved after the Restoration and in the 1660, the new Act was passed with the following impact: *“All good carried to and from colonies were to be carried in English or colonial ships, masters and three-quarters of the crew were to be English; no tobacco, sugar indigo, ginger, fustick, or other due-wood produced in English colonies was to be exported to any place other than England, Ireland, or an English possession.”*<sup>28</sup> Moreover, certain restrictions about the import of goods from Baltic and Mediterranean seas were set and goods from Russia and Turkey needed to be imported on the English ships or on the ships of the country of origin. Several other acts governing the colonial trade were imposed in the second half of the 17<sup>th</sup> century and the Act of 1696 codified it definitely and remained valid without major changes for more than another 150 years.<sup>29</sup> Even though this Navigation Act is the most well-known form of English legal support of its traders, other legal attempts were made even before, as Dutch traders grew in their importance. The government was asked by merchants for official protection against their foreign rivals. Hence, Order of Council of 1615 was applied and commanded that goods from Mediterranean could be imported

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<sup>27</sup> ZAHEDIEH, p. 400.

<sup>28</sup> Ibidem, p. 406.

<sup>29</sup> Ibidem.

to England only on English ships and similarly, the order which was passed in 1622 introduced the same restrictions on the goods from the Baltic Sea.<sup>30</sup>

The growing expansion of overseas territories and more intense trade among England and its colonies required an activity from the Crown to support the merchants and have a good outlook as far as the commercial development is concerned. Consequently, since 1620's committees within Privy Council were established to provide the king with advice in such matters. In 1675 the Lords of Trade was created as a governmental body which was later on replaced by the Board of Trade in 1696. Its purpose was to give advice in legal affairs of the commerce and also to supervise the relation to the colonies. It had sixteen members in total, eight of them were appointed commissioners with regular salary with the aim of "*promoting the trade of our Kingdom and for inspecting and improving our plantations in America and elsewhere*".<sup>31</sup> The remaining eight positions were unpaid as the members were chosen from the Privy Council whose members did not traditionally receive any money for their service to the Crown.<sup>32</sup>

Finally, the English state, being aware of importance of a successful trade, tried to protect the merchants against the external danger and enemy attacks. To do that, it was necessary to have a powerful navy which would represent the threat for potential aggressors and posed dominance on the sea. The beginnings of the English fleet fall into the time of first Tudors – Henry VII's, and predominantly Henry VIII's reigns. They encouraged construction of fleet for the state purposes, so the standing Navy is dated into 1540. However, the most important development came in Stuart's era when Charles I imposed ship-money which financed Royal Navy and the clearer distinction between merchant and fighting ships emerged. Broadly speaking, its significance for securing the trade is obvious. Nevertheless, a kind of exception in this case

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<sup>30</sup> DAVIS, p. 29.

<sup>31</sup> The National Archives, <http://webarchive.nationalarchives.gov.uk/+/http://www.berr.gov.uk/aboutus/corporate/history/outlines/BT-1621-1970/page13919.html>, [2014–01–05].

<sup>32</sup> Encyclopaedia Britannica, <http://www.britannica.com/EBchecked/topic/601629/Board-of-Trade>, [2014–01–05].

was the East India Company. Its ships were both able to carry a heavy bulk of goods but they were also armed.<sup>33</sup> As a consequence, the Company did not require the same extent of protection on the sea as other trading companies.

To conclude, the trade in the early modern England represented a crucial element of the state economy. Thus, the Crown had to make an effort to support it in various ways to. Due to the fact that traders needed protection, it maintained Navy and altered its foreign policy so that it did not destroy the commercial relations between states even though they were temporarily antagonized. It was undoubtedly the Crown's interest to support the navigation and mainly colonisation as it opened the ingenious possibilities to export and import goods, initiate new trading opportunities and find more commodities to trade with. As a result, England expanded its power all over the world and created a starting point for becoming a world superpower of the modern age.

The approach of the state towards its merchants was supportive but to certain extent it was benevolent in comparison to the attitude of the French state. England used an approach of *laissez-faire* towards the trade and the role in the controlling it was less important than in France, where “*economic circumstances, social structures and social ethos were less favorable to consumer-driven economic growth than in Britain*”.<sup>34</sup> The Crown did not try to dominate or to control the traders and their effort very strictly. It rather relied on the individual achievement of its merchants to make money. However, it does not mean that it would not be interested in such matters. Reversely, “*combined with a centralization of power in the state after the Reformation, this emphasis on the accumulation of the nation's treasure elevated commerce from a local to a national concern*”.<sup>35</sup> And this national concern deserved particular attention from the Crown, which was expressed by certain legal steps in commercial affairs such as passing Navigation Acts and also creating

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<sup>33</sup> AYLMER, p. 470.

<sup>34</sup> BLACK, p. 2.

<sup>35</sup> A, NEILL, *British Discovery Literature and the Rise of Global Commerce*, Basingstoke 2002, p. 4.

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advisory councils within English governmental institutions, particularly the Board of Trade. The 16<sup>th</sup> century could be considered as the time when the potential for future British commercial expansion was established but it was primarily during the Stuart Age when the state tried to promote the trade. This effort can be summarized as successful and having a formidable impact on the eventual development of English, respectively British, empire in 18<sup>th</sup> and 19<sup>th</sup> centuries.

### **Abstract**

The trade in the early modern England represented a crucial element of the state economy and the Crown had to make a particular effort to support it. Therefore, the main point of the article is to describe several ways which the English state used to promote the trade in the era of Tudor and Stuart monarchs. Also, the significance of trade in general is discussed as well as its impact on economy of the state. Key points in the international relations are pointed out and so is the activity of the Crown in the encouragement of navigation and colonial activity. Also, the role of trade companies, the trade laws which were imposed, and the growing importance of the Navy are highlighted. Therefore, the article concludes all the fundamental moments of the 16th and 17th centuries which impacted further development of the English trade.

### **Keywords**

England; Trade; Tudor Age; Stuart Age; Colonial Activity; International Relations