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„Trial and Error: The Financial Politics of Edward III from
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Florian Graf

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Betreuer: Univ.-Prof. Dr. Klaus Lohrmann

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1.1 Introduction

When one looks at the historiography of the early stages in the Hundred Years War, the Crécy campaign of 1346, and the subsequent capture of Calais are generally considered to be the most outstanding feat of Edward III. In my opinion, it is much more impressive that he was able to not only hold out against an economically superior foe from 1337 to 1345, but invade and occupy French territory as well. During these eight years the English king borrowed so heavily from Italian banks that the Florentine stock of money was depleted and spent so much cash in the Low Countries that it turned this region into a gold-using area.¹ Between the years 1337 and 1341 alone Edward III managed to raise £665,000 in cash and kind.² Even though he is usually considered to have been an exceptionally able ruler,³ these are still enormous movements of money and in my study I wish to research in greater detail the financial politics of Edward III from 1337 to 1345.

While preparing this paper, I was forced to decide to what extent I would explain the political and economical circumstances and instruments of that period, simply for lack of space. My main concern was which of these to explain and which not. Therefore I came to the conclusion to exclude explanations that are, in my opinion, either easily accessible or take up too much space in the study (e.g.: the English Parliament, the origins of the Hundred Years War, taxation). For the same reasons, I will exclude certain political and economical developments (e.g.: the growing importance of the House of Commons, the rise of the English merchants) which, although tempting to research in more detail, would have taken away too much attention from the main subject of the study. Therefore the reader is expected to have some in-depth knowledge about the political and economical situation of the period researched in this paper.

As for the economical situation, I will mainly concentrate on the wool trade. Even though the wine trade was very important for England too, its customs weren't nearly as lucrative and, more importantly, no wine subsidies were

¹ Peter Spufford, *Money and its Use in Medieval Europe*. Cambridge (1991), 286.

² Michael Prestwich, *Plantagenet England 1225-1360*. New York (2005), 270.

³ *Ibid.*, 266.

ever granted to Edward III.⁴ To be able to fully understand the financial politics of Edward III it will be necessary to include some of the regular politics in my study, but that will be done in the briefest way possible. All the sums of money mentioned in this paper will be given in pound sterling (£), shillings (s.) and pence (d.). Although there were many currencies used by Edward III, his allies and creditors, this will ensure a better understanding of the subject matter and, more importantly, a quicker read.

⁴ Richard H. Britnell, *Britain and Ireland 1050-1530. Economy and Society*. Oxford (2004), 454p.

1.2 Preparations before 1337

Throughout the course of 1336 Edward III concentrated on the future conflict with France, even though he was forced to do some campaigning in Scotland, thus already stretching his resources to the limit.⁵ It must have been clear to him from the very start that direct taxation through Parliament would be inadequate for his diplomatic and financial needs, especially in terms of speed. That's why in 1336 he set into motion a scheme to exploit the wool trade,⁶ since England had a virtual monopoly of supplying the industrial centres of the Low Countries with the superior wool they needed, making this the country's most important economic asset.⁷ To do so, Edward had to make sure he would have the support of Parliament, but also that of the leading English merchants, since he knew about the internal unrest his grandfather, Edward I, had faced when trying at similar schemes while at war with France. A large number of memoranda were collected during the first decade of Edward III's reign, drawing attention to potential dangers, especially to complaints by the subjects of Edward I about the burdens imposed on them. This had nearly caused a civil war in 1297.⁸ The first step Edward had to make was to secure a cooperation with the English merchants and in particular with William de la Pole.

Pole was a merchant from Hull who, despite humble origins, had risen quickly in the course of the 1320s and early 1330s⁹ and was among the most influential English businessmen in 1336. He gives the impression of having been a very efficient and intelligent merchant, while also being absolutely unscrupulous. Apart from that he used very rational and efficient accounting procedures and paid his subordinates better than other merchants at that time, thereby securing better service. All this apparently gave him a leading edge over other English merchants.¹⁰ Edward had already taken loans from William de la Pole before 1336, since the merchant seems to have had close ties with the government which presumably had been established between 1331 and 1336, when Pole had been in royal service and had shown an allround competence. Certainly the personal

⁵ Jonathan Sumption, *Trial by Battle. The Hundred Years War I*. London (1990), 158.

⁶ XX, T. H. Lloyd, *The English Wool Trade in the Middle Ages*. Cambridge (1977), 144.

⁷ E. B. Fryde, *William de la Pole. Merchant and King's Banker* (†1366). London (1988), 3.

⁸ E. B. Fryde, *Parliament and the French War, 1336-40*. In: E. B. Fryde/Edward Miller (Ed.), *Historical Studies of the English Parliament. Volume 1, Origins to 1399*. Cambridge (1970), 243.

⁹ Prestwich, *Plantagenet England*, 502p.

¹⁰ Fryde, *Pole*, 1-3, 25-27.

contacts established with influential royal officials during that time helped him gain entry into the circle around the king. On June 1, 1336 Pole had received a royal gift of £2,000 which was most certainly intended as a bribe to influence him favourably on future large-scale cooperation with the government.¹¹

On August 12, 1336 the English government proclaimed an embargo on exports of wool to Flanders. This naturally had the short-term effect of virtually terminating the income from the customs¹² but it was essential for keeping all the wool in the country for Edward's wool scheme. At this point the plans for setting up the English Wool Company in 1337 already seem to have been at a very advanced stage.¹³ Also, there was a royal official on a diplomatic mission to the counts of Hainault, Juliers and Guelders, undoubtedly negotiating about a coalition with the English king.¹⁴

The Parliament that met at Nottingham on September 23, 1336 granted Edward a direct tax of the fifteenth and tenth, a tithe demanding certain proportions of all men's movable goods surplus to basic subsistence. The fifteenth and tenth had become to mean a definite sum of about £39,000 since 1334¹⁵ when it had for the first time been raised on fixed assessments from each township and borough.¹⁶ It was the second such tax in 1336 – the first one had been voted for by Parliament in March – and was indispensable for the preparations for war. At the same date a council of merchants, William de la Pole being among them, met at Nottingham, too, and agreed on a subsidy of 20s. on each sack of wool exported from English merchants and a further 20s. per sack exported additionally as a loan to the king from foreign merchants.¹⁷ Also, the old rate of the custom duty of 6s. 8d. per sack of wool was to remain unchanged, as it had been since 1275.¹⁸ In addition, a schedule of minimum prices for the highest grades of wool was worked out. It was supposed to protect the wool producers from the merchants, who, it was feared, might offer them lower prices because of the higher export duties on

¹¹ Fryde, Pole, 41-43.

¹² Ibid., 47.

¹³ Lloyd, Wool Trade, 145.

¹⁴ Sumption, Trial by Battle, 192.

¹⁵ H. O. Meredith, *Economic History of England. A Study in Social Development*. Harmondsworth (1939), 167.

¹⁶ Britnell, *Britain and Ireland*, 532.

¹⁷ Lloyd, Wool Trade, 145.

¹⁸ Prestwich, *Plantagenet England*, 270.

wool.¹⁹ But all this was only agreed upon by the merchants without the consent of the Parliament, which turned out to be a cause for political conflict in the future.²⁰ Nevertheless all these measures taken by the king and the merchants at Nottingham made it possible to execute the wool scheme at very short notice, should the political situation demand it, even though some delay was desirable to achieve the full effect of the embargo on export.²¹

As it has been shown, Edward did everything he could to prevent him from having the same difficulties his grandfather had had in a previous war with France. Not only did he take measures to calm down Parliament by regularly consulting it and thus giving the impression of wanting to hear its advice, he also made sure he acquired the goodwill of the leading English merchants who would be indispensable for meeting immediate needs of cash in the future conflict with France. That conflict should start the following year.

¹⁹ Fryde, Pole, 60.

²⁰ Fryde, Parliament, 249p.

²¹ Fryde, Pole, 61.

1.3 The English Wool Company

At the beginning of 1337 there were three different English embassies at work on Imperial territory and in Flanders to negotiate with potential allies against the French king.²² The main reason Edward needed continental allies for was to supply him with troops since direct seaborne operations from England were impossible. The French fleet was too strong at this time.²³ In February there was an incident between the French king and the count of Hainault who seemed to have come up with an idea for an anti-French coalition immediately afterwards. Edward seized this opportunity.²⁴

First he took some measures to secure the support of the magnates, for which he had to enter into financial commitments at home. When Parliament met on March 3rd at Westminster, Edward created six new earldoms.²⁵ This meant granting large annual fees to them. In addition, gifts were given to many other earls and barons. Apparently Edward's plan worked because Parliament now sanctioned the negotiations for seeking continental allies.²⁶

In April, an embassy under Henry Burghersh, the Bishop of Lincoln, was sent to the mainland. He dealt out various gifts of money to important people and in May he attended a conference prepared by the Count of Hainault. Here he met many magnates that were willing to join an anti-French coalition²⁷ and it is certain that there were many bribes before further negotiations took place, though their exact amount remains unknown.²⁸ Burghersh had also been entitled to discuss the terms of a wool staple with any potential ally, which shows again how economically important the wool trade was for Edward's political plans.²⁹ At this point, Philip VI gave the order to confiscate all of the English king's possessions on French territory, practically declaring war.³⁰ Finally the time had come to put the wool scheme into effect.

²² Sumption, *Trial by Battle*, 192.

²³ Fryde, *Pole*, 54.

²⁴ Sumption, *Trial by Battle*, 190-192.

²⁵ Fryde, *Parliament*, 244.

²⁶ Fryde, *Pole*, 61p.

²⁷ Sumption, *Trial by Battle*, 193-195.

²⁸ Fryde, *Pole*, 48p.

²⁹ Lloyd, *Wool Trade*, 146.

³⁰ Fryde, *Pole*, 62.

The events of the following months demonstrate how Edward did as much as he could to secure support for his plans at home. First the sheriffs, the main instruments of propaganda at that time, were sent a missive to explain Edward's situation to the common people. It contained all the steps he had taken to prevent war: the diplomatic missions, offers of a marriage between France and England, and even promises of money to the French king. None of this had proven successful and now, after trying to avoid a war, Edward counted on the support of his subjects. Propaganda was necessary because there had been regular campaigning from the 1290's onward and through that ordinary people had gotten an insight into English politics. They wanted to know why they should bear the heavy burden of taxation and for the time being, Edward seemed to have presented them plausible reasons for it.³¹ The second step was a great council of prelates and magnates who met at Stamford on May 30th. The progress of the embassies was reported to them and they agreed to the king's plans of setting up the English Wool Company which was supposed to finance the war on the continent.³² After this further approval of Edward's plans, he summoned a meeting of twenty-four merchants to Stamford on June 16th. They were predominantly northern merchants under the leadership of William de la Pole. At this point they seemed to have been the main sponsors of the wool scheme. During the next week the preliminary agreement for the setting up of the English Wool Company was concluded and having achieved this crucial step for his preparations, Edward could now concentrate on his potential continental allies again.³³

The problem that Burghersh faced in his negotiations was that even though most of the German princes were prepared to attack the French within the boundaries of the Holy Roman Empire, he had to try to convince them of the idea of an armed invasion of France. To achieve that, he needed the support of the Duke of Brabant, the strongest military power in the German Low Countries, and the Emperor, who could give legitimacy to any such undertaking. An agreement with the Duke of Brabant was reached in June. He was promised £60,000 in installments over the next four years and a wool staple in Brabant, and export licenses for wool from England were issued to his subjects. Obviously, the cloth industry in his own country was an important factor. Next, the emissaries traveled

³¹ Edmund King, *England 1175-1425*. London (1979), 92-94

³² Fryde, *Parliament*, 245.

³³ Fryde, *Pole*, 62p.

east to meet the Emperor Louis of Bavaria at Frankfurt. For the promise of £45,000 he was persuaded to supply Edward with two thousand armed men for two months. Furthermore, he would lead this army in person and if not, Edward III should act as Vicar of the Empire with all of the Emperor's powers, an important point in terms of legitimacy.³⁴

After that, agreements with the other princes were quickly reached. The Count of Hainault, the Count of Guelders, and the Margrave of Juliers were each promised £15,000 pounds for supplying Edward with troops and smaller sums were promised to other German princes. All in all, with the troops the Duke of Brabant and the Emperor already had promised, Edward had on paper an army of seven thousand men-at-arms. It was a very expensive army. More than £160,000 had been promised in fees and in addition Edward had to pay fixed wages to the troops.³⁵ The first installments promised to the nine leading princes of this alliance, payable before the end of 1337, totalled £124,000.³⁶

Edward also needed money for the other theatres of the war. Oliver Ingham, the Seneschal of Gascony, desperately pleaded for help from England as the castles in the duchy were in bad repair and reinforcements were badly needed. As early as March 1337, there had been orders to raise an army for Gascony but by summer it was clear that now an army would be needed for the Low Countries. At the same time, another army was being raised for Scotland. When the French launched an attack on Gascony in July 1337, Ingham was on his own. Only three hundred to five hundred troops were sent as reinforcements to him at the end of August. Luckily for Edward, the French army disbanded in September without having done any significant damage and the Constable was recalled to the north where the French expected an English attack. To make things even worse for Edward, the French fleet had almost complete control of the Channel. There were seaborne raids, serious losses of English shipping, and even trouble bringing the ambassadors home from the Low Countries.³⁷ It was high time for the English king to regain the initiative and launch the wool scheme he had prepared since 1336.

³⁴ Sumption, *Trial by Battle*, 197p.

³⁵ *Ibid.*, 198p.

³⁶ Fryde, *Pole*, 61.

³⁷ Sumption, *Trial by Battle*, 200-211.

On July 21st, a Great Council of magnates met at Westminster to hear about the embassies on the continent and the progress of Burghersh while at the same time a larger and more representative assembly of English businessmen confirmed the agreement of Stamford from June.³⁸ By now, the embargo of wool had brought about the desired effect. The situation in Flanders had already been bad in the winter of 1336. By 1337, the cloth industry was on its knees.³⁹ The embargo was enforced very strictly and hardly any wool had left England except for exports to southern Europe. Therefore most of the wool clip of 1336 and the entire clip of 1337 were still on English soil.⁴⁰ On July 26th, a formal agreement between Edward and the English Wool Company was finally concluded. Once again, several pieces of evidence point to William de la Pole as the main effective leader of the company and it is very likely that he had originated the whole scheme.⁴¹

A highly complex plan had been worked out to ensure large payments of cash to Edward III for his campaign in the Low Countries. The merchants of the English Wool Company were vested by the king with legal powers of forced purchase of wool in England and in addition they would enjoy a monopoly of wool exports. They were to lend to Edward £200,000 out of the sale abroad of 30,000 sacks of wool, which they would undertake to export. The loan was to be free of interest. Edward would also receive half of the profit;⁴² profit being the sale price less the purchase price and all other expenses.⁴³ Obviously, the members of the English Wool Company expected to make considerable gains from the sale of the wool. This seemed very likely since they would be able to charge monopoly prices in the Low Countries.⁴⁴ Furthermore, the merchants were promised the allowance to sell their wool to whomever they pleased. There was no mention of a prohibition of selling to Flemings, though the impossibility of selling to them before Flanders had abandoned the alliance with France must have been clearly understood by everybody.⁴⁵

The scheme didn't end there. Now the arrangements made about the new rates of custom duties of 20s. were also put into effect. In other circumstances, the wool

³⁸ Fryde, Parliament, 245.

³⁹ Sumption, Trial by Battle, 189.

⁴⁰ Fryde, Pole, 58p.

⁴¹ Ibid., 55.

⁴² Ibid., 57.

⁴³ Lloyd, Wool Trade, 147.

⁴⁴ Fryde, Pole, 57.

⁴⁵ Ibid., 66.

merchants would have been strongly opposed to any raise but at this point they had two reasons to support it: first of all, the desperate situation in the Low Countries – the embargo having been enforced for a full year now – would help them pass the cost of the raised duties to the buyers abroad; secondly, the revenue from the customs was assigned to the English Wool Company as a means to repay the loan of £200,000, and they were to remain under its control until they had recovered the full amount from the king. This meant that the higher the rate of duty, the quicker they would get repaid.⁴⁶ In theory, repayment by the king of any money lent to him was also sped up, since it was to be reduced by a sum equal of half the profit being made by the merchants. William de la Pole and Reginald Conduit, a merchant from London, were made responsible for Edward's share of the profits and the ultimate repayment of the merchants.⁴⁷ With this, the agreement came full circle.

The target figure of 30,000 sacks of wool was apportioned between most of the English counties and the merchants of the Wool Company were commissioned to purvey wool in fixed areas. They were not required to pay in cash at the time of purchase but half the amount was to be paid within six months after the wool had been delivered to them and the remaining half within a year. This procedure only distinguished itself from regular purveyance by the absence of royal letters obligatory for those surrendering wool. Instead, they were given personal bonds of the merchants, which meant Edward was using the credit of the leading English merchants to get wool for his needs.⁴⁸

To protect the wool producers from the English Wool Company, the merchants were to use the schedule for minimum prices worked out at Nottingham in 1336, which had been devised for this very purpose. However, since no minimum prices had been fixed for wool of lesser quality, this schedule offered loopholes for the merchants. They could simply claim that sacks of wool were of lesser quality and then bargain, when the wool was in fact of high quality and should have been sold at fixed prices.⁴⁹ As the merchants were equipped with royal letters of purveyance, the producers didn't have any other option for selling their wool and had to accept these lesser prices. In at least one case, a purveyor gave sellers the

⁴⁶ Fryde, Pole, 57.

⁴⁷ Lloyd, Wool Trade, 147.

⁴⁸ Ibid., 146.

⁴⁹ Fryde, Pole, 60.

option of either taking cash at well below the fixed minimum price or of having the wool forcibly taken on credit.⁵⁰ It becomes clear that the English Wool Company didn't prove itself popular among the wool producers.

Purveyance was also a clever means to ensure most of the English merchants engaged in the Wool Company. In case they declined to participate, any wool in their possession was liable to be taken by the purveyors. And even if they had somehow been able to conceal their wool, they would be unable to export it since the Wool Company had the monopoly on exports until the 30,000 sacks were disposed of.⁵¹ Apart from that, it simply seemed to be a good decision to join the English Wool Company as it promised great success. Little wool had been exported since August 1336, the clip of 1337 had been good and the absence of wool in Flanders had created a high demand for it. It could therefore be expected to sell English wool at "unprecedented profit".⁵²

What the wool scheme came down to in theory was guaranteed profit for the merchants who enjoyed a monopoly of exports while protecting the wool producers with the fixed minimum prices. Edward was to get enough money for his expedition in a quick and cheap way, while only the foreigners would suffer for they would be excluded from the export trade and would have to pay high prices for the English wool. There were several problems in practice. First of all, the scheme was based on the fallacy that prices for wool on the continent would stay at the high levels created by the embargo even after large amounts of wool had started to arrive. Secondly, since medieval governments did not have very extensive police powers, the scheme depended on the cooperation of all the parties involved and it has already been shown why the wool producers weren't very happy with the price schedule forced on them, as well as the prospect of having to enter long credit terms. There was bound to be some delay, but Edward was determined to go through with the scheme.⁵³ Maybe he simply did not see another way.

To complete the planning of the wool scheme, the 30,000 sacks of wool were intended to be dispatched to Dordrecht in November. The king was then to

⁵⁰ Lloyd, *Wool Trade*, 147.

⁵¹ *Ibid.*, 146p.

⁵² Fryde, *Pole*, 64.

⁵³ Sumption, *Trial by Battle*, 213.

receive his loan in three installments of £66,666 each, payable on December 25, 1337, as well as on April 12 and May 21, 1338.⁵⁴ With all this having been set up, Edward was free to resume pursuing his political goals again.

From August 18th to the 26th, the Royal Council held a meeting at Westminster where they were given the first comprehensive review of Henry Burghersh's diplomatic progress since April. Although some concerns about the trustworthiness of the German princes were voiced, Edward ratified all the treaties that hadn't already been ratified thus far. There was virtually no opposition to his plans.⁵⁵ It can also be assumed that he presented the contract with the English Wool Company to his Council on that occasion.

The original date of the proposed meeting of an English army and the allied German troops had been September 17th. This proved impossible to accomplish, despite the king's plans to set sail with an army on July 28th.⁵⁶ By the end of September it didn't seem very likely that there would still be a campaign in the Low Countries in 1337, as Edward had faced serious problems trying to raise an army for that purpose. Some of them were military and logistical problems, since there was already a standing army in Scotland and some reinforcements had been sent to Gascony. But his biggest problem still was money. His immediate financial needs totalled about £200,000, including the first instalments of subsidies for his continental allies, and no revenue from the English Wool Company could be expected before Christmas 1337.⁵⁷ So far the Florentine banks of the Bardi and the Peruzzi had lent about £73,000 since September 1, 1336 for financing Edward's initial preparations for the war, in England and abroad.⁵⁸ With the custom revenues, the traditional security for loans to the Crown, having been assigned to the Wool Company, the king summoned Parliament to equip him with further potential securities for loans

On September 26, 1337 Parliament assembled at Westminster "to sanction arrangements for the defence and good government of the realm during the king's projected absence abroad,"⁵⁹ as Edward still hadn't cancelled his plans of going to

⁵⁴ Lloyd, *Wool Trade*, 147.

⁵⁵ Sumption, *Trial by Battle*, 211.

⁵⁶ *Ibid.*, 199p.

⁵⁷ *Ibid.*, 211-213.

⁵⁸ Fryde, *Pole*, 48.

⁵⁹ Fryde, *Parliament*, 245.

the Low Countries that year. After another proposal during the sessions of this Parliament he was granted a subsidy of three fifteenths and tenths, to be collected over the course of the next three years, each worth about £39,000. In addition, the clergy granted another three tenths for the following three years, each worth about £15,000.⁶⁰ This highly generous and unusual triennial grant doubtlessly was meant to produce greater security for moneylenders⁶¹ since Edward could now claim to raise substantial amounts of money in the near future. There had been no precedent to that kind of recurrent taxation in English history.⁶² Only after those grants did Edward formally assert his title to the crown of France, another indication of their importance.⁶³ Parliament dispersed on October 5th and after having been granted enormous subsidies it seemed like no fresh Parliament would be needed for quite some time. Because of this, Edward assumed that the time had come for two prerogative financial rights that would surely be unpopular with Parliament. First, inquiries were held into the revenue due from the chattels of felons and fugitives which had been neglected for some years. Secondly he levied a scutage for the Scottish campaign of 1327, when the feudal levy had been called out for the last time.⁶⁴ Both were thought to bring even more money into the king's coffers.

Even though it seemed that some important steps had been made towards a campaign against France, Edward had to deal with more difficulties. At the beginning of October, during the closing stages of Parliament, news about Scottish raids in the north reached Westminster. This event caused some complaints, as people thought the enormous sums of money being spent on the German allies could have been used to wage war against the Scots, a much more imminent threat than France.⁶⁵ This was very short sighted point of view. The only reason the Scots had been able to launch those massive raids in the first place was the steady flow of supplies from France that poured into Scotland through her ports.⁶⁶ So Edward was forced to postpone his expedition to the Low Countries again to be able to divert some of his troops to the Scottish theatre of war. The date of taking the field for his continental army was fixed for November 30, 1337;

⁶⁰ Prestwich, Plantagenet England, 269p.

⁶¹ Fryde, Pole, 47.

⁶² Sumption, Trial by Battle, 221.

⁶³ Fryde, Parliament, 245.

⁶⁴ Ibid., 252.

⁶⁵ Sumption, Trial by Battle, 221.

⁶⁶ Ibid., 196.

a difficult time to find food for an army and march it across northern Europe. Also the gathering of troops at the embarkation point was very slow and shipping was scarce. So, by the beginning of November only 1,300 of them could be sent across the Channel. Henry Burghersh came with them in order to explain Edward's situation to the allies. During the course of November, Edward seemed to have begun to realize the position he was in and, as he had no money, he cancelled the expedition on November 20th.⁶⁷

Nevertheless the English gained some minor success in Gascony and Flanders. As Edward's preparations had not been left unnoticed by French spies, Philip VI was still convinced that he would have to face an English attack in the north and had assembled his army there. This encouraged Oliver Ingham to march the few troops he had out of the English garrisons in Gascony and he retook most of the places that had been lost during the summer. In Flanders, the advance guard that had been sent there in November was able to win some skirmishes and even capture the Flemish commander-in-chief.⁶⁸

In November, the time had finally come for the first shipment of wool to be sent over to Dordrecht. However, before anything had even left the ports of Newcastle, Hull, Boston and Sandwich, Edward obviously needed cash so badly that he changed the plan somewhat. Even though it had been agreed that the customs duty should be paid in Dordrecht, he decided that the new subsidy of 20s. should already be collected at the English ports. Because of this, the first installment of cash abroad was to be reduced by an equivalent sum. At this stage the ancient custom of 6s. 8d. was not levied, a decision that was to become important later on.⁶⁹ Sometime before the departure of the wool fleets there was also concluded a supplementary agreement to the contract of July 26th. It put the 10,000 sacks of the first shipment at the free disposal of the royal envoys under Burghersh. If they should decide to take over the wool for the king's benefit, they would only have to pay to the merchants all their previous expenses. This agreement doubtlessly was a symptom of some friction between Edward and the merchants, only three months after the initial agreement.⁷⁰ The ships were then formed into convoys and arrived at Dordrecht on November 28, 1337. Travelling with them were

⁶⁷ Sumption, *Trial by Battle*, 214.

⁶⁸ *Ibid.*, 215p.

⁶⁹ Lloyd, *Wool Trade*, 147.

⁷⁰ Fryde, *Pole*, 70p.

representatives of the English Wool Company, who were supposed to sell the wool, as well as Edward's envoys who would then pay out the proceeds of the sales to the king's allies.⁷¹

At the same time, Henry Burghersh was already explaining the shifts of English policy to a gathering of German princes in Brabant. For them the moment of danger would come in spring, when the weather would be good enough for the French armies to appear on their borders. Burghersh had no other choice than to promise them that the English army would already be with them by that time and that their subsidies, already in arrear, would have been paid to them by March. After some calculation it was estimated that £276,000 were needed to fulfil these promises.⁷²

About 10,700 sacks of wool had been brought to Dordrecht lawfully, as well as more than 4,400 sacks illicitly exported by the merchants, meaning that they were intended to be sold without any benefit to Edward.⁷³ As the sales of the wool were being started, severe frictions between the expectations of the English officials and the merchants of the Wool Company became apparent. The merchants were used to a fairly slow rhythm of affairs, with most dealings taking place on credit and where a long time might pass between the sealing of a sales contract and the actual proceeds being cashed in. In the first stages of a sale they were chiefly concerned with leisurely speculations about rates of exchange and conditions of sale so that they might make greater profits in highly speculative markets. The royal officials, on the other hand, were accustomed to ordering about a very docile mass of taxpayers and in this very special case, shared the king's impatience to get on with the war.⁷⁴

By the middle of December none of the wool had been sold and Henry Burghersh desperately needed cash. So a conference was held between the merchants of the English Wool Company and the king's envoys at Gertruidenberg on December 19th. When the merchants were asked how much money they could advance now, they refused to name a definite sum and complained that because they weren't

⁷¹ Lloyd, *Wool Trade*, 148.

⁷² Sumption, *Trial by Battle*, 218p.

⁷³ Fryde, *Pole*, 79p.

⁷⁴ *Ibid.*, 5.

allowed to sell to Flemings the prices would be poor.⁷⁵ This insistence of supplying Flanders with wool, just when the embargo was on the point of achieving success, must have been found particularly unreasonable. Even though such an agreement wasn't included in the July 26th contract, it must have been clear to both parties then that no wool should be sold to Flemings.⁷⁶ Finally the merchants declared that they would be willing to advance £66,666, provided that they could sell to whomever they liked and they would pay the money by February 25, 1338. They were only offering what they owed on the first shipment anyways but would pay on a much later date than agreed upon.⁷⁷

The reply of the envoys the following day shows that they must have been clearly exasperated by the attitude of the merchants. They said that £66,666 was insufficient for their needs and that the Wool Company would have to raise £276,000 until March 22, 1338. This was a larger sum than the merchants had agreed to lend on the entire 30,000 sacks of wool.⁷⁸ The merchants claimed that all their goods abroad wouldn't be enough to produce that sum, which was probably true. After that the envoys drew attention to the supplementary agreement that had been concluded before the departure of the wool fleet, reminding the merchants that they could freely dispose of the first shipment of wool. Their reply was that they would only abide by the agreement of July 26th and nothing else. The envoys now decided to take possession of the 10,000 sacks for the king and the merchants subsequently were persuaded to accept this, although with great difficulty and only on the condition that they would be paid £20,000 by February 2, 1338. This was considered sufficient to ensure that each merchant would receive 40s. for each sack surrendered to the king.⁷⁹ It was further agreed upon that the merchants should elect a committee of thirty who would dispose of the wool according to the instructions of the royal envoys and would value the wool to agree on a price reasonable for the king and the merchants. In legal terms, Edward wasn't seizing the wool but bought it from the merchants instead, at prices they had assessed. Needless to say these prices turned out to be very favourable to them, for it must have been realised that they

⁷⁵ Lloyd, *Wool Trade*, 148.

⁷⁶ Fryde, *Pole*, 75.

⁷⁷ *Ibid.*

⁷⁸ Lloyd, *Wool Trade*, 148.

⁷⁹ Fryde, *Pole*, 76.

wouldn't get repaid very soon. The inflated prices included what came down to a substantial amount of interest.⁸⁰

The actions taken by the envoys on December 20, 1337 didn't necessarily mean the end of the wool scheme, even though it effectively was. As to the question of why £276,000 had been demanded, there are two possible explanations. Firstly, it could be argued that the envoys regarded the excess sum over the loan agreed on as an anticipation of Edward's share of the profits to be made. Since the first shipment of wool had been of above average quality, it could be expected to also charge above average prices for them. Still, the envoys didn't seem to understand that the £276,000 could not be raised as quickly as they had demanded. Secondly, the royal envoys are likely to have known to some extent about the quantity of sacks that had been smuggled to Dordrecht.⁸¹ An official had observed that many of the merchants were surrendering at Dordrecht a larger number of sacks than they had declared to the customs.⁸² One must assume that this didn't improve the attitude that the royal envoys had towards the merchants. These two considerations might help to understand the different outlooks of the envoys and the merchants, the latter clearly not sharing the sense of urgency about the king's wartime needs.⁸³

In England, before Edward or anyone else had even heard about the failure of the wool scheme, it had become necessary to mount yet another propaganda campaign to explain the king's cause to anyone thought to be influential. This included the gentry and local merchants. There were even patriotic sermons to reach a wider public and notices in churches listing the concessions that Edward had made to avoid war but the French king had spurned.⁸⁴ Yet even though there was a widespread hatred of France and the public accepted that Edward III had been treated unkindly by the French king, there was less and less agreement about how he actually prosecuted the war. Again, there were complaints about the large sums being spent on the alliance with German princes and that the money should have been used to deal with the Scots.⁸⁵

⁸⁰ Fryde, Pole, 76p.

⁸¹ Ibid., 77p.

⁸² Lloyd, Wool Trade, 150.

⁸³ Fryde, Pole, 79p.

⁸⁴ Sumption, Trial by Battle, 220.

⁸⁵ Ibid., 221.

On top of that, two cardinals who had been appointed as mediators by the Pope had reached England in late November or early December 1337. They put forward proposals for a truce. At that time Edward had already abandoned his plans for an invasion that winter, so a truce would actually have been to his liking. Unfortunately, he couldn't conclude a truce without including his German allies, unless he wanted to give them the impression of a waning enthusiasm for the war. Then the cardinals threatened the English civil service, most of whom were ecclesiastics, with excommunication should they assist the war effort. Furthermore, the cardinals produced a papal letter that authorized them to dissolve treaties or alliances, release subjects and vassals from their obligations, and prohibit military undertakings under pain of excommunication and interdict.⁸⁶ The threats were taken very seriously by the royal ministers. Edward then played for time and on Christmas Eve he promised not to invade France until March 1, 1338. He also explained that he would have to hold a Parliament on February 3, 1338 to consider a more formal arrangement. Immediately after this, messengers were sent to the Low Countries to inform Burghers about the delicate matters that he would now have to discuss with the German allies.⁸⁷

As the year 1337 ended, the overall situation did not look promising for Edward III. Despite the fact that the English Wool Company still existed on paper, it must have become apparent to him that his wool scheme had failed to reach its immediate goal of quickly paying the subsidies promised to his continental allies. Allies that now were certain to be irritated by the temporary truce the English king had agreed to. But at a closer look not all was lost yet. The grant of the triennial fifteenths and tenths meant that Edward could now produce sufficient securities for further loans. He could still count on some revenue from the sales of the 10,000 sacks of wool in the Low Countries. Also, thanks to several propaganda campaigns, he still had support at home, which was the reason he had been granted enormous subsidies by Parliament in the first place. By the end of 1337, Edward still had the contract with the English Wool Company, a continental alliance against France, and the prospect of huge revenues from direct taxation. This was enough to renew the war on an even bigger scale the following year.

⁸⁶ Sumption, *Trial by Battle*, 217p.

⁸⁷ *Ibid.*, 218.

1.4 Saving the Continental Alliance

With the temporary truce still being upheld, Edward III had some time to consult the royal envoys abroad about the effects a prolonged truce would have.⁸⁸ Burghersh spoke to all the leaders of the alliance and afterwards reported home that a truce would be a disaster. The names of the allies would have to be named in it and some of the lesser German princes were very anxious that their identities not be revealed. Also, if there was to be even more delay to Edward's planned invasion of France, the allies would become entitled to their money long before they would have to muster their armies. Subsequently, they would have no motive for honouring their promises when the time came to march against France.⁸⁹ Edward didn't want to see his alliance, created under such difficulties in 1337, fall apart; he accepted the advice.⁹⁰

Edward had another reason for a renewal of the war: the wool embargo against Flanders had finally achieved its purpose and the French Crown lost control of the county. By December 1337, no wool had reached Flanders from England for more than a year. Large numbers of textile workers were unemployed and it was apparent that only a restoration of the cloth industry would end this economic catastrophe. The Flemings seem to have been negotiating with English agents from some time in 1337 on and these discussions were likely concerned with the terms on which the embargo would be lifted. At the end of December 1337, there was a revolution in Flanders, lead by the town of Ghent and in particular under the leadership of the patrician Jacob van Artevelde. This wealthy merchant and excellent demagogue was to be the effective ruler of Flanders for the next seven years.⁹¹

As soon as Henry Burghersh heard about those events he traveled to Louvain in Brabant and was in conference with representatives of the new regime within two weeks. By the end of January they had already reached an agreement in principle that was accepted by all the important towns in Flanders. The County of Flanders was to remain neutral in the coming war

⁸⁸ Fryde, *Parliament*, 246.

⁸⁹ Sumption, *Trial by Battle*, 220.

⁹⁰ Fryde, *Parliament*, 246.

⁹¹ Sumption, *Trial by Battle*, 228-230.

despite its status as part of France. This was a very important success for Edward. In return, the English would lift the embargo. By early March, wool from Dordrecht was being transported to Flanders.⁹²

On February 1, 1338 a committee of thirty merchants entrusted with the taking of the Wool Company's wool for the king's use finally began to act at Dordrecht. However, the proceedings took a long time and the wool had been extremely overvalued by the committee. By April 12th 6,540 sacks had been handed over⁹³ and 317 indentures were made between the king and the merchants in whose name the wool had been exported. Now Edward owed to the merchants the value of the wool, minus the £20,000 that had been paid to them at Dordrecht as immediate compensation and minus the ancient custom of 6s. 8d., since it had not been paid. They were bound to make a huge profit if the king would ever repay the indentures, which subsequently became known as the 'Dordrecht bonds'.⁹⁴

In England, Parliament met at Westminster on February 3rd. During this meeting Edward was practically given a free hand for the renewal of the war. Most importantly, there would not be a truce. The departure date for the invasion army was fixed for April 26, 1338. The two cardinals were silenced by means of diplomatic exchange and were even given proposals for a former truce to deliver to the King of France. Of course they were of such a kind that Philip VI rejected them out of hand when he received them in March.⁹⁵ Next the merchants of the English Wool Company were dealt with. As has already been stated, even though the envoys had decided to take over the wool for the king at Dordrecht, it was not intended to end the wool scheme. But at the Parliament of February, the merchants explained that they "neither could nor wished to go on with the wool contract and could not be persuaded otherwise either by any inducements that could be offered to them or by any pressure that the king could exert."⁹⁶ An assembly of merchants was expected to meet on March 16th and it might have been hoped that the differences between the king and the merchants would settle and to regain the support of them. This

⁹² Sumption, *Trial by Battle*, 231.

⁹³ Fryde, *Pole*, 84.

⁹⁴ Lloyd, *Wool Trade*, 148p.

⁹⁵ Sumption, *Trial by Battle*, 222.

⁹⁶ Fryde, *Pole*, 82.

hope was soon abandoned.⁹⁷ The wool scheme and the English Wool Company had officially failed. It seemed that William de la Pole played an important part in the refusal of the merchants to continue cooperating with the king. Pole didn't have much to lose since he knew that because of his importance for securing further loans for Edward he would be compensated sooner or later. This would leave him in a commanding position either way. As the Wool Company had run into trouble, he perhaps deemed it more lucrative to lend directly to the king.⁹⁸

Now Parliament helped Edward out. A grant was made of a new forced loan of half the wool in England, which was estimated at 20,000 sacks, the exact amount still considered to be outstanding from the original loan. This was not a free gift or a new loan. It was merely a confirmation of the king's right to collect the remainder of the 30,000 sacks which he would have borrowed anyway. Only half of each man's wool was to be taken and no wool should be taken from people owning less than one sack, so that the subsistence of poorer subjects would not be endangered. Furthermore, any wool still in the hands of the purveyors appointed in 1337 would count as part of the 20,000 sacks and no wool was to be taken from the clip of the coming season. As opposed to the proceedings of the previous year, the wool producers wouldn't receive personal bonds from the purveyors but royal letters obligatory – as was normal in the case of purveyance – and the term of repayment was agreed to be two years.⁹⁹ This grant had obviously been obtained after some tough bargaining. Edward had to renounce some prerogative revenues and agreed to suspend the inquiries into the chattels of criminals and abandon the scutage, before these taxes had even begun to yield any revenue.¹⁰⁰ In view of the new grant, he simply had no other choice if he wanted to continue the war.

For the disposal of the 20,000 sacks of wool, negotiations were started with the Bardi and the Peruzzi again and an agreement was concluded on March 11th. Four thousand sacks should be exported before Edward left for the Low Countries and placed at the disposal of the companies. In return they were to lend him £15,000 before his departure and another £20,000 as soon as he

⁹⁷ Lloyd, *Wool Trade*, 151.

⁹⁸ Fryde, Pole, 83p.

⁹⁹ Lloyd, *Wool Trade*, 151.

¹⁰⁰ Fryde, *Parliament*, 252p.

arrived on the continent. Simultaneously, another 6,000 sacks would be exported to be disposed of by the king's officials. The final 10,000 sacks would be assigned to the Bardi and Peruzzi as a settlement of some older debts. In addition they were allowed to export 2,000 sacks of wool still in their possession and received an assignment out of the second year of the current fifteenth and tenth.¹⁰¹ This assignment was worth £30,000, however the money out of the second year of the grant wasn't due until November 1338.¹⁰² At some point there was even talk about an expected total of 25,000 sacks,¹⁰³ for Edward had reserved for himself the right to export another 4,000 sacks of royal wool. Also, with the exception of 3,700 sacks licensed to be exported by some privileged allied Brabanters and other Germans, the embargo on the export of wool was to be continued until the Italians had sold all the wool assigned to them. This was later modified and the protection was only guaranteed until August 1, 1338.¹⁰⁴

Meanwhile the French had renewed their seaborne raids. They attacked the Channel Islands and burned down the town of Portsmouth, an important naval and commercial harbour. These raids showed how vulnerable England was to such attacks and measures had to be taken to strengthen the coastal defences. This meant that men who would have been recruited for the invasion of France had to be sent to the coast instead. Thus the strength of Edward's continental army had already been reduced before even assembling.¹⁰⁵ The situation in Gascony wasn't any better. Even though warfare there had more or less come to a standstill over winter, its economy had been severely damaged by the war. In 1337 there had also been a long drought and because of this there was a shortage of provisions in the towns. Grain had to be imported from England. As the French still had the superiority at sea, this was a very difficult undertaking and in addition communications with England were seriously disrupted. On top of all that, Oliver Ingham was facing growing financial difficulties. He couldn't pay his troops and there seemed to be no prospect of help from England, so morale fell. During February and March of 1338 some Gascon noblemen arrived in England to talk to Edward. Apparently they accomplished their mission as on March 1st the king issued

¹⁰¹ Lloyd, *Wool Trade*, 151p.

¹⁰² Fryde, *Pole*, 89.

¹⁰³ *Ibid.*, 88.

¹⁰⁴ Lloyd, *Wool Trade*, 151p.

¹⁰⁵ Sumption, *Trial by Battle*, 226p.

orders for an expedition army one thousand men strong to be assembled for Gascony. At this time there were another 4,500 troops in Scotland, an army was already being raised for the Low Countries and an increasing number of soldiers were needed for coastal defence. All this meant that during spring and summer of 1338 Edward had to stretch his resources to fight on four fronts.¹⁰⁶

Nonetheless, his priority was the invasion of France and he had to deal with numerous problems before it could be launched. The original date of embarkation, set for April 26th, had to be postponed. There were three main reasons for this. Firstly, there were serious problems recruiting troops of sufficient quantity and quality, as Edward tried to achieve too much with the limited manpower at his disposal. Secondly, not enough victuals were collected. Many people concealed their stocks and in some cases even forcibly resisted purveyance. If victuals actually were collected, they often had to be diverted to other fronts. Thirdly, there was a shortage of shipping. Edward had underestimated the difficulties of requisitioning ships and impressing sailors for such a large-scale expedition.¹⁰⁷

Of course, money was an issue as well. On April 12, 1338 the merchants committee handed over 6,540 sacks of wool to Paul the Monte Florum, Edward's chief financial agent on the continent. There were some further deliveries to him throughout May. The net income of the disposal of this wool turned out to be a little more than £68,000, only slightly surpassing the Wool Company's original offer of £66,666.¹⁰⁸ Therefore, the royal envoys in the Low Countries had inadequate funds and urgently requested that £20,000 should be sent to them before Edward's arrival there. It had been agreed with the German allies that they would receive the first installments of their subsidies between February 25 and April 12, 1338. Since this timetable had been disorganized by the failure of the wool scheme, the payment was delayed until April. The Duke of Brabant, Edward's most important ally, was the first to receive two installments in April and May. To raise cash quickly, Henry Burghersh was forced to authorize ruinous bargains as he concluded some hurried sales of wool. One must assume that the royal envoys simply lacked

¹⁰⁶ Sumption, *Trial by Battle*, 233p.

¹⁰⁷ *Ibid.*, 236.

¹⁰⁸ Fryde, *Pole*, 84p.

the merchants' skill for getting better deals.¹⁰⁹ Another problem was that even though Burghersh had asked the king to prohibit private shipments of wool until all the king's wool had been sold, Edward had no choice but to disregard this advice. Too many creditors and allies had to be satisfied with export licenses and the king also needed the revenue from customs.¹¹⁰

During these hectic negotiations and transactions William de la Pole appeared back on the map. He seemed to be the only one to grasp clearly the financial realities in the spring of 1338.¹¹¹ Unlike the Bardi and Peruzzi, Pole only made loans to the king on tangible assets. There were only two of these left in Edward's hands. The most important one was revenue of the customs, which were under the king's control again after the English Wool Company had ceased to exist. Naturally, Edward wanted to increase the customs duty and the only way to procure that was to regain the support of the merchants. This is where Pole came in. Since he and the other merchants of the former Wool Company wanted to get compensation for the Dordrecht bonds, he approached the king and an agreement was reached on May 4th. The merchants accepted a higher rate of customs duty and in return they were granted allowances of customs on their future exports. A higher rate of duty meant that the Dordrecht bonds would be repaid sooner. Export on payment of the new rate of duty was to be allowed after August 1, 1338. However, Edward made the mistake of not consulting Parliament about this.¹¹²

William de la Pole made his first loan on the security of customs on March 21, 1338 and more soon followed. Since Pole proved to be indispensable in that and more financial help for the king was needed, the merchant now had the chance to reach for the second asset still in Edward's hands: the crown lands. For a little more than £22,000 Pole partly bought and partly leased the royal estates of Burstwick. It was clear that the king was not very pleased to surrender his private properties, but Pole was willing to risk Edward's resentment.¹¹³

¹⁰⁹ Fryde, Pole, 85p.

¹¹⁰ Ibid., 95p.

¹¹¹ Ibid., 91.

¹¹² Ibid., 91p.

¹¹³ Ibid., 93p.

Having avoided financial disaster Edward seemed to have gotten a little bolder. Probably in May, Bishop Henry Burghersh was sent to Paris. There he handed over a letter of defiance to the French king, stating that Edward III now intended to “conquer our inheritance by our own force of arms.”¹¹⁴ This was Edward’s declaration of war. At around the same time events on the continent turned out favourably for England again. There had been a counter-revolution in Flanders in April, carried out by noblemen still loyal to France. However, Jacob van Artevelde was able to defeat them, and in June 1338 the French king had no other choice but to formally recognize Flemish neutrality. If he hadn’t done that, it is very likely the Flemings would have abandoned it altogether and joined forces with England.¹¹⁵

In England, preparations for the expedition to the Low Countries demanded desperate measures from Edward. On June 13, 1338 he had no other choice but to recall his army from Scotland in order to reach the manpower he needed for the invasion of France. The plans for the Gascon expedition, which had been postponed several times but had not been given up so far, were cancelled on June 19th, much to the embarrassment of Oliver Ingham who had promised help from England to the Gascons. Luckily for Edward, this had very little military impact. The French concentrated their troops in the north, anticipating the English attack there and their minor offensive in Gacony didn’t achieve much. Still, the expedition army assembled in the south of England was relatively small, consisting of approximately 1,400 men-at-arms and 3,000 archers. It finally left England together with the king on July 16, 1338, seven weeks late.¹¹⁶ A few days before, on July 10th, Edward had received £15,000 from the Bardi and Peruzzi, who thus kept their part of the agreement made in March. The money was used to cover some of the most immediate expenses for the expedition.¹¹⁷

Shortly before Edward III left for the Low Countries he had taken measures to ensure that he would be able to exercise control over the government from England, and had issued the so-called ‘Walton Ordinances’.¹¹⁸ The reason for this seemed to be trying to silence the critics of the government and especially

¹¹⁴ Sumption, *Trial by Battle*, 232.

¹¹⁵ *Ibid.*

¹¹⁶ *Ibid.*, 236-239.

¹¹⁷ Fryde, *Pole*, 89.

¹¹⁸ Prestwich, *Plantagenet England*, 272.

Parliament. One clause required the treasurer to constantly keep track of how much money the king owed to merchants and allies, and how much would be needed to free him of his debts and maintain his position.¹¹⁹ That way Edward was to be much better informed about his financial position than before.¹²⁰ Apparently he was aware that he still needed the support of Parliament for his war and tried to do as much as he could to secure it for the future.

When Edward arrived at Antwerp in Brabant with his army on July 22, 1338,¹²¹ it should have been the crowning achievement of the previous year's troubles. Instead he had to face fresh problems. In theory, his allies now were to send him 7,000 troops which would have brought the strength of his army to 12,000 men, including the soldiers of fortune arriving over the next three months. But his allies wouldn't appear as long as they didn't receive payment, which was already greatly in arrears. Edward also would have to pay two months of wages in advance to their troops as soon as the campaign started. Therefore he solely depended on the forced loan of 20,000 sacks of wool granted in February. Its collection had begun right away and exports had been banned, with the exception of some licenses given to creditors and allies which have already been discussed. This had been done to make sure the king would be able to sell the wool for a very favourable price. When Edward arrived at Antwerp he expected to find at his disposal wool worth between £150,000 and £200,000, if skillfully sold.¹²²

But what he found was warehouses that were almost empty. Before July 5th no wool at all had been shipped to Antwerp and by the end of July only 1,846 sacks had arrived there. First it seemed that insufficient shipping was responsible for this. Eventually it turned out that in total only less than 3,000 sacks of wool had been collected.¹²³ The forced loan of wool had been an almost complete failure. There had been severe resistance against it from the beginning, both by clergy and laity, and it had been successfully evaded in most cases. Furthermore, since the date was known when free export of wool was to be allowed again (August 1st 1338), this certainly increased resistance. There had also been a shortage of canvas for the packing of wool which had

¹¹⁹ Prestwich, Plantagenet England, 272p.

¹²⁰ Ibid., 272.

¹²¹ Fryde, Pole, 86.

¹²² Sumption, Trial by Battle, 241.

¹²³ Ibid., 241.

slowed down delivery. In fact, there wasn't even enough wool to deliver the promised 4,000 sacks which would have only been the first installment to the Bardi and Peruzzi.¹²⁴

Despite this disastrous overture, Edward didn't give up his plan of an invasion of France. Now that he finally had an army on the continent, he was determined to go through with it, even though it seemed that the expedition was doomed to failure.¹²⁵ Two days after his arrival, on July 24th, he sent a letter to England complaining about only finding 2,500 sacks of wool at his disposal. This figure seems to include wool belonging to the Bardi and Peruzzi that had been shipped in the king's fleet. He demanded that the remaining 17,500 sacks from the total 20,000 should be sent as fast as possible and under new arrangements.¹²⁶ The Council in England promptly followed this order and on July 26th, only ten days after Edward's departure, Parliament assembled at Northampton. It devised a new wool grant, possibly the brainchild of the treasurer Robert de Wodehouse,¹²⁷ which was basically another confirmation of the king's right to collect what remained of the original grant of 30,000 sacks. The only change was that now wool from the new clip could be taken as well. What was completely new about it though, was that a new method of collection was accepted. Everyone who normally paid tax was required to provide wool, not just the wool producers. Taxpayers who didn't have any wool were to buy it, at the prices fixed at Nottingham in 1336, from people who had more wool than they were required to provide. It is not known if this grant initially was considered to be a tax in kind or a loan to be repaid but in the end there was no repayment.¹²⁸ The levy became a properly assessed tax in wool.¹²⁹ Assessors were appointed by the government and given lists of every person paying the fifteenth and tenth, and subsequently these people were charged in proportion to the money tax.¹³⁰ Collection began on August 1, 1338.¹³¹

¹²⁴ Lloyd, *Wool Trade*, 152.

¹²⁵ Fryde, *Pole*, 86.

¹²⁶ Lloyd, *Wool Trade*, 152.

¹²⁷ E. B. Fryde, Dismissal of Robert de Wodehouse from the Office of Treasurer, December 1338. In: *The English Historical Review* CCLXII (1952), 75.

¹²⁸ Lloyd, *Wool Trade*, 152p.

¹²⁹ Fryde, *Parliament*, 253.

¹³⁰ Lloyd, *Wool Trade*, 153.

¹³¹ Fryde, *Pole*, 96.

This new grant undoubtedly brought some relief to Edward but he also knew that it wouldn't yield any revenue for quite some time. In his current situation, he needed money fast. After arranging the next meeting with his allies for August 15th he tried to raise as much cash as possible in order to start the invasion of France the same year.¹³² First he turned to the Bardi and the Peruzzi. They fulfilled their side of the deal, advancing the enormous sum of £71,522 during August and September. In August, they also began making payments to the Duke of Brabant on behalf of the king.¹³³ These loans were made on the security of wool not yet shipped. Edward got some more money from William de la Pole and other lenders under the same conditions, sometimes with rates of interest of up to 50 percent.¹³⁴ In addition, Paul de Monte Florum raised another £25,000 mortgaging the Great Crown of England and other royal jewels and plate.¹³⁵ Thus Edward was able to raise more than £100,000 in the first three months on the continent,¹³⁶ saving his expedition from immediate failure. Then he kept still for a while, apart from some intelligence-gathering about the muster of the French army.¹³⁷

In England the new wool levy of August 1st turned out to be more or less a success. There were some problems with the clergy who refused to contribute since no consent had been given. Also, there had been miscalculations in converting the money tax into wool, so the estimated yield had to be reduced to about 14,500 sacks. The actual yield within 12 months turned out to be 12,354 sacks.¹³⁸ Most of the wool collected was immediately assigned to the king's creditors and throughout the fall orders were sent to hand it over to them. The main recipients of assignments were Paul de Monte Florum (2,000 sacks), a financier connected to the Duke of Brabant (2,500 sacks), William de la Pole (2,900 sacks) and the Bardi and Peruzzi (5,000 sacks).¹³⁹ All the main creditors, with the exception of the Hanseatic merchants, had been assigned some wool.¹⁴⁰ What Edward was unaware of, though, was that these assignments would have disposed of 87% of the wool that the government

¹³² Sumption, *Trial by Battle*, 241.

¹³³ Fryde, Pole, 89p.

¹³⁴ Sumption, *Trial by Battle*, 242.

¹³⁵ Prestwich, *Plantagenet England*, 272.

¹³⁶ Fryde, Wodehouse, 75.

¹³⁷ Sumption, *Trial by Battle*, 239-241.

¹³⁸ Lloyd, *Wool Trade*, 153p.

¹³⁹ Fryde, Pole, 104p.

¹⁴⁰ Lloyd, *Wool Trade*, 155.

was able to assemble until the spring of 1339. Subsequently, the Council in England modified the quotas of all the major assignees to more realistic figures, except for the Duke of Brabant's financier,¹⁴¹ who at the moment was too important for the continental alliance. This can also be seen by the fact that an official wool staple had been established in Antwerp at the beginning of August. All wool had to be taken there from now on, the export licenses to the Low Lands clearly stipulating this. The fixing of the staple at Antwerp had been one of the main conditions of the alliance with the Duke of Brabant.¹⁴²

Since the grant of the new wool tax on August 1, 1338 it had become less desirable for Edward to lower the embargo of wool, promised to Pole and other merchants to end on the same date. Its cancellation would have meant abandoning the higher rates of duty granted by them on the condition that free export would be allowed. So the government proceeded to levy the higher rates of duty without allowing a general freedom to export. The formal embargo was upheld until March 20, 1339. Enforcing it too strictly, however, would have deprived Edward of profit from the higher rates of duty and of fresh funds desperately needed to satisfy his creditors. Therefore, some exports were allowed under special licenses issued to privileged persons. However, this system soon got out of hand. The king could only hold his position on the continent by borrowing on the security of future supplies which mainly meant wool. Subsequently the size of exports was determined by Edward's requirements. In the end much more was exported than would have been desirable for maintaining high prices, which would have been more favorable in the long run. However, in his desperate situation sales at a loss did not matter to him as long as he could pay his troops and pacify his creditors.¹⁴³

On August 15, 1338 Edward III met his allies again. He had made small interim payments to some of them but otherwise his position remained unchanged from that in July. The German princes showed no sympathy and the Emperor Louis of Bavaria wasn't even present. Moreover, they pointed out the consent of the Emperor had to be obtained for an attack on France or the campaign couldn't even begin. All this put Edward in a desperate situation

¹⁴¹ Fryde, Pole, 105.

¹⁴² Ibid., 98.

¹⁴³ Ibid., 96p.

once again. Less than a tenth of the £60,000 owed to the Emperor had been paid so far and the campaigning season was almost over. Also, Louis had begun to invite competing offers from the French king and a meeting of ambassadors of France and the Empire had been planned for September 1, 1338. Edward had to act fast if he wanted to save the alliance. He set out for Coblenz, where a Reichstag was to be held at the beginning of September and arrived there on August 30th. He brought with him all the cash he had been able to find in Antwerp as well as bags of jewellery to be pawned to local merchants. Several bribes were handed out to Imperial councillors and a further £6,000 were given to the Emperor along with promises that the rest would be paid in two installments in January and March 1339. Edward's plan worked: the electors of the Empire approved his appointment as Imperial Vicar. His wars were pronounced to be wars in defence of the integrity of the Empire against the usurpations of France. The opening of the campaign against France was fixed for May 1339. After that, Edward returned to Antwerp. Even though there would be no campaign this year and his allies were still largely unpaid, for the time being his coalition had been saved.¹⁴⁴

¹⁴⁴ Sumption, *Trial by Battle*, 243p.

1.5 The First Invasion of France

Having averted disaster by keeping together his alliance with the Emperor and the German princes, Edward's chief concern in the fall of 1338 was once again money. The amount of borrowing undertaken by the English king had at first seemed to be only a temporary emergency that would end as soon as the royal wool arrived on the continent and in those early months Edward had been saved by the Bardi and Peruzzi who had advanced huge amounts of money. However, these two companies started to run into financial difficulties themselves now.¹⁴⁵ The great loans of 1338 had almost exhausted their resources and there were disquieting rumors about their own solvency. Furthermore, their support of Edward III had led to the arrest of their agents and the confiscation of their assets in France. The Peruzzi were so affected by all these troubles that they had even sent the senior partner of their firm to the Low Lands in July 1338 and he ended up staying there for 15 months.¹⁴⁶ Since the majority of the two companies' assets came from depositors in Italy, they feared that their dealing with the almost bankrupt English government might provoke a massive withdrawal of deposits. The situation got so bad that the Peruzzi found it necessary to send a galley with information about the progress of the war from southern Italy to Rhodes in October 1338, presumably to warn their factors there of the danger of damaging rumours that might spring up in the near future.¹⁴⁷ The situation for the Bardi and Peruzzi became so grave that sometime during the fall of 1338 they threatened Edward with suspending further advances unless they were to immediately receive assignments on direct taxes due to be levied in 1339-40, which would have meant greater security than assignments of wool that they might or might not receive.¹⁴⁸ However, these threats came too late. They received the first instalment on taxes promised to them only in December 1338. By then their resources had been seriously depleted and it wasn't necessary for Edward to honor them scrupulously anymore, since it was doubtful that they could make any further advances of significant sums. It seems that they were victimised in

¹⁴⁵ Fryde, Pole, 122p.

¹⁴⁶ Sumption, *Trial by Battle*, 270.

¹⁴⁷ Fryde, Pole, 90.

¹⁴⁸ *Ibid.*, 47.

order to make room for assignments to William de la Pole who was replacing them as the English king's most important lender during the end of 1338.¹⁴⁹

Pole, who had accompanied Edward III when he left for the Low Lands in July, was to become indispensable to the king during his stay there. Probably the most significant sign of this was that Pole had been appointed as mayor of the wool staple at Antwerp on August 4, 1338, immediately after it had been set up. Exporters not freed from payments altogether subsequently were ordered to make their payments to Pole there and one gets the impression that his appointment to that office had formed part of the agreements by which he had started to make extensive loans to Edward.¹⁵⁰ These were very tangible assets, which further confirms that Pole had a very clear understanding of the English king's financial situation at that time. On November 6, 1338 William de la Pole was assigned £6,000 from the direct taxes of the second year of the triennial grant of 1337, and it is possible that this sum came out of the quota originally earmarked for the Bardi and Peruzzi. Since direct taxes were normally paid up satisfactorily, it is highly probable that he received most of the money during the spring of 1339 and also got assignments of future taxes.¹⁵¹ All this paid off for Edward because Pole advanced about £25,000 to him, or on his behalf, during the last 3 months of 1338, thus keeping the king in business.¹⁵²

Since there was to be no campaign in 1338, Edward withdrew his household to Antwerp for the winter and dispersed his troops among the towns of Flanders, where many of them deserted over the course of the next months, lack of food being the main reason for this. The two cardinals tried to get diplomacy started again by sending peace proposals henceforth but they were rejected by either France or England.¹⁵³ In early September, after the arrival of contract galleys from Italy, the French had launched a new naval campaign that cut the shipping lanes between England and Gascony and threatened Edward's lines of communication across the North Sea. As he was extremely dependent on these for receiving money, wool and victuals for his army, he was forced to go to great lengths to obtain advance warning of the movements

¹⁴⁹ Fryde, Pole, 90.

¹⁵⁰ Ibid., 98.

¹⁵¹ Ibid., 103.

¹⁵² Ibid., 123.

¹⁵³ Sumption, Trial by Battle, 245.

of the French galley fleet. Nevertheless, several English ships laden with wool and supplies were lost and the campaign culminated in a heavy raid on Southampton.¹⁵⁴

This and the immobility of the war on the continent obviously didn't help to increase the already low morale in England. The three-year subsidy granted in 1337 was still being collected, as was the wool grant from August 1338, and as a result, the burdens of the winter of 1338-1339 were heavier than any which the English population had to bear during the entire fourteenth century.¹⁵⁵ Since the king was abroad, he wasn't as aware of the popular mood as he should have been and he even sent the Earl of Northampton to England in October 1338 to hasten the wool levy.¹⁵⁶ Heavy taxation, an incline of royal purveyance and other royal exactions subsequently led to a deflation, the seriousness of which can be seen in the fact that the wages of the porter of the royal mint were reduced when it was discovered that he had virtually nothing to do.¹⁵⁷ To make things even worse, the winter of 1338-1339 was very severe. Heavy rains in the fall of 1338 had been followed by a long and intense cold so that the ground was covered with ice for about three months. By the spring of 1339 it was clear that the harvest would be poor. This naturally increased the reluctance of the population to spend money which in return fostered deflation even more. Prices declined simply for lack of money and economic activity was becoming seriously discouraged.¹⁵⁸ It is not clear what exactly drove Edward to dismiss treasurer Robert de Wodehouse in December 1338, but the king's financial situation not improving definitely had to do with it. This incident shows the king's growing displeasure with the government at home and his subsequent estrangement from it, for he didn't seem to understand how heavy his ministers' burdens were in England.¹⁵⁹ At one point he even ordered them to stop spending money in England and apparently expected them to obey.¹⁶⁰ The situation didn't improve much under

¹⁵⁴ Sumption, *Trial by Battle*, 246-248.

¹⁵⁵ *Ibid.*, 251.

¹⁵⁶ Fryde, *Wodehouse*, 76.

¹⁵⁷ Prestwich, *Plantagenet England*, 349.

¹⁵⁸ Fryde, *Parliament*, 256p.

¹⁵⁹ Sumption, *Trial by Battle*, 253.

¹⁶⁰ *Ibid.*, 268.

the new treasurer William de la Zouch.¹⁶¹ Overt opposition to the war was still rare but that would soon change.¹⁶²

On the continent, Edward was in serious need of money throughout the winter once again. He had borrowed as much as he could in the first months after his arrival in the unsuccessful endeavour to launch an invasion of France within the year. In the beginning of 1339 some of these debts were falling due and he also had to pay new further instalments of the subsidies owed to his allies. The Duke of Brabant had received most of the £33,333 promised to him by January 1st. £30,000 fell due to the Emperor in January as well but could not be paid. To satisfy the Archbishop of Trier, who also had been promised large sums money, the Great Crown had been redeemed from pawn in Bruges and pledged to him as security.¹⁶³ At one point in December or January, Paul de Monte Florum had to be sent to Brussels to raise money at all costs to procure the release of Bishop Henry Burghersh, as well as the earls of Derby and Salisbury detained at Brussels as hostages for a royal debt of £3,000.¹⁶⁴ Edward's most steady income, the direct taxes granted in 1337, were so completely assigned to the king's creditors that nothing was available from England. When a knight requested the treasurer to give him an assignment of just £200 which had been conceded to him by the king at the end of 1338, he was told that the best chance for obtaining it would be to secure an assignment from the chancellor on a fine of £200 that had just been made.¹⁶⁵ Edward once again was on the verge of bankruptcy and like in the months before William de la Pole proved his worth by saving the king's finances.

On January 26, 1339 Pole advanced another £14,333 to the king's officials in England. On the same day he was assigned the revenues of the customs of all the English harbours in addition to the customs of the northern ports which already had been in his hands since the spring of 1338. They were to remain under his control until all the loans given to Edward to date and all the loans that he was to give him in the future were fully repaid.¹⁶⁶ This was an important concession to Pole since custom revenues meant a steady and

¹⁶¹ Fryde, Wodehouse, 75.

¹⁶² Sumption, *Trial by Battle*, 253.

¹⁶³ *Ibid.*, 268p.

¹⁶⁴ Fryde, Pole, 124.

¹⁶⁵ Fryde, Wodehouse, 77.

¹⁶⁶ Fryde, Pole, 124.

guaranteed income. Also, it deprived the Bardi and Peruzzi of their control over the customs at Southampton and was the first round of a conflict of interests between them and Pole. By January the Florentine firms' standing got even more perilous as their political predominance at home had been weakened by ruinous wars in Italy they had involved their native city in. William de la Pole was more important than ever now.¹⁶⁷

The parliament held in the first half of February 1339 seems to have been concerned mainly with making provision for coastal defence against the French raids. Edward was smart enough not to make any request for a fresh grant of taxes and it seems improbable that he would have been given one at this point. However, it gave people a chance to voice complaints and one of the main grievances seems to have been about the royal purveyors, many of whom had been working into their own pockets. On this occasion the king, for the last time until the end of 1340, displayed his talent of influencing popular opinion. A commission was appointed to enquire into the misdoings of William Dunstable, a royal purveyor who had been arrested upon the king's orders in August 1338 after there had been various complaints about him. In February 1339 he was facing charges of having concealed and sold for his own benefit goods destined for the king. However, other purveyors guilty of similar crimes, continued to act until October 1339; naturally, this didn't uplift people's moods.¹⁶⁸ Another serious problem for Edward was that in popular opinion the outcome of the war so far, after all the hardships suffered to finance it, was too meagre, especially as there had been no campaign in 1338. The triennial subsidy of 1337 was considered an iniquity, voted for by the government and the nobility to sustain their improvident schemes and the king's continental ambitions. Edward tried his best to soothe discontent by propaganda about the menace of the French but he knew that he needed to display some tangible success soon.¹⁶⁹

In the spring of 1339, the chances for such a success seemed remote. In November 1338, as soon as they had realised that there was to be no invasion of their territory from the north, the French had launched a major offensive in the south again. By April 1339 their army, having been reinforced throughout

¹⁶⁷ Fryde, Pole, 124p.

¹⁶⁸ Fryde, Parliament, 254p.

¹⁶⁹ Sumption, Trial by Battle, 253p.

the winter, had reached its maximum strength and some important English strongholds were lost. This marked the beginning of a very difficult period for the government of Gascony which, more or less cut off from help from England, had to come up for the defence of the duchy by itself. Since every loss of territory meant fewer resources, the Seneschal had to turn to ingenious expedients, unusual taxes, and devaluations of the Bordeaux pound to put up with mounting inflation. Even the customs of Bordeaux had been made virtually worthless after the losses of April.¹⁷⁰ At the same time there was also a new French offensive in the Channel and English shipments of wool, supplies and reinforcements were attacked with some success. To make things even worse, the naval raids were renewed, too. Once again English resources, much needed in the Low Countries, had to be diverted to coastal defence and expensive convoys had to be furnished to protect the shipping routes to Flanders. The only good news for Edward in the spring of 1339 was that the coastal defences, so laboriously prepared and financed the previous year, proved more or less effective and a successful raid by a small English fleet, which plundered some French ships in the harbor of Sluys in April. The only downside was that this cost Edward £23,000 in compensation, for in the heat of the moment some neutral Flemish and Spanish ships had been plundered as well.¹⁷¹

All this had the effect that more money than what was available was needed, a familiar situation for Edward by now. Still sitting in Antwerp he spent money that he didn't have on buying supplies which never reached him while his council in England spent money already assigned to various creditors on coastal defence and shipping.¹⁷² Although this meant business as usual at this point, it was getting increasingly difficult for Edward to obtain loans since it had become a well-known fact among potential money-lenders that his financial situation was disastrous. The only ones advancing him any money in April and May were the Bardi and Peruzzi who were already so hopelessly entangled in Edward's affairs that they had to try everything to save him from bankruptcy, which would have been their certain doom as well. All they could scrape together though was a meagre £4,000 and even that they only advanced after having reached a new agreement with the king on March 12, 1338. They

¹⁷⁰ Sumption, *Trial by Battle*, 259p.

¹⁷¹ *Ibid.*, 260-266.

¹⁷² *Ibid.*, 267.

had promised to return 2,000 sacks of wool out of the 5,000 assigned to them in October 1338. In return they would be granted a monopoly of export of English wool to the Mediterranean along with all the revenues from the customs of London, both starting from Easter 1339 for the period of one year. On top of that Edward personally had to promise to maintain all the assignments previously granted to them.¹⁷³ These concessions might have seemed promising in theory but the customs revenue especially proved to be much less valuable than expected. Since mainly privileged exports, freed from the payment of customs, flowed through London, not even William de la Pole made any objections against this agreement which also seems to have been the ultimate reason for the re-establishment of completely free export on March 20, 1339.¹⁷⁴

In Antwerp, the king, surrounded by a small band of intimate advisers completely devoted to the continental strategy conceived in 1337, was increasingly shielded from the reality of the continuing financial and administrative difficulties. He believed that there were more or less infinite resources in England, kept from him by only the incompetence or sabotage of the government there.¹⁷⁵ He complained about not receiving any of the wool subsidies or the ordinary revenues when he had in fact already spent it. Everything his subordinates could raise and every tax and subsidy still being collected had long before been assigned to repay loans. When small amounts of wool eventually managed to find their way to Edward he had to sell it at low prices, for as a natural economic consequence of his unusual way of public finance a glut had developed in the wool markets of the Low Countries.¹⁷⁶

Nevertheless Edward had to continue fending off bankruptcy, by means that he himself called dangerous and humiliating, in order to avoid the even worse humiliation of returning to England without having taken the field.¹⁷⁷ He borrowed money at extremely high rates of interests from Flemish and German merchant syndicates, bought wool on credit at interest, and sold it at a loss for cash, and even mortgaged his warhorses. His financial officials were

¹⁷³ Fryde, Pole, 125p.

¹⁷⁴ Ibid., 99.

¹⁷⁵ Sumption, Trial by Battle, 269.

¹⁷⁶ Ibid., 269p.

¹⁷⁷ Ibid., 271.

ordered to borrow regardless of the cost, given that money was obtained at once, while at the same time he paid his allies just enough to keep his coalition from collapsing.¹⁷⁸ When it was found that all this still wasn't enough Edward turned to even more desperate measures. On May 6, 1339 a royal order was issued that cancelled all payments of debts to the king by instalments and Edward expected to promptly receive abroad these additional funds out of the collection of the entire debts due to him. Furthermore, his officials in England were forbidden to sanction any new payments by instalments. As his councillors pointed out, this order was unrealistic. The main beneficiaries of the existing arrangements of payment by installments were the magnates whose assets it was impossible to distrain upon for debts to the king, so it was very unlikely to yield any revenue.¹⁷⁹ The same day, Edward ordered the cancellation of all assignments to his creditors, except those in favor of the Bardi and Peruzzi.¹⁸⁰ Apparently the king remembered, and more importantly, honored the promise given to them on March 12th. If the previous order had been unrealistic, this one was plain stupid and the Council in England warned him against it, for it would be harder in the future to obtain money since his creditors would distrust the king's promises.¹⁸¹ Still, the orders remained intact, the only exception being made for Pole, who recovered his assignments on June 28th.¹⁸²

The French on the other hand had raised substantial amounts of money over the winter. Since they knew about Edward's financial and diplomatic troubles they concentrated on other theatres of the war that had been stripped of resources to supply the king in the Low Countries. Therefore the English came under extreme pressure in both Gascony and Scotland during spring.¹⁸³ As there were no resources left to Edward to reinforce either of the two extremities of his dominions, he tried to draw French troops to northern France. For that reason he marched out of Antwerp with the English army on June 20, 1339 and headed south, where he set up camp just outside of Brussels. There he waited for his allies to join him. However, since they still hadn't received the full amount of their subsidies or even the installments

¹⁷⁸ Sumption, *Trial by Battle*, 271.

¹⁷⁹ Fryde, *Parliament*, 254.

¹⁸⁰ Fryde, *Pole*, 101.

¹⁸¹ *Ibid.*, 126.

¹⁸² *Ibid.*, 101.

¹⁸³ Sumption, *Trial by Battle*, 272.

promised to them the previous year, they in turn were reluctant to honor their promises, and rumours were heard that the Emperor was considering accepting Edward's money and doing nothing. On top of that, news about Scottish successes reached the king's camp in July.¹⁸⁴ It was doubtful if the campaign against France would take place.

Edward III spent the second half of August in Brussels pleading with his allies, while at the same time trying to scrape the barrel for money once more. In July the last shipments of wool had been sold at very unfavorable prices and the proceeds were hurried to the king. The Bardi and Peruzzi advanced £2,400 to redeem some jewelry from pawn in Bruges, which was pawned again in Germany. Local moneylenders gave some loans for short terms at high rates of interest and Pole raised £7,500, which he advanced to some of the allies. For the remaining debt the king persuaded them to accept his bonds for payment by September. If he should fail to honor them, they were to be discharged of all their obligations to him. The bonds were issued on August 14, 1339 but within a week Edward had to admit that there was no prospect of honoring them, for his resources were already overstretched from having to pay his own men. At this moment, just before the coalition at last seemed to fall apart, the desperate king played his final card. He told the German princes that he would lead his own army into France and fight the French alone, and if he should be killed he would at least have died in an honorable way. Surprisingly, this worked and they hesitantly replied that they would follow him and new agreements were worked out. New bonds were accepted for their wages and fees. Edward promised to stay on the continent until all his creditors would be fully satisfied and also offered six well-known knights of his own retinue as hostages, as well as four earls, six barons and three bishops as guarantors to the full extent of their fortunes. Furthermore, the Margrave of Juliers, one of the principal allies, was sworn and duly admitted to Edward's Council. In return the allies were willing to receive their payments in instalments at the end of the year and through the following one. These terms, which look so humiliating at first glance, actually represent a major diplomatic triumph. Edward had put off for a while longer what had seemed only a few days earlier to be the certain collapse of all his schemes.¹⁸⁵

¹⁸⁴ Sumption, *Trial by Battle*, 273-276.

¹⁸⁵ *Ibid.*, 276p.

The English king left Brussels and on September 13, 1339 set up camp outside the town of Mons where he waited for his allies, most of whom arrived during the course of the next week. Closer to success than ever now, Edward ran into financial difficulties again. The lesser allies and foreign retainers demanded their two months' wages in advance and the English army was pressing for its pay as well. The war treasury was completely empty but if there was to be no money paid there was a real possibility of an embarrassing mutiny. Edward issued more bonds, offered more hostages and made more promises, but there were many who wouldn't accept anything but cash and their demands threatened to bring the whole endeavour to a halt even now.¹⁸⁶ William de la Pole saved the day once again by raising enough money to pay the more insistent troops and so saved the expedition from sudden collapse. Edward so far had borrowed about £59,000 for this campaign and about half of it had been raised by Pole.¹⁸⁷ The campaign finally began on September 20th when Edward III and all his allies, except for the Duke of Brabant and the Emperor, marched south and started to lay siege to the city of Cambrai.¹⁸⁸ In the meantime, the French army had assembled but didn't attempt to break the siege, mainly because the French king assumed that Edward's coalition would fall apart soon for lack of money. The siege, even though the English were reinforced by contingents of the Duke of Brabant and the Emperor, didn't go very well and since it was vital for Edward to achieve some sort of success against the French, he decided to move south and attempt to bring his enemy to battle. The English army and its allies broke off the siege and marched south on October 9th. At the same time Oliver Ingham marched out of Bordeaux with his army, trying to mount a diversion in Gascony.¹⁸⁹

A new Parliament opened in Westminster on October 13, 1339. It had been summoned as early as August 25th, so Edward had had time for some preparations, which were very important since he was abroad on campaign and he desperately needed new grants. He had been warned that it would be a difficult meeting. First of all, he had sent William de la Pole back to England in September to speak on his behalf in Parliament. Pole, the main war

¹⁸⁶ Sumption, *Trial by Battle*, 278.

¹⁸⁷ Fryde, Pole, 128.

¹⁸⁸ Sumption, *Trial by Battle*, 278p.

¹⁸⁹ *Ibid.*, 279-284.

financier by that time, had been promoted to the rank of banneret in September, after he had saved to king's coalition from collapse.¹⁹⁰ This was the first time a merchant had been promoted to such a high military rank. Furthermore Pole had lent Edward about £100,000 by that time, so he was expected to vigorously support the king's cause in Parliament.¹⁹¹ Secondly, Archbishop Stratford had been sent back home as well, where he became principal councillor the king's 9-year-old son Edward, the nominal regent of England.¹⁹² Thus rewarded for his loyalty to Edward III this able diplomat was to hold the opening speech in October's Parliament. Thirdly, on September 5th Edward had recalled his orders from May 6th, regarding the cancellation of payments by instalments, simply because it would be impolitic to enforce unpopular measures against the magnates when he needed their support in Parliament.¹⁹³ Furthermore, to also appease the Commons whose main grievance in the Parliament in February had been royal purveyance, starting from October supplies were bought from merchants and no longer acquired through purveyance. All this clearly shows how aware and afraid Edward was of parliamentary opposition.¹⁹⁴ Still, by October 1339 the overall situation was not in the king's favor and there were many things the people of England were bitter about: the grain harvest had been poor, the wool price was low because of the glut in the continental market, the burdens of taxation and, until very recently, purveyance were extremely high.¹⁹⁵ For the first time there was a high possibility that Edward III would ask for grants and not receive them.

In his opening speech, Archbishop Stratford explained Edward's situation, concentrating on financial hardship and the king's current campaign against France. He told Parliament how the king had borrowed so much money that there was no hope of repaying it without generous parliamentary taxes. It is very unlikely that he revealed how ruinous the terms of the loans were, but in the end of his speech Stratford had to admit that Edward's debts now amounted to over £300,000. This was the equivalent of some ten years of

¹⁹⁰ Fryde, Pole, 128.

¹⁹¹ Fryde, Pole, 129.

¹⁹² Prestwich, Plantagenet England, 273.

¹⁹³ Fryde, Parliament, 254.

¹⁹⁴ Ibid., 251.

¹⁹⁵ Sumption, Trial by Battle, 289p.

ordinary revenue or more than seven parliamentary subsidies.¹⁹⁶ After that, William de la Pole came forth and explained the king's financial situation in more detail and that there was no exaggeration in this. He seems to have been a somewhat clumsy choice to do that, since there was a deep distrust against the war financiers and especially Pole himself. Everyone present was aware of the fact that he was responsible for some of the most unpopular royal policies, in particular the higher duties on exports of wool.¹⁹⁷ Still, Edward almost got what he wanted. The House of Lords, even though they voiced complaints about the higher rates of duty on the export of wool and the common exemptions from them of the royal creditors, proposed a tax of a tenth.¹⁹⁸ This was to be given in kind of one year's yield of corn, wool and lambs though, since there wasn't enough money in England because of deflation. It is almost certain that this grant was proposed because Edward had so skillfully worked upon them.¹⁹⁹ But the House of Commons proved to be more difficult to persuade even though concessions were made to them, most importantly regarding royal purveyance. All commissions to purvey victuals were cancelled.²⁰⁰ The current chief purveyor was arrested and sent to the Fleet prison on the Commons' demand and all outstanding warrants of purveyance were cancelled as well. After all that the Commons consulted amongst themselves and came to the conclusion that the required sums were still too large. They said they needed a more prolonged consultation in the counties because their constituents might repudiate their authority if they agreed to taxation now. Therefore a new Parliament was summoned for the beginning of the next year and the current one dispersed on October 28th without having made any grants to the king.²⁰¹ His preparations and all the tough bargaining had failed.

On the same day Edward III returned to Brussels with his army. Apart from having laid waste to large parts of the Cambresis, the campaign hadn't achieved any success at all. On October 23rd the French and English armies had even faced each other drawn up in battle order but the French had retreated and a serious lack of victuals had compelled the English king to do

¹⁹⁶ Sumption, *Trial by Battle*, 290.

¹⁹⁷ Fryde, Pole, 135p.

¹⁹⁸ Fryde, *Parliament*, 257.

¹⁹⁹ Sumption, *Trial by Battle*, 290.

²⁰⁰ *Ibid.*, 258.

²⁰¹ Sumption, *Trial by Battle*, 290.

the same the next day. This may have been a moral victory for Edward, but that was it.²⁰² Even though he had finally successfully launched a campaign into French territory he still faced many serious problems, mainly financially, and had to start his war efforts afresh if he wanted to launch another one the following year.

²⁰² Sumption, *Trial by Battle*, 285-288.

1.6 The Second Invasion of France

After the unsuccessful campaign of 1339 Edward III had to rearrange his plans once again. There would be no campaign before the next summer and it was highly doubtful if he would be able to raise enough money to save his coalition from falling apart until then. Therefore, his best chance for a second invasion of France was by an alliance with the currently neutral County of Flanders with its vast resources of manpower. His chances of accomplishing that in the winter of 1339/1340 were actually very good.

During October 1339, while Edward had still been on French soil, the Flemings sent an ultimatum to Philip VI. They demanded that he return some castles to them and threatened to attack France if he didn't. By the time it reached the French court however, the campaign was over. Therefore the ultimatum was rejected. The Flemish had broken with France but since they were unable to carry out their threat, their only chance of escaping French revenge was to join the Anglo-German alliance. On November 12, 1339 there was a conference in Antwerp of Edward III, his allies and representatives of the great Flemish towns, the goal being to negotiate the terms for an alliance treaty with the Flemings. They were promised the restoration of some ancient trade privileges and furthermore it was offered to restore Flanders to its ancient frontiers, Edward making whatever territorial concessions were necessary.²⁰³ However, to gain some legal authority to redraw their boundaries and for the terms of the treaty, the Flemings insisted that Edward III should proclaim himself King of France. They formulated all their terms at the end of December and Edward accepted them early in January 1340. Bruges would be declared a compulsory staple town for the export of all English wool for at least fifteen years. Flemish merchants would be able to trade in England free of duties and free of restrictions and the sea-lanes between the Low Countries and England would be protected by a combined fleet, entirely paid for by England. It was informally agreed upon that the armies of this new alliance would gather in June 1340 and attack the town of Tournai. The Flemings agreed to furnish 80,000 troops for that purpose and in return they would receive a subsidy of £140,000. Furthermore, Edward promised not to make peace, truce or even enter into negotiations with the French king without their

²⁰³ Sumption, *Trial by Battle*, 299p.

consent.²⁰⁴ It isn't clear how Edward wanted to raise such a large subsidy but all that mattered to him now was that he had the means to launch another campaign into France.

Immediately after his return from France Edward III had also tried to do as much as he could to improve his financial situation. On November 14, 1339 a new embargo on all exports of wool to the Low Countries was enforced. There were a few different reasons why such a step seemed like a good decision at that time. First of all, there had been a glut in the wool market since the summer and early autumn of 1339 so an embargo was thought to raise prices again.²⁰⁵ Secondly, it seemed easier to get new loans once it was enforced, especially from English merchants.²⁰⁶ Nevertheless, Edward was still in great financial distress. A review of his finances from November 22nd suggested an immediate need of £40,000. This amount he subsequently tried to secure through fresh loans but his credit was no good. He could only raise part of what was needed.²⁰⁷ Edward realised that his best chance of getting his hands on substantial sums again was through Parliament, which would assemble again in January. To soothe the House of Commons, where the biggest resistance against fresh grants was coming from, he appointed a clerk to survey all the purveyances made in England. This was meant to ensure that the malpractices of the past wouldn't happen again, as it was impossible to wage war entirely without purveyance.²⁰⁸

While finances remained to be Edward III's Achilles' heel, the overall situation was beginning to look somewhat brighter again. Apart from the promising diplomatic success with Flanders, throughout the winter some good progress was made against France on several occasions. At the beginning of December, Oliver Ingham returned to Bordeaux from his diversionary campaign; he hadn't achieved anything. Some weeks later, however, he succeeded in recruiting the Lord of Albret for the English cause. This nobleman was highly influential in the south-west, and his connections and retinue were a serious boost to the English position in Gascony. So important was he that Edward even broke off his discussions with the Flemings for a

²⁰⁴ Sumption, *Trial by Battle*, 301p.

²⁰⁵ Fryde, *Pole*, 107p.

²⁰⁶ *Ibid.*, 99p.

²⁰⁷ Sumption, *Trial by Battle*, 304p.

²⁰⁸ Fryde, *Parliament*, 259.

while when he received emissaries of Ingham and Albret in January 1340.²⁰⁹ In Genoa, Edward was able to thwart French efforts to recruit a mercenary galley fleet for service in the Channel. He did so by simply paying the ships' captains to do nothing at all. The money for this coup was obtained by the Bardi's bank in Florence. The enemy's naval strength was further reduced when it was found out that eighteen of the twenty-two French galleys had been beached for the winter. Their location was discovered and an English fleet destroyed all of them on January 14th and after that, started to launch naval raids on the coasts of France again.²¹⁰

In the Low Countries Edward had stayed in Antwerp for the first three weeks of 1340, working out the details of the new treaty with Flanders. On January 22nd he received new banners and on the 26th he was officially proclaimed King of France during a ceremony in Ghent.²¹¹ This was done for a clear purpose, namely to strengthen his system of alliances. His supporters in Flanders, so very important for the future conduct of the war, suddenly were in a stronger position. Since nominally a province of France they could now claim to support the legitimate King of France and wouldn't appear as rebels anymore. Furthermore, the ceremony was a diplomatic ploy to be used as a potential bargaining counter. Edward could now offer the French the prospect of abandoning this claim in return for holding Gascony and possibly other lands in France in full sovereignty.²¹² Either way, for the time being it simply meant that Edward III didn't have to abandon waging war. Now it was time to deal with Parliament again.

The English king still believed that the Parliament, which was to assemble on January 19th, would grant him substantial subsidies. Despite the fact that Edward was still aware of the House of Commons' unwillingness to do so, he promised his creditors payment out of fresh grants as late as February 11th.²¹³ So when Parliament finally met, money was the foremost issue on his agenda. However, once again it proved that Edward was completely out of touch with the public opinion. His constant demand for money to be raised at home had added to the resentment created by the burden of taxation and purveyance.

²⁰⁹ Sumption, *Trial by Battle*, 289-333.

²¹⁰ *Ibid.*, 320p.

²¹¹ *Ibid.*, 301p.

²¹² Prestwich, *Plantagenet England*, 308.

²¹³ Fryde, *Parliament*, 259p.

Therefore, the Commons once again explained that they needed time to think about the king's demands. They could give their answer no sooner than February 19th, so a new meeting was planned for that date.²¹⁴ On January 20th there was also a meeting of 44 merchants who had been personally ordered to attend. They agreed to a further subsidy to the king of 40s. per sack of wool exported to Flanders on top of the current custom and subsidy of a further 40s. per sack. It was to be paid at the new staple of Bruges to a royal agent especially appointed for this purpose. William de la Pole might have been connected in some way with the negotiations for this new grant.²¹⁵ So Edward at least was to get some financial relief in the near future. For anything else, however, he still had to wait for the parliamentary session in February. As he now was more or less financially dependent on the House of Commons, the king once again tried to secure its goodwill. He embarked on a new policy of avoiding purveyance at any cost. When new arrangements were worked out for the supplying of the English garrisons in Scotland he made contracts with merchants who would not hold any special royal commissions.²¹⁶ After that, all he could do was wait until February and hope for the best.

Parliament assembled on February 19th and at first everything seemed to go well for Edward. The Lords, naturally close to the king in terms of interests, granted a tax for their own estates in the form of a tenth. It is not clear how much that was worth but currently the king needed everything he could get. Then the House of Commons was addressed, whose first action was to produce another list of grievances. They said they were willing in principle to grant a tax in kind of 30,000 sacks of wool. However, they asked for some radical concessions. There was to be an inquiry into the embezzlement of past taxes. Furthermore, they wanted to appoint a committee from among the peers to supervise the expenditure of tax revenues in the future. If these conditions were not observed, no taxes would be paid.²¹⁷ The ministers were clueless what to do, since they could not accept those demands without the consent of the king. So Parliament was adjourned until Edward's return and the document was sent to the continent. In the end, the only gains for the king were 2,500 sacks of wool for coastal defence, which had been granted by the

²¹⁴ Sumption, *Trial by Battle*, 304.

²¹⁵ Fryde, *Pole*, 141.

²¹⁶ Fryde, *Parliament*, 260p.

²¹⁷ Sumption, *Trial by Battle*, 304.

House of Commons after repeated pressure from the ministers and were meant for coastal defence.²¹⁸

After the February Parliament, as soon as he had heard about the outcome, Edward III's financial crisis was at its height. His debts still amounted to about £300,000, of which he owed about £100,000 to various moneylenders and £200,000 to his allies.²¹⁹ In 1339 Edward had issued bonds to his creditors promising not to return to England until they had been paid. However, in the current situation he simply had to go back to receive some Parliamentary subsidies, the only way to raise substantial amounts of money. When he did return to England he could only do so by leaving behind his wife, his younger son and the earls of Salisbury and Suffolk as hostages. Furthermore, he had to promise to come back with money and an army not later than July 1, 1340. Edward left the low Countries on February 21st and landed in England in the evening of the same day. Immediately, a Parliament was summoned to meet on March 29th. Until then, the king tried to raise money from other sources as well. He appointed twelve influential councillors as commissioners to raise loans for him and supplied them with lists of rich Englishmen. Edward personally dealt with some of the principal lenders. On one occasion he summoned the members of the corporation of London and ordered that they supply him with a list of rich Londoners on whom a forced loan of £20,000 could be assessed. In the end, both parties compromised at £5,000 and part of that sum was at once delivered to Flemish agents.²²⁰

On March 29, 1340 Parliament met at Westminster. Doubtlessly, Edward had used the whole of March to improve public relations after the nadir in the previous autumn.²²¹ He held an opening speech describing in great detail all the terrible things that would happen to him and the kingdom if no grant was made. Apparently he persuaded the Parliamentary assembly that the war effort needed just one more push to achieve success. There was some bargaining throughout April but in the beginning of May Parliament finally conceded two fresh grants of taxes. The first one, which was sure to be effective, was the concession of custom and subsidy at a uniform rate of 40s. for English and

²¹⁸ Lloyd, *Wool Trade*, 155.

²¹⁹ Prestwich, *Plantagenet England*, 272.

²²⁰ Sumption, *Trial by Battle*, 305.

²²¹ *Ibid.*, 306.

foreign wool exporters alike.²²² Since the export duty previously had been raised to £4 per sack for Englishmen and £5 3s. 4d. for foreigners in the recent deal between the government and the merchants, a new arrangement had been a matter of utmost urgency for the House of Commons. Furthermore, it was agreed that the new duty was to last until September 29, 1341 and after this date only the ancient custom of 6s. 8d. would be paid.²²³ This agreement was more or less traded in with the king for the second grant: The Commons offered the ninth of the produce from 1340 and 1341, the same proportion as the tenth offered by the maganates in the previous Parliament, since they also allowed for the church tithe, which was taken at source.²²⁴ It was modelled on the tithes paid by the clergy and called the ninth because when the tenth sheaf was laid aside after harvest for the priest, in addition the ninth sheaf was to be laid aside for the king.²²⁵ In return, Edward had to make some concessions to the Commons who brought forth their demands from the February Parliament again along with a new one: the export duty of wool was not to be increased without the consent of Parliament.²²⁶ These conditions had some serious constitutional implications but Edward simply wanted the money. He submitted without arguing the principle.²²⁷

Even though this grant of new taxes gave Edward III some breathing space it was doomed to failure from the very beginning. The main reason for this was that the harvest for 1340 hadn't even started yet and no revenue from this tax could be expected until the fall of the same year. So there was no way to raise money directly from it anytime soon. It was the only tax Parliament had actually been able to offer, since a tax in money had been out of the question. England still suffered from a severe economic depression and a serious shortage of cash. Still, if a tax in kind, which the ninth was, therefore was preferred, why hadn't there been another properly assessed tax in wool? The reason for this was that Edward had developed a deep dislike of wool grants over the previous years. There was still a glut in the Low Countries and it was never known how much revenue a forced loan of wool would actually yield. However a ninth, being an unprecedented new tax, could be treated as an

²²² Fryde, Pole, 142p.

²²³ Lloyd, Wool Trade, 155p.

²²⁴ Ibid., 155.

²²⁵ Fryde, Pole, 145.

²²⁶ Lloyd, Wool Trade, 156.

²²⁷ Sumption, Trial by Battle, 306.

unknown quantity.²²⁸ It seems that the ninth was mainly an immense confidence trick at the expense of foreign financiers.²²⁹ Nevertheless, judging by the assignments made on it, the government apparently expected to raise about £200,000 from it.

When Parliament dispersed Edward made a deal with a consortium of Hanseatic merchants who had agreed to repay some of the most embarrassing royal debts of about £8,300, due to a group of leading citizens and financiers of Brussels. For this they could dictate their terms and subsequently on May 11, 1340 they were given control over the customs until all the royal debts to them had been repaid.²³⁰ This also meant a severe setback for William de la Pole, who had been in charge of the customs until then and was falling from Edward III's grace fast. He only got a promise that the customs would eventually be returned to him for repayment of the royal debts to him. Little did he know that further loans by the Hanseatic merchants would extend their tenure of the customs until July 1343.²³¹ At around the same time Edward met with some English merchants, organising the new staples at Bruges. It was also to be used to repay some of the king's most pressing debts.²³²

The finances having been dealt with for the moment, Edward III was able to turn his attention to matters of war again. On the continent there had been a small French campaign throughout winter and spring. Luckily for the English king, though, their army had run into supply problems and hadn't achieved anything.²³³ In Gascony, Oliver Ingham had been able to launch a new offensive on March 27th. This was only possible since the Lord of Albret paid for it. His influence encouraged an uprising against the French in the south west which was very successful.²³⁴ In April there had been some planning in Flanders and it was decided to attack the city of Tournai in the upcoming campaign.²³⁵ At home Edward had to deal with some problems regarding timetables and shipping. In order to return on July 1st he had to cross the Channel with a smaller army than planned, even though there were reports of

²²⁸ Fryde, Pole, 145p.

²²⁹ Ibid., 146.

²³⁰ Ibid., 139p

²³¹ Ibid., 143.

²³² Ibid., 142.

²³³ Sumption, Trial by Battle, 308-318.

²³⁴ Ibid., 333p.

²³⁵ Ibid., 309.

a massive French fleet anchored at Sluys.²³⁶ On June 22, 1340 Edward III left England with his army and fleet. On the 24th he attacked the French fleet at Sluys and completely destroyed it.²³⁷ This was a significant victory. It meant that now large armies could be landed in France since French naval power had virtually ceased to exist.²³⁸ At around the same time the rebellion in the south west spread beyond the Garonne valley and the French had to reinforce their troops in that area. Overall it was a very dangerous time for Philip VI.²³⁹ On June 30th Edward met Jacob van Artevelde to discuss some details of the upcoming campaign and on July 10th he met up with the princes of the coalition for the first time in six months.²⁴⁰

Despite finally achieving major successes against France, the English king financially was in very difficult situation. Collection of the Parliamentary subsidy of the ninth had already begun in April but proved difficult since it was to be assessed on entirely new principles. A ninth of all grain, wool and lambs was to be collected in the counties as well as a ninth of all movables in the towns. It was collected in kind and then supposed to be sold for the government's account.²⁴¹ There were two major problems. Firstly, the government, out of excessive greed, fixed a minimum price below which the ninth of each parish could not be sold. That price was regarded as too high by most of the prospective buyers. If they could have bargained freely with the royal officials there would have been the chance of successful sales but in the end almost nothing was sold. The second problem was that the sale of the royal ninth coincided with the marketing of the ecclesiastical tithes, one of the most important commercial events of the year. By offering a second tithe for sale at the same time, the government was depressing further an already stagnant market, as England was still suffering from a grave economic crisis.²⁴² £100,000 were expected to be raised in the first year of the grant and a similar sum the next year. In reality, no more than £15,000 were raised until November 1340 and in total £65,000 were eventually raised. Still, by June 1340 the government had assigned no less than £190,000 on it.²⁴³ In just six

²³⁶ Sumption, *Trial by Battle*, 322p.

²³⁷ *Ibid.*, 318-327.

²³⁸ Fryde, Pole, 54.

²³⁹ Sumption, *Trial by Battle*, 335.

²⁴⁰ *Ibid.*, 338-344.

²⁴¹ *Ibid.*, 344.

²⁴² Fryde, Pole, 146p.

²⁴³ Prestwich, *Plantagenet England*, 274.

weeks this sum had been assigned to Edward's principal bankers and the leaders of the English army as part payment of debts contracted in 1339. The result was that the king had landed more or less bankrupt in Flanders. He would not even have been able to pay the daily expenses of his household, had it not been for the indulgence of his creditors.²⁴⁴

The victory at Sluys had bolstered morale in England. Public opinion was that the French threat to the coasts was over and this made the hardships of the last two years more bearable.²⁴⁵ Edward obviously intended to use this favorable political climate to try to get another grant out of the population. On July 12, 1340 Parliament assembled again. The Government wanted another forced loan which would be repaid during 1341, out of the second ninth.²⁴⁶

Apparently it didn't matter to the king that virtually all of it had already been assigned. Naturally the House of Commons wasn't very supportive of yet another tax but finally Parliament agreed to a forced loan of 20,000 sacks of wool. A tax in cash still was out of the question. The forced loan was only granted under stringent terms to ensure that the revenue didn't vanish into the pockets of the war financiers as had happened with the earlier levies.²⁴⁷ Since the government had learned in 1337/38 that its representatives weren't very skilled at selling wool themselves, contracts were signed with various English merchant syndicates. They were to buy the wool in advance and pay the money, together with the duty of 40s. per sack, to the royal officials at the staples of Bruges. Since a lot of the most prominent English merchants were either members of Parliament or present at Westminster while it was in session, these contracts were signed very fast. However, only 9,000 of the expected 20,000 sacks were disposed of this way. Apparently there was some reluctance of the English merchants to offer cash to king at this point. Therefore the rest of the wool was assigned to Edward's creditors and allies.²⁴⁸

This session of Parliament also would have been the last chance to reform the ninth before the harvest of 1340 made it financially viable, since corn was the most valuable component of the tithe. However, the council did not dare to

²⁴⁴ Sumption, *Trial by Battle*, 345.

²⁴⁵ *Ibid.*, 328p.

²⁴⁶ Fryde, *Pole*, 151.

²⁴⁷ Sumption, *Trial by Battle*, 345.

²⁴⁸ Lloyd, *Wool Trade*, 157.

risk any reduction of its expected revenue as the king's credit solely rested on it and large assignments had already been allotted to it. The only concession was that the minimum price was lowered a little. This encouraged prospective buyers to wait for further concessions, a normal procedure in the commercial world, and therefore creating further delay. It was also decreed that if the ninth could not be sold, then the parishioners who had contributed the produce were collectively to be held responsible for the reduced minimum value. Thus the ninth had turned into a tax in money after all and most of the parishes in the country were forced into disposing of the produce at a loss. They would have to find the balance out of their resources and as no traditional means existed for organizing a tax of this kind, it would have to be improvised. This would mean yet another delay but the ninth stayed in effect.²⁴⁹

In Flanders, Edward seems to have persuaded his army, his allies and himself that money would soon be sent from England. On July 26th he launched the second invasion of France and started to besiege Tournai, an unimportant city but well fortified and fully garrisoned.²⁵⁰ During the course of the next few weeks all the flaws in the financial planning of the last few months came to haunt the English king. At the end of July the earls of Northampton, Derby and Warwick were arrested in Brussels and taken to a debtor's prison. They had guaranteed some of Edward's past debts and were only released later in exchange for four knights apiece and promises to return to captivity after the campaign had ended. The king sent letters to his officials at home, urgently asking for money. He was convinced that money from the new taxes would soon arrive from England.²⁵¹ As has already been explained, there was to be no revenue from the ninth anytime soon and the forced loan of wool turned out to be the most unsuccessful loan ever during the course of August. In the end the total yield was less than 1,000 sacks. Collection proved to be difficult since there was severe resistance among the population. The tax was so unpopular that there were outbreaks of violence and England even was at the verge of a civil war.²⁵² However, Edward's ministers still told him that he would soon receive substantial sums when in reality they only had two

²⁴⁹ Fryde, Pole, 147.

²⁵⁰ Sumption, *Trial by Battle*, 348-353.

²⁵¹ *Ibid.*, 345.

²⁵² Lloyd, *Wool Trade*, 158.

unworkable taxes at their disposal. They had run out of ideas. Because they were afraid to tell the king about it, they chose to do nothing instead.²⁵³

At the end of July new French naval raids had begun, despite the English victory at Sluys. There was trouble in Scotland, where the leaders of the Scots had decided to start a new campaign in fall, which meant that an army for Scotland was needed desperately.²⁵⁴ At the end of August Oliver Ingham had to withdraw in Gascony because of a French troop-build up there. The French recovered some castles and put the rebellion down town by town.²⁵⁵ There were no real gains for both sides and the fighting was just another heavy expenditure for Edward. The siege of Tournai didn't produce any results either. When Philip VI arrived with his army early in September, there were challenges but no battle, as in the previous year. Morale among Edward's allies was low. His funds were short and more and more it became evident that he faced increasing difficulties in meeting the treaty obligations, as his debts were mounting daily. By the end of September the situation was hopeless and on September 24, 1340 a treaty was signed at Esplechin. There was to be a cessation of fighting for nine months on all fronts, including Scotland and Gascony.²⁵⁶ Edward III returned to Ghent on September 28th. The second invasion of France had failed like the first one and, even worse, the English king was closer to bankruptcy than ever before.²⁵⁷

²⁵³ Fryde, Pole, 148.

²⁵⁴ Sumption, *Trial by Battle*, 346p.

²⁵⁵ *Ibid.*, 337p.

²⁵⁶ Prestwich, *Plantagenet England*, 312.

²⁵⁷ Fryde, Pole, 172.

1.7 Crisis and Recovery

After the truce of Espiechin had been signed and Edward III had arrived in Ghent at the end of September 1340, the only loan he was able to get there was £100 to pay for the meals of his bodyguard of archers. Thereafter nobody would extend him any further credit. From all over the Low Countries and the Rhineland the king's creditors came to Ghent to press their demands. Edward wrote letters to his ministers in England, blaming them for not sending him money and at the same time desperately pleading for funds.²⁵⁸ The government and England tried to improve the king's financial situation, as well as restore their reputation in Edward's eyes. However, they didn't achieve anything worthwhile. The main reason for this failure seems to have been downright incompetence. For example, a special council was held on October 2nd, including William de la Pole and other leading merchants, the purpose of the meeting being the rehabilitation of the wool levy. It promised a better chance of a speedy improvement of the king's financial situation than the ninth did. A census of sheep was ordered, to find out how many sheep had been shorn and whose wool it was. The owner would then be required to deliver the wool he was deemed to possess. This was never carried out and even if it would have been, it was bound to take too long to be any immediate help to Edward.²⁵⁹ On other occasions wool was seized that had already been assigned to important royal creditors and had to be returned. This only caused delays in further loans to the king.²⁶⁰

Naturally, all this didn't make Edward any more pleased with his officials in England. In between receiving letters with bad news from home, his financial standing in Flanders deteriorated even more. In October he had to send most of his horses back to England as he couldn't afford to buy fodder for them anymore. All this evident financial distress made his creditors even more insistent. The earls of Northampton, Derby and Warwick were being held hostage by the banking syndicates of Mechelen and Louvain again. The Bardi and the Peruzzi agreed to pay off the debts to free the earls no later than November 12th in exchange of an assignment of wool. When no wool came

²⁵⁸ Sumption, *Trial by Battle*, 360.

²⁵⁹ Fryde, Pole, 150.

²⁶⁰ *Ibid.*, 150p.

they defaulted.²⁶¹ At the end of October Edward III met the German princes of his alliance, who he still owed a lot of money to, at a conference. The king offered them an instalment of 12,000 sacks of wool, worth about £100,000 in a good market. In the end, it didn't even matter that Edward would not receive any more wool from England as the princes insisted on cash.²⁶²

The king's Great Crown was in the possession of the Archbishop of Trier who threatened to break it up. Luckily for Edward the banking syndicate of the Portinari of Florence took over the pledge, but they too threatened to break it up if they did not receive payment within a year.²⁶³ The queen's crown was still in the hands of royal creditors in Cologne and various other royal jewels were dispersed among several Flemish and German lenders. It was a very humiliating situation for the English king.²⁶⁴ From England came further news of the government's confusion and rumors of incipient rebellion. By the middle of November 1340 Edward seems to have finally grasped that he could not expect any more money from his ministers at home.²⁶⁵ At around the same time he met an unidentified official from England who told him about the conditions there. The account he told was pure malice. The Council not only wouldn't suppress opposition to the wool levy but was actually contributing to it by blaming the king for the heavy burdens. He further reported that they were ignoring Edward's instructions and taking policy into their own hands. Edward was furious.²⁶⁶ In a letter to the Pope dated November 18th he voiced the suspicion that Archbishop Stratford might want to see him betrayed and killed by lack of money.²⁶⁷ The informer from England told him to return privately to England and visit the Tower. There he would find sufficient treasure to continue the war and defeat his enemies. Edward accepted this advice.²⁶⁸

By extraordinary efforts Edward succeeded in borrowing about £9,000 during the first two weeks of November. Henry of Lancaster pawned some of his jewels for £2,100. Another loan of £6,600 was secured from a profiteer who

²⁶¹ Sumption, *Trial by Battle*, 360.

²⁶² *Ibid.*, 360p.

²⁶³ *Ibid.*, 360.

²⁶⁴ Fryde, Pole, 173.

²⁶⁵ *Ibid.*

²⁶⁶ Sumption, *Trial by Battle*, 361.

²⁶⁷ Fryde, Pole, 173.

²⁶⁸ Prestwich, *Plantagenet England*, 275.

received personal guarantees from the Earl of Northampton, the duke of Guelders and the Bardi and Peruzzi and took four knights and a partner of each bank as hostages. This money enabled Edward to negotiate permission to return to England from the Duke of Brabant, as there alone he would be able to raise enough money to pay his debts. The king also had to agree to send hostages back in his place. However, there were no more funds to make a similar arrangement with the men of Ghent, in whose power he was. On November 28, 1340 Edward wrote a letter explaining his situation and then pretended to go riding with a few of his officials in the suburbs of Ghent. They left the city they escaped to Sluys and embarked on a small boat to return to England.²⁶⁹ He had to leave behind the earls of Derby and Warwick as hostages for royal debts at Malines as well as several knights at Louvain, for the same reasons.²⁷⁰

Edward III arrived in London in the evening of November 30, 1340. There had been no warning of his coming. He reached the Tower at midnight. He immediately had most of his ministers and officials imprisoned in what effectively was a rapid purge of his administration.²⁷¹ Archbishop Stratford, the principal councillor, was able to escape and sought sanctuary in his cathedral. During December the prisoners were interrogated and afterwards dismissed. The king replaced them with his loyal followers that had been in the Low Countries with him. William de la Pole was also arrested. Edward had found out that the merchant had recovered about 80% of the money lent to him. This caused resentment on the king's part that Pole had not given him more financial help during the summer and fall of 1340. William de la Pole was put on trial in January 1341.²⁷²

The king knew that now it was crucial to win back the trust of the population and that he needed scapegoats on whom to put the blame for the serious situation his realm was in. In addition to the arrests, Edward ordered a general inquiry into the misconduct of all royal agents from previous taxes on December 10th.²⁷³ There was widespread discontent among the English people and he tried to pacify them by taking drastic measures against his oppressive

²⁶⁹ Sumption, *Trial by Battle*, 361.

²⁷⁰ Fryde, Pole, 173.

²⁷¹ Prestwich, *Plantagenet England*, 275.

²⁷² Fryde, Pole, 162.

²⁷³ *Ibid.*, 150.

and corrupt officialdom.²⁷⁴ Therefore, England faced a brief but serious constitutional crisis which paralysed the government during the first months of 1341, provoked by Edward. He gave instructions to collect all unpaid arrears of the ninth of 1340. When this didn't provide the expected results, he illegally imposed it on the clergy, even though they had granted their own distinct subsidy and in most cases paid it. Soon after, a campaign of retribution was started against provincial officials. Summary trials were inflicted not only on them but also on the population at large, for ancient breaches of the peace and even the most trivial offences. No one who was brought before those tribunals went unpunished and everyone had to pay fines to stay out of prison.²⁷⁵

During the winter of 1340-1341 there was still opposition against the English king. In London, there were riots on Tower Hill. There was also a propaganda battle between Edward III and Archbishop Stratford. The former leading minister condemned the acts of the king: the arrests of the officials were contrary to the law. The king was in danger of losing the support of his people and should hold a Parliament in which inquiries would be made about the war finances. Stratford put a lot of emphasis on the support of the people and on Parliament. The document was even written in French rather than Latin and obviously was designed for wide circulation. Further letters followed. One stated that the freedom of the Church needed to be preserved. The bishop attempted to widen the whole basis of the dispute.²⁷⁶ At first, Edward had pamphlets written to justify his position. As his anger cooled off he seems to have recognised the force of the public opinion that Stratford so skilfully marshalled against him and decided that he had too much to lose in this battle. The charges against him were left on the file.²⁷⁷

The situation in the winter of 1340-1341 wasn't very favorable for Edward. Nevertheless, he did not take great pains to discover the true facts of the financial situation. Thus it seems that he was responsible for much of the fiscal failure and the political strife in England himself.²⁷⁸ Furthermore, the continental alliance, although not broken up yet, had failed completely. The

²⁷⁴ Fryde, Pole, 53.

²⁷⁵ Sumption, *Trial by Battle*, 364.

²⁷⁶ Prestwich, *Plantagenet England*, 275p.

²⁷⁷ King, *England*, 157.

²⁷⁸ Fryde, Pole, 171.

main reasons for this were not military defeat. The plan had failed because of weaknesses of conception and entirely foreseeable weaknesses of execution.²⁷⁹ Since Edward had concentrated his main war effort on the Low Countries for three years, he had suffered severe territorial losses in every other theatre of the war. He had lost most of his possessions in France. In Scotland the progress that had been made in the years 1333-1336 was largely undone. The possibilities of recovering those territories were extremely limited by Edward III's bankruptcy, as he had completely exhausted his credit and the financial capacity of his realm.²⁸⁰ His strategy had been a complete failure and in the future the war would have to be fought differently.²⁸¹ His two-year expedition to the Low Countries had cost about £500,000. All in all, in three years he had borrowed about £400,000 and levied taxation on such a scale that parts of the country were now on the edge of rebellion.²⁸² Edward would have to learn to plan the financing of his campaigns more realistically, in order to not face disaster again.²⁸³

Parliament was summoned to meet on April 23, 1340. On the same day the trial of William de la Pole came to an end. He had defended himself in an intelligent way against several charges but in the end was found guilty of smuggling wool, received a fine, lost some property and was imprisoned.²⁸⁴ Also in April, Edinburgh was taken by surprise by the Scots.²⁸⁵ After all the setbacks and chaos of the previous months, Edward must have been desperate to go on the offensive again and counted on Parliament to provide him with new funds.

A new session of Parliament started on April 23rd and lasted until the end of May. The government had somewhat recovered from the constitutional crisis and Edward finally showed his usual pragmatism in dealing with Parliament again. Naturally there was a storm of protest against his actions of the past months and the king skilfully did everything he could to calm it. He renounced the attempt to collect the ninth of 1340 from the clergy, stopped the

²⁷⁹ Sumption, *Trial by Battle*, 362.

²⁸⁰ *Ibid.*, 363.

²⁸¹ Prestwich, *Plantagenet England*, 312.

²⁸² Sumption, *Trial by Battle*, 363.

²⁸³ Fryde, *Pole*, 53p.

²⁸⁴ *Ibid.*, 176-178.

²⁸⁵ Sumption, *Trial by Battle*, 363.

summary trials in the counties, and agreed to an audit of tax receipts going back to the beginning of the war. He even submitted to statutes providing for the appointment of officers of state and of members of his household who should be answerable to Parliament. For all of these concessions he obtained a fresh grant of 30,000 sacks of wool.²⁸⁶ Although this was an extraordinary feat, Edward did not stop there. Since he planned to renew the war on a full scale as soon as possible, he aimed at a full recovery of his authority. To do so, he had to reconcile with the members of the previous council who had proved too powerful to be easily removed: The circle of the king's advisors was enlarged with some magnates and Archbishop Stratford was restored to most of his old influence. In return Stratford forgot about his former radicalism and suddenly was quite royalist again.²⁸⁷ The king had recovered his position with startling speed.²⁸⁸ Planning for a new expedition had already been started in April and having a sufficient grip on the reins of his kingdom again, Edward expected it to be ready in August.

However, before he could embark on a new expedition, Edward III had to attend to his finances. The new wool grant had been made to battle the vast accumulation of royal debt. It was not a loan but a tax of 30,000 sacks of wool to be paid by the laity and the lords spiritual who had attended Parliament. The rest of the clergy was exempted, except for that of their property that was normally assessed to lay taxes. 20,000 sacks were to be collected by August 1, 1341 and the rest by August 1, 1342. The new tax was not an addition to the second ninth granted the previous year, since it had immediately been cancelled. Anyone who had already paid it was to be reimbursed out of the present grant, together with everyone who had contributed to the wool loan of 1340.²⁸⁹ The tax of 30,000 sacks of wool was in some points different from the same one granted in July 1338. First of all, for the grant of 1338 each county had been required to collect a certain weight of wool, while for the grant of 1341 the quotas for the wool were determined by its value. For this the Nottingham prices were used and consequently the inequity of the wool tax from 1338 was avoided. A certain degree of fairness was achieved, as counties with wool of a higher quality had to collect less sacks than counties

²⁸⁶ Sumption, *Trial by Battle*, 379p.

²⁸⁷ *Ibid.*, 380.

²⁸⁸ Prestwich, *Plantagenet England*, 277.

²⁸⁹ Lloyd, *Wool Trade*, 159.

with wool of poorer quality. Secondly, commissions of oyer and terminer were issued in each county to hear complaints made by subjects about potential misbehaviour on the part of the royal officials responsible for the wool levy. Edward had had to promise this in Parliament when the tax had been proposed. It was very likely that the majority of taxpayers should have no wool of their own and would have to buy it to meet their obligations. Therefore, Parliament had suspended all dealing in wool until September 29, 1341, except for taxpayers who could buy at Nottingham prices. Naturally, owners of wool may have been reluctant to sell at these prices and merchants were eager to purchase wool in expectation of the freedom of trade that had been promised from this date onwards. Clearly this was not in the interest of the crown. When it was alleged in August that in some counties merchants were buying up wool, thereby impeding the collection for the king, serjeants-at-arms were commissioned to search for and confiscate wool not bought for the levy.²⁹⁰

Edward took all these precautions because large quantities of the wool he expected to be raised had already been promised to creditors and merchants. In the end, they paid off. There was some delay but overall the levy of 1341 was the most successful of all the wool levies that had ever been ordered by Edward III or any English king. Even after a reducement of the original figure of 20,000 sacks to be collected in the first year and repaying the wool loan of 1340, 18,000 sacks were left for creditors and contractors.²⁹¹

This was a great relief for the king, even though other financial matters not always turned out that favorable. During the Parliament of April and May, there had been an inquiry into the collection of the ninth of 1340. As the weather had been quite bad during the winter and the country was in a dreadful state in general,²⁹² it had been reorganized. This didn't mean too much trouble for Edward since the truce of Esplechin was still in effect and there was no warfare at the moment.²⁹³ The administration in Ireland was replaced around that time too because the revenue from there had sunk.²⁹⁴ As for Edward's massive debts, only those of the creditors who were secured or

²⁹⁰ Lloyd, *Wool Trade*, 159-163.

²⁹¹ *Ibid.*, 166.

²⁹² Prestwich, *Plantagenet England*, 278.

²⁹³ Fryde, *Pole*, 152p.

²⁹⁴ Prestwich, *Plantagenet England*, 277.

too powerful to offend received disorderly repayments. Some of them, for example the Bartolomei bank in Lucca, were still being repaid in the 1360s, whereas more priority was given to the creditors who held captive the earls of Derby and Warwick. They were freed in May of 1341.²⁹⁵

In April 1341 the Duke of Brittany died and the subsequent fights for his succession gave the English the opportunity to open a new front against France.²⁹⁶ For the time being, however, all Edward could do was start negotiations there for trouble lay everywhere else. The truce of Esplechin would expire on June 24, 1341. As soon as it officially expired, there were hostilities in Gascony again.²⁹⁷ Early in June David II, the King of Scotland, landed in Scotland with his court after seven years of exile.²⁹⁸ Peace talks were started in Antioch even though Edward still hoped for a renewal of the war. But during the last week of August he received reports from his agents in the Low Countries: his allies would not support another campaign launched from their countries. Whether they liked it or not, Edward had to agree to an extension of the truce. On September 12th it was extended to June 24, 1342.²⁹⁹

At the beginning of October a treaty of military alliance was signed with some Breton representatives and £10,000 from the proceeds of the wool subsidy were earmarked to pay for a small expedition to Brittany.³⁰⁰ That was all Edward III could afford at this point. However, shortly afterwards he felt confident enough to revoke all the concessions made in the previous Parliament during a meeting with selected magnates.³⁰¹ He probably did so because no fresh Parliament would be needed anytime soon. The winter of 1341-1342 was uneventful. The expedition to Brittany was cancelled in November.³⁰² Then the king spent the winter in Scotland in a show of force that didn't achieve anything.³⁰³

²⁹⁵ Sumption, *Trial by Battle*, 363.

²⁹⁶ Prestwich, *Plantagenet England*, 312p.

²⁹⁷ Sumption, *Trial by Battle*, 381.

²⁹⁸ *Ibid.*, 363.

²⁹⁹ *Ibid.*, 383-386.

³⁰⁰ *Ibid.*, 386.

³⁰¹ Prestwich, *Plantagenet England*, 277.

³⁰² Sumption, *Trial by Battle*, 386.

³⁰³ *Ibid.*, 390.

The spring of 1342 was used for financial and military planning: there were to be expeditions to Gascony and Brittany. Troops and ships were collected. A spoiling campaign in Gascony was planned for June or July and therefore the arrears of war owed to the Gascon nobility finally had to be paid.³⁰⁴ In the third week of August 1342, the Duke of Brabant and the Count of Hainault met with some papal emissaries and made an independent truce with Philip VI. As the German Emperor, who had never received the entirety of his subsidy, had already left the continental alliance in the summer of 1341 and most of the German princes of the Rhineland had done the same shortly thereafter, this practically meant the end of the coalition. All that was left of the alliance were the Flemings, who made a reaffirmation of the treaty with Edward III at the end of November 1342.³⁰⁵ The rest of the year saw some minor, indecisive campaigning in Brittany and Gascony.³⁰⁶ Luckily for the English king the French had run into financial difficulties as well and could not afford major operations. Exhaustion on both sides led to the signing of another truce at Malestroit on January 19, 1343, which was to last until September 29, 1346. Philip and Edward were to hold their present positions on all fronts. This meant some losses in Scotland for Edward but in return he gained some territory in Brittany. Overall, the truce was surprisingly favorable to him.³⁰⁷

After the truce of Malestroit there was a fair prospect of a return to financial normality after the exorbitant spending of the past few years. Even though the truce proved to be very unstable, there were no major campaigns between January 1343 and June 1345.³⁰⁸ England needed time for recovery, for political as well as for financial reasons. Overvaluation of the coinage and the manipulation of the wool trade for several years had been quite damaging to her economy, as had been the burden of heavy taxation. After the parliamentary subsidies granted in 1340 and 1341 had been collected in 1342, there was no conventional war taxation for two years. Edward III had to be realistic for once. All the money that was available was spent to pay off those debts that were impolitic to ignore. The German and Flemish bankers, as well as some German princes who had remained loyal to Edward received most of

³⁰⁴ Sumption, *Trial by Battle*, 390-399.

³⁰⁵ *Ibid.*, 408.

³⁰⁶ *Ibid.*, 396-405.

³⁰⁷ *Ibid.*, 407p.

³⁰⁸ *Ibid.*, 419p.

what was due to them during the course of 1344 and 1345. The king's credit was still not good enough to get any loans from banks. Therefore, no money was left for war. Even the small campaign in Brittany in 1342, which had only cost £40,000, had almost proven itself to be too much to handle in financial terms.³⁰⁹ In April 1343 a report from Gascony pointed out that the whole of the duchy's income had been assigned to past creditors and that the coffers were empty.³¹⁰ In this situation Edward decided that the time had come for a new Parliament.

A fresh Parliament met on April 28th. As expected there were protests against the revocation of the statutes in 1341. All Edward did was promise that it would be re-examined and any valuable points found re-enacted in a new statute. His power and authority were apparently still intact.³¹¹ Then it was requested on the king's behalf that the Lords and Commons decide whether to start negotiations for a permanent peace, since they had also been asked to decide if England should go to war with France in 1337. This was very clever. It made both Houses feel important and kept them preoccupied so that the decisions vital to Edward received less critical attention from them.³¹² Now some key issues were discussed but first Parliament renewed the grant of the subsidy of 40s. on each sack of exported wool beyond the ancient custom of 6s. 8d.³¹³ After this had been done a new list of minimum prices for wool was drawn up to replace the Nottingham prices. They offered better protection for the wool producers and were in fact quite anti-merchant.³¹⁴ Then the issue of deflation was discussed with the assistance of several merchants and goldsmiths. The export of silver was prohibited and it was agreed that gold coins should be introduced as soon as possible.³¹⁵ This was to ensure that in the future there would be more money in the realm. Contracts with Italian master workers were drawn up to launch the new gold coinage.³¹⁶

³⁰⁹ Sumption, *Trial by Battle*, 419.

³¹⁰ *Ibid.*, 420p.

³¹¹ Prestwich, *Plantagenet England*, 277.

³¹² Fryde, *Parliament*, 244.

³¹³ Fryde, *Pole*, 182.

³¹⁴ *Ibid.*, 60.

³¹⁵ Prestwich, *Plantagenet England*, 287.

³¹⁶ T. F. Reddaway, *The King's Mint and Exchange in London 1343-1543*. In: *The English Historical Review* CCCXXII (1967), 2p.

Overall, Parliament still supported the king and even sanctioned the setting up of the so-called English Company. It had been formed just a few days prior to the meeting of Parliament and was meant to establish closer ties between Edward and the leading English merchants once again. So why did Edward need the English Company? From 1342 onwards the king had been determined not to let his debts from the period of 1337-1340 hamper him in his current pursuit of a renewal of the war. Therefore he needed new sources for loans. He also knew that he needed the help of the leading wool merchants to secure the renewals of the subsidy on exports of wool. In fact, they had been consulted about the subsidy before the Parliament and had agreed to it. Grants like these were impossible without the consent of the merchants.³¹⁷

The initial contract between the English Company and Edward III, dated from April 29, 1343, stated that it would be given control of the customs. It was obliged to account to Edward for its entire receipts from the customs on all the imports and exports except for the duty of wine. Naturally the wool trade was the most important item on that list. The Company also had to annually lend to the king £6,666.³¹⁸ Most of its members were not wealthy per se but substantial merchants. By handing over to them the control of the customs, Edward was equipping them with dependable assets. On the security of these they could then subsequently borrow money from people who might be reluctant or unwilling to lend directly to Edward. The answer to why a large number of English merchants were willing to collaborate with the king, who had proven to be untrustworthy on several occasions, was quite simple: the main profit of the English Company was to come out of the Dordrecht bonds. They were the only royal debts from prior to 1342 that Edward III accepted, and simply had to accept, as valid. The holders of these bonds, as most of the members of the English Company were, got an allowance of half the subsidy (20s.) on each sack exported during the first year of the contract and an allowance of the ancient custom of 6s. 8d. after that. Merchants who could not export wool personally were allowed to surrender their bonds to the English Company.³¹⁹ Additionally, its members had to agree that all the wool exported

³¹⁷ Fryde, Pole, 191.

³¹⁸ Ibid., 182.

³¹⁹ Ibid., 183p.

would be taken to the staples at Bruges. This was meant to ensure a better chance of keeping the wool price high.³²⁰

The initiator of that ambitious scheme was of course William de la Pole. He was the only person able to influence the other English merchants and to think up schemes that would entrap them into financing the king.³²¹ Edward was aware of that and therefore had rehabilitated Pole sometime during the first months of 1343. However, his rehabilitation was not complete. He never recovered all of the money owed to him by Edward and was still highly distrusted by him and the other merchants. He was not mentioned in the initial contract that led to the founding of the English Company, only in a secret notarial act was he explicitly mentioned as the initiator of the scheme. Nevertheless he had secured a partial recovery of his former position as one of the wealthiest English merchants and he was to be one of the main profiteers of the English Company.³²²

The whole scheme was intended to last for three years and on June 24, 1343 the English took over the customs from the Hanseatic merchants.³²³ Just prior to that the Peruzzi bank finally went bankrupt. They still had been owed £44,000 for loans and at least £27,000 for interest from Edward. The debt to the Bardi were £63,000 for loans and at least £40,000 for interest. They would follow the Peruzzi into bankruptcy in 1346.³²⁴ On July 20th Oliver Ingham was removed from office in Gascony. His successor at once made some ambitious new plans for taxation in the duchy but in the end they all failed. Edward was forced to pay huge sums to some of the most important Gascon noblemen and especially the Lord of Albret, who still proved to be vital for the position of the English there.³²⁵ No money was left for campaigning during the summer and in June 1344 another £20,000 had to be paid for arrears of wages of war in Gascony, some of them dating back to 1336. The money for it was

³²⁰ Ibid., 184.

³²¹ Fryde, Pole, 180.

³²² Ibid., 180-182.

³²³ Ibid., 143.

³²⁴ E. B. Fryde, Public Credit, with Special Reference to North-Western Europe. In: M. M. Postan, E. E. Rich, Edward Miller (Ed.), *The Cambridge Economic History of Europe. Volume III: Economic Organization and Policies in the Middle Ages.* Cambridge/NewYork/Ibadan (1963), 460.

³²⁵ Sumption, *Trial by Battle*, 421p.

borrowed from an Italian banking firm which shows how Edward III's credit had improved in just four years.³²⁶

In June of 1344 another Parliament met. The previous year Edward had observed the forms of Parliamentary consultation and support for the government had been carefully rehearsed. Councils of magnates had met on several occasions and an increasing number of them had been asked to attend. The constitutional infighting of 1341 had been appeased and there was once again a unity of purpose as in 1337. Parliament had realised that Edward's strategic position on the continent was so weakened that territory would not be able to be held for very much longer. The truce of Malestroit was not observed much and there had been fighting in Gascony and Brittany. In the end a resumption of the war and a successful campaign would be cheaper than the great cost and danger of an armed truce that left the initiative to the enemy.³²⁷

For this reason the Parliament of June 1344 granted a fifteenth for each of the next two years and the clergy voted a tenth for the next three years. Edward's finances suddenly were looking quite good and for the first time in several years he actually had the funds to launch a major campaign. Planning was started at once.³²⁸ One of the conditions of the new grants by Parliament had been the request for free trade. Although Edward had given a favorable answer to this he continued with the policy of giving effectively monopoly rights to the English Company.³²⁹

On July 13, 1344 William de la Pole was cleared of all charges, a sign of his re-established importance for the king. He was ordered to restructure the English Company. His first action was to procure the resignation of twenty-one out of the original thirty-three members of the syndicate in return for some payments in cash. After that six out of the remaining twelve associates were made sleeping partners and guaranteed protection from all further liability. Decreasing the number of his partners meant larger profits for the remaining ones, which was important as Pole had ambitious plans for

³²⁶ Ibid., 421.

³²⁷ Sumption, *Trial by Battle*, 452.

³²⁸ Ibid., 453.

³²⁹ Prestwich, *Plantagenet England*, 288.

expanding the scope of the English Company's activities.³³⁰ The restructuring was completed on March 1, 1345. Instead of merely being the custodian of the customs it now assumed the farming of the customs at the rent of £50,000 a year, retrospective from the time of the original launch in 1343. For Edward this meant a steady income and more money from loans as the English Company could now borrow more on the security of its improved prospects, since the farm of the customs seems to have been very profitable. Even though William de la Pole was the main creator of this new scheme, once again he was not mentioned in the contract.³³¹ It is possible that including him in it would have caused too much of an uproar in Parliament.

On April 12, 1344, after a series of laymen, William Edington was appointed Treasurer. This able man brought further stability to the English king's finances³³² and master-minded the funding of the future campaigns of Edward III.³³³ In October 1344 a peace conference began in Avignon but it was a diversion and thus was cancelled in February 1345.³³⁴ It was already clear that only further campaigning would achieve any gains for England.³³⁵ Preparations for several expeditions to the continent had been made over the previous year. The Great Crown had returned home in 1344.³³⁶ Edward felt strong enough for full-scale warfare again and renounced the truce of Malestroit on June 14 and 15, 1345. At that date, the first of three expedition armies had actually already left England, bound for France.³³⁷ This time they would be more successful.

³³⁰ Fryde, Pole, 186p.

³³¹ Fryde, Pole, 189p.

³³² Prestwich, Plantagenet England, 278p.

³³³ Ibid., 193.

³³⁴ Sumption, Trial by Battle, 436-444.

³³⁵ Prestwich, Plantagenet England, 314.

³³⁶ Gerd Mentgen, Herausragende jüdische Finanziers im mittelalterlichen Straßburg. In: Friedhelm Burgard, Alfred Haverkamp, Franz Irsigler, Winfried Reichert (Hg.), Hochfinanz im Westen des Reiches 1150 – 1500. (Trierer Historische Forschungen, Bd. 31) Trier (1996), 82.

³³⁷ Sumption, Trial by Battle, 354.

1.8 Conclusions

When Edward III started a war with France in 1337 the strategic situation made it necessary to form a coalition with the German Emperor and various German princes. Even though he was aware of their untrustworthiness the English king needed their territory as a starting point for campaigns into France. Their manpower was also important since until the victory at Sluys French naval strength was too great to launch direct seaborne invasions. For such a coalition it was necessary to pay huge bribes in the form of subsidies and therefore Edward III had to find means to raise substantial amounts of money. His financial politics depended on several schemes and through the process of trial and error he maneuvered himself into a position from where a successful and affordable war against France was possible in 1345.

The easiest way for Edward to get money was through direct taxes granted by Parliament. Therefore, the king was anxious to stay on good terms with it. This was easy in the case of the House of Lords, as the magnates would profit from a war and for this reason wholeheartedly supported him. It was more difficult with the House of Commons and Edward repeatedly had to make important political concessions. However, even though the Commons were in a position of some strength as they had the power to grant taxes, they could never offer any serious challenge when facing the king. In 1343 he also found out that he could renounce concessions that he had made earlier without suffering any consequences. Since direct taxes could only be granted when their need was justifiable, Edward III relied heavily on propaganda during the period studied. There were exceptions, but the overall effect of this was a high degree of support for the war in Parliament and among the people of England.

The second way of raising cash for Edward III was the manipulation of the wool trade, England's main economic asset. Because of that the English merchants and especially William de la Pole became important as moneylenders to the king. He consulted them in similar ways as he did with Parliament since their good-will was necessary to establish higher custom duties on exported wool. The first cooperation with the English merchants in the form of the English Wool Company failed but with the experience from that enterprise the more successful English Company was launched in 1343.

Edward III also relied heavily on Italian banks for loans. The most important ones were the Bardi and the Peruzzi who forwarded so much money to him that they were left in a situation that ultimately led to their bankruptcy.

The customs were used for the repayment of the royal debts and this worked quite well. They were in the custody of several different parties until in 1344 the farming of the customs was started. This turned out to be a better solution for Edward as it meant a fixed income of £50,000 per year.

From 1337 to 1345 several forced loans of wool were granted by Parliament. As their success depended on the cooperation of the population, their levying was improved over the years, especially in terms of fairness towards the wool producers. Initially there were problems but by 1341 a system had been introduced that ensured the success of these grants.

In 1338 Edward made the mistakes of leaving England at a time when the burden of taxation was highest and of overstretching the resources of his realm. He got himself into a situation where he depended on loans for the financing of the war. This subsequently led to his bankruptcy. Without having achieved much on the continent he was forced to return to England at the end of 1340. There he provoked a constitutional crisis out of anger at his ministers. However, he came out of it with his authority intact and had even used said crisis to establish a new government that was absolutely loyal to him.

After this he took all the necessary steps to resume the war again. He unscrupulously abandoned those of his creditors that couldn't lend him money anymore. He rehabilitated William de la Pole, who had been imprisoned after falling from Edward's grace in 1340, when he needed his contacts to the other English merchants again. He learned from all his previous mistakes. He even found a solution for the severe deflation England was experiencing as a consequence of his vast overseas expenditure on diplomacy and warfare. All the necessary steps were taken not to neglect domestic affairs again, as he had done during his stay in the Low Countries.

After the victory over the French fleet at Sluys the strategic situation for Edward had changed. He no longer had to rely on his continental alliance with the Germans, which had fallen apart after 1340 anyways. Opportunism, pragmatism, ingenuity and his political skill got Edward III through the dangerous years of 1337 to 1345. He repeatedly managed to get out of situations that seemed hopeless and had to suffer humiliations such as pawning the Great Crown and making political concessions to the House of Commons. Nevertheless, by the end of the period studied in this paper his financial instruments were fine-tuned through trial and error and highly effective. This allowed him to successfully resume the war in 1345. He had survived the first nine years of what would become known as the Hundred Years War against an economically and militarily vastly superior foe.

2. Appendix: On Money

To give the reader a better understanding of the actual worth of money I want to take closer look at prices and wages of the period studied in this paper. One pound (£) was equivalent to 20 shillings (s.) and 240 pence (d.).³³⁸

In fourteenth-century England the ordinary revenue of the crown, that is without subsidies, averaged about £30,000 per year. About half a dozen earls had annual incomes from their land of around £3,000 and the majority of knights had around £60 of income from their lands.³³⁹

In the period from 1339 to 1348 64 gallons of wheat cost around 5 s.³⁴⁰ and in 1351 the maximum wages for a ploughman, a skilled laborer, were fixed at 10 s. per year. Since this was after the plague, the amount might have been somewhat less in the period from 1337 to 1345.³⁴¹

The wages of war were as follows: for an earl 6s. 8d. per day, 4s. for a banneret and 2s. for a knight. A man-at-arms made 1s. per day, a mounted archer 6d., a foot archer 3d. and a Welsh lancemen 2d. per day.³⁴² In 1356 a bow cost 18d. and a sheave of arrows was 16d.³⁴³

The Nottingham prices stated different values for the wool of different counties. Herefordshire wool was valued at £8 per sack (364lb.). Wool from Shropshire was valued at £7 per sack while the wool of Norfolk was valued at £4 per sack.³⁴⁴

³³⁸ Britnell, Britain and Ireland, 535.

³³⁹ Kenneth Fowler, *The Age of Plantagenet and Valois. The struggle for Supremacy 1328-1498*. London (1980), 11.

³⁴⁰ King, England, 193.

³⁴¹ Fowler, *Plantagenet and Valois*, 11.

³⁴² H. J. Hewitt, *The Organization of War under Edward III*. Barnsley (2004), 36.

³⁴³ *Ibid.*, 66.

³⁴⁴ Lloyd, *Wool Trade*, 160.

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4.1 Abstract (English)

When Edward III started a war with France in 1337 the strategic situation made it necessary to form an alliance with the German Emperor and several German princes. To do this large bribes had to be paid to them. Additionally, warfare and diplomacy on other fronts were quite expensive, too. The English king tried to use several methods to raise the large sums of money that would have been needed.

Direct taxes were the easiest way to raise money, however they needed the consent of Parliament. Therefore Edward was anxious to stay on good terms with it and was forced on several occasions to make important political concessions to the House of Commons. Over time he realised that he could renounce concessions he had made earlier without having to deal with any consequences.

Getting loans was somewhat more difficult. He was only able to get these on the large scale needed by him because wool was England's most important economic asset at that time. England was the most important exporter of wool and especially the County of Flanders was absolutely dependent on English wool. Several ways of manipulating the wool trade were tried, with varying success. The support of the English wool merchants and especially of William de la Pole were very important in doing so. After 1343 a method had finally been found that worked well for Edward III.

The year 1340 saw the bankruptcy of the English king, as he had overstretched England's resources and wasted large sums of money on indecisive military adventures. Simultaneously parts of his realm were close to rebellion because of the high burden of taxation. Edward therefore provoked a constitutional crisis at the end of 1340. Opportunist as he was, he used it to replace most of his ministers with followers absolutely loyal to him. Being the skillful politician that he was he came out of this crisis with his authority intact.

From 1341 to 1345 he tried to recover enough strength for a resumption of the war. Several truces gave him enough breathing space to re-organize his

finances and by 1345 he had fine-tuned them enough by trial and error to restart the war on several fronts. He had survived the first nine years of what would become known as the Hundred Years War against an economically and militarily highly superior foe.

4.2 Abstract (Deutsch)

Als Edward III. im Jahre 1337 einen Krieg mit Frankreich begann, war er aus strategischen Gründen dazu gezwungen, eine Allianz mit dem Kaiser des Heiligen Römischen Reiches und mehreren deutschen Fürsten einzugehen. Deshalb war es nötig hohe Summen an Bestechungsgeld an diese Verbündeten zu bezahlen. Kampfhandlungen sowie Diplomatie an anderen Fronten kosteten ebenfalls sehr viel Geld. Um diese Summen aufzubringen, griff der englische König auf verschiedenste Finanzierungspläne zurück.

Direkte Steuern waren die einfachste Methode, allerdings erforderten sie die Zustimmung des Parlaments. In dem untersuchten Zeitraum war Edward III. deshalb sehr um ihr Wohlwollen bemüht und musste häufig politische Zugeständnisse an das Unterhaus machen. Er fand aber bald heraus, dass er diese Zugeständnisse später widerrufen konnte, ohne mit ernstesten Konsequenzen rechnen zu müssen.

Der etwas schwierigere Weg der Finanzierung waren Kredite. Diese konnte er nur bekommen, da England damals der wichtigste Wollexporteur Europas war und vor allem die Tuchindustrie Flanderns vollkommen abhängig von englischer Wolle war. Mehrere Arten der Manipulation des Wollhandels wurden versucht, wobei vor allem die englischen Wollhändler und allen voran William de la Pole eine wichtige Rolle spielten. Anfängliche Versuche scheiterten aber ab 1343 wurde ein Finanzierungssystem verwendet das funktionierte.

Das Jahr 1340 sah einen Bankrott des englischen Königs, da dieser die Ressourcen Englands überschätzt und sich durch militärische Abenteuer in Frankreich finanziell übernommen hatte. Gleichzeitig standen Teile seines Königreiches durch die hohe Steuerbelastung kurz vor einer Revolte. Edward provozierte daraufhin eine konstitutionelle Krise, die er dazu nutzte, viele einflussreiche politische Posten mit ihm bedingungslos loyalen Untergebenen neu zu besetzen. Aus dieser Krise ging er, aufgrund eines hohen Maßes an Pragmatismus und Opportunismus, hervor ohne etwas von seiner Autorität als König verloren zu haben.

1341 bis 1345 war er damit beschäftigt, sich auf eine Fortführung des Krieges vorzubereiten. Mehrere Waffenstillstände gewährten ihm dazu genügend Ruhepausen und er schaffte es, seine Finanzen neu zu ordnen. 1345 hatte er seinen Finanzhaushalt in einem so hohen Maße perfektioniert, dass er in der Lage war den Krieg an mehreren Fronten erfolgreich fortzuführen. Er hatte die ersten neun Jahre des Hundertjährigen Krieges gegen einen wirtschaftlich und militärisch weit überlegenen Gegner überstanden, eine beachtenswerte Leistung.

5. Lebenslauf

Florian Graf

Obere Hauptstrasse 80

2443 Deutsch-Brodersdorf

Tel.: 0676/6554725

Geboren am 2. Mai 1980 in Oberpullendorf

Schulausbildung:

Besuch des Bundesgymnasium Eisenstadt von 1990 – 1998

Besuch des Worthing Sixth Form College (GB) von Februar bis Juni 1997

Matura im Juni 1998

Studium der Geschichte seit Februar 2000

Ableisten des Präsenzdienstes von September 1998 bis Mai 1999

Tätigkeit als Stellvertretender Chefredakteur des Musikmagazins „Slam-Zine“
von November 2002 bis Jänner 2005

Fachtutor für Publizistik und Kommunikationswissenschaften von September
2004 bis Februar 2005