



EUROPEAN TRADE ROUTES

The European merchant

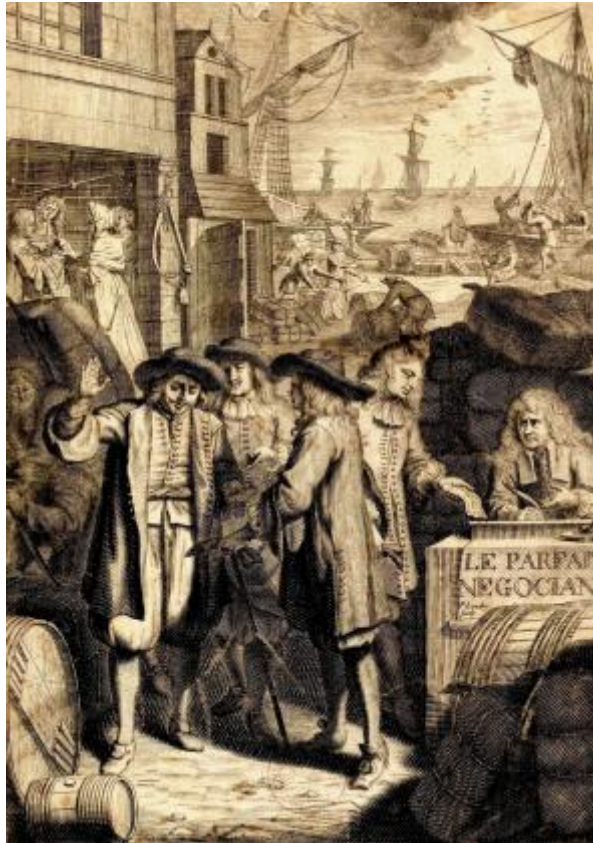
Emergence and affirmation of a figure in the world-economy (sixteenth-nineteenth centuries)

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ABSTRACT

The figure of the merchant gradually established itself during the eighteenth century in large European commercial centers. For a long time, it was difficult to distinguish between a *négociant* [merchant] and a *marchand* [tradesman]. Merchants formed a socioprofessional elite that possessed a number of criteria in varying degrees: the versatility of their activities (speculation in merchandise, wholesale trade, commissions, maritime outfitting, insurance, banking), the scope of their economic horizons, the long distances over which their networks stretched, the skills developed during a complex apprenticeship, and a search for respectability.

During the nineteenth century, the conditions for long-distance trade in Europe and the world underwent profound transformation. Although the break was neither total nor brutal, the versatile nature of their work tended to become obsolete, and the term merchant came to designate a well-defined type of work. Merchants gradually gave way to specialized businessmen, who were relatively rare until the eighteenth century but widespread during the twentieth century.



The Perfect Merchant, or General Instruction regarding the mercantile trade of France and foreign countries, by Sir Jacques Savary. Source : [Gallica](#)

Within the diversity of the European world of trade, merchants began to appear in the sixteenth century, took form during the seventeenth, and became firmly established during the eighteenth century. They dominated economic activities and identified with commercial capitalism, at least until the nineteenth century. The affirmation of this socioprofessional group stemmed from a complex development process, one pertaining to both social psychology and the specialization of duties within merchant society. In addition to the diversity of their behavior, training, and even culture, merchants—who were very active in major European maritime centers—appeared in more ways than one as the primary agents of European economic development, essential actors in the construction of “world-economies.” The profound transformations that Europe and the world experienced during the nineteenth century changed the conditions for long-distance trade. The figure of the merchant was profoundly affected as a result, and the criteria that had contributed to their definition up to that point no longer applied to these new entrepreneurs.

The term

The term merchant did not establish itself in all European states at the same time, and its semantic boundaries remained blurred for a long time. In Northwestern Europe—England, the Netherlands, Germany—even high-level traders were still called *merchant*, *koopman*, or *kaufmann* in the early eighteenth century. Things gradually began to change, and in 1775 a distinction was made in Bristol between elite merchants and the mass of tradesmen, while in Hamburg, official language used the term *kaufmann*, or merchant, in contradistinction to *krämer*, or retailer.

However in Italy, beginning in the fifteenth century there was a large gap between the *negoziante* and the *mercante a taglio*, which can also be seen in Spain during the seventeenth century between major merchants

(*hombres de negocios*) and other actors in trade (*mercaderes*). In France, the term was not unknown, although its use remained limited until it was made popular by Jacques Savary's *Le Parfait Négociant* (1675) more so than the *Negociante* by the Genovese Giovanni Domenico Peri, which was published thirty years earlier. The *Parfait Négociant* distinguished itself from earlier works intended for merchants in that it put greater emphasis on the conditions in which the trade was practiced, rather than on the acquisition of technical knowledge. In his recommendation for instructing the apprentice, Savary insisted on the diverse nature of the trade, as many others would do after him. The term, in fact, became established only slowly, and overlap with the older terminology was the rule for a long time. While its use is attested around 1700 for the "Messieurs de Saint-Malo" (A. Lespagnol), in Marseille the confusion disappeared only in the 1720s, after twenty years of undifferentiated use of the terms *marchand* and *négociant*. In La Rochelle as in Nantes, the word appeared around the year 1730. While local businessmen in Rouen used the word commonly to designate their foreign partners, the term entered local designations only in the early eighteenth century.

With the exception of Paris, use of the word merchant spread more quickly in maritime centers than in the interior, and became widespread in the mid-eighteenth century. The symbolic weight of the designation nevertheless prompted modest merchants from smaller centers to appropriate it, which could cause difficulties for identifying them, including for their contemporaries. The *Encyclopédie méthodique*, written in 1785 by Panckoucke, the inspector general of factories for Picardie, still complained about this situation: "Everywhere there is confusion between merchants and tradesmen, it is not just the traveling haberdasher who assumes the first of these titles, but it is also given to the storekeeper who sells him his assortments." During the eighteenth century, tradespeople who were called merchants in Lorient or Saint-Tropez were known as simple tradesmen in Saint-Malo, Genova, Antwerp, or Marseille.

The thing

This observation calls for examining the characters identified as part of these categories from the world of commerce, whose existence in practice predated the late sixteenth century. It is necessary to shed light on their practices in order to do so. While "the merchant can be defined as a wholesale trader as opposed to a retail one, by virtue of the wide range and long-distances over which his relations played out, or as the driver of business of all kinds" (P. Jeannin), these criteria deserve to be nuanced, or at the very least clarified.

The spatial expanse of activities was a seemingly indisputable marker—although it was insufficient on its own—for being established in a port often led tradespeople to make their business international, without for all that rising to the rank of merchant. It is therefore necessary to consider a broader series of criteria. The same is true of the company's structure, with the manager at the counter being surrounded by a small group of more or less qualified collaborators depending on the scope of the activities, who ensured the company's continuity in the event of the manager's absence or disappearance. This expanse was joined by the diversity and complexity of trade, as well as the density of links established with the internal space, for the narrowness of the field of action was not a sign of small-scale activities.

The characteristic feature of the merchant was a permanent gravitation toward any business with the potential of profit. Merchants responded to the call of markets and "did everything, simultaneously or successively, depending on the time or the occasion. There were of course nuances: with regard to diverse activities, the proportion varied according to geographical orientation" (C. Carrière). Older texts also emphasize the versatility of a merchant's activities, as opposed to the narrower field of action practiced by the majority of tradesmen, who were labeled according to their specialization. For example, major Italian traders who settled during the sixteenth century in French commercial centers mixed small-scale commercial business with large-scale international operations and banking. Two centuries later in La Rochelle, in addition to his sugar-producing activities with Santo Domingo and outfitting of slave traders, Nicolas Suidre traded in citrus fruit with merchants from Lisbon, took part in recruiting

indentured laborers for Guadeloupe, and engaged in insurance. “Engaged simultaneously in speculation on merchandise, commissions, outfitting, insurance, or banking, merchants were seen as genuine jacks-of-all-trades whose geographic field of action included both land and sea, and stretched to colonial and international areas” (B. Martinetti). In addition, it is sometimes difficult to distinguish between and to divide the various operations, or to breakdown profits between merchandise and outfitting. For that matter, it is barely possible to dissociate ship-outfitters from merchants, for “a ship-outfitter who only fitted out ships did not exist. They were wholesale merchants who engaged in commissions, profit-sharing, money exchange, a little banking, warehousing and redistribution of merchandise...as well as maritime trade. [...] One was a ‘Monsieur of commerce,’ and the term *armateur* [ship-outfitter] was used in limited fashion” (J. Meyer). A few merchants were the impetus behind certain productions, such as the Dutch during the seventeenth century for large-scale iron metallurgy in Sweden and later Russia, or the English and Germans in other sectors (textiles, mines), although powerful merchant firms inclined to adopt a manufacturing branch (haberdashery, soap production) remained in the minority.

Commenting on the activities that these men—and the occasional woman, most often widows—engaged in nevertheless calls for nuancing this versatility. “Not all merchants did everything everywhere” (P. Jeannin). Some were dependent on the goods that dominated business in the marketplace, such as wine and colonial commodities in Bordeaux during the eighteenth century, with division of tasks being the distinctive mark of major firms at the time. The existence of a certain amount of specialization can also be seen with important merchants in the domain of banking, even though the terms merchant and banker were often confused. As noted by eighteenth century dictionaries, a “banker is one who trades in money, in the same manner as business is no more than the trading or traffic of merchandise or money.” In fact, there were sectors, such as metallurgical products, that required skills and networks of correspondents that only belonged to a specialized minority.

Finally, when one seeks to distinguish the merchant from an ordinary tradesman, the operative word is skill, for conducting wide-ranging and complex business entailed know-how that was beyond that of more modest tradesmen. The same applies to the knowledge needed to conduct international exchange operations, or to engage in arbitration. Italian and Spanish actors excelled in this during the mid-sixteenth century, although it would be imprudent to deny this capacity to others. Accounting practice, along with good mastery of the art of the bill of exchange and double-entry bookkeeping, was a criterion that distinguished the polished merchant from the ordinary tradesman. During the eighteenth century, this “science of accounting” was learned by the merchants of major European centers, although we do not know the extent to which this technical commercial culture was diffused. These skills partially resulted from a complex apprenticeship combining attendance in an academic institution or education by a private tutor possessing book-based knowledge, with practical exercise on the job, which is to say at the counter. This was often supplemented by time spent in a foreign commercial center, for instance one of the Scales in the Levant [Ottoman ports] for future merchants from Marseille during the eighteenth century. The conditions for producing such a program vary from one individual and family to another, as well as within the same city or across different trading centers. In the mid-seventeenth-century Rouen, the commercial elite gave apprentices dual training in the the humanities and practical knowledge of European trading centers, although residents of Saint-Malo, heralding Savary’s proposals, remained faithful to the pragmatic model of on-the-job training in their Breton port and Cadiz. These differences between major trading centers, which were often ports, diminished during the eighteenth century. Broader diffusion of printed practical manuals intended for merchants, along with a rise in the level of knowledge in technical areas, helped improve the capacities of actors.

Cosmopolitanism, which was present very early on in major European metropolitan centers, also represented one of the noteworthy traits of merchant sociology, combining integration and segregation along community lines. Beginning in the fifteenth century, Spanish and Portuguese colonies were established in Rouen and La Rochelle, followed later by the Dutch, Swiss, and Irish who settled there, such as the Van Hoogwerff, Weis, and Butler families in La Rochelle during the eighteenth century. The same was true of London, Genoa, and Bordeaux, with major firms of Dutch and later Portuguese and German origin, as well as in Marseille, where the Dutch, English, and

Swiss succeeded the Italians beginning in the seventeenth century. The dynamic of openness toward agents from abroad or other regions was both a response and contribution to growth in commerce. “The definitive transition to trade entailed a change in commercial standing and horizons, as well as relations with distant clients or suppliers. It was this openness toward the world that made the merchant” (P. Gardey).

A condition

The practices, skills, and scale of business enabled merchants to distinguish themselves and form a genuine economic elite. However, these elements were not enough to define the condition of the merchant, “the greatest and most noble of those whose object is trade” (Samuel Ricard, *Traité général du commerce*, 1781). The technical criteria and “capacities” attributed to them did not just include the notion of commercial power, but more generally implied the wealth and consideration enjoyed by these individuals. Wholesale trade being, according to Jacques Savary, “the most honorable,” merchants continually sought to demonstrate the respectability that distinguished them from other actors in commerce. Although their lifestyle and culture were not entirely similar to that of the aristocracy, they nevertheless formed an aristocracy of commerce. In Europe, elite merchants distinguished themselves through their social belonging and, perhaps even more so, through criteria connected to their office. This point is important for understanding the group’s formation, whether it be the long-term rise of genuine dynasties (the Baring family in London, Hope family in Amsterdam, the Legendre or Le Couteulx in Rouen, Magon or Lefer in Saint-Malo, Roux in Marseille, and Rasteau in La Rochelle), or meteoric trajectories such as those of François Bonnafé in Bordeaux, or Noël Danycan de l’Épine in Saint-Malo. Skill and sound judgment along with boldness and luck help explain these unusual success stories. Open to candidates from different backgrounds, the world of merchants perpetuated itself first and foremost internally, through promotion within the family, preferably from father to son. It also was deployed through family-owned trade companies that were adapted to the transmission of know-how and capital. Wives and widows served as the strong links for the permanence of these lineages. Yet the group was not fixed, as bankruptcies, foreign contributions, withdrawal from commercial activities, and departures abroad contributed to the renewal of personnel.

Merchants demonstrated a well-developed capacity to seize opportunities to assert and consolidate their respectability. While in Rouen and Bordeaux unions and permeability with parliamentary and landed aristocratic circles emerged early on, and Portuguese Jews from the port of Gironde favored the reinforcement of matrimonial bonds within a vast European diaspora, the practice of intermarriage became established everywhere (over two-thirds of cases in Marseille during the eighteenth century).

While Protestant or Jewish groups appear to dominate this merchant elite, economic and cultural historians and sociologists have nuanced the role that these religious choices had in the world of commerce, and point out that they never intervened alone, but accommodated other factors such as state intervention, the influence of the administrative system, the importance of urban reality, and the legal environment. Beyond the diversity of faiths, geographical origins, trade orientations, cultures, and levels of integration, level of wealth (chattel, silverware, merchandise, ships, private mansions, real estate, monies outstanding) served as the true dividing line within this heterogeneous group. Despite this composite character and its resulting divisions, merchants were aware of the role they played within society. This group awareness was often a determining factor, and upon closer examination “what united [them] was stronger than what divided [them]” (C. Carrière).

Practicing the trade

Trade was a powerful driver of the economy of the Ancien Régime, although its scope is more difficult to evaluate than the wealth of the actors or companies that bore a merchant’s name, or the wealth of the primary merchant followed by that of associates or partners. The workforce of companies is a way of assessing the evolution of merchant houses over the *longue durée*, albeit an imperfect one. A few figures provide an approximate idea of the

situation, although it would be imprudent to extend this to all of Europe. In Marseille, careful observation reveals steady growth in the merchant workforce between 1710 (a little less than 300) and the Revolution (almost 750); this growth is parallel to that of traffic, but as in Bordeaux it came with major social gaps, as well as an increase in the largest fortunes.

The sedentary merchant and the travelling owner coexisted simultaneously or alternately, although operating methods tended to become more uniform. The establishment of limited partnerships in distant spaces avoided or reduced the trips these high-level actors had to make, but without doing away with them entirely, notably in connection with training younger members or attending international trade fairs in Germany (Frankfurt), Italy (Lucca), and Central Europe. Epistolary bonds maintained by correspondents located in major trading centers such as Sevilla, Cadiz, Amsterdam, London, Paris, Lyon, Milan, or Hamburg promoted the circulation of information and the execution of operations. Merchants worked especially on commission—that “economic trade” (Montesquieu)—but also took part in commercial operations based on different formulas (on their own account, or as a joint or one third partner). They also engaged in speculation after sharing information in order to dispel or reduce uncertainty.

All of these firms worked in networks by relying on more or less broad relations, on trusted individuals or people who came with multiple recommendations, with the knowledge that “bonds of blood or name are not always the bonds of trade,” as pointed out by a merchant established in Martinique during the eighteenth century. Trade networks were sometimes on a global scale, such as those of the Ergas & Silvera Company based in Tuscany, which between the mid-seventeenth and mid-eighteenth century linked Sephardic Jews in Livorno, Hindus in Goa, and Italian Catholics in Lisbon. Their business, which involved trading coral for diamonds, and was conducted by the community of Jewish traders in London, Amsterdam, and especially Livorno, was based on a series of informal rules and agreements that ensured reciprocal trust (F. Trivellato).

The social rise of this group provided it with greatly varying impact over the political life of European trading centers. Merchants could exercise their power in society with either no opposition or limited opposition, as in Marseille, or on the contrary they could be disputed, as was the case in Nantes. Merchant strategy aimed for greater respectability and assimilation within the nobility by seeking political responsibilities and trying to possess a lordship. In major European trading centers such as Rouen during the fifteenth century, Antwerp during the sixteenth, Amsterdam and Saint-Malo during the seventeenth, and London during the eighteenth, it was normal to give social visibility to one’s commercial success by investing in land and adopting an aristocratic lifestyle (P. Jeannin).

From merchant to businessman (nineteenth-twentieth century)

The conditions of long-distance trade in Europe and the world underwent profound transformations during the nineteenth century. Dominated by narrow networks that were closed and structured by strong personal and identity-based bonds, the organization of commerce slowly gave way to a system of trade based on principles of open markets regulated by law. New legal and institutional instruments, which provided a formal basis for relations based on trust, along with the emergence of new figures within the merchant world (brokers, commission agents, travelling salesmen), contributed to a silent revolution that challenged how trade was conceived (A. Bartolomei).

Merchants were able to maintain the older ways of functioning, and continued to behave as “eclectic businessmen open to all markets and possibilities for profit” (X. Daumalin). Merchant dynasties grew weaker or disappeared, while others took their place or adapted to new economic conditions. From the mid-seventeenth to the mid-eighteenth century, Desgrand père & fils demonstrated these strategies and merchant practices between two worlds, which enabled the owners in Annonay (Ardèche) to transition in two generations from the shop to commercial branch agencies spread across Latin America, Australia, the Ottoman world, China, and Japan (J.-F.

Klein). There were merchant families that were faithful to the model of versatility in outfitting, industry, and the new domain of real estate transactions and urban planning (water distribution, lighting).

However, upon closer examination, even when the name was maintained, and that was often the case during the nineteenth century with the development of public companies, it no longer involved the same reality. Merchants gave way to specialists. "The versatility of their work tended to become archaic" (C. Carrière), even though the break was neither total nor brutal, as demonstrated by the links maintained between outfitting and trade until the dawn of the twentieth century. Nuances in the vocabulary are indicative of the transformations of economic structures, and the term merchant indicated a specific type of work: "wood merchant, wheat merchant...fur merchant...fabric merchant..." This narrower expression was rare previously, and in the mid-nineteenth century Littré wrote in his *Dictionnaire*: "Usage applies the term merchant preferably to a trader when speaking of those exercising a particular kind of trade: ...a wine merchant."

A page was turned with this semantic evolution, which reflected the economic changes that were taking place. Between the late-nineteenth and the mid-twentieth century, activities increasingly differed from one another, all while frequently preserving points of contact through financial channels. The profession of merchant, which was emblematic of the European economic landscape between the Age of Discovery and the early nineteenth century, gave way to a landscape marked by leaders of specialized companies or transnational limited companies.

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