

## CHAPTER III

## THE QUICKENING OF INTERNATIONAL TRADE

THE transformation of European commerce which has taken place since the shifting of the centre of economic activity owed a tremendous debt to the Jews. If we consider nothing but the quantity of commodities that passed through their hands, their position is unique. Exact statistics are, as I have already remarked, almost non-existent; special research may, however, bring some figures to light that will be useful. At present there is, to my knowledge, only some slight material on this head, but its value cannot be overestimated.

It would appear that even before their formal admission into England—that is, in the first half of the 17th century—the extent of the trade in the hands of Jews totalled one-twelfth of that of the whole kingdom.<sup>33</sup> Unfortunately we are not told on what authority this calculation rests, but that it cannot be far from the truth is apparent from a statement in a petition of the merchants of London. The question was whether Jews should pay the duty on imports levied on foreigners. The petitioners point out that if the Jews were exempted, the Crown would sustain a loss of ten thousand pounds annually.<sup>34</sup>

We are remarkably well informed as to the proportion of trading done by Jews at the Leipzig fairs,<sup>35</sup> and as these were for a long period the centre of German commerce, we have here a standard by which to measure its

intensive and extensive development. But not alone for Germany. One or two of the neighbouring countries, especially Bohemia and Poland, can also be included in the survey. From the end of the 17th century onwards we find that the Jews take an increasing share in the fairs, and all the authorities who have gone into the figures are agreed that it was the Jews who gave to the Leipzig fairs their great importance.<sup>36</sup>

It is only since the Easter fair of 1756 that we are able to compare the Jewish with the Christian traders, as far as numbers are concerned, for it is only from that date that the Archives possess statistics of the latter.<sup>37</sup> The average number of Jews attending the Leipzig fair was as follows:—

1675-1680	...	416	1767-1769	...	995
1681-1690	...	489	1770-1779	...	1652
1691-1700	...	834	1780-1789	...	1073
1701-1710	...	854	1790-1799	...	1473
1711-1720	...	769	1800-1809	...	3370
1721-1730	...	899	1810-1819	...	4896
1731-1740	...	874	1820-1829	...	3747
1741-1748	...	708	1830-1839	...	6444

Note especially the speedy increase towards the end of the 17th and 18th centuries and also at the beginning of the 19th.

If we glance at the period 1766 to 1839, we see that the fairs were visited annually by an average of 3185 Jews and 13,005 Christians—that is to say, the Jews form 24.49 per cent., or nearly one-quarter of the total number of Christian merchants. Indeed, in some years, as for example between 1810 and 1820, the Jewish visitors form 33½ per cent. of the total of their colleagues (4896 Jews and 14,366 Christians). This is significant enough, and there is no need to lay stress on the fact that in all probability the figures given in the table are underestimated.

The share taken by Jews in the commerce of a country may sometimes be ascertained by indirect means. We know, for example, that the trade of Hamburg with Spain and Portugal, and also with Holland, in the 17th century was almost entirely in the hands of the Jews.<sup>37</sup> Now some 20 per cent. of the ships' cargoes leaving Hamburg were destined for the Iberian Peninsula, and some 30 per cent. for Holland.<sup>38</sup>

Take another instance. The Levant trade was the most important branch of French commerce in the 18th century. A contemporary authority informs us that it was entirely controlled by Jews—"buyers, sellers, middlemen, bill-brokers, agents and so forth were all Jews."<sup>39</sup>

In the 16th and 17th centuries, and even far into the 18th, the trade of the Levant as well as that with, and *via*, Spain and Portugal, was the broadest stream in the world's commerce. This mere generalization goes far to prove how pre-eminent, from the purely quantitative point of view, the Jews were in forwarding the development of international intercourse. Already in Spain the Jews had managed to obtain control of the greater portion of the Levant trade, and everywhere in the Levantine ports Jewish offices and warehouses were to be found. Many Spanish Jews at the time of the expulsion from Spain settled in the East; the others journeyed northwards. So it came about that almost imperceptibly the Levantine trade became associated with the more northerly peoples. In Holland, more especially, is the effect of this seen: Holland became a commercial country of world-wide influence. Altogether, the commercial net, so to say, became bigger and stronger in proportion as the Jews established their offices, on the one hand further afield, on the other in closer proximity to each other.<sup>40</sup> More particularly was this the case

when the Western Hemisphere—largely through Jewish influence—was drawn into the commerce of the world. We shall have more to say on this aspect of the question in connexion with the part the Jews played in colonial foundations.

Another means by which we may gain a clear conception of what the Jews did for the extension of modern commerce is to discover the kind of commodities in which they for the most part traded. The quality of the commerce matters more than its quantity. It was by the character of their trade that they partially revolutionized the older forms, and thus helped to make commerce what it is to-day.

Here we are met by a striking fact. The Jews for a long time practically monopolized the trade in articles of luxury, and to the fashionable world of the aristocratic 17th and 18th centuries this trade was of supreme moment. What sort of commodities, then, did the Jews specialize in? Jewellery, precious stones, pearls and silks.<sup>41</sup> Gold and silver jewellery, because they had always been prominent in the market for precious metals. Pearls and stones, because they were among the first to settle in those lands (especially Brazil) where these are to be found; and silks, because of their ancient connexions with the trading centres of the Orient.

Moreover, Jews were to be found almost entirely, or at least predominantly, in such branches of trade as were concerned with exportation on a large scale. Nay, I believe it may with justice be asserted that the Jews were the first to place on the world's markets the staple articles of modern commerce. Side by side with the products of the soil, such as wheat, wool, flax, and, later on, distilled spirits, they dealt throughout the 18th century specially in textiles,<sup>42</sup> the output of a

rapidly growing capitalistic industry, and in those colonial products which for the first time became articles of international trade, viz., sugar and tobacco. I have little doubt that when the history of commerce in modern times comes to be written Jewish traders will constantly be met with in connexion with enterprises on a large scale. The references which quite by accident have come under my notice are already sufficient to prove the truth of this assertion.<sup>43</sup>

Perhaps the most far-reaching, because the most revolutionary, influence of the Jews on the development of economic life was due to their trade in new commodities, in the preparation of which new methods supplanted the old. We may mention cotton,<sup>44</sup> cotton goods of foreign make, indigo and so forth.<sup>45</sup> Dealing in these articles was looked upon at the time as "spoiling sport," and therefore Jews were taunted by one German writer with carrying on "unpatriotic trade"<sup>46</sup> or "Jew-commerce, which gave little employment to German labour, and depended for the most part on home consumption only."<sup>47</sup>

Another great characteristic of "Jew-commerce," one which all later commerce took for its model, was its variety and many-sidedness. When in 1740 the merchants of Montpellier complained of the competition of the Jewish traders, the Intendant replied that if they, the Christians, had such well-assorted stocks as the Jews, customers would come to them as willingly as they went to their Jewish competitors.<sup>48</sup> We hear the same of the Jews at the Leipzig fairs: "The Jewish traders had a beneficial influence on the trade of the fairs, in that their purchases were so varied. Thus it was the Jews who tended to make trade many-sided and forced industry (especially the home industries) to develop in more than one direction. Indeed, at many

fairs the Jews became the arbiters of the market by reason of their extensive purchases."<sup>49</sup>

But the greatest characteristic of "Jew-commerce" during the earlier capitalistic age was, to my mind, the supremacy which Jewish traders obtained, either directly or by way of Spain and Portugal, in the lands from which it was possible to draw large supplies of ready money. I am thinking of the newly discovered gold and silver countries in Central and South America. Again and again we find it recorded that the Jews brought ready money into the country.<sup>50</sup> The theoretical speculator and the practical politician knew well enough that here was the source of all capitalistic development. We too, now that the mists of Adam Smith's doctrines have lifted, have realized the same thing. The establishment of modern economic life meant, for the most part, and of necessity, the obtaining of the precious metals, and in this work no one was so successfully engaged as the Jewish traders. This leads us at once to the subject of the next chapter, which deals with the share of the Jews in colonial expansion.