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Old regions and new regions in the economic history of the medieval Low Countries. A comment on the notion of economic change in Bas van Bavel’s Manors and markets

Bas van Bavel’s Manors and markets offers not only a new and highly original look at the economic history of the medieval Low Countries but also an invitation to bridge two scholarly traditions that have had little common ground in recent historiography, namely rural and urban history. Via a concrete yet rigid explanatory framework based on path-dependent social structures and institutional organisation, the changing fortunes of the different regions in the Low Countries are analyzed and put into perspective. However, a social optimum guaranteeing growth and innovation is always transitory, within the constraints of the pre-modern economy. Economic fortune, therefore, tends to reallocate itself to other regions once the optimum has outlived its day. Van Bavel is less clear on eventual ‘movers’ in the system. Traditional explanations like geography, trade, urbanisation, demography and cultural change are brushed aside as merely circumstantial. Some consequences and assumptions are tested using two variables very much in evidence throughout the book: coercion and guilds.

Research into the economic history of the medieval Low Countries is characterised by a remarkable and highly tenacious, almost schizophrenic, antagonism. On the one hand, there are specialists of rural society who – in slightly exaggerated terms – practically refuse to grant any importance to urbanisation and urbanity and all that they imply for technological, organisational and social change, despite urbanisation’s obvious role as one of the key processes that distinguished developments particularly in the coastal principalities of the Low Countries (from Artois to Flanders, Brabant to Holland) from mainstream European trends. If and when cities catch their interest, it is because wealthy town dwellers acting as investors in land and credit had almost imperceptibly become key figures among the lords. Hence it is their role in surplus extraction – the Marxist, and even Brennerian paradigms, have become dominant in the discourse and analytical frameworks rural historians tend to use – that brings the many cities and towns to their attention without, however, attributing to them a significant role as mover of developments. The countryside is forced into a regionally divergent pattern whereby in some regions small-scale ‘peasants’ were very nearly tied to their land (which they increasingly tended to own) but were forced – mostly through the development of proto-industrial industries – into an infernal cycle of division of their properties (because of egalitarian inheritance systems), indebtedness and proletarianisation. In other regions, however, the same processes led to greater polarisation as small-scale peasants were forced from their land...
by indebtedness (again increasingly towards urban investors) and gradually depended as labourers on more capital-intensive and larger farms, where time leases began to dominate at a very early stage. This strong (surely too strong) dichotomy is epitomised within the county of Flanders by the differences between coastal Flanders, with its larger, market-oriented leasehold farms, and inland Flanders, with its uncountable mass of linen-weaving peasants. Not surprisingly, this image is prominent in Bas van Bavel’s new synthesis of the economic history of the medieval Low Countries.¹

On the other side of the spectrum lies the prominent discourse of generations of economic historians for whom, in the wake of internationally renowned Belgian scholars like Henri Pirenne, Hans Van Werveke and Herman Van der Wee, trade and industry epitomise economic growth. I shall call them ‘urban historians’ here, for practical purposes, although such a description is clearly insufficient to capture their wide range of analysis, which centres around the great cycles of commercial and industrial development.² The strong focus on ‘supply’ has recently shifted towards ‘demand’ as patterns of consumption, social organisation, guilds and middling groups have become prominent. At best, these urban historians have afforded limited attention to rural developments: the complexities of rural social and economic developments are usually systematically ignored, and their roles restricted to that of investments by city dwellers seeking safe returns, limited risks and the social prestige of landownership (and even of noble title). Therefore, besides being a reservoir for newcomers in urban society, the countryside is presented almost as an alibi for the ‘treason of the bourgeoisie’, allowing productive and risky investments, which had formed the core of urban development in its expa-

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sive phase, to be substituted for unproductive and safe investments in land and titles. Few economic historians have been able to cross the ‘great divide’ between these two almost opposed approaches of medieval economic history. Adriaan Verhulst has drawn attention to the rural roots of the process of urbanisation in its initial stages and Raymond Van Uytven has focused on the market system that functioned in the countryside, in this way allowing for some assessment of the interactions between town and countryside in a much more dynamic way. But these scholars are the rare exceptions.

Van Bavel’s *Manors and markets* has the enormous merit of trying to achieve better integration of both approaches. In a thorough – considering the goals of an academic book, perhaps overly thorough – analytical framework, Van Bavel details the regional and chronological changes that characterise the complex economic history of the Low Countries. As such, his analysis does not diverge significantly from the traditional image of geographical shifts in the core principalities very much present among the ‘urban historians’, from Artois and Walloon Flanders in the eleventh century over the county of Flanders in the twelfth and thirteenth centuries and the Duchy of Brabant in the thirteenth and fourteenth centuries to the county of Holland in the fifteenth and sixteenth centuries, which constitutes the mainstream of economic historiography. But Van Bavel goes further than many other historians. He includes in his analysis other, more peripheral regions, thereby increasing the complexity of the model and facilitating a far more nuanced interpretation of the developments in the core regions. This is indeed no small merit of the book.

**Institutions, path dependence and the fortune of regions**

The analytical and explanatory framework of *Manors and markets* is at first sight a peculiar mix of a traditional Marxist-Brennerian approach, which emphasises social property relations (and, therefore, access to and use of non-economic coercive power), and of New Institutional Economics, whereby the institutional framework (in its broadest sense) shapes the dynamics of historical developments. According to Van Bavel, a certain balance of power was achieved in the former part of the Middle Ages which gave rise to a regionally diversified institutional framework (going from the size of holdings and the

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relations that farmers and lords have to landownership to the organisation of factor markets for capital, labour and land). This balance would decide future developments in the latter part of the Middle Ages, and it explains all major geographical shifts of economic activity. In some periods a particular cluster of institutions, produced by particular power relations at an early stage, could become successful, even as that particular cluster was perhaps less adapted to other periods and circumstances. Hence the relatively ‘free’ institutions in the county of Holland came of age and triggered successful economic transformation in the late Middle Ages, whereas the more ‘coercive’ nature of social and institutional organisations in the county of Flanders inevitably led to stagnation and ultimately economic decline. According to Van Bavel, the mix of power relations and institutions not only explains geographical shifts (the result of the relative prosperity of one region versus another), but also determined the growth and decline of each region; in short, this mix was responsible for a particular social optimum, or ‘social balance’, as Van Bavel labels it, during periods of economic dominance, a ‘balance’ which was eroded when economic success began to wane through processes of increasing social inequality (a strange reminder of the urban historians’ ‘treason of the bourgeoisie’?). Path dependence is, therefore, the key issue in explaining regional discrepancies in Van Bavel’s historical universe: regions become dynamic or are activated, to use the preferred language of today’s politicians, because the specific cluster of institutions (in their turn, the result of social power relations) in that region becomes ‘fashionable’ and is able to capture economic change.

This approach has one great merit. In contrast to what has become the mainstream in Dutch economic history, it avoids the trappings of a teleological story of growth towards the inevitability of the Golden Age of the Dutch Republic. On the contrary, Van Bavel strongly situates the Dutch seventeenth century in perspective. Despite the efficiency of the institutions in Holland, the Republic’s prosperity lasted for a relatively short period only, as in Holland the ‘social balance’, and the limits it set on the continuity of growth and (in)equity, jeopardised long-term prosperity and growth.

The problem with Van Bavel’s analytical and highly aesthetic framework based on power relations is that it demotes all other variables to the merely circumstantial. Geography – so prominent in Wim Blockmans’s recent explanation of the development of the Low Countries in the later Middle Ages (Blockmans, paradoxically, being the most renowned scholar of power relations in the Low Countries) – transport facilities, Malthusian demography,
urbanisation, political balance of power, cultural developments, etc. can only be dependent variables. Being an urban historian myself, I cannot but quote Van Bavel’s concluding chapter, on economic growth:

Neither was urbanisation a determining factor. The growth of cities was to a large extent a result of economic developments, rather than the other way around. The town’s interactions with the region in which it was situated and the general developments of this region [Van Bavel means the institutional framework, PS] co-determined [the ‘co-determined’ is slightly surprising in light of the bold analytical framework of the rest of the book, PS] the potential for urban growth ... and determined why urbanisation started to stagnate.7

Looking for a prime mover in an ‘actorless’ world?

The double paradigmatic starting point, power and social institutions, is pursued in a consequent and systematic manner throughout Manors and markets and offers a remarkably stimulating explanation of economic, geographical and chronological shifts and of regional variations of rise and decline. Yet, in reading the book I did not become a ‘believer’ in such an approach (nor, I admit, was I convinced by the two basic assumptions of Van Bavel’s book Brenner and New Institutional Economics). Although the model is able to capture regional dimensions and to explain the regional diversity of economic change, unlike those used before, the real ‘prime movers’ of change remain hidden. Despite all nuances and the careful construction of the thesis by a great historian like Van Bavel, the model greatly resembles the following pattern. At an early stage in the Middle Ages in the various regions of the Low Countries, a specific balance of power was achieved because of various factors, usually related to political competition. This inevitably led to a specific cluster (combination) of institutions. In the course of time, each region waited for its moment in history, the moment at which its specific set of institutions and its cluster of power relations became more efficient than those of other regions. At such a moment, a period of high economic, social and institutional dynamics would begin. But these moments inevitably pass in pre-industrial society. The wheel of history continues turning, and other regions have their chance. The reason for this ‘punishment’ is the erosion of what Van Bavel calls ‘social balance’, an optimum of social (in)equality and political equilibrium (and probably many other less problematised and more implicit variables). When the ‘social balance’ is broken, the centre of gravity shifts to other regions, and the ‘punished’ region can no longer count on even the clemency of the histo-

rian, as all attention moves away with it. Historians – economic historians in particular – tend to love ‘winners’ and forget about ‘losers’.

Such a rather caricatured representation – I admit – of the paradigmatic approach in *Manors and markets* raises many methodological questions, which are not always addressed effectively in the book. In particular, the question of the prime mover(s) in the system demands attention. Those variables, or rather clusters of variables, determine how institutions in the different regions come of age and develop, how social power relations enter into play, and why a particular region can provide the perfect answer to the problems of a particular period. Of course, institutions and power relations are important triggers of change, rise and fall. No one questions this. But Van Bavel’s analytical framework presupposes, and even requires, constant change that allows the economic momentum to make its chronological and geographical journey across the Low Countries (and at a later stage to leave that region altogether). *Manors and markets* presents no clear view on such an external force. At some points, patterns of geography and ecology appear to play such a role; in other chapters urbanisation and de-urbanisation (and, therefore, trade?) are specifically addressed, even as mainstream political developments and even mental attitudes and gender appear as possible candidates. In the case of Holland’s rise, Van Bavel turns to the ubiquitous, yet vague and difficult to prove, clear-cut notion of ‘freedom’ (a surprising ‘Smithian’ confession of faith). Only the neo-Malthusian demographic model is completely rejected as a possible candidate.

A second question raised by the model is that of ‘agency’, the role (and freedom of action) played by the historical actors themselves. The analytical framework in *Manors and markets* seems almost empty of human activity. It is profoundly dehumanised: the dynamics which underline and constitute social action, economic activity, tension, conflict and negotiation are clearly not among the main concerns of the book. Social action and revolts are considered by definition reactionary, and their motivations appear to stem solely from defensive premises. The rise of associations (in first instance, in the economic field, of merchant guilds and craft guilds) is linked to traditional and even outdated interpretations of protectionism and monopolies. International trade in the gateway cities of the Low Countries has no real active part in the construction of economic success, and interregional networks of supply only fit into a story of passive regional specialisation. Such networks

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are not interpreted as active economic strategies undertaken by economic and political actors to (re)organise the economy, increase efficiency of the crucial supply of this densely urbanised system and cut transaction costs. It is most striking that *Manors and markets* has become a book about the supply side of the economy (rural production and markets, urban industries and systems to maximise profit often at the expense of the rural hinterland, etc.). The demand side, both international demand in the region which was particularly geared towards the international market (a phenomenon that caused and allowed massive urbanisation and the rise of rural proto-industrialisation and regional specialisation in the first place) and changes in patterns of demand on the domestic market (which caused, for example, the crucial role of urban middling groups in the later Middle Ages, in turn profoundly changing the social relations in both town and countryside), is hardly scrutinised, and many elements are completely absent. This is in sharp contrast to earlier works of synthesis which single out these experiences in the Low Countries.

*Manors and markets* not only offers an interpretation for regional diversity; it also touches upon the inherent social and institutional weaknesses of the regions, which caused them to lose their momentum in history. Without relying on Schumpeterian cycles of growth and decadence, Van Bavel posits the cause for the mobility and fluidity, and ultimately the impossibility, of economic growth. As noted, he uses the notion of ‘social balance’ to explain this. When the equilibrium disappears from the system, when social inequality becomes too strong, when economic elites resort to rent-seeking strategies at the expense of the society in which they function, when a political *modus vivendi* (of whatever nature) is disturbed, etc., at such a time the moment for geographical change has arrived. This moment of change is, of course. It tests the hypothesis of *Manors and markets*. Van Bavel is a specialist in crucial rural developments, and his arguments for the changes that occurred in the countryside seem convincing enough, although the research perhaps relies too heavily on only a few regions, like Holland, Gelderland and Flanders. For Flanders the sharp contrast between a capitalistic coastal region, with increasingly larger farms, leaseholds and urban investments, and a strong proto-

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industrial interior, with poor and tiny peasants with strong juridical claims to land, is probably more due to the state of research (or rather the gaps in it) than representative of real geographical dichotomy.

**Freedom and coercion**

I am less sure about the way Van Bavel captures and assesses non-agrarian developments. I will give two examples. The first is the crucial notion of ‘non-economic coercion’. The strong political position of cities (and probably also the changing social and political relations in those cities) in the late Middle Ages allegedly cut short the strong economic growth of Flanders of the long twelfth century, as this position disturbed the ‘social balance’ in the county. This appraisal of the economic development in the largest and economically leading principality – not to mention also culturally and politically – of the medieval Low Countries is made repeatedly throughout *Manors and markets*. In sharp contrast to this coercive power, there is the appraisal by many Dutch scholars of the county of Holland as a safe haven of political and economic ‘freedom’. This contrast is highly surprising because it introduces a strange Smithian notion into the book and tends to fit it into a very atypical teleological development (for Van Bavel), and also because the real implications of this coercion are not at all clear. Van Bavel does not appear to stress the staple privileges and far-reaching trade monopolies of cities like Ghent, Bruges and Lille. Yet, for example, the Ghent shipping monopolies and grain staple in the river basin of Leie and Scheldt (and the link with the wheat-supplying regions of northern France) – two crucial trade privileges which came of age in the late Middle Ages and which would strongly influence trade relations and agricultural output throughout the county of Flanders and probably well beyond – have been considered by many urban historians as a strong obstacle to the development of competitive transport systems and as an instrument of political coercion of the Flemish capital cities. Others, however, consider these staple privileges a cost-efficient way of organising supply, which came from outside the county, and a way to allow social control of the traffic in basic foodstuffs by the urban communities. *Manors and markets* focuses not on the coercive power of such interregional or even international systems of market regulation but rather on their regional counterparts in especially proto-industrial networks of textile production and textile markets. The question can be raised, however, of whether these systems really did impede ‘freedom’ of entrepreneurship and of labour markets. The effects of the few and chronologically very limited attempts of cities to break proto-industrial

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activity in their surrounding countryside have been hugely exaggerated in the traditional literature. One could also wonder whether in a complex system of external supply of raw materials (wool and flax) and division of labour (also in the countryside, for example in western Flanders, which should immediately underscore the fact that in the country there were more than just the two social agro-systems addressed in *Manors and markets*), other systems could have been possible than the functional distribution of labour across town and countryside, whereby labour-intensive stages of production were gradually organised more and more in regions where labour was relatively cheaper and easily accessible (the proto-industrialised countryside and the smaller urban industrial centres), while specialised and capital-intensive industrial processes were concentrated in the larger cities with their greater supply of both skill and capital.13 The same processes surely applied to shipbuilding and dairy trade in the ‘free’ county of Holland, supposedly liberated from non-economic coercion. Moreover, was the Amsterdam ‘mother trade’ in Baltic grain, which would gradually replace the Ghent wheat staple as the basic supply system of most urbanised regions in the Low Countries from the late fifteenth century onwards, because of its comparative advantages and shipping dominance, not an implicit coercive system as well?14 Dutch naval power was certainly prepared, as the Ghent civic and guild authorities had been before, to fight any strong competitor, whenever they felt it necessary. In such a constellation, however, where is ‘coercion’ and where is ‘freedom’?

The other forms of non-economic coercion mentioned in *Manors and markets* touch upon the various legal and political systems, with particular focus on the credit relations linking town and countryside. But within these systems,

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which are, of course, rightly associated with the increasing indebtedness of peasants and farmers alike, there were not only oppression and diminished economic opportunity but also possibilities to take advantage of opportunities in advantageous circumstances. The massive growth of rural proto-industry in Flanders (flax and linen production in inland Flanders, woollen cloth in western Flanders) from the fourteenth century onwards was perhaps above all an opportunity for small-scale peasants (and in western Flanders also for landless labourers) to develop specific income strategies during two centuries of high real wages in the final centuries of the Middle Ages. The fact that such strategies, in the very long run, ultimately led to the ‘Poor Flanders’ of the late eighteenth and early nineteenth centuries was surely not their main concern.

Of old and new: guilds, institutions and regional competition

The same problems arise when Van Bavel qualifies the strategies of industrial entrepreneurs and guild masters from the late thirteenth century onwards as ‘defensive’. It is not that economic associations are not attributed an important role in the growth of the Flemish economy in the high Middle Ages. Guilds made a crucial contribution to Flemish success in its period of growth. But for this period Van Bavel must surely mean the merchant guilds, like the Flemish Hanse, which played a crucial part in the social and political emancipation of the urban bourgeoisie. The craft guilds, their counterpart for the middling groups of small-scale craftsmen, entrepreneurs and journeymen, only really came to the foreground as influential economic organisations in the latter part of the thirteenth century. But in Manors and markets it seems that it is again the craft guilds which were the main instruments of a hapless defensive strategy, as in the old-fashioned and strongly ideological interpretations of the nineteenth and early twentieth centuries. Already in the thirteenth century, the guilds allowed craftsmen to protect and to nearly freeze their social positions and to use their privileges as coercive tools for avoiding radical change. The implication is that this was at the expense of other groups, but there is no pinpointing of which groups these really were. A representation of the craft guilds around 1300 as mere defensive organisations is difficult to grasp, especially if one considers the body of recent scholarly research on corporative organisations. Certainly in these early periods of guild organisation, the craft guilds were much more instruments of social emancipation and economic change and flexibility. In this way the events of 1302 can be considered a real social revolution, whereby social groups aspire

16. C. Wyffels, De oorsprong van de ambachten in Vlaanderen en Brabant (Brussels 1951).
to and assume new positions; yet the events can in no way be interpreted as a reactionary stand of a defensive group.17

The structural changes the urban societies of the Low Countries underwent in the later Middle Ages (which, as I have argued earlier, made the urban system more balanced and ‘mature’, partly because of the rise of a large group of secondary and smaller towns) generated circumstances in which important middling groups of craftsmen and retailers could grow and accumulate wealth and economic (and sometimes political) power.18 This was reinforced by changes in standards of living across the fourteenth and fifteenth centuries,19 and as such these processes transformed the economy, not only in Flanders, but also in parts of Brabant and even in Walloon-Flanders and Hainaut. These transformations, built upon dynamic and offensive economic strategies rather than upon sterile protectionist defence of earlier privileged positions and monopolies (which were also tried, of course, by various economic and political actors, albeit without much success), would generate a new dynamical phase of urban (and rural) industries. This new phase would confirm, for example, the leading economic position of Flanders, first under the commercial leadership of Bruges, later under Antwerp. Hence the rise of Holland’s ‘first modern economy’ did not provide the only set of institutions which generated dynamic economic change. Economic initiative in late medieval Flanders was certainly not built only upon a disturbed ‘social balance’, characterised by greater inequality, coercion and institutional sclerosis, but it was, as in Holland, defined by changing social relations, rising middle classes (and, therefore, by definition, less pronounced social polarisation and inequality), and industrial and commercial flexibility and adaptation. In other words, the ‘freedom’ of newcomer Holland was perhaps not so unique as is often stated in scholarship. It was also present in other regions, not least, to paraphrase American neo-conservatives, in the ‘old’ county of Flanders.