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## **The second Anglo-Dutch war (1665-1667) : international raison d'état, mercantilism and maritime strife**

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## CHAPTER 2

# England 1660-1663: politics, factions and mercantilism

## The City's response to the Restoration

In June 1659 the City of London sent a petition to Parliament requesting the regulating of trade, lowering of taxes, protection of trade, and “*that you would settle the government over these three nations, that for the form of it we may be less subject to changes.*”<sup>1</sup> The City's request was twofold: stimulation and protection of trade and political stability, both of which had been lacking during the months since Oliver Cromwell died on the third of September 1658. Because of the Anglo-Spanish War that broke out in 1655, the important Iberian market had been closed off for English merchants. Naturally, the Dutch were quick to fill this vacuum and take over this lucrative trade.<sup>2</sup> English traders could now only obtain Spanish goods via the Dutch entrepot or using Dutch middlemen and ships. This caused profits to drop. Moreover, some 1300 English vessels had been intercepted by privateers carrying Spanish letters of marque. Taxes had been increased dramatically to support the standing army and the enormous fleet that were required as tools for Cromwell's ambitious foreign politics. Pamphleteers were eager to point out these problems and to suggest measures and policies.<sup>3</sup> The traders complained that “*the whole trade of exports and imports of goods to and from Spain, was necessitated to be done on Dutch bottom which they were necessitated to buy, and cause to be sayled by Dutchmen; and the most part of the goods exported carried first into Hol-*

- 1 *The humble petition of the Lord Major, and Commoncouncil of the City of London, presented to the Parliament on thursday June 2. 1659.*
- 2 Israel, *Hispanic World*, 420; S.E., *The touch-stone of mony and commerce: or an expedient for increase of trade, mony and shiping in England.*
- 3 Coventry, William, *Trades destruction is Englands ruine: or excise decryed*; CSPD, p 7-8, 16-5-1658; S.E., *The touch-stone of mony and commerce: or an expedient for increase of trade, mony and shiping in England Trade revived, or a way proposed to restore, increase, enrich, strenghten and preserve the decayed and even dying trade of this our English nation*; A number of Dutch privateers carried Spanish letters of marque and operated against English merchantmen; CSPD, p 323-4, Charles Longland to the Admiralty Commissioners, 11-4-1659; CSPD, p 333-4, Charles Longland to the Admiralty Commissioners, 25-4-1659.

*land, for the better disguise both of the goods and the property of them, and procuring convoy; whereby they contracted heavy load of charges, both of customs, provisions and other waies.”*<sup>4</sup>

In early 1660, the City of London sent a petition to the Council of State desiring an effective and stable Parliament, the return to the throne of Charles Stuart and a general pardon for all republicans.<sup>5</sup> The Lord Mayor, Aldermen and Common Council hoped that a restored monarchy would finally stabilise politics and would advance commercial interests. They requested the general pardon because several republicans were member of the Common Council and had supported the various Interregnum regimes.<sup>6</sup>

The City of London supported the negotiations between Charles with Clarendon, and Monck with Parliament. When the Restoration seemed imminent in May 1660, the Common Council agreed to present Charles with a £10,000 gift. The Dukes of York and Gloucester, Charles's brothers, would receive £2,000 together. The City's delegation visited the Stuarts in The Hague and presented them with the money and their best wishes.<sup>7</sup> London wanted to secure royal favour and friendship immediately. General Monck agreed with the Restoration as well. Thus, in some weeks time the Royalists were handed on a silver platter what they could not conquer in ten years.

King Charles II understood perfectly well the importance of the City of London as a political factor. His father had made a vital mistake when he alienated his capital city and cut off this important source of money and weapons. Eventually, Charles I lost his crown and his head. The loss of London had not been the only cause of his defeat but it had been very important. His son was determined to secure London as a source of both political and financial support.<sup>8</sup> He recognised that this would function as a foundation of his power. In April he issued the Declaration of Breda in which he stated that “*fear of punishment may not engage any conscious to themselves of what is past, to a perseverance in guilt for the future, by opposing the quiet and happiness of their country. In the Restoration both of King, Peers and People, to their just ancient and fundamental rights: we do by these presents declare, that we do grant a full and general pardon (...) to all our subjects.*” This would be valid until a ‘free’ Parliament would have passed an act for full indulgence. To ease his access to the throne, he officially pardoned all republicans. Only the ‘immediate murderers’ of his father would be excluded from this. They would have to pay for this crime. No other former enemies would have to oppose his return to England for fear of life or property. In order to prevent the army from causing more unrest, he promised to pay off all overdue wages. He tried to reassure his former enemies even more

4 *The humble petition of the marchants trading to the dominion of the King of Spain* (London 25-2-1659).

5 Bodl. Tanner MS 49, f1, The City of London to the Council of State, 1660.

6 Woodhead, *Rulers of London*, 80-83.

7 Edie, ‘For the honour and welfare of the city’, 119-120; *The Parliamentary Intelligencer* 20, 7-14 May 1660.

8 Edie, ‘For the honour and welfare of the city’, 120.

declaring that “*because the passion and uncharitableness of the times have produced several opinions in religion, by which men are engaged in parties and animosities against each other, which when they shall hereafter unite in a freedom of conversation, will be composed or better understood: we do declare a liberty to tender consciences, and that no man shall be disquieted or called in question for differences of opinion in matters of religion, which do not disturb the peace of the Kingdom.*”<sup>9</sup> Thus, nobody would be persecuted for religious matters or opinions.

By initially promising his subjects freedom of religion as long they did not dispute royal authority or cause unrest Charles tried to pacify all groups – it was to be the so-called Cavalier Parliament elected in 1661 that reimposed religious uniformity. Religious controversy after all had been one of the main causes of the Civil Wars and had tormented the country for decades. A key element in securing the restored monarchy was control of London. Charles quickly purged the City government removing 52 members of the Common Council and five of the aldermen associated with the various Interregnum-regimes.<sup>10</sup> On the other hand he had already knighted several members of the City delegation that travelled to The Hague. When the Coronation took place, in April 1661, City corporations paid the expenses (6,000 pounds), and the Common Council organised the impressive royal procession from the Tower to Westminster.<sup>11</sup> Thus, both Charles and the City of London considered the Restoration a good opportunity for cooperation and friendship. Both sides could benefit from this situation. Yet, Charles did not want to depend on the City’s favour too much. He hoped to use the City at his own terms.

### A difficult start for the new regime

In June 1660 Charles departed from Scheveningen beach (the Netherlands). Many Royalists, who had been exiled for over a decade, finally returned home, together with the members of all the different delegations that had visited the king in the Dutch Republic. For this special occasion the Cromwellian flagship *Naseby*, that was sent to transport the monarch and his company back to England, was renamed *Royal Charles*.

The days of problems like poverty, hunger, humiliation and desolation seemed over for the Royalists. Yet, difficulties of a different kind awaited the king and his new regime. He was expected to fill the political vacuum and a number of urgent matters required his attention. The Dutch ambassador remarked that “*all matters of importance, especially foreign affairs, are postponed until His Majesty’s return.*”<sup>12</sup>

9 Printed in: Sommers, *Scarce and valuable tracts* IV, 475-476.

10 Woodhead, *Rulers of London*, 80-83; CLRO, JOR 45 f142, October 1661.

11 CLRO, JOR 45 f100-101b, Lord Mayor to the Common Council 19-4-1661.

12 NA SG 12589.111 SKE, Nieupoort to the States General 21-5-1660.

One major challenge would be to firmly establish the new regime. The domestic and international status of English monarchy had been damaged considerably and would require careful reconstruction. The English people had been divided before and during the Civil Wars and all different groups could not be reconciled overnight. The political, religious and socio-economic differences had caused much bloodshed, turmoil and distrust. The new government would need to build confidence and gain broad support from all groups in order to be stable and functional. Charles and Edward Hyde, his most prominent advisor and mentor, understood this perfectly well when drafting the Declaration of Breda.

Initially the circumstances seemed promising for the new government. Most people longed for a stable monarchy that would pacify and stabilise every day life. They had witnessed years of bloodshed, heavy taxation, destruction and instability. Consequently, they also hoped to gain personally from this change of regime. Large numbers of petitioners from all groups and backgrounds desired to receive a reward for their allegiance. Obviously, the older Royalists, who had shared Charles's exile and misery, expected to be rewarded for their loyalty and compensated for their losses and suffering. They complained that, during their absence, many of their estates and goods had been confiscated by the Interregnum governments.<sup>13</sup> Other Royalists, who had stayed in England and had supported the monarch's cause in England, hoped for a similar treatment. They had often spent their fortunes buying weapons and supporting the Stuarts. Sir Nicholas Crispe, for example, had lent some £200,000 to king Charles I and had lost all his trade and possessions during the Interregnum. He asked for £20,000 to pay his own debts.<sup>14</sup>

Younger Royalists, some of whom had joined Charles in exile later during the 1650s, hoped for a reward as well. Among them were people who had only recently turned to the king's side. Yet, there were more competitors for royal favour. General Monck, who had played a crucial role in the Restoration, and other ex-Cromwellians could not be neglected. This caused some older Royalists, to feel that they had been neglected in favour of some of their old enemies.<sup>15</sup> The amount of estates, financial compensations, influential positions, titles and other important appointments was limited though. The number of favour-seeking people was simply too large. This caused competition and ultimately friction. In the end, many people got disillusioned and dissatisfied.<sup>16</sup>

The most important positions in the new government were filled by elder Royalists. Edward Hyde, now created Earl of Clarendon, became Lord Chancellor. Ever

13 *A humble representation of the sad condition of many of the Kings party, who since his Majesties happy Restauration have no relief, but languishing hopes.*

14 *To the right honourable the Commons of England assembled in Parliament, the humble petition of Sir Nicholas Crispe.*

15 *A humble representation of the sad condition of many of the Kings party, who since his Majesties happy Restauration have no relief, but languishing hopes.*

16 Hutton, *Charles the Second*, 133-165; Seaward, *Cavalier Parliament*, 217.

since Charles I ordered him to help and guide his sons, Clarendon had directed the Royalist effort to regain power. He had dedicated his entire career to the cause and had shared Charles's exile, humiliation and poverty. He now returned, sharing in the new monarch's triumph, as one of the architects of the Restoration and the most important minister. A number of his political friends were appointed to other key positions and as member of the Privy Council. Thomas Wriothesley, Earl of Southampton, who had stayed in England during the Interregnum, was made Lord Treasurer. James Butler was made Duke of Ormonde and was appointed again as Lord Lieutenant of Ireland and Lord High Steward of England. He received his enormous estates in Ireland back as well as a large financial compensation. Edward Nicholas became one of the Secretaries of State.

The new Privy Council consisted of men of all different backgrounds. Sixteen Royalists, four ex-Cromwellians and eight high nobles were appointed. This was done to stabilise and pacify domestic affairs. Charles and Clarendon tried to bridge the gap between the different groups by appointing some of their former opponents to high offices. Anthony Ashley Cooper, who was on the Parliamentary commission that visited Charles in the Dutch Republic, was made Chancellor of the Exchequer. He had decided to turn against the Protectorate for fear of autocratic rule and had supported the Restoration. Three marriages had connected him to some important politicians. This significantly contributed to his power. General George Monck too was rewarded for his constructive role in the Restoration. He was made Duke of Albemarle, Captain-General of the army and he received rich estates. Sir Edward Montagu became Earl of Sandwich and Vice-Admiral of the navy.<sup>17</sup>

Many of these people, both Royalists and ex-Cromwellians, who were disappointed about the distribution of royal favours and rewards, felt their group had not been treated correctly, however. This caused more rivalry and tension both at and outside Court than had been foreseen. Very soon a system of patronage developed. Patrons at Court tried to secure lucrative appointments for their family members and other clients. The Earl of Sandwich, for example, obtained the job as secretary of the Navy Board for his cousin Samuel Pepys. Pepys would of course, as a client, serve Sandwich's position within the navy. Anthony Ashley Cooper was supported both by Albemarle and Southampton, his father in law. The clients would then strengthen the position of the patron at Court and in politics. Thus, a highly competitive system of patronage developed, causing a general formation of factions.<sup>18</sup> Charles allowed this system of factions and even encouraged this, trying to exploit it to his own advantage.<sup>19</sup> Using tactics of divide and rule – playing factions off against each other – he hoped to strengthen his own position and to have his policy carried out.

17 Hutton, *The Restoration*, 127; Jones, *Anglo-Dutch wars*, 88.

18 Seaward, *Cavalier Parliament*, 217-220.

19 Marshall, *Age of faction*, 92.

Charles was anything but the lazy and pleasure-loving king that led nineteenth century historians to label him the *Merry Monarch*. This biased interpretation of historical sources sheds more light on these Victorian scholars than it does on Charles. His apparent lack of interest in politics has fooled people into believing his innocent and harmless intentions. However, he was much shrewder, more cynical and more opportunistic than is often assumed. He did certainly not remain passive waiting for ambitious politicians to compete for power. This would leave him passively vulnerable. The new king was determined not to make the same mistakes his father had committed. He would hold on to his newly gained throne at all costs and he would certainly not lose his life. Allowing rival factions to compete for influence by carrying out his policies was the solution to this issue.

His brother, James of York, created a clear and visible lobby of naval officers and merchants around himself. James improved his position but also made new enemies at Court. Charles did not follow this example but was much more subtle in juggling the different factions. He chose to remain behind the scenes. By denying full public support to any group he did not connect himself to any line of politics. This made him less vulnerable to any criticism. He could for example easily distance himself from any unpopular measure like the sale of Dunkirk to France. The monarch's conduct allowed Bennet to have 'the king's ear', as Burnet put it. By appointing Bennet to the Privy Purse in 1661, he significantly limited the Chancellor's power and influence.<sup>20</sup>

Other domestic problems required the government's attention as well. Issuing the Declaration of Breda, the new regime already anticipated on foreseen religious difficulties. Religious conflicts had, of course, been important in causing the Civil War and the controversies could not be solved overnight. Naturally, the Anglicans hoped for their church to be restored as state church. Yet, Charles did not want to enrage the Presbyterians and other dissenters by limiting their freedom of conscience. Most of all, the king aspired to reconcile these groups. In 1660, meetings between Anglicans and Presbyterians were organised. Clarendon did not agree with Charles's leniency towards Quakers and Catholics. He and others understood that some groups would continue opposing inclusion into the state church. These radicals caused a fear of rebelling dissidents. This weakened the domestic position of the new government, but also its international status since this could well be exploited by foreign powers.<sup>21</sup> Partly as a result of this, the religious settlement remained an important issue in English politics and social life. The king's attitude to the issue of Catholics and dissenters did not improve matters and was to cause trouble in the future.

In 1662 the regime's attempts to reconcile all parties failed. Parliament involved itself increasingly and adopted the Uniformity Act against all non-conformists.

<sup>20</sup> Jones, *Anglo-Dutch Wars*, 89-91; Jones, *Charles II*, 6-10; Marschall, *Age of faction*, 92-93; Barbour, *Henry Bennet*, 52-53.

<sup>21</sup> Greaves, *Enemies under his feet*.



Charles and Clarendon had been unable to keep the mainly Anglican Cavalier Parliament out of these affairs. In this respect the government suffered a defeat. Already other repressive laws against dissenters had been passed. Only those conforming to the Anglican belief were allowed to hold public offices.<sup>22</sup> In 1661 the Navy Discipline Act had been passed. All naval officers would have to be Anglican and others could not hold commanding functions.<sup>23</sup> Thus, the Anglican state church was restored and dominated religious affairs in England, yet religious unrest and conflicts would continue troubling the new regime.

The state of the royal treasury was another pressing problem. The new monarch had inherited large debts from his father and the various Interregnum regimes. Nearly all Commonwealth forces had to be paid off and disbanded. King Charles I had borrowed large sums to finance his military efforts against his Puritan opponents. When his own funds ran out and his family's possessions had been sold off, he depended on his followers lending him money. As we saw, Sir Nicholas Crispe, for example, claimed to have provided him with some £200,000. After the Restoration, he and many others desired to be compensated.<sup>24</sup>

During and after the Civil Wars the expenses of both the army and navy had increased enormously. The New Model Army had been successful both on the British Isles and on the continent. Monck had used it to rise to power and enable the Restoration. Despite this positive role, the armed forces could still endanger the new monarchy and Parliament too. It could become a political factor on itself. The costs had accumulated too high as well. Supporting a 60,000 men force demanded £60,000 per month. Many officers and soldiers still had months of pay in arrear.<sup>25</sup> Disbanding this army and paying off these soldier's wages was therefore an essential requirement for the Restoration. Maintaining this standing army was undesirable both from a political and financial point of view. Parliament wanted the army to be disbanded to prevent the new monarch from increasing his power excessively. And despite the increasing of taxes during the 1650s, the new government faced the financial burden and heritage of its predecessors.

Yet soon it became obvious that a small standing army would have to be maintained to provide safety from republican uprisings. The Portuguese treaty helped by transferring troops to the Iberian Peninsula. In 1661 the Militia Act was passed placing all regular and militia troops under exclusive royal control. The issue of grip on the armed forces was unprecedented and therefore an important breaking point with the pre-1640 situation. The expenses did decrease nevertheless. Louis XIV financed the English regiments in Portugal.<sup>26</sup>

22 Holmes, *The making of a great power*, 37-41.

23 Navy discipline Act, 1661 printed in: Browning, *English historical documents*, 829-830.

24 *To the right honourable the Commons of England assembled in Parliament, the humble petition of Sir Nicholas Crispe.*

25 Chandaman, *English public revenue*, 196-200.

26 Holmes, *The making of a great power*, 29.



During the Interregnum the navy had been increased significantly. Many large ships of the line had been built to face the Royalist threat. These ships were bigger and more expensive than ever before. Also armament was heavier and more numerous. After 1651 these men of war were employed to defeat the Dutch in a series of battles and later to challenge the French and Spanish. This navy had become the powerful and crucial instrument for Cromwell's foreign politics. After 1654, the peace agreement of Westminster, it was the unrivalled master of the seas. Yet again the financial burden had accumulated in accordance with this achievement. The building, setting out and repairing an enormous fleet of 109 vessels was a big burden for the treasure amounting to some £40,000 per month.<sup>27</sup> Thus, Charles inherited a mighty navy, but he would still have to meet the debts plus running expenses. His brother James of York, the new Lord High Admiral, was given the task to reform the Navy Board's finances and to pay off its debts.<sup>28</sup> This would prove to be a very difficult and lengthy affair.<sup>29</sup>

During their decade of exile, Charles and his followers had had to borrow money. His mother, Henrietta Maria, had found refuge at the French court and received a small pension from cardinal Mazarin. Yet she had been unable and unwilling to provide her eldest son with any funds. Henrietta Maria had hoped to keep him under her wings by refusing him any money. For his own subsistence and maintaining his status as a prince, Charles had needed funding. The French and Spanish courts had promised him financial support at various occasions. Yet Mazarin's policy had been to keep Charles poor and under his own control. Throwing him a small bone every now and then, he kept him hungry and dependant. The English prince could be a tool in French foreign policy that could be used against Parliament when necessary or convenient.

There were no alternative financial benefactors. William II of Orange, stadtholder in most of the seven Dutch provinces and married to Charles's sister Mary, had lent him large amounts of money for a Royalist invasion into England, Scotland or Ireland. This source of income dried up almost completely when William died in 1650, only eight days before his son William III was born. Mary continued helping her brother on a smaller scale though. The mother of the deceased prince, Amalia van Solms, the *mater familias*, now tried to control most of the family treasure and was much less devoted to the English Royalist cause. She was more careful with family finances and did not want to bet on this outsider. In exile Charles and his courtiers subsisted on whatever small sums they could borrow. After the Restoration these people demanded to be paid back. At several occasions the Orange family also asked for its money to be returned.<sup>30</sup>

The new regime was severely affected by these financial problems. In order to strengthen his position, to govern the country and finance his own life style, the

27 Ibidem.

28 PRO, Privy Council 6/1, f3 14-7-1660; f11 15-12-1660; PRO, Privy Council 2/55, f62 15-12-1660.

29 Rodger, *Admiralty*, 2-22; Rodger, *Command of the ocean*, 95.

30 Groenveld, 'Willem II', 157-181.

new monarch tried what he could to borrow money in the City and elsewhere.<sup>31</sup> Despite some help from courtiers and nobles who donated a few thousand pounds,<sup>32</sup> Charles had to call for a Parliament to deal with these shortages. The Convention Parliament voted him revenues for life, as well as extraordinary funds to pay off the army. The Cavalier Parliament however, did not increase what proved to be inadequate revenues. Calling a session of Parliament enabled various groups, and even foreign powers, to participate or intervene in politics. The king's political position was therefore weakened by his financial difficulties. All these domestic problems made the king's position vulnerable. It would require careful and skilful planning and positioning to improve the situation. He was determined to do this since it was Parliament that had restored him to his father's thrown. Reigning by the subject's favour and grace was not what he intended to do. The Convention Parliament passed a statute that received the royal assent legalising itself despite its irregular summoning.<sup>33</sup> He now had to restore the monarchy to a position of power and distinction of its own. To him this was a necessity because a king who was at the mercy of Parliament or others, was never really able to exercise decisive power and could even lose his crown again. But domestic problems meant that change and improvement would only happen gradually.

### Strengthening the royal finances

In 1660 Parliament put its best foot forward by voting a total annual revenue of £1,2 million for the whole duration of Charles's reign.<sup>34</sup> Members of Parliament obviously recognised the urgent need to clear debts and to facilitate the new regime. The most important sources of income for the monarch were the customs and excises that should amount to some £400,000 and £300,000 respectively.<sup>35</sup> Yet customs, and excises to a lesser extent, depended on foreign trade and could fluctuate as a result of economic change. A decrease in imports and exports would cause customs to drop as well. Domestic consumption would indirectly be affected by foreign commerce. Excises could therefore vary as a result of economic change. Thus, the total of the royal revenue was not at all certain and was difficult to predict. The king failed to get a regular and predictable income. This also restricted his ability to raise loans at moderate rates of interest. This weakness turned out to be a crucial one. Still Charles and his regime had to depend upon this.

The increase of exports would not automatically lead to a considerably high-

31 Coleman, 'Sir John Banks', 204-230; Nichols, 'English government borrowing', 83-88.

32 BL Lansdowne MSS 805 f68 Act for a free and voluntary present to his majesty. Clarendon, Albemarle, Southampton and Ormond donated £ 400 each. Buckingham promised Charles the same amount but he never paid. Bristol never paid his £ 300 either.

33 Brown, *English historical documents*, 153.

34 Chandaman, *English public revenue*, 200.

35 Bodl. Lib. Tanner MS 49 f55-56 Estimate of the revenue.

er amount because customs tariffs were sometimes very low. Rising imports could be more beneficial, but obviously there were negative sides to this as well as it might endanger domestic industries. Gaining more from customs would therefore be a very delicate and complicated matter.<sup>36</sup>

After the Restoration the new regime hoped to rent out customs to the farmers of customs. These investors would pay a certain amount in advance and were then allowed to manage and exploit customs. Government would not have to employ officials and make large expenses. Using these middlemen, money would flow in much quicker too. The Interregnum regimes had abolished this practice of co-operation with entrepreneurs and had decided that collecting customs and excises directly would be more profitable. The new government tried to reverse this policy again. Yet the farmers were unwilling to bid too high because the state and prospects of English trade were uncertain and so their profit would be at risk. Government therefore decided to exploit customs itself by employing its own officials but was disappointed to find that the administrative costs amounted to some £100,000. The final result was even more disappointing.

In the second half of the 1650s English maritime trade slumbered. The export of cloth, semi-manufactured products and raw materials was in a recession. For centuries these commodities had been the core of English exporting business. Yet in the 1650s the Company of Merchant Adventurers was confronted with significant difficulties. Dutch competition in the wool manufacturing industry had increased significantly.

Other trades, notably in the Iberian Peninsula and the Mediterranean, were also more heavily competed for. Spain had concluded peace with the Dutch Republic and had opened its market for Dutch shipping. Shipping rates dropped causing the English to lose much of their share.<sup>37</sup> The Anglo-Spanish War did not benefit commerce. Many merchantmen were intercepted by Flemish corsairs carrying Spanish Letters of Marque. These difficulties caused many London merchants to sign a petition demanding the regulating and protecting of their Iberian trade.

Lack of shipping capacity was another problem that plagued English maritime commerce. Despite large numbers of Dutch merchantmen that were captured during the First Anglo-Dutch War and used by English transporters, it was still too expensive to hire vessels. Many of the old prizes had aged and were no longer in use. Still the availability of these cheap vessels during the 1650s may have damaged English shipbuilding industry.<sup>38</sup> Many English merchants were therefore forced to turn to Dutch ship owners to have their products transported to or from England, although this was officially outlawed by the Act of Navigation.

<sup>36</sup> Chandaman, *English public revenue*, 9-11.

<sup>37</sup> Israel, *Dutch Republic*, 610-611; Israel, *Hispanic World*, 420.

<sup>38</sup> Rommelse, 'English privateering'.

These problems can all be considered to be cyclical and due to fluctuations in trading conditions. Yet after the Restoration the English economy quickly underwent structural changes as well. A much larger variety of products was imported and re-exported. Colonial goods were an increasingly important part in this. Africa and America would become integrated parts of the English trading network. The merchant fleet accumulated accordingly, gradually making maritime transport cheaper. Many Dutch prize ships from the First Anglo-Dutch War contributed to this increasing number.<sup>39</sup> Naturally, this also required the domestic situation to adapt. It would however, take years for the English economy to re-orientate on new international markets and conditions and grow again. For the moment commerce and shipping were not yet prospering. One pamphleteer commented that “as by experience knows my empty purse. Trading is dead, is every mans complaint.”<sup>40</sup> He probably exaggerated with this statement, but it is certainly illustrative.

The major trading companies like the East India Company, the Merchant Adventurers, the Levant Company and the Eastland Company had suffered significantly from the decrease of trade during the 1650s. They complained about illegal domestic competition from interlopers.<sup>41</sup> Foreign competition made them even more vulnerable. The monopolist companies needed governmental support against the interlopers.<sup>42</sup> Some of the chartered companies had experienced great difficulty during the 1640s and 1650s because of these illegal traders. Traditionally Parliament had opposed these company monopolists. During the Commonwealth their influence was small. The New London Merchants, interlopers who acted against the companies and had set up new colonial trades, had from the late 1620s on tried to break chartered monopolies. In the Civil War they supported Parliament against king Charles I. During the Commonwealth they were at the height of their power pushing royalist monopolists out of administrative and governmental positions. Yet they lost much of their influence when Oliver Cromwell rose to power. Meanwhile the Levant Company and East India Company people waited for better times.<sup>43</sup> These finally came with the Restoration of Charles II.

Yet the economic recession further complicated royal finances. Waiting for customs and excises to increase as a result of an improvement in maritime trade would be impossible. The regime was in need of funds urgently. Reforming the taxation on commerce might be more advantageous in the long term, but this was also complicated politically. It would, for example, be highly unpopular to raise tariffs. Francis Cradocke, a proclaimed London merchant and pamphleteer, stated that the opposite policies would be more beneficial. He argued that it would be possible to

39 Wilson, *Profit and power*, 102.

40 G.M., *The citizens complaint for want of trade, or the tradesman's outcry for lack of money*.

41 PRO CO 388/1 f3-4 Eastland Company to the Council of Trade 23-11-1660; Sainsbury, *Calendar*, 114-1-1660.

42 Ormrod, *Commercial empires*, 35-39.

43 Brenner, 'Civil War politics', 70-96.

abolish customs and excises altogether.<sup>44</sup> Other authors like William Stockton thought that especially customs should be lowered because these discouraged and damaged commerce and were therefore counterproductive.<sup>45</sup>

There were other ways of acquiring money. Charles's ministers could try to borrow money from London's companies and goldsmiths. Persuading Parliament was yet another method to obtain additional funds. But this would implicate a relatively high degree of political dependence. The Commons would only vote supply for clearly defined, 'extraordinary' purposes. To avoid calling Parliament together, Clarendon hoped to borrow 50,000 pounds from Louis XIV. French subsidies in exchange for Charles's support of the Portuguese war efforts against the Spanish were another source of income. Paris was willing to pay 1,8 to 2 million livres.<sup>46</sup> Yet this was only a one-time payment. Structural changes were required. Sir George Downing, a financial specialist, argued that, in order to maintain monarchical political independence, a revenue amounting to some 1,5 to 1,6 million pounds was necessary. This sum could only be reached by altering the system of taxation.<sup>47</sup>

In 1662 both Houses agreed on the Hearth Tax. All owners or tenants of houses now had to pay the annual amount of two shillings. This new tax was not just for this one year, but was to provide the king with a constant and reliable sum of money. Yet again the actual collecting of this new tax turned out to be problematic due to administrative errors. The total revenue was well below expectations.<sup>48</sup> Despite these different solutions the crux to the financial problems was still the improving of the customs. Customs and excises were still the most important sources of income to the monarch. Any really substantial and lasting improvement could only be realised with economic growth. The regime would therefore have to involve itself in mercantilist measures.

### The mercantilist debate in the 1660s

The 17th century witnessed a new awareness of economics and economic theory. More than ever before rulers, politicians and merchants thought and published about increasing state power and individual prosperity by means of a strong, competitive economy.<sup>49</sup> Economic potential and the political capacity to develop this were now recognised as some of the decisive factors of state power. Concepts like employment, balance of trade, export surplus and government support were introduced into political thinking and policy making.

The term *mercantile system* was first used in the 18th century by Adam Smith in

44 Francis Cradocke, *An expedient for taking away all impositions and for raising a revenue without taxes*.

45 William Stockton, *The foreign excise considered*.

46 CSP Clar, 94 and 144, 18-4-1661 and 8-10-1661.

47 CSP Clar, 125-6, Sir George Downing to Clarendon August-September 1661.

48 Chandaman, *English public revenue*, 77-91.

49 Ormrod, *Commercial empires*, 1.

his *Inquiry into the Nature and Causes of the Wealth of Nations* (1776), although he borrowed it from the French language. He himself was an opponent of what he considered to be a system of smothering government regulations and unfair monopolies for big companies. He favoured free trade and competition instead and dismissed mercantilism as being primitive. His view of economics has been disputed and supported ever since by more recent economists. Neo-mercantilism is very much a modern idea. His conception of 17th and 18th century economic thinking and its impact has been challenged as well. Yet his criticism applied to the practical system and not to a system of economic theory.

Using the term 'vision' for this 17th century economic thinking is anachronistic. Hardly any theorists had developed complete, coherent economic visions. Most mercantilists, most of whom were traders, did not or only partly agree with each other. Most of these merchants were mainly after benefiting their own interests. Their thinking was usually somewhat pragmatic. As a result there were clashes between these monopolists.

The concept of mercantilism has been discussed intensively by 19th and 20th century economists and economic historians. Most of these authors do not or only partly agree on the definition of the term because mercantilist thinkers were not part of a more or less coherent economic school. They often opposed each other and sometimes contradicted themselves. Their views, motives and backgrounds were often very different. They did not share a common theoretical framework for their ideas. Economic thinking had developed from practical trading and had no academic origins. Also not all European governments adopted the same policies. Consequently this complicates modern debates. Yet there were certain basic ideas and principles on which most thinkers agreed. The definition used here will be that *mercantilism was a tendency of early modern economic awareness, which consisted of a wide range of theories, arguments, proposals, policies and initiatives that were all intended to increase state power and subjects' prosperity by promoting economic improvement.*<sup>50</sup>

Within this broadly defined field a number of essential issues can be distinguished. Essential to all 17th century theorists was the perception that the world economy was inelastic. Economic growth or decline on world level was therefore not possible. There was only a certain, limited amount of trade and wealth in the world that was divided between all states. Thus, a national economy could only flourish at the expense of another state.<sup>51</sup> Slumbering of trade could be explained by growth of the same in a rival nation that had taken over a part of the market. One man's death is another man's breath! This perception of course, was perfectly compatible with the rise of political *raison d'état* and was probably one of the results of

50 One could argue that the term *mercantilism* is a 19th century concept that does not fully apply to the 17th century. It would be anachronistic in this sense. However, the word has since then become historical jargon for early-modern economic thinking and policies and will therefore be used in this study.

51 Heckscher, *Mercantilism*, II 24.

the same political thinking. Slowly but surely economic increase became to be associated with state interest and was integrated in policies. It was recognised as a means to strengthen governmental power and to weaken a neighbour. With higher taxes, the military could be increased and administration could be improved. This would then make taxation even more effective. The military could be exploited for further expanding national territory and commerce. Mercantilism was considered to be a beneficial vicious circle.

In 1664 Thomas Mun's *Englands treasure by forraign trade: or the balance of our forraign trade is the rule of our treasure* was published on behalf of Sir Richard Ford. This prominent London merchant and mercantilist thought it to be 'the most rational' piece of work he had ever read and paid for the publication.<sup>52</sup> Originally written in the 1620s, this work became the first classic of English mercantilism formulating the doctrine of Balance of Trade: "the ordinary means (...) to encrease our wealth and treasure is by forraign trade, wherein wee must observe this rule; to sell more to strangers yearly than wee consume of theirs in value."<sup>53</sup> Mun, himself an experienced merchant in the Levant and Asiatic trade, suggested a theoretical framework within which this could be achieved. Imports should be reduced by promoting self-sufficiency. Domestic industry should be stimulated to replace products that were imported from abroad. Exports of goods should be encouraged by reducing custom rates. Building a large number of merchantmen would provide cheap freight rates and would prevent foreign competitors from transporting English products. Maintaining a strong navy would reduce insurance premiums. Creating a staple market like in Amsterdam or Venice would "encrease shipping, trade, treasure, and the Kings customes, by exporting them [commodities] again where need shall require".<sup>54</sup>

Almost all contemporary authors agreed on most of these mercantilist pieces of wisdom. The theory of Balance of Trade was therefore the core of 17th century economic thinking. The historian Charles Wilson even called the work "the bible of later mercantilists."<sup>55</sup> Many authors did in fact refer to his ideas in their own pamphlets. Yet he had not been very specific about the implementation of these guidelines. In the 1660s a number of pamphleteers was engaged in a polemic controversy about how this should be done.

The free exportation of bullion was one of the major issues in this discussion. Many people believed that a nation's wealth could be measured by the amounts of precious metals that it possessed. Exportation was almost unmentionable to these people and in the first half of the 17th century government had restricted this export by law requiring traders to request a special permit. One polemicist who op-

<sup>52</sup> CSPD, 525 and 527, Sir Richard Ford to Joseph Williamson 22-3-1664 and Licence for printing 24-3-1664.

<sup>53</sup> Thomas Mun, *England's treasure by forraign trade or the ballance of our forraign trade is the rule of our treasure*, chapter II.

<sup>54</sup> Mun, *England's treasure*, chapter III.

<sup>55</sup> Wilson, *Mercantilism*, 11.



posed the export of bullion was Thomas Violet. He argued that the position of the monarch might even be endangered by haughty merchants who thought they could control gold and silver.<sup>56</sup> This would, he stated, cause a group of wealthy traders to ignore or even to disobey the new government. Clearly Violet considered this an ideological issue, portraying these traders as potential anti-monarchists. The answer to his pamphlet was published anonymously, but was at least as fanatical and very explicit: "Thomas Violet, a name too sweet for so foul a carkass (...) being ingendred between a poor Dutch fidler, and a Moorish woman."<sup>57</sup> The author of this reply probably had connections with the East India Company. Euro-Asiatic trade depended on the exchange of precious metals for spices and other exotic commodities. The EIC was necessitated to purchase gold and silver for export from goldsmith-bankers to continue its trade.<sup>58</sup> The directors must have recognised their own vulnerability on this subject. In reaction to the stream of abuse, Violet wrote another pamphlet titled *A petition against the Jewes [...] proving the East India [...] may be driven without transporting gold or silver out of England*, attacking the company on the same issue. As the title suggests, he again considered it a matter of higher principles.<sup>59</sup>

Another heavily disputed subject was the controversy between chartered companies and free traders. During the Civil Wars the free traders, or thieving interlopers as the companies saw them, got the upper hand.<sup>60</sup> The conflicts continued after the Restoration and both parties supported their claims and ideas with pamphlets. Both sides claimed to advance trade for the nation's benefit and to maximise the revenue out of customs.<sup>61</sup> Monopolists stated that their organisation would prevent competition and profits would rise. The Company could then fix prices abroad. This would lead to an increase in commerce and shipping. Their opponents argued that free trade would enable more people to participate in trading on certain markets. The English public would benefit from decreasing prices and commerce would grow.

The East India Company was under attack by free traders who used the company's exporting of bullion as an argument. The Eastland Company was equally vul-

<sup>56</sup> Thomas Violet, *An appeal to Caesar wherein gold and silver is proved to be the Kings Majestie's royal commodity*.

<sup>57</sup> *The great trappaner of England discovered. Being a true narrative of many dangerous abominable practices of one Thomas Violet*.

<sup>58</sup> Chaudhuri, 'Treasure and trade balances', 480-491.

<sup>59</sup> Thomas Violet, *A petition against the Jewes, presented to the Kings Majestie and the Parliament, together with several reasons, proving the East-India trade, the East-Country trade, may all be driven without transporting gold or silver out of England*. Cromwell allowed Jews to settle in England again. By petitioning against imaginary Jew involvement (as some sort of Cromwellian heritage) in the EIC, Violet tried to ideologically alienate the regime from the company. Their wealth could then be confiscated on the pretext that they had been admitted by Cromwell.

<sup>60</sup> Ormrod, 'The demise of regulated trading in England', 253-256.

<sup>61</sup> *At the Grand Committee of Trade, Mr Knight in the chair* claiming that a chartered monopoly would be advantageous to the nation. This was contradicted in *A remonstrance proving that the confinement of trade to particular companies is of general losse to His Majesty and His people*.

nerable to this accusation.<sup>62</sup> Some companies were also competing with each other. The interloper's argument could of course not be used. They then brought forward different reasons for their requests like seniority, venerability and ability to benefit the common good. Obviously, the true motivation behind most of these pamphlets was sheer commercial rivalry between groups of merchants. All parties wanted government to adopt their views as policies or at least to protect their specific interests.

Most merchants wished for the custom rates to be reduced. This, they thought, would stimulate commerce and shipping and increase their profits. William Stockton's opinion was highly original. He complained that high import duties harmed England's competitiveness.<sup>63</sup> William Coventry, future secretary to James of York, argued that the burden of taxation was mostly carried by merchants and shop owners, and not by landed gentry or other people. To stimulate trade, rates had to be lowered and other forms of taxation be considered.<sup>64</sup> Many others also pointed out that foreign competition had to be conquered. They suggested that effective policies be adopted to encourage specific branches. Colonial trade and fishery were often mentioned.<sup>65</sup> Thus, king Charles II and his regime were constantly pressed and petitioned to stimulate the economy. Managing this mercantilist effort and making use of it immediately became a very important part of his rule and politics. More and more the public felt that it was government's obligation to encourage and regulate commerce and manufacture. Like politicians all over Western Europe, people also recognised the opportunities this offered for strengthening state power and the improving of their personal wealth and influence.

### The construction of a mercantilist lobby

Soon after the Restoration, in July 1660, the Committee Board for trade and plantations was established by the crown. The purpose of this measure was twofold: the members had to manage all incoming petitions and requests relating to trade, economics and colonial affairs, that overflowed the king and the Privy Council. Secondly they were ordered to help increase the monarch's insufficient revenue.<sup>66</sup> The councillors had "therefore resolve[d] upon most mature deliberation by all wayes possible to restore and advance the honour and ye interest of our severall dominions, and to give the utmost incouragement."<sup>67</sup> Two separate new boards were created out of the first committee: the Council of Trade and the Council of Foreign Plantations. This way, problems could be handled more effectively by real specialists.

The Council of Trade consisted of 63 members. When seven gentlemen were

62 Wilson, 'Treasure and trade balances', 156.

63 William Stockton, *The foreign excise considered*.

64 William Coventry, *Trades destruction is England ruine: or excise decryed*.

65 Rommelse, 'Fishing industry', 115.

66 Andrews, 'British committees', 61-62.

67 PRO CO 389/1 Entry Book Council of Trade f2 17-11-1660.

present at a meeting they would be allowed to take binding decisions.<sup>68</sup> Specialists, high nobles and prominent politicians like Clarendon, Southampton, Sandwich, Albemarle, Sir George Carteret, Anthony Ashley Cooper, William Coventry and Downing took seats in the council. A large number of experienced merchants from the City of London like Thomas Povey, Martin Noell, Sir Nicholas Crispe and Sir Richard Ford were also invited as members. All of the great chartered companies were allowed to select representatives to protect their interests. The Levant Company, for example, was represented by Sir Andrew Riccard and Sir William Vincent. The East India Company's delegates were Sir William Thomson, William Williams, Thomas Kendall and Christopher Willoughby. More than thirty members had some kind of connection with the EIC.<sup>69</sup> Many of these members were involved in different trades and had a lot of expertise in many fields. Povey and Noell were generally acknowledged specialists and wrote the instructions for both new boards.

The new councils would receive petitions and requests and would discuss these issues. Their report on these matters would then serve the Privy Council as advice. Yet many Privy Councillors also held seats in the Council of Trade and the Council of Foreign Plantations. This meant that every issue or request had gone through a stage of thorough discussion already making the transaction in the Privy Council relatively easy. The Privy Council almost automatically adopted all Council of Trade suggestions confirming them as policies. Sometimes specialists would be invited to attend Privy Council meetings when reports or requests had to be further clarified. Thus, economic policy-making was done on a relatively professional level. This direct connection between economics and politics provided merchants and mercantilists with an official institution that represented their interests and could turn their proposals into political measures. The new regime continued a policy that had proved itself effective during the Interregnum.

The gentlemen paid attention to all branches of domestic and international economy, but especially to maritime commerce. Many ideas and suggestions of Thomas Mun and other pamphleteers were considered and discussed. Manufacturing business had to be regulated and export of products improved by issuing quality standards. Britain's natural resources and productive capacity had to be exploited to the maximum. Imports would have to be discouraged so that "our neighbours may not be enriched with that which soe properly and advantageously may be undertook and carried on by our owne subjects." This would, of course, improve the balance of trade with other countries. Colonial trade had to increase and be secured exclusively for English traders and shipping only.<sup>70</sup> Most of all they hoped for the new government to play an even more sup-

68 BL ADD MS 34729 f112 Constitution of his Majesty's Commission of Trade; Andrews, 'British committees', 67-68.

69 *The Parliamentary Intelligencer* 49, 6-13 December 1660; PRO SP 105/152 f8 26-1-1661; Sherman, 'Pressure from Leadenhall', 339-341; CSP Acts of the Privy Council, 297 25-8-1660; PRO SP 84/163 f131 28-12-1660; Sainsbury, *Calendar*, 32 10-9-1660.

70 BL Egerton MS 2395 f269 Instructions for the Council of Trade 1660' PRO CO 388/2 f1-7 Original correspondence of the Board of Trade.

portive role in protecting and promoting English interests. Many merchants who had supported the Restoration now wanted value for their money.

The Council of Foreign Plantations had to co-ordinate the extension of English colonies and plantations. This would increase shipping and commerce. Spain's possessions in the West Indies would be easy targets since Spain did not have sufficient strength to defend the area. The gentlemen wrote all English colonies demanding annual reports. Most of these policies were again intended to serve the crown's revenue. Thomas Povey was appointed Receiver Generall and had to collect all profits and rents from the colonies.<sup>71</sup>

The mercantilist polemic reflected the proceedings of the commissions. The Council of Trade became the official stage where merchant lobbies could advance their interests. Some of these groups had conflicting requests. The struggle for royal favour therefore continued in front of the committee. Pamphleteers tried to sway public opinion and influence the outcome of debates. The composition of the council was important for the course of English mercantilism.

Another way for the merchants to exert political pressure was by using the City of London. When the Restoration seemed at hand the Mayor, aldermen and members of the Common Council had chosen the new monarch's side. They sent a large delegation to The Hague to congratulate Charles and to seek his political friendship. A number of merchants, among whom Richard Ford and Nicholas Crispe, were appointed for this special task.<sup>72</sup>

During the early years of the Restoration period London continued to support the king politically and financially. The rulers had a clear grasp of political development and the City government hoped for the blessing of royal favour in return for its loyalty. In February 1662 Albemarle, Ashley Cooper and the Earl of Manchester visited a meeting of London's Common Council to request a 200,000 pound loan on behalf of the monarch. The members agreed unanimously to lend the sum at only six percent<sup>73</sup> and expressed their hope to raise it as soon as possible.<sup>74</sup> On the same day it was decided that a special committee should prepare a petition to Parliament. Sir John Lawrence, Sir Richard Ford, Richard Rives, Sir Thomas Chamberlain, Arthur Ingram and Nicholas Penning were requested to make an official complaint about foreign ships carrying English goods and interlopers damaging the interests of the Merchant Adventurers.<sup>75</sup> In the final petition it was also argued that England's French, Spanish and Italian trade should be monopolised via chartered companies.<sup>76</sup> This event clearly shows the obvious connection

71 BL Egerton MS 2395 f270 1660, f333-5 1661, f370-381 19-9-1663.

72 *The Parliamentary Intelligencer* 20, 7 to 14 May 1660.

73 Charles usually paid some tenpercent interest due to the incapability to return the money in time. See on this: Nichols, 'English government borrowing', 83-85; Clay, *Economic expansion*, Vol.II 278-279.

74 CLRO, JOR 45 f159-159b 17-2-1662.

75 CLRO, JOR 45 f161b-162b 17-2-1662.

76 *The petition of the Lord Major, aldermen, and common councilmen of the City of London, for the reducing of all forein trade under government.*

between government and London consisting of political and financial support in exchange for the advancing of City interests.

The connection between Court and City remained strong during the 1660s. Due to failing taxation Charles and his regime remained dependent on borrowing money. To protect its independence from Parliament, different sources of money had to be located. At numerous occasions requests for loans were made and granted.<sup>77</sup> Mercantilist lobbies used this to pressure government for certain policies. City lending usually went together with requests on behalf of the merchant community or certain companies. Many prominent traders were aldermen, rose to be Mayor or took seats in the Common Council.<sup>78</sup> They benefited from their position for commercial purposes. Thus, the City government functioned as another platform for mercantilist lobbies.

The House of Commons was a third political institution that was exploited for exerting mercantilist pressure. A number of prominent London merchants and other advocates of economic progress took up seats in Parliament forming a strong representation of commercial interests. Most of them had connections with the chartered trading companies as well.

John Bence participated in the Royal Adventurers trading into Africa and was alderman of London. Sir Thomas Bludworth was on the board of the East India Company, served in the City of London in all possible functions and promoted maritime trade in the House of Commons. Sir George Carteret, former governor of Jersey, was an old royalist friend of Clarendon. He was now treasurer of the navy, member of the Privy Council and the Councils of Trade and Foreign Plantations. He too was an advocate of stimulation of commerce. Sir Nicholas Crispe was an experienced merchant in European and African trade. He served in the Councils of Trade and Foreign Plantations as well. Sir George Downing was a prominent and able advocate of increase of maritime trade. He was on the Council of Trade and because of his former position as ambassador in The Hague he knew a lot about Dutch commerce. John Frederick participated in Mediterranean trade and had contacts with the East India Company. He was also alderman and Lord Mayor of the City of London. John Jolliffe was active in the East India Company, the Levant Company and the Muscovy Company. He was member of the Council of Trade and had close contacts with William Coventry, secretary to James Duke of York. Thomas Kendall was another East India trader and member of both councils. Thomas Papillon was on the board of the Eastland Company and the East India Company. John Robinson served as Lord Mayor of London and was involved in providing loans for the king. He was also an active merchant himself.<sup>79</sup>

<sup>77</sup> CSPD p43, 4-11-1664 Charles borrowed 100,000 pounds. Wilson, *Profit and power*, 93.

<sup>78</sup> Woodhead, *Rulers of London*, 55-64.

<sup>79</sup> Henning, *House of Commons*, vol. I p619-729, vol. II p28-686, vol. III p202-343; PRO SP 105/152 f1 Court minutes of the Levant Company 1-10-1660; Sainsbury, *Calendar*, 23 17-7-1660; BL ADD MS 25115 f228 4-8-1661.

These members of Parliament all had different backgrounds and opinions but all of them did share an interest in maritime trade. They had ready ears for mercantilist proposals and were in this sense an extension of the City's commercial lobbies. They were well connected to the network of merchants in the City and in the Council of Trade. They could be approached by fellow traders or friends to support certain companies or policies. Some of them sat on the board of directors of one or more of the companies. They then often kept these interests in mind. The companies gratefully exploited this opportunity. Thus the importance of Parliament as a component of the growing mercantilist lobby increased.

The East India Company and the Levant Company also applied more direct methods to exert influence and to advance their interests. Soon after the Restoration the EIC board of directors decided to present Charles with a 3,000 pound gift. At key moments when certain favours or support were needed, the gentlemen provided loans to the king. In 1662 they hoped to put pressure on the Dutch *Verenigde Oost-indische Company* (VOC) via the ongoing official Anglo-Dutch negotiations. They demanded a £157,000 compensation for the loss of the island of Run that had been captured by the VOC in 1619. To strengthen the request Charles was allowed to borrow the amount of £10,000 off the company.<sup>80</sup>

Yet the directors understood very well that their financial efforts should not solely be directed towards the top of the political spectrum of Court and Parliament. Sir George Downing, English ambassador in The Hague, was requested to protect and promote the company's interests in the Republic. Sir Richard Ford, a prominent member of the board, carefully informed Downing about the details of the claims against the Dutch rivals. Naturally Ford promised the diplomat that the company would express its gratefulness in financial terms. This would tie him even stronger to their interests. The EIC *committees for the Dutch business* were ordered to reward both Secretaries of State, Nicholas and Morrice, in similar ways. In 1664 Downing was even asked to formally represent the company in the Republic.<sup>81</sup>

In exchange for loans and gifts the East India Company desired political support. In August 1662 it turned out that its complaints against the VOC would not be dealt with in the Anglo-Dutch negotiations. The gentlemen then expressed their dissatisfactions about the whole situation to Morrice. The other Secretary of State, Nicholas, was also directly contacted on certain issues. Sir Richard Ford corresponded with Clarendon and the board even approached James of York directly on the matter of interlopers.<sup>82</sup> Thus the East India Company bought its way into the

80 Sainsbury, *Calendar*, 19 15-6-1660, 223 5-7-1662.

81 Sainsbury, *Calendar*, 123-4 26-8-1661 East India Company to Sir George Ford, 225-6 7-7-1662, 343; 20-10-1663, 48 9-7-1664; BL ADD MSS 22919 f236 Sir Richard Ford to Sir George Downing 21-7-1662; Sherman, 'Pressure from Leadenhall', 335; Khan, *East India trade*, 99-101.

82 Sainsbury, *Calendar*, 83-4 10-2-1661 Sir Richard Ford to Nicholas, 233-4; Petition to James of York 15-7-1662; BL Oriental and India Office H/42 f65 August 1662; CSP Clar p209-210 Sir Richard Ford to Clarendon 9-5-1662.



political arena. Money and good connections provided direct access to a number of key figures at Court or in the Privy Council. The members of the board could issue their petitions and requests directly to the persons who were responsible or involved.

The Levant Company too spent money to buy political support. The Earl of Winchelsea, ambassador in Istanbul, was paid 10,000 dollars per year to defend the company's interests in the Mediterranean in any way possible.<sup>83</sup> This was normal practice: the embassy at Istanbul was always financed by the Company. It also illustrates the close connection between diplomacy and commerce.

Thus during the Restoration period London merchants and companies extended their influence in politics. The big chartered companies used their money and power to advance their interests. Their members penetrated into all areas of politics. They provided advice to the Council of Trade and indirectly to the Privy Council. They sat in Parliament supporting mercantilist policies. They used the City of London to strengthen their alliance with the new monarch. Sometimes they directly applied to politicians and courtiers. Of course mercantilism had already been a significant political force during the 1650s.<sup>84</sup> Yet in the 1660s the branches of the monopolist mercantilist lobby stretched out like an octopus' arms. They could influence politics to a larger extent, partly because the new monarchical regime faced many problems and needed assistance with establishing and fortifying itself.

### The Stuart Court and mercantilism

To defeat both domestic and foreign rivalry the companies now desired to receive the monarch's support. In exchange they would provide the king with funds and political obedience. Charles benefited from this deal and decided to advance the mercantilist cause without yet deciding which side to support. As with the king's political strategy, his royal favour could change depending on the advantages that he might win.

His personal popularity was another factor of importance to Charles. By listening to the public he might gain popular sympathy for his newly established regime. Aiding commerce could benefit this objective. Yet his support was never completely unconditional. Obviously he always tried to remain in control of politics. He could always allow infringements to their monopolies by interlopers and could refuse to expand or extend their charters. A proposal to found a new Morocco Company, for example, was turned down. The arguments against this new organisation were simply too strong.<sup>85</sup> The Canary Company was unsuccessful and unpopular

83 PRO SP 105/144 f235 29-9-1660.

84 Brenner, *Merchants and revolution*; Brenner, 'Civil War politics'.

85 BL Sloane MS 3509 f4 "A grant unto his Highness Royall the duke of yorke ..."; BL Sloane MS 1659 f45 "Mr Luke's reasons against a Morocco Company"; BL Sloane MS 1659 f50b-51b "Reasons against the erecting of a Morocco Company by Mr Povey".



as well. Receiving a charter in 1665 the company was disbanded in 1667 after the charter had been revoked already in 1666.<sup>86</sup> The companies did therefore not dominate politics in the early 1660s, but they did have a big finger in the political pie. Yet the early Restoration period witnessed the still ongoing struggle between monopolists and interlopers. Charles could practise divide and rule between both groups. After 1660 few New London merchants managed to join the companies. William Thomson, Maurice Thomson and William Ryder sat on the EIC board of directors. Thomas Boone, Martin Noell and Maurice Thomson again were member of the Council of Trade. Thomas Andrews and William Ryder were among the investors in the Royal Adventurers trading into Africa.<sup>87</sup> Other former interlopers lost most of their influence and positions.

In the early 1660s the African trade seemed extremely profitable and barely exploited. One pamphleteer argued that it would be very easy to gain a fortune: "*Where a man may gain an estate by a handfull of beads, and his pocket full of gold for an old hat*".<sup>88</sup> This promising El Dorado came to symbolise the connection between the Stuart Court and the mercantile City merchants. Prince Rupert had visited Gambia in 1652 with his royalist squadron. He was impressed with the opportunities and later advised Charles to exploit these. Trading gold, ivory and slaves seemed very lucrative and already in December 1660 the king gave his royal charter to the new company.<sup>89</sup> He decided that this mercantilist effort deserved governmental support. The Lord Treasurer was ordered to pay 5,200 pounds to the company as the monarch's investment. The queen invested 400 pounds. The payment was never actually made, but the king and his brother James, who had promised to invest 3,600 pounds, became the main patrons of the new company. Most young courtiers and politicians like Bennet, Clifford, Buckingham and Coventry decided to buy shares as well. Of course most influential City merchants took part as well.<sup>90</sup> The establishing of the Royal Adventurers illustrates the importance of colonial trade after the Restoration. The company was very much connected to the Stuarts and Court. This symbolises the political involvement with mercantilism and was yet another direct link between politics and London's mercantilist lobbies.

Politicians and courtiers expected to use the new African trade for personal financial profit. They had overoptimistic hopes from the trade's profits. Yet according to Steven Pincus "the Africa Company was in fact a coalition of Anglican Royalist merchants and courtiers. It was a group ideally situated to implement a specifically Anglican Royalist economic vision."<sup>91</sup> There were however, some former

86 McKeon, *Politics and poetry*, 107; Skeel, 'The Canary Company', 529.

87 Brenner, *Merchants and revolution*, 184-193 and 615; *The several declarations of the Company of Royal Adventurers trading into Africa*; CSPC p120-2 20-1-1663; Thomas, *Mercantilism*, 17-20.

88 *The Golden Coast, or a description of Guinney*.

89 Zook, *Royal Adventurers*, 7-8; Davies, *Royal African Company*, 41.

90 *The several declarations of the Company of Royal Adventurers trading into Africa*; CSPD p184, 27-6-1663; Wilson, *Profit and power*, 113-114; Zook, *Royal Adventurers*, 10-12.

91 Pincus, 'Popery, trade and universal monarchy', 15.

New London Merchants among the founders of the company. These people were primarily former Puritans and now nominal Anglicans<sup>92</sup> and had opposed the Anglican monopolists for decades. The 'specifically Anglican Royalist' economic ideas would be monopolistic. Yet incorporating colonial maritime trade into large companies was not at all a new or solely Anglican vision. Anyone wishing to establish a new monopoly had to seek patrons in Whitehall, in order to get a charter. The Puritan New London Merchants did not organise into companies because they would infringe on existing monopolies. They could not legally form their own. They did however, create syndicates based on family ties and friendship.<sup>93</sup> The Royal Adventurers trading into Africa should therefore be seen as a new attempt to enter new profitable markets. Monopolists were the dominating side during the early 1660s and they claimed that the hazards and costs of this exotic trade required a monopolist company. This way risks were shared and more ships could be set out. Government tended to listen to these arguments supporting the founding of the Royal Adventurers, the Royal Fishing Company and considering a Canary Company and a Moroccan Company. Politicians and courtiers, some not at all Anglican, were quick to participate hoping to enrich themselves and gain favour with Charles and James.

Another reason for young politicians to support the new company was the example provided by Charles and James. The Stuarts had decided to bet their money on this new horse. Ambitious politicians thought it would be wise to do the same. Encouraging the African trade was part of the king's policies. Displaying loyalty and agreement by joining this political line could strengthen one's position at Court. Restoration politics were extremely competitive. To remain in royal favour was essential. A number of young politicians clearly recognised the growing importance of economics and mercantilism. They saw that some of the older ministers like Clarendon, Nicholas and Southampton did not understand this. They therefore aligned themselves with the mercantilist lobbies on an ad hoc basis. They could choose to support certain ideas, claims and proposals in Court and Parliament. In exchange they benefited from royal gratitude and hypothetically from financial rewards. This way they could improve their political and financial situation and maybe manoeuvre themselves into powerful and lucrative positions at the expense of the older generation. Henry Bennet, Thomas Clifford, William Coventry, Anthony Ashley Cooper, Charles Berkeley, Sir George Carteret and Edward Turner therefore became advocates of the mercantilist cause.<sup>94</sup> Yet they were strictly not among the members of the lobbies. They supplied political support whenever this suited and benefited them. Another strong reason for providing encouragement

<sup>92</sup> Brenner, 'Civil War politics', 76-77.

<sup>93</sup> *ibidem*, 70-71.

<sup>94</sup> Jones, *Anglo-Dutch Wars*, 145-146; James' commitment to the mercantilist cause was beyond doubt: *Min heer T. Van C's answer to Mn heer H. Van L.'s letter of the 15th March 1689. Representing the true interest of Holland, and what they have already gained by our losses.* "King James, whose industry and application to the advancement of trade, made him embrace all occasions to encourage it."

was that Clarendon, Southampton. Morrice and Nicholas were not at all associated with English economic progress. James duke of York became the most important champion of mercantilism. He was one of the founders of the Royal Adventurers into Africa and supported the EIC. Prominent merchants often contacted him for political and naval support. He was determined to use his position of Lord High Admiral to advance English trade and his own position. He was, after all, in debt for some 220,000 pounds. Siding with mercantilist factions might just yield sufficient funds to solve this problem.<sup>95</sup>

### Economic policies during the early Restoration years

One of the most urgent issues after the Restoration, from mercantilists' point of view, was the protection and encouragement of commerce and the shipping industry. In August 1660 a bill was introduced in Parliament, the content of which was essentially the same as the Act of Navigation of 1651 in its objectives. The Speaker of the House of Lords urged Charles that it "*will enable your majesty to give the law to foreign princes abroad as your royal predecessors have done before you, and it is the only way to enlarge your majesty's dominions all over the world: for so long as your majesty is master at sea your merchants will be welcome wherever they come, and that is the easiest way of conquering, and the chiefest way of making, whatsoever is theirs.*"<sup>96</sup>

The renewed Act of Navigation outlawed all foreign ships transporting goods to the British Isles from a third country. Foreign vessels were only allowed to carry the products of their own country. The newly introduced bill included the shipping of English goods by foreign ships to other European destinations. Later in 1661 some additional articles were drafted making enforcement less complicated and it contained extensions.<sup>97</sup> Despite the new rules it was still difficult to stop all foreign ships transporting English goods. Many Dutch merchants, for example, tried to purchase British wool for the Dutch cloth industry. Other foreign merchantmen still tried to transport goods to and from the North American colonies. Sir George Downing urged the government to stop this interloping. James of York as Lord High Admiral, was ordered to check foreign vessels for illegal goods.<sup>98</sup>

In 1663 the Staple Act was passed in Parliament. Now all colonial goods from English colonies first had to be shipped to an English harbour on English merchantmen before being re-exported to Europe. The new law was intended to make

95 Clarke, *James the Second*, 399-401; CSP Clar. 312-313 26-5-1663; *The diary of John Evelyn*, 26-1-1662.

96 NA SG 12589.111 SKE, Nicolaes van Hoboken to the States General 27-8-1660; Colbett, *Parliamentary history*, vol.IV p120-122.

97 Harper, *English navigation laws*, 87-88, 281.

98 BL Egerton MS 2538 f95-96 Downing to Nicholas 4-8-1662; CSP Clar 241 Downing to Clarendon 4-8-1662; CSPD p11 14-1-1663, p199 10-7-1663; PRO PC 2/55 f406 26-10-1661; PRO PC 2/56 f101 25-8-1662.

England the new entrepot for colonial goods. Government also hoped to make England the staplemarket of European products for the overseas possessions.<sup>99</sup> These laws were of course the implementation of Mun's ideas.<sup>100</sup> Imitating and taking over the Dutch staple market function was his biggest ideal.

This would, when effectively enforced, cause heavy damage to the Dutch American and West Indian trades. Of course the Dutch opposed this proposal and the States of Holland hoped to persuade Charles to block it.<sup>101</sup> Yet the king replied that he would probably not be able to do this.<sup>102</sup> He claimed that Parliament and the City of London had forced him to pass this law. However the new law would be beneficial to him as well and it is more than doubtful whether truly he desired to object to it.

The Dutch were not the only ones to complain. Colonists in Virginia and Maryland and the West Indies warned about "the inevitable destruction of those colonies, if so be that the late Act for encrease of trade and shipping be not as to them dispensed with." By excluding the Dutch from the American trade, prices of European goods would increase and prices of tobacco would drop. English merchants would not have to compete against their rivals and could create their own conditions. The colonists expected to be at their mercy because English traders agreed to minimise the price. Another result would be that the Dutch would start growing their own tobacco. Altogether colonists believed that the makers of the law did not understand the reality of colonial trade.<sup>103</sup>

The new Act of Navigation was intended to help increase shipping and commerce. The revenue of customs would improve as well. To maximise the effect of this measure, an additional bill was passed. The planting and sowing of tobacco in England and Ireland were prohibited.<sup>104</sup> This way the government would benefit from customs on both import and re-export. This measure, however, was also intended to aid the colonists in America. They could never compete against home grown tobacco that would not have to be shipped over the Atlantic. Yet the planters in Virginia and Maryland already complained about dropping prices. They

99 The Act of Navigation is printed in: Browning, *English historical documents*, 533-7 23-9-1660; Grant and Munro, *Acts of the Privy Council*, 298-299 17-9-1660; The Staple Act is printed in: Pickering, *The statutes at large*, Vol. 8 p160-167; Jensen, *English historical documents*, 356-358.

100 Wilson, *Mercantilism*, 16-17.

101 NA SG 3266 RSG, 2-10-1660; PRO SP 84/163 f58 States of Holland to Charles II 1-10-1660: "Mais nous ne pouvons pas dissimuler à votre Majesté le sensible de plaisir, que nous donne l'avis que nous venons de recevoir de la Resolution prise au Parlement et adécée de votre Majesté touchant le renouvellement des defenses faites en l'an 1651, a tous les estrangers, de chargendeans leur vauseaux pour les ports et havres vos Royaumes d'autres marchandises que des fruits du eru de leur pai's ou des manufactures qui y ont este faites." The naval ordinance had been passed without royal assent. It lapsed with the Restoration but Dutch hopes that no new statute would be passed were rather naive. Ormrod, *Commercial empires*, 40 and 310-311.

102 PRO SP 84.163 f81 Charles II to the States of Holland 27-10-1660.

103 *The humble remonstrance of John Blande of London merchant, on the behalf of the inhabitants and planters of Virginia and Mariland*; CSPC 234-235 Willoughby to Charles II 30-9-1664.

104 PRO PC 2/55 f146 9-3-1661; CLRO JOR 45 f89-89b Proclamation prohibiting the planting of tobacco in England and Ireland; Grant and Munro, *Acts of the Privy Council*, 303 29-12-1660.

asked that the number of English ships undertaking the journey to America be limited. This way they hoped to influence the supply side of the English market. They hoped that tobacco scarcity would cause prices to rise. English traders, they believed, would then pay higher sums for their crops.<sup>105</sup> It was clear however, that the new English regime tried to strengthen its hold over the colonial trade. The revenue of customs and the voice of London's merchants were more influential than the interests of the colonists.

The East Indian trade required protection and encouragement from the new regime as well. Shortage of gold and silver had been an obstacle for decades. The export of these metals was still highly controversial. The Council of Trade advised the Privy Council to allow the free trade of these precious metals, as was permitted in the Dutch Republic. This would stimulate commerce and would not harm the balance of trade. Most Asian and Levant imports would be re-exported. The EIC and the Levant Company got it their way although the issue was not solved permanently. Special permission still had to be obtained to trade large quantities.<sup>106</sup>

The interlopers, from whom the EIC had suffered for decades, were another pressing problem. The law was clear on this issue, however it was not always enforced. At several occasions the board of directors required Charles to stop the practices of these interlopers and punish them. The government promised to do this and confirmed its support by prolonging the company's charter.<sup>107</sup>

The most important threat to the EIC however, was not domestic but came from the Dutch *Verenigde Oostindische Compagny*. From the 1610s onwards the Dutch had forced the English out of the Indonesian archipelago. Run in the Moluccas had been captured in 1619 and a number of English merchants had been executed in the so-called *Amboyna Massacre* in 1623. These infamous events still infuriated the English public in the second half of the 17th century. Pamphleteers did their best to remind the people regularly by using the event whenever this seemed useful and suitable. During the 1650s the VOC had intercepted at least twenty EIC vessels. The Dutch claimed to possess the monopoly on trading on certain islands. They were determined to defend their position on these lucrative markets.

The EIC now desired the king to demand Run and their ships back from their rivals. Compensation for losses through seizures of ships and cargos were also demanded. Obviously the Council of Trade supported these requests.<sup>108</sup> The board of directors was confident about governmental support and thought the return of the island was the first step to strengthen its position in Asia. For years the Dutch had

105 CSPC 106 Petition of Sir William Berkeley, governor of Virginia 5-9-1662; PRO CO 1/17/1 Petition of the planters of Virginia and Maryland 18-1-1663.

106 BL Stowe MS 325 f167-171b 21-12-1660; Sainsbury, *Calendar*, 61 22-12-1660, 185 3-3-1662; PRO CO 389/1 f16-19 December 1660.

107 Sainsbury, *Calendar*, 1 14-1660, 104-7 13-4-1661, 163-164 13-12-1661; BL Oriental and India Office H/42 f6-7 21-12-1661; Lawson, *East India Company*, 43-46.

108 Sainsbury, *Calendar*, 56-60 21-12-1660; PRO CO 389/1 f14 7-12-1660; BL ADD MS 25115 f39-41 7-12-1660, f91-100 23-1-1661.

been the most prominent in shipping certain spices back to Europe. The VOC controlled key islands and had virtually monopolised pepper. The EIC desperately hoped to regain a significant share in the Indonesian trade.<sup>109</sup> Yet this could never be achieved without Charles's support. This was even more urgent when the Portuguese colonies seemed to succumb to Dutch pressure. It looked as if the VOC would conquer all Asian commerce. Clarendon assured the board of directors that the king would not allow this to happen. He would fortify Portuguese strongholds in India and protect them for English commercial interests.<sup>110</sup>

Due to Dutch dominance in the East Indies the EIC could barely acquire sufficient quantities of spices. Sir Richard Ford suggested that the English should obtain all different specimens and should try to cultivate them elsewhere. This would break the Dutch monopoly forever. Meanwhile the VOC smuggled Asian spices into England. The Earl of Southampton, the Lord Treasurer, therefore suggested excluding spices from the EIC charter. This would increase customs as well. The Earl of Bath and Sir Henry Bennet also tried to use the opportunity to earn a profit. They wanted to import spices from Europe. Despite lobbying from its directors the EIC temporarily lost its official monopoly on a number of spices. Nutmeg, mace and cloves could freely be imported until the EIC had re-established itself in the Indonesian archipelago.<sup>111</sup> It is logical to assume that this privilege had been and was being violated frequently because for years the EIC had been unable to import these goods.

Thus after Restoration the EIC managed to get support from government, but not unconditionally. This illustrates that the importance of mercantilism should not be misinterpreted. Politicians supported the Asian trade when this suited them best. Personal gain and increase of their power at Court prevailed though. Economic thinking could serve the common good, but their personal interests were more important to them than the general good.

The Levant Company hoped that the new Restoration government would bring improvements. The company had suffered significantly because of the Anglo-Spanish War that was started by Oliver Cromwell. Some of its ships had been captured and brought to Spanish harbours and the Dutch had taken over a large percentage of the market. Immediately after the change of regime the gentlemen approached Henry Bennet for his support. Bennet spoke Spanish fluently because of his period as Royalist ambassador in Madrid, and would be dispatched there to improve Anglo-Spanish relations. The Levant Company ordered one John Vassall to accompany Bennet to Spain in order to ask for the return of the ships *Reformation*

109 PRO CO 389/1 f29-35 13-1-1661.

110 Historical Manuscripts Commission, *Finch*, 151-152 Benjamin Lannoy to Winchelsea 17-9-1661, 222-224; Lannoy to Winchelsea 23-11-1662; Sainsbury, *Calendar*, 134 14-10-1661.

111 Sainsbury, *Calendar*, 241-3 August 1662, 256 Southampton to Charles II 3-10-1662, 265 East India Company to Ashley Cooper 1-11-1662, 284 Proclamation 30-12-1662; BL Egerton MS 2395 f337-339 1661.



and *Free Trade*. Bennet was successful in his mission and managed to get privileges for English merchants equal to the ones the Dutch had already received.<sup>112</sup> As the Dutch continued to push their English counterparts out of the Levant trade,<sup>113</sup> government support was required. Charles renewed the company's charter in April 1661.<sup>114</sup>

The Portuguese trade should be encouraged as well, especially with Portugal's colonies in India. Charles wrote his ambassador in Lisbon, Sir Richard Fanshaw, that he should persuade the Portuguese to surrender Bombay to the English as part of queen Catharina's dowry before the Dutch would capture the port. The Anglo-Portuguese marriage agreement should be used to conclude a commercial treaty too. This would secure access to all colonial ports of the Portuguese Empire, ranging from Brazil to Goa and Bombay.<sup>115</sup> The wedding was an ideal opportunity to acquire an advantage over the biggest rival English trade had in the 17th century. Government was eager to exploit the situation and to benefit from stronger commercial connections with Lisbon.

In December 1660 Charles gave his royal charter to the recently established company of Royal Adventurers trading into Africa. This clear expression of mercantilism bound Court and traders together. The prospect of the gold, ivory and slave trade was only too promising.<sup>116</sup> Charles and James decided to support the new company with naval back up. In 1661 five English men of war appeared at Cabo Verde to claim it in the king's name. The members of the Royal Adventurers were even invited to attend meetings of the Privy Council.<sup>117</sup> The gentlemen must have felt very confident about governmental favour.

Some of the privileges granted to the new company came at the expense of other parties. In 1663 the lobby petitioned for the sole right to trade to the Spanish West Indies excluding all other merchants. In 1661 the EIC lost the African trade, that it had had during the 1650s, to the new company. After experiencing some difficulties both organisations agreed to co-operate. All African forts were transferred and the Royal Adventurers agreed to provide the EIC with gold for the Asian trade.<sup>118</sup> Obviously the oldest company understood perfectly well who held royal favour at that moment. The

<sup>112</sup> PRO SP 105/144 f222 Levant Company to John Vassall June 1660, f220 Charles II to Philip IV of Spain 23-6-1660, f224 Riccard to Henry Bennet 26-6-1660; NA SG 7055 II LS, Hendrik van Reede van Renswoude to the States General 20-7-1661.

<sup>113</sup> Historical Manuscripts Commission, *Finch*, 122 Richard Baker to the Earl of Winchelsea 10-6-1661.

<sup>114</sup> Epstein, *Levant Company*, 64-66.

<sup>115</sup> Historical Manuscripts Commission, *Heathcote*, p18-20 Charles II to Sir Richard Fanshaw 2-9-1661; PRO CO 389/1 f50-57; PRO CO 388/1 f26-47.

<sup>116</sup> The Spanish colonies in Latin America relied on the Dutch for their supply of slaves. The contract, the *asiento*, was extremely profitable and worth competing for.

<sup>117</sup> *The several declarations of the Company of Royal Adventurers trading into Africa*; CSPD p412 1663; NA SG 3266 RSG, 28-7-1661; PRO PC 2/56 f233 30-11-1662.

<sup>118</sup> PRO CO 1/17/1 8-3-1663; Sainsbury, *Calendar*, 202-203 April 1662, 250-251 East India Company to James of York 13-9-1662, 256-260 18-10-1662, 263-264 26-10-1662, 338-339 27-9-1663.



board of directors decided not to seek the confrontation but rather to give in and co-operate. Its African interests were not worth risking losing Charles's support.

Pamphleteers, understanding the current mercantilist vigour of the regime, urged measures to advance and exploit the North Sea fishing industry as well. The herring, according to writers, was the greatest source of economic wealth the Dutch had. And, as they pointed out, this fish was caught in British seas that had always belonged to English monarchs. All waters around Britain up to the opposite shore were considered to be part of this. The old claim of *sovereignty of the seas* necessarily caused the fish to belong to England. They therefore revived the idea that England should exploit its natural resources.

In August 1661 the Royal Fishery Council was established. The English fishing industry should compete with the Dutch. The balance of trade would benefit from this, and the number of skilled seamen would increase as well. It would provide a new export product that would yield money, instead of buying salted or fresh fish from Dutch busses. During times of war the fishermen could be used for manning the fleet.

A separate court was founded to deal with matters relating to the business. New wharfs and storehouses had to be built in the Thames estuary and outside Hull. To finance all of this, all parishes were ordered to ask the people for a contribution towards the setting out of new fishing busses. A lottery was to be organised for this purpose as well. To create more demand for the product, coffeehouses, pubs and inns would be obliged to purchase one barrel per year. The EIC, the Levant Company and the City of London were all required to finance the setting out of a number of vessels. James of York, chairman of the company, used his position of Lord High Admiral to grant protection to the busses. The measures seemed to show that many politicians were confident and enthusiastic about the whole enterprise. The special royal charter showed the king's support.

The proceeds of the collection and the lottery were disappointing though. The corporation failed to raise sufficient funds in the City. Despite this lack of support, political involvement continued. Parliament demanded that more busses be set out. The Council of Trade then advised a prohibition of the import of herring altogether. Sir George Downing suggested that Dutch fishermen might be persuaded to come to England and teach the English the skill of the trade. Yet, despite all official encouragement the new company was not very successful. Not much fish was taken and eventually the organisation petered out.<sup>119</sup>

The 1660s witnessed a bigger focus on colonial trades. Much attention was paid to Asian, African and American commerce. Yet the traditional European markets were not forgotten despite the relative decline of their importance to the English economy. Like other companies, the Merchant Adventurers hoped for governmental support.

<sup>119</sup> Rommelse, 'Fishing industry', 115-126.

The gentlemen asked Charles to advance their interests in current Anglo-Dutch and Anglo-Danish negotiations. Diplomatic pressure should be exerted for a withdrawal of the Danish taxes. The Dutch violated certain ancient privileges that the Burgundians had granted to the company. The Danish king Christian IV ordered several English ships to be visited and searched on the river Elbe. The Council of Trade supported the petition and advised that Danish taxes might be abolished.<sup>120</sup>

The Eastland Company had similar complaints and requests. Its members desired that the royal negotiators obtained privileges for them equal to those the Dutch merchants received. Interlopers were another big threat to the company. During the 1650s its interests had been violated regularly without the Interregnum regimes taking any action. Finally, Swedish and Danish taxes crippled commerce. The gentlemen hoped that official protests would make the Baltic states lower them.<sup>121</sup> Both the Eastland Company and the Merchant Adventurers complained about the illegal export of wool. The Dutch bought English and Irish wool to use in their cloth industry. They then outcompeted the English with the sale of cloth. This violation of the Act of Navigation continued despite the regular warnings of Sir George Downing.<sup>122</sup>

### International affairs and faction rivalry, 1661-1663

After the Restoration the new monarchy had to plot a course in foreign politics. Charles did have certain moral obligations towards Philip IV of Spain, who had supported him during his exile. Yet immediately after his arrival in England Charles adopted a more pragmatic and opportunistic strategy. He had in fact no intention of honouring his moral duties. Consequently relations with Spain deteriorated quickly between 1661 and 1663. Jamaica was not restored when the state of war ceased.<sup>123</sup> Instead Charles desired to improve his connections with France. The proposed marriage between Henrietta Anne, his sister, and Philippe duke of Orleans, brother of Louis XIV was received very favourably. The French king thought he could use these dynastic ties for later communications and political purposes.<sup>124</sup> Charles declined Amalia van Solms's offer for a marriage with her youngest daughter Maria. Back in

<sup>120</sup> PRO CO 389/1 f21-27; PRO CO 388/1 f1 Merchant Adventurers to the Council of Trade 23-11-1660; BL ADD MS 25115 f 57-68 30-12-1660, f75-79 28-12-1660.

<sup>121</sup> PRO CO 388/1 f3-4 Eastland Company to the Council of Trade 23-11-1660, f7-8 Council of Trade to Charles II 25-11-1660; BL ADD MS 25115 f23-29 23-11-1660, f30-31 25-11-1660.

<sup>122</sup> *The advantage of the kingdom of England, both abroad and at home, by managing and issuing the drapery and woollen manufactures of this kingdom under the ancient government of the fellowship of Merchant Adventurers of England*; BL ADD MS 37820 f8b Minutes of the Privy Council 31-8-1661; PRO PC 2/55 f603 26-4-1662.

<sup>123</sup> Because the Commonwealth had been an usurpation, its declaration of war had had no legal legitimacy and so there was no need for an official peace treaty.

<sup>124</sup> PRO SP 78/115 f193 Instructions for St Albans, English ambassador in France, January 1661; Willock, *Letters*, 107-113 D'Estrades to Louis XIV 12-7-1661.

the days of exile he had requested her as his bride. He was turned down and now the tables were turned. This time, however, Charles wanted to keep his options open.

However, it was not at all clear whether England would choose friendship with France or improve relations with Madrid. Already in 1661 contacts with Paris had become less friendly. Louis hoped to conclude an alliance with the Dutch Republic when England would align with Portugal. This would isolate Spain completely and would strengthen his regime. In this case an Anglo-French treaty would not be necessary from Louis's point of view. This French opportunism caused friction across the Channel. Whitehall desired an alliance with one of the major powers in Europe, preferably with France and not with the Dutch Republic. Clarendon then ordered St Albans to sabotage French-Dutch negotiations.<sup>125</sup> De Batteville, Spanish ambassador in London, tried to avoid this whole scheme by attempting to persuade Charles to accept another bride.<sup>126</sup>

In 1662 the course of English foreign politics became subject of struggle between factions at Court. The essential choice between France and Spain had become part of the growing rivalry. Clarendon favoured an alliance with Paris, but Henry Bennet preferred Madrid. In January 1662 Louis prevented Bennet from being appointed ambassador in France.<sup>127</sup> Yet in October Bennet replaced Nicholas as Secretary of State. Nicholas, who, according to Gilbert Burnet, was "unskilled in affairs abroad", received 10,000 pounds compensation and left quietly.<sup>128</sup> Bennet became the true minister of foreign affairs as Morrice was merely a clerk.<sup>129</sup> An Anglo-French alliance was now no longer an issue.

The Earl of Inchiquin remarked that "*Sir Henry Bennet does give much satisfaction in his office, and is like to be a very powerful man in this kingdom, where my Lord Chancellor does now meddle only with matters relating to his office and affairs of state, but does not speak in the behalf of any man for any place or employment.*"<sup>130</sup> Bennet's suitability for the position of Secretary of State was partly because of his skills with foreign languages. He spoke Latin, French, Spanish and Italian. The French ambassador De Cominges was surprised to find that Clarendon did not speak French: "*Il vint me recevoir à la porte de sa salle et me donne audience dans son cabinet où le Sr. Bennet assista pour nous servir d'interprète.*"<sup>131</sup>

Clarendon was slowly but surely losing his power at Court and in politics. The number of enemies grew and Charles allowed them to attack the Lord Chancellor.<sup>132</sup> The sale of Dunkirk in 1662 damaged his position dramatically. Charles had

125 CSP Clar 107 Clarendon to St Albans 17-6-1661.

126 NA SG 12587.159 SKF, Dutch delegates in Paris to the States General 8-4-1661; CSP Clar 97 De Batteville to Charles II 3-5-1661.

127 Willock, *Letters*, 179-181 Louis XIV to D'Estrades 12-2-1662; Barbour, *Henry Bennet*, 53-54.

128 Historical Manuscripts Commission, *Heathcote*, 48-49 Morrice to Sir Richard Fanshaw 29-11-1662; Burnet, *History*, 36-37.

129 Barbour, *Henry Bennet*, 56-58.

130 Historical Manuscripts Commission, *Heathcote*, 54-55; Earl of Inchiquin to Sir Richard Fanshaw 8-1-1663.

131 Jusserand, *De Cominges*, 203 De Cominges to Louis XIV 26-3-1663.

132 Marshall, *Age of faction*, 93-100.

ordered Sandwich, Albemarle, Southampton and Clarendon to arrange the transaction. Of course government tried to console the people by presenting Tangiers as a much more valuable port. The North African city “*would bee a convenient port for our king’s shipping, both to curb and bridle all the christian shoare and to make invasions on the Moores by land, whensoever they practise their accustomed pyracies.*”<sup>133</sup> Dunkirk, however, had much more potential for English foreign politics. Benefiting from the strategic location of this harbour a check could be kept on France, the Republic and Spain. The public had not forgotten the danger Dunkirk posed to English shipping and the blood Cromwell’s soldiers spilled to conquer. And although the sale was completely rational and understandable from a short-term financial point of view, the English people scapegoated Clarendon for it.<sup>134</sup>

Despite this political defeat Hyde would regain some of his influence after Bristol’s failed attack. In August 1663 the Earl of Bristol accused Clarendon of treason. The Lord Chancellor had, according to Bristol, tried to promote Catholicism in England, had tried to alienate king and people from each other and he had embezzled money from the Dunkirk deal. The House of Lords dismissed the accusations and stated that this would never lead to a verdict of treason. James of York then informed Parliament that the king was furious about Bristol’s action. Charles himself had been indirectly attacked. Bristol continued nevertheless making a dramatic and bombastic plea in which he mentioned his willingness to give his life for the well-being of the state. His attempts failed altogether and Clarendon regained some of his old power and influence.<sup>135</sup> Bristol then tried to prove that Hyde had received payments from De Witt, but this attempt was futile as well.<sup>136</sup> The Earl had dramatically killed his own political and social career.

Clarendon’s political revival was only temporal however, the tide could not be turned. The old Royalists lost most of their influence to the younger generation. Bennet, Clifford, Coventry, Ashley Cooper, James of York and Berkeley took over with the king’s consent. These ambitious politicians had better connections to certain lobbies in Parliament and the City as well. The victorious faction had more feeling for the international relations of a new era of mercantilism and *raison d’état*. Charles had selected a new group to carry out his policies and had for the moment shifted his royal favour. Politics had now been firmly connected to England’s economic interests. Commerce had been recognised as an important factor of political power. The new generation of rising politicians and courtiers would soon try to exploit this development to their own advantage.

<sup>133</sup> CSPClar 266 11-9-1662; Burnet, *History*, 66; Historical Manuscripts Commission, *Finch*, 83-84 Earl of Winchelsea to Southampton 16-11-1660.

<sup>134</sup> Villiers, *Les corsairs du littoral*, 150-151.

<sup>135</sup> BL ADD MS 4159 f223-226b; PRO SP 84/167 f225 Cuneaus to the States General 27-7-1663; Jusserand, *De Cominges*, 105-106; Historical Manuscripts Commission, *Ormonde*, 64-66 Anglesey to Ormond 11-8-1663.

<sup>136</sup> PRO SP 84/167 f290 De Bacquoy to Joseph Williamson 21-9-1663.