John Keymer

DUTCH TRADE AND COMMERCE AS A MODEL

The rapid growth of Holland’s wealth and the general prosperity of the Dutch people in the early seventeenth century drew the attention of many Europeans to what seemed an economic wonder. Despite the absence of notable natural
resources, such as forests, minerals, or climate favorable for growing grain, the Dutch had become the dominant economic power in northern Europe.

In the early seventeenth century, an Englishman named John Keymer published a series of tracts urging major reforms in English economic policies to permit more rapid development of English industry and commerce. Like many other economists of the period, he looked at the Dutch economy as a model to be adopted by other nations. Although Keymer shared the prevalent view that national wealth was measured by stores of precious metals in bullion or coin, his description of the Dutch economy revealed a more complicated reality. In his tract *Observations Touching Trade and Commerce with the Hollanders, and Other Nations*—falsely attributed to Sir Walter Raleigh (c. 1552–1618), who was noted for his interest in promoting English overseas trade and colonization—Keymer described the unusual character of the Dutch economy and the factors leading to its great success.

May it please your most Excellent Majesty,

I have diligently, in my travels, observed how the countries herein mentioned [mainly Holland] do grow potent with abundance of all things to serve themselves and other nations, where nothing growth; and that their never dried fountains of wealth, by which they raise their estate to such an admirable height, [so] that they are . . . [now] a wonder to the world, [come] from your Majesty's seas and lands.

I thus moved, began to dive into the depth of their policies and circumventing practices, whereby they drain, and still covet to exhaust, the wealth and coin of this kingdom, and so with our own commodities to weaken us, and finally beat us quite out of trading in other countries. I found that they more fully obtained these their purposes by their convenient privileges, and settled constitutions, than England with all the laws, and superabundance of home-bred commodities which God hath [bestowed on] your sea and land. . . .

To bring this to pass they have many advantages of us; the one is, by their fashioned ships called boyers, hoy-barks, hoys, and others that are made to hold great bulk of merchandise, and to sail with a few men for profit. For example, . . . [Dutch ships] do serve the merchant better cheap by one hundred pounds [English money] in his freight than we can, by reason he hath but nine or ten mariners, and we near thirty; thus he saveth twenty men's meat and wages in a voyage; and so in all other their ships according to their burden, by which means they are freighted wheresoever they come, to great profit, whilst our ships lie still and decay. . . .

Of this their smallness of custom [duty] inwards and outwards, we have daily experience; for if two English ships, or two of any other nations be at Bourdeaux [a French port, exporting mainly wine], both laden with wine of three hundred tons apiece, the one bound for Holland, or any other petty [small] states, the other for England, the merchant shall pay about nine hundred pounds custom here, and other duties, when the other in Holland, or any other petty states, shall be cleared for less than fifty pounds, and so in all other wares and merchandizes accordingly, which draws all nations to traffick with them; and although it seems but small duties which they receive, yet the multitudes of all kind of commodities and coin that is brought in by themselves and others, and carried out by themselves and others, is so great, that they receive more custom and duties to the state, by the greatness of their commerce in one year, than England doth in two years. . . .

And if it happen that a trade be stopped by any foreign nation, which they heretofore usually had, or hear of any good trading which
they never had, they will hinder others, and seek either by favour, money, or force, to open the gap of traffick for advancement of trade amongst themselves, and employment of their people.

And when there is a new course or trade erected, they give free custom inwards and outwards, for the better maintenance of navigation, and encouragement of the people to that business.

Thus they and others glean the wealth and strength from us to themselves; and these reasons following procure them this advantage of us.

1. The merchant[s] . . . which maketh all things in abundance, by reason of their store-houses continually replenished with all kind of commodities.

2. The liberty of free traffick for strangers to buy and sell in Holland, and other countries and states, as if they were free-born, maketh great intercourse.

3. The small duties levied upon merchants, draws all nations to trade with them.

4. Their fashioned ships continually freighted before ours, by reason of their few mariners and great bulk, serving the merchant cheap.

5. Their forwardness to further all manner of trading.

6. Their wonderful employment of their busses [herring boats] for fishing, and the great returns they make.

7. Their giving free custom inwards and outwards, for any new-erected trade, by means whereof they have gotten already almost the sole trade into their hands . . .

The merchandises of France, Portugal, Spain, Italy, Turkey, East and West-Indies, are transported most by the Hollanders, and other petty states, into the east and northeast kingdoms of [Europe] . . . and the merchandises brought from the last-mentioned . . . being wonderful many, are likewise by the Hollanders and other petty states most transported into the southern and western dominions, and yet the situation of England lieth far better for a storehouse to serve the south-east and north-east regions than theirs doth, and hath far better means to do it, if we will bend our course for it.

No sooner a dearth of fish, wine, or corn here, and other merchandise, but forthwith the Emdeners, Hamburgers [from the German ports of Emden and Hamburg], and Hollanders, out of their store-houses, [load] fifty or one hundred ships, or more, dispersing themselves round about this kingdom, and carry away great store of coin and wealth for little commodity, in those times of dearth; by which means they suck our commonwealth of her riches, cut down our merchants, and decay our navigation; not with their natural commodities, which grow in their own countries, but the merchandises of other countries and kingdoms.

Therefore it is far more easy to serve ourselves, hold up our merchants, and increase our ships and mariners, and strengthen the kingdom; and not only keep our money in our own realm, which other nations still rob us of, but bring in theirs who carry ours away, and make the bank or coin a store-house to serve other nations as well, and far better cheap than they . . .

The abundance of corn growth in the east kingdoms [of Europe], but the great store-houses for grain to serve Christendom, and heathen countries in the time of dearth, is in the Low-Countries [Holland and modern-day Belgium], wherewith, upon every occasion of scarcity and dearth they do inrich themselves seven years after, employ their people, and get great freight for their ships in other countries, and we not one in that course.

The mighty vineyards and store of salt is in France and Spain; but the great vintage and staple of salt is in the Low-Countries, and they send near one thousand sail of ships with salt and wine only into the east kingdoms yearly, besides other places, and we not one in that course.

The exceeding groves of wood are in the east kingdoms, but the huge piles of [lumber] . . . and timber, is in the Low-Countries, where none
grow, wherewith they serve themselves and other parts, and this kingdom with those commodities; they have five or six hundred great long ships continually using that trade, and we none in that course.

The wool, cloth, lead, tin, and divers other commodities, are in England; but by means of our wool and cloth going out rough, undress'd, and undy'd, there is an exceeding manufactory and drapery in the Low-Countries, wherewith they serve themselves and other nations, and advance greatly the employment of their people at home, and traffick abroad, and put down ours in foreign parts, where our merchants trade unto, with our own commodities. . . .

The Low-Countries send into the east kingdoms yearly, about three thousand ships, trading into every city and port-town, taking the advantage, and vendering their commodities to exceeding profit, and buying and lading their ships with plenty of those commodities, which they have from every of those towns 20 per cent. cheaper than we, by reason of the difference of the coin, and their fish yields ready money, which greatly advanceth their traffick, and decayeth ours.