

# The Origins of the Market Economy: State Power, Territorial Control, and Modes of War Fighting

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## INTRODUCTION

The origin and spread of money-based commodity markets is normally attributed to a natural evolution from barter and is usually seen as a solution to problems of exchange. I want to propose that markets to a considerable degree develop historically out of a different set of dynamics. These are concerned with the state-building tasks of territorial conquest and control, and are closely related to specific modes of war fighting. In this connection, markets develop not only to facilitate exchange per se but also to facilitate the mobilization of resources and their management across space and time. This need to manage resources geographically and temporally contributes not only to the spread of commodity markets but also to the development of markets in land and in labor.

My goal is to offer a plausible—if partial—explanation of how markets became institutionalized as an ordinary feature of social life in societies that nevertheless cannot be described as market economies; that is, where the economy is not distinct from society and markets are not the dominant influence in any of the usual features of social life that we would now describe as “economic.”<sup>1</sup> In short, I am trying to get at that liminal moment where market exchange and the use of money are normal and widespread enough

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<sup>1</sup> K. Polanyi, “The Economy as Instituted Process.” In, K. Polanyi, C. Arensberg, and H. Pearson, eds., *Trade and Markets in the Early Empires* (Glencoe, Ill.: The Free Press, 1957), 243–70; *Primitive, Archaic and Modern Economies*, G. Dalton, ed. (New York: Anchor Books, 1968).

to be unremarkable, yet not central to social relations or patterns of production and consumption.

Markets may exist without money and money may exist without markets, so part of the problem here is to see how their evolution becomes intertwined historically.<sup>2</sup> There is a well-established argument linking the emergence and institutionalization of *money* with the state, and the state may be seen as necessarily involved in regulating and protecting markets from an early date.<sup>3</sup> In particular, the institutional stability and guarantees provided by a well-established state, above all guarantees concerning the status of private property, have been identified as particularly critical underpinnings for the development of market economies.<sup>4</sup> However, the emergence of monetized markets is not, with a few important exceptions, generally seen as itself a state project or, to be more exact, the immediate byproduct of a state project having nothing necessarily to do with economic activities.<sup>5</sup>

A more conventional account of market development in history sees the process as driven wholly by the need and the desire of individuals to exchange goods and services. From Aristotle through Smith and his belief in our inherent

<sup>2</sup> Ingham argues persuasively that the earliest form of money is money of account that has no physical incarnation. In ancient Mesopotamia, for example, production and distribution were largely controlled by the temples and the palaces. They used the shekel as an accounting device to organize and manage the flow of goods and labor services, but there were no physical shekels. Distribution was not managed through market exchange, but on the basis of obligations owed and fulfilled. Rents and taxes were recorded in the money of account but paid in goods and labor services. See G. Ingham, *The Nature of Money* (London: Polity Press, 2004).

<sup>3</sup> On the state and money, see G. F. Knapp, *The State Theory of Money* (London: Macmillan, 1924); J. M. Keynes, *The General Theory of Employment, Interest and Money* (New York: Harcourt, Brace and World, 1964 [1935]); K. Hart, "Heads or Tails?: Two Sides of the Coin," *Man* 21 (1986): 637–56; G. Simmel, *The Philosophy of Money*, T. Bottomore and D. Frisby, trans. (London: Routledge, 1990); G. Ingham, *The Nature of Money* (London: Polity Press, 2004). On state regulation of economic activities, see F. C. Lane, *Venice and History: The Collected Papers of Frederic C. Lane* (Baltimore: Johns Hopkins University Press, 1966).

<sup>4</sup> See, for example, D. C. North and R. P. Thomas, *The Rise of the Western World* (Cambridge: Cambridge University Press, 1973); D. C. North, *Institutions, Institutional Change and Economic Performance* (Cambridge: Cambridge University Press, 1990). For discussion and critique, see S. R. Epstein, *Freedom and Growth: The Rise of States and Markets in Europe, 1300–1750* (London: Routledge, 2000).

<sup>5</sup> Weber describes "political capitalism" in Antiquity having to do with profit-making opportunities arising out of the operations of the state, especially military operations. He sees this as an alternative to market capitalism and an historical dead end. See M. Weber, *The Agrarian Sociology of Ancient Civilizations* (London: New Left Books, 1976 [1924]); *General Economic History* (London: Transaction Books, 1981 [1927]); J. R. Love, *Antiquity and Capitalism* (London: Routledge, 1991). Polanyi notes Greek armies were the "chief promoters of markets"; See K. Polanyi, "Aristotle Discovers the Economy," In, K. Polanyi, C. Arensberg, and H. Pearson, eds., *Trade and Markets in the Early Empires* (Glencoe, Ill.: The Free Press, 1957), 64–94, esp. 85. Elsewhere he writes that the *agora* "was a creation of the polis. . . . It was not born out of random transactions of unattached individuals. . . . Rather, markets were the result of deliberate policies. . . ." (*Primitive, Archaic and Modern Economies*, 319). Frederic Lane, in a series of brilliant essays dating from the 1940s, develops several ideas concerning the role of the state and of violence in economic development that I will touch on presently. See his *Venice and History*.

propensity to truck and barter to modern times, the evolution from barter to fully realized commodity markets is seen as a largely natural, anonymous, and private process, involving countless generations of masses of people working out an increasingly efficient system of exchange. The state may facilitate or hamper this process through its activities or character, but the developmental dynamic is firmly rooted in the needs and behaviors of private individuals.<sup>6</sup> I think this account is both correct—in the sense that people have worked out many ways of satisfying their material and social needs through various forms of exchange—and incomplete in that it ignores or underestimates certain highly organized and institutionalized *drivers* of market development.

Epstein, in his interesting book *Freedom and Growth*, offers a kind of middle way in explaining the dynamics of market development for the medieval era. For him, the key thing that states do that promotes economic development is to *integrate* markets. Market integration, in turn, fosters an improved division of labor and specialization, productivity growth, and even more scope for exchange. Otherwise, market development is inhibited by high transaction costs related to tolls, tariffs, and poorly developed infrastructure on the one hand, and the market monopolies and coordination failures connected with jurisdictional and political fragmentation on the other. War, for Epstein, can be destructive of market development for the usual reasons and, paradoxically, it can promote development to the degree that it results in territorial integration and reduced transaction costs under a unified state. In sum, according to Epstein, “State formation was thus a major cause—perhaps *the* major driving force—of market integration and Smithian growth before the nineteenth century.”<sup>7</sup> On the other hand, he evidently sees markets as being a natural development that can be either promoted or inhibited by what happens at the level of the state: states produce market *integration*, but something else produces markets. He believes that product markets and, to a lesser extent, markets in labor, land, and credit, were ubiquitous under feudalism and driven to a significant degree from below, by the feudal peasantry. Markets would develop, in effect, unless insufficiencies of the state *prevented* them from doing so.<sup>8</sup>

The argument presented here, by contrast, pushes further the centrality of the state in causing markets to develop, not just in creating more or less favorable

<sup>6</sup> See J. Hicks, *A Theory of Economic History* (Oxford: Oxford University Press, 1969). In my reading of Epstein, markets develop autonomously to the degree that they are not inhibited by the failings of the state; they are in that sense the ‘natural’ outcome. McCormick also sees commerce as a natural and autonomous social dynamic whose development different state activities may promote or inhibit, but the role of the state remains, in effect, as an auxiliary rather than a leading player in marketization. See M. McCormick, *Origins of the European Economy: Communications and Commerce, A.D. 200–900* (Cambridge: Cambridge University Press, 2001).

<sup>7</sup> Epstein, *Freedom and Growth*, 52.

<sup>8</sup> *Ibid.*, esp. 48ff. McCormick, too, is very attentive to the role states may play in facilitating market integration, either through territorial consolidation or through infrastructure development. See his *Origins of the European Economy*.

conditions for their operations. It proposes that states, as they go about their business of expanding and maintaining territorial control, are likely to promote the emergence and development of markets to serve their own needs. It also proposes that certain styles of warfare are likely to engender the development of markets. Throughout, the stress is laid on markets as a mechanism for managing resources over time and space rather than as a way of facilitating exchange per se. That said, I wish to stress that my goal is not to displace an account of market development from below, as it were, or to propose that markets are created uniquely by states and foisted on an unsuspecting populace. Rather, I want to explore what I see as a plausible and intriguing dynamic that may enrich our understanding of how markets may have developed historically. I cannot, of course, generalize beyond the particular times and places I examine here, but I do think it is possible to suggest that we need to look more closely at how states and markets grow up *together* and how each may rely on and support the other in a very productive developmental dialectic, at least under certain circumstances. In what follows, I am unfortunately unable to give the dialectic its due; I will perforce focus on the state/war/resource management triad at the expense of the autonomous markets/commerce/exchange dynamic. Further, I will not attempt to calibrate the relative contributions of these processes. I merely think that they go together in complicated and interesting ways.

I will explore three distinct episodes in European history where money-based commodity markets emerged and became unremarkable: Greece in the fifth century B.C., Imperial Rome, and the Middle Ages from the tenth through the thirteenth centuries. I will propose that the dynamics underlying each episode are quite similar, although there are several centuries in between in which money and markets fade from view and need to be reconstituted from a rather reduced state. Historians of antiquity are, in my reading, generally more alert to the state role in developing markets than are their counterparts for the medieval period. Although they do not see this as a question of managing resources across space and time, they are very attentive to shifts in modes of war fighting and the special problems of imperialist states. It seems worthwhile, therefore, to examine a fairly well-developed discussion and consider the degree to which it helps us think about the problem in a very different context.

#### COINS, POLITICS, AND MARKETS IN ANTIQUITY

Coinage is intimately connected with money but is not identical to it. Here I want to explore the process by which coinage becomes money, and exchange mediated by money becomes a significant part of social life. More precisely, two linked transitions need to be elaborated. One is from coinage as primarily involved in political relations to coinage/money as an economic lubricant. The second is from the circulation of goods primarily through gift-exchange and

pillage to more generalized market exchange. For ancient Athens, it seems possible to locate these transitions in the fifth century B.C.<sup>9</sup>

The earliest gold coins were minted in the seventh century B.C. at Sardis, capital of the kingdom of Lydia in Western Asia, and home of the actual King Croesus. From Sardis, the practice of minting precious metal coins spread slowly and unevenly westward through the Mediterranean. It is often supposed that gold coinage, being of high value, was introduced specifically to facilitate long-distance luxury or large-bulk trade, but the evidence does not seem to support this. In particular, the big traders of the era—including the Egyptians and the Carthaginians—were conspicuously slow to adopt coined money.<sup>10</sup>

If the big traders were not using coins, who was using them and what were they used for? Coins, like many social artifacts, have multiple uses. It seems safe to say that, once in existence, coinage in antiquity served *both* as a medium of political expression and as a medium of exchange.<sup>11</sup> The portrait of the sovereign or the symbol of the *polis*, such as the Athenian owl, made a political statement and, in the form of coinage, allowed this statement to circulate both within the territory that issued it and abroad. But, plainly, the coins could also be used in trade. So we need to think about what is driving the development and generalization of coinage as money, what is driving the development and generalization of commodity exchange, and why these two trajectories become one.

The introduction of coinage in ancient Greece dates to roughly the second quarter of the sixth century. Who introduced it? Not the state exactly, because there was no stable, authoritative state at the time. In this period, a number of wealthy families were vying for political supremacy in various

<sup>9</sup> See, for example, L. Kallett-Marx, *Money, Expense and Naval Power in Thucydides' History* (Oxford: Oxford University Press, 1993); T. R. Martin, "Why Did the Greek Polis Originally Need Coins?" *Historia* 45 (1996): 257–82; K. Shipton, "Money and the Elite in Classical Athens," in A. Meadows and K. Shipton, eds., *Money and Its Uses in the Ancient Greek World* (Oxford: Oxford University Press, 2001), 129–44; J. Trevett, "Coinage and Democracy at Athens," in *ibid.*, 23–34. See also M. I. Finley, *Economy and Society in Ancient Greece* (London: Viking Press 1981); and *The Ancient Economy* (Berkeley: University of California Press, 1999). For an alternative view on the dating of monetization, see H. S. Kim, "Archaic Coinage as Evidence for the Use of Money," in A. Meadows and K. Shipton, eds., *Money and Its Uses in the Ancient Greek World* (Oxford: Oxford University Press, 2001), 7–21; H. S. Kim, "Small Change and the Money Economy," in P. Cartledge, E. Cohen, and L. Foxhall, eds., *Money, Labour and Land: Approaches to the Economies of Ancient Greece* (London: Routledge, 2002), 44–51.

<sup>10</sup> T.G.H. James, *Pharaoh's People: Scenes from Life in Imperial Egypt* (London: The Bodley Head, 1984); L. Kurke, *Coins, Bodies, Games and Gold: The Politics of Meaning in Archaic Greece* (Princeton: Princeton University Press, 1999); A. Ramage and P. Craddock, *King Croesus' Gold: Excavations at Sardis and the History of Gold Refining* (Cambridge: Harvard University Art Museums, 2000).

<sup>11</sup> See for example, I. Morris, "Hard Surfaces," in P. Cartledge, E. Cohen, and L. Foxhall, eds., *Money, Labour and Land: Approaches to the Economies of Ancient Greece* (London: Routledge, 2002), 8–43.

regions. These powerful families issued stamped, precious-metal tokens to their followers and dependents to cement patron-client relationships. These tokens—the earliest Greek coins—carried the same inscriptions as the personal seals of the family heads. They were an expression of personal power and a claim to broader political standing. In this context, the lineage of coinage is not, as the economic history supposes, from barter to coin, but from personal seal to coin. It is a political genealogy, not an economic one.<sup>12</sup>

What about the coinage issued by the *polis*? Here the issuer is a collective body—a state—not an individual. Does this change its meaning or its purpose? Leslie Kurke shows that the ancient Greek *polis* introduced gold coinage as part of a strategy of curbing the power of the traditional landed aristocracy whose political strength was being eclipsed by the rise of the city-state itself.<sup>13</sup> This aristocracy used gold in a complex and exclusive round of social recognition and social reinforcement based on gift-exchange. They also dedicated gold objects for religious purposes. Interceding successfully with the gods was one way the aristocrats fulfilled their function of social protectors, a function that helped legitimate their power and wealth. Turning gold into coins instead of into tripods and cups, and circulating the coins more widely than aristocratic objects, were ways of asserting the political supremacy of the *polis*. They were also ways of demonstrating that social justice and security were now in the hands of the *polis* rather than the gods.<sup>14</sup>

We also know that in ancient Greece a very high premium ideologically was placed on self-sufficiency because it was seen as the best guarantor of political independence.<sup>15</sup> The ideology, moreover, was realized to a considerable degree in practice. Even scholars who stress the economic rationality of the ancients acknowledge that producers largely consumed their own output and that exchange was overwhelmingly local. Morris, for example, estimates that primary producers consumed at least 80 percent of output, and that, of the rest, no more than 1–2 percent was transported further than a few dozen miles from its source.<sup>16</sup> In Attica, almost certainly the largest cash market was the very mining region that produced the silver that was turned into coins. An estimated ten thousand slaves worked the mines of Laurion and they had to be fed and otherwise provisioned from outside.<sup>17</sup>

<sup>12</sup> S. Von Reden, *Exchange in Ancient Greece* (London: Duckworth, 2003), 177–78.

<sup>13</sup> Kurke, *Coins, Bodies, Games and Gold*; and “Money and Mythic History: The Contestation of Transactional Orders in the Fifth Century B.C.,” in W. Scheidel and S. Von Reden, eds., *The Ancient Economy* (New York: Routledge, 2002), 88–113.

<sup>14</sup> Kurke, *Coins, Bodies, Games and Gold*; and “Money and Mythic History”; Von Reden, *Exchange in Ancient Greece*.

<sup>15</sup> R. Osborne, “Pride and Prejudice, Sense and Subsistence: Exchange and Society in the Greek City,” in W. Scheidel and S. Von Reden, eds., *The Ancient Economy* (New York: Routledge, 2002), 115–32.

<sup>16</sup> Morris, “Hard Surfaces.”

<sup>17</sup> Osborne, “Pride and Prejudice,” 129.

In sum, for the most part, production and consumption were not mediated by market exchange. The *polis* lived off the produce of its hinterland and its citizens fed themselves and their slaves largely off the output of their own lands. As Osborne writes: “[T]own and country are indivisible, and questions of feeding the town or of exchange between town and country simply do not arise.”<sup>18</sup>

Finally, we know that trade and traders were viewed with considerable contempt by the ancient Greeks. As an activity, commerce was largely relegated to foreigners—*metics*—who were not citizens of the *polis*. Specialized production for sale was, similarly, largely the sphere of foreigners and slaves. As Cartledge writes: “It is simply not possible to overstate the degree to which ancient Greek life . . . was politicized. It is this politicization which explains . . . the necessity (rather than the mere desirability) of alienating market-exchange as far as possible beyond the tight bonds of the civic community, displacing it for preference onto sub-citizen classes excluded from full civic participation by reason of their legal status as women, aliens or unfree.”<sup>19</sup> The importance of this view of exchange, in this context, is that it seems quite unlikely that those who issued coinage in ancient Greece did so with the aim of facilitating or promoting trade. Though coins may have had a dual use once they existed, the reason they existed was political, not economic. That is to say, commercialization and monetization of society were not *per se* the state project. They are, as I will suggest, a byproduct of other state ambitions altogether.

Greeks did engage in exchange from earliest known times, within and between territories. However, *market* exchange was not a central or broadly generalized feature of ancient life and it was not the primary vehicle for the circulation of goods. These moved principally through gift-exchange and through plunder. Warfare was looked upon as a normal and legitimate way of expanding the resource base of the *polis*. As well as ordinary goods, *coins* moved to a significant extent through these extra-economic pathways. When they were not being given away or stolen, they were quite characteristically buried in the ground.<sup>20</sup>

### *Political Money and Economic Money*

Can we identify the period in which monetized markets become important in the life of the *polis* and in which money begins its transition from a largely political substance to something more like an economic substance? A good case

<sup>18</sup> *Ibid.*, 116.

<sup>19</sup> P. Cartledge, “The Economy (Economies) of Ancient Greece,” in W. Scheidel and S. Von Reden, eds., *The Ancient Economy* (New York: Routledge, 2002), 19.

<sup>20</sup> *Ibid.*; D. Kyrtatas, “Domination and Exploitation,” in P. Cartledge, E. Cohen, and L. Foxhall, eds., *Money, Labour and Land: Approaches to the Economies of Ancient Greece* (London: Routledge, 2002), 140–55; S. Meikle, “Modernism, Economics and the Ancient Economy,” in W. Scheidel and S. Von Reden, eds., *The Ancient Economy* (New York: Routledge, 2002), 233–50.

can be made that this happens in Athens from the mid-fifth century onwards, and that it is linked to two sorts of political project—democratization and imperialism.

We might ask, if ancient Greeks were so opposed to the idea of trade, what was going on in the *agora*, the central meeting and market place of the *polis*? Part of the answer is that the *agora* was far more than a marketplace and, as with coinage, its emergence is linked to the political development of the *polis*. The *agora* was the site of political exchange, drama, and litigation along with commerce, and arguably, commerce was the lesser of its various roles. As Sitta von Reden shows, what is key about the *agora* is that it was the site of *public* exchange and a place where the actions and the moral status of the citizen became visible to all. In the aristocratic tradition, politics happened privately, in the countryside, within the households of the participants. There the gifts were exchanged and the deals were made. In the *polis*, although the display of wealth and status and the exchange of favors for support might still be critical to success, politics had to be done in public and in the city. In particular, for democratic Athens, it was critical to move politics into a visible, public space. As von Reden argues, “Shifting the assessment of citizens from the countryside to the agora was a deliberate strategy in the course of democratization.”<sup>21</sup>

We can see further that the project of constructing a democratic *polis* could be directly connected with the monetization of Greek society. State payments for jury duty and magistrates as well as for military service were all instituted in the course of the fifth century, coinciding with a significant increase in the quantity of coins in circulation. Pericles described Athens as “a salary-drawing city,” and a century later Aristotle specifically linked democracy with public pay.<sup>22</sup> Salaries for public service allow those who are not wealthy to participate fully in the public life of the *polis*. This only works, however, if there are cash-based commodity markets in which to spend those salaries and obtain the wherewithal to live despite time devoted to civic duties.

Coinage now does more than make a claim of sovereignty and political supremacy. It is issued as part of a political project, as part of constructing a democratic state, but this requires the further marketization of social life in order to work. I do not wish to suggest here that public pay created moneyed markets out of whole cloth. And, indeed, non-democratic *poleis* also issued money. Yet it does seem possible to suppose that this political project was strongly connected to the generalization and the normalization of market relations. In this sense, the *agora* as a site of political exchange helped to produce the *agora* as the site of commodity exchange. By the same token, the *agora* as market helped create the conditions for a certain kind of politics.

<sup>21</sup> Von Reden, *Exchange in Ancient Greece*, 108.

<sup>22</sup> Trevett, “Coinage and Democracy,” 23–24.

But this scenario suggests that the marketplace was not necessarily self-expanding due to its natural qualities. It was the political context that made the expansion of market exchange more likely and more urgent.

Along with democracy, Athens was developing as an imperial power in the same period. Thucydides makes it quite plain that the expenditure of public money in support of a huge standing navy was key to Athens' imperial power and ambitions.<sup>23</sup> Crucially, naval power on this scale represented a new kind of warfare with new political and financial requirements.

Prior to this innovation, wars were small in scale and short in duration—generally organized around a single pitched battle, after which everyone could return home and see to their own subsistence. Hoplite warfare and small-scale naval power were largely privately supported. The citizen-soldier was responsible for outfitting himself. The ability to do this required wealth, but not necessarily in the form of money. By the latter part of the fifth century, however, Athens had built a fleet of more than two hundred triremes manned by some forty thousand rowers. These required large-scale expenditures for construction, maintenance, wages, and provisions.<sup>24</sup>

Thucydides' analysis suggests that in these circumstances it is actually spending money in large quantities rather than accumulating and displaying wealth that will be the necessary and effective means of asserting Athenian power in the course of the Peloponnesian War. This is part of the significance of his account of Pericles' oration on the eve of war, in which the latter suggests that Athens may need to spend *all* of its wealth in order to prevail.<sup>25</sup> In this, we see a distinctive shift from traditional notions of the uses and meaning of wealth and an altered appreciation of the connection between money and power. In effect, where coinage was formerly a direct expression of personal or political power, now it must be mediated by exchange—used as money—in order to achieve its ends.

Note that the ends are still political and this is what makes the accumulation and expenditure of money morally acceptable. The surplus wealth of Athens is being converted to money and expended for the good of the city, which lies in maintaining its political hegemony. The point of empire, however, is not to get rich, but to be most powerful. Happily, a consequence of being most powerful is that you also get richer, which provides the means for maintaining your power, but power, and the glory and honor that go with it, are always the primary goal.<sup>26</sup>

In this period, then, it seems possible to watch as money is transformed from being largely political and symbolic in its functions and meanings to being

<sup>23</sup> Kallett-Marx, *Money, Expense and Naval Power*.

<sup>24</sup> *Ibid.*; V. Hanson, "Genesis of the Infantry, 600–350 B.C.," in G. Parker, ed., *The Cambridge Illustrated History of Warfare* (Cambridge: Cambridge University, 1995), n.p.

<sup>25</sup> Kallett-Marx, *Money, Expense and Naval Power*, 18.

<sup>26</sup> *Ibid.*, 7–8.

something like politico-economic, if we can name this as a stage on the way to being a full-fledged economic substance. This transition occurs in tandem with the increasing importance of market exchange in the circulation of goods despite the fact that this activity is widely seen as morally suspect. In other words, monetized market exchange does not expand solely because of its self-evident and natural advantages, but also as a consequence of specific state strategies. These strategies are political and territorial—democratization and imperialism. I do not mean to suggest that there was an actual plan to promote the marketization of society, but the state, by monetizing its own activities in order to achieve its political and geo-political ambitions, is directly creating the conditions that promote increasing commercialization. As yet—and for quite some while to come—it is only a partial transition. However, rather than thinking of monetized markets as emerging autonomously from the mists of time, it may be useful to consider why the evolution of money and of markets come together and why they become substantially more important and more general at a particular moment.

*Money, Markets, and Empire in Ancient Rome*

In ancient times, as we have seen, commodity exchange of any sort was a relatively minor part of ordinary life. This is not to say that it was insignificant, merely that most production and consumption did not involve exchange and most of the goods that were in circulation were not being traded. Given these conditions, it actually makes a lot of sense that the state would be the site in which money begins to become an important feature of social life, but a feature that is driven in the first instance by political rather than economic needs and values. If one tries to imagine where a critical mass of wealth and expenditure would arise that could be translated into a demand for money—a demand that could underwrite the subsequent generalization of a commercial activity—the state is a good place to look, compared with myriad scattered private exchanges or even reasonably substantial marketplaces.

Keith Hopkins argues that it was precisely the state's imposition of money taxes that promoted commodity trade in the Roman Empire. Taxpayers had to convert some of their surplus to cash in order to satisfy the state's requirements, which meant selling their produce.<sup>27</sup> Where did cash-rich buyers come from? It must be supposed that they, too, are in some sense a product of the state which puts its coinage into circulation in order to provision both the city of Rome and the legions—most of all, the legions.

For it is not merely the state, but the imperial state that concerns us. This is a state that can gather in resources from an expansive territory and is driven

<sup>27</sup> K. Hopkins, "Taxes and Trade in the Roman Empire (200 B.C.—A.D. 400)," *Journal of Roman Studies* 70 (1980): 101–25; and "Rome, Taxes, Rents and Trade," in W. Scheidel and S. Von Reden, eds., *The Ancient Economy* (New York: Routledge, 2002), 190–230.

to use them to sustain and further expand its imperial reach. In the case of Athens, this implied supporting a standing navy. In the case of imperial Rome, it meant supporting a standing army.

In Rome there is again a major transition from a tradition of small-scale wars fought by farmer/warriors who provided their own arms and armor in short, local battles to an imperial style of warfare. By the late second century B.C., Rome was waging war across the entire Mediterranean on a more or less permanent basis. The legionaries could not return home to farm at the end of a short campaign; they had to be permanently supported at the frontier. The recruitment of soldiers no longer depended on status or sufficient wealth to arm oneself.<sup>28</sup>

In a largely agrarian and non-commercial society, the state's imperial project and its professional army were arguably the driving force behind a transition to a more monetized social order. Duncan-Jones concisely sums up the situation: "The Empire of the Principate was not fully monetised, and the state collected much of its revenue in kind. Big private estates, like small peasant farms, were said to aim at self-sufficiency and to avoid the market place where they could. At the center, though, there is little sign that the government could do without money. . . . Money was of the utmost importance for the state's biggest spending commitment, maintaining a large army."<sup>29</sup>

If the state is the driving force behind monetization of Roman society, we still need to understand why it is driven to convert from in-kind to monetary tax payments. Here the temporal-spatial problem comes into sharp relief. The legions are based on the expanding periphery of the empire. How can they be provisioned? Since they are far from the most productive agricultural areas, it is at best difficult and costly to transport material in kind reliably and consistently. Since they are garrisoned there for a considerable amount of time, they cannot simply pillage the countryside because it would soon be exhausted. In short, the necessary resources are either in the wrong place or they are difficult to mobilize for a sufficient length of time through the use of sheer force. One alternative is to convert distant in-kind resources into money, which is much easier to move around over a huge territory, and to use that money to procure necessary inputs from regions closer to the frontiers.<sup>30</sup>

Several issues are worth drawing out here. The first is that it is indeed the militarization inherent in empire that is the central factor driving the monetization of the state. Duncan-Jones suggests that financing the army absorbed

<sup>28</sup> V. Hanson, "The Roman Way of War, 250 B.C.—A.D. 300," in, G. Parker, ed., *The Cambridge Illustrated History of Warfare* (Cambridge: Cambridge University, 1995), 50–61.

<sup>29</sup> R. Duncan-Jones, *Money and Government in the Roman Empire* (Cambridge: Cambridge University Press, 1994), 3.

<sup>30</sup> Jones notes that the food and clothing required by the army were procured through local compulsory purchases while the corn dole at Rome was supplied through in-kind taxes or in-kind rents on imperial estates. A.H.M. Jones, *The Roman Economy* (Oxford: Blackwell, 1974), 38.

roughly three-fourths of the imperial budget in the mid-second century.<sup>31</sup> Hopkins believes that there was a considerable increase in trade in the period of imperial expansion and associates this with a substantial increase in the money supply.<sup>32</sup> Crawford demonstrates that the volume of coinage is closely correlated with the level of military expenditure.<sup>33</sup> Badian relates that contracts for army supplies date back at least to the third century B.C.<sup>34</sup> So, the commercialization of Roman society seems to have been very closely connected to the imperialist project. But certainly one of the reasons territorial expansion had to be underwritten by actual money and increased trade rather than direct provisioning in kind is that so much of the imperial army was so distant both from the center and from the richest resource areas within the empire. The transfer of resources from Sicily or Egypt to Britain or the Rhine could be accomplished much more quickly, easily, and efficiently if the grain were first converted into money in, say, Italy and then reconverted into provisions on the frontier.<sup>35</sup> Under Augustus, there were three government mints in operation, in Rome, Spain and Lyons. There is no documentary explanation for why these locations were chosen, but it seems likely that Spain was selected to be near the source of the mines, and Lyons with a view to being relatively close to the army on the frontier.<sup>36</sup>

A further implication of this process is that there would be two principal geographic areas of a developing commercial economy: the center—that is, Rome itself—and rather counter-intuitively, the periphery where the legions expanded

<sup>31</sup> Duncan-Jones, *Money and Government*, 45. See also A.H.M. Jones, who writes, “The great mass of money was spent on wars and on the increasingly regular garrisons of the provinces. . . . This means that nearly all the income of the treasury was spent in the provinces in the form of military pay and supplies, and very little remained in Italy” (*Roman Economy*, 116).

<sup>32</sup> Hopkins, “Taxes and Trade.”

<sup>33</sup> M. H. Crawford, *Roman Republican Coinage* (London: Cambridge University Press, 1974).

<sup>34</sup> In a normal year, four new legions would need to be equipped at a cost of 1.5 million denarii or the equivalent of somewhere between 1,100 and 1,800 pounds of gold for clothing alone. See E. Badian, *Publicans and Sinners: Private Enterprise in the Service of the Roman Republic* (Ithaca: Cornell University Press, 1972), 16, 22. The wages of one legion for a year in circa the second century B.C. ran to some 2.4 million sesterces, or roughly 500,000–600,000 denarii. In this period, there were generally seven legions in service. See W. V. Harris, *War and Imperialism in Republican Rome, 327–70 B.C.* (Oxford: Clarendon Press, 1979), 70–71, 93.

<sup>35</sup> Transport by sea from, for example, Egypt to Italy, would have been significantly faster and cheaper than overland transport to almost anywhere, at least during the sailing season. The cost of shipping a *modius* of wheat from Alexandria to Rome at the time of Diocletian was, according to Jones’ estimate, somewhat less than what it would take to cart it fifty miles over land (*Roman Economy*, 37). On the other hand, shipping coinage around poses considerable risks, which should not be underestimated. For some of its interregional financial obligations, the state seems to have relied on a primitive system of bills of exchange with tax farmers in the provinces. See Badian, *Publicans and Sinners*, 77. This would allow a considerable reduction in the total amount of cash in transit and would possibly result in a disproportionate flow of money between Rome and the frontiers compared to the links between Rome and the settled provinces.

<sup>36</sup> O. Davies, *Roman Mines in Spain* (Oxford: Clarendon Press, 1935); Duncan-Jones, *Money and Government*.

or maintained the frontier.<sup>37</sup> Successful imperialism, indeed, provided much of the wherewithal for vast outlays on public construction projects in Rome, which may be seen in part as investment in consolidating the power of the state. It was, in general, war booty rather than taxes that underwrote the construction of the aqueducts, temples, and other important public building projects, land acquisition for veterans, subsidized and eventually free corn for the Roman *plebs*, and much of the provisioning of the army.<sup>38</sup> As Duncan-Jones notes, much of the rest of the productive base—ranging from peasant farms to large, aristocratic estates—by preference avoided the market altogether. The situation appears to be quite analogous to the one we have seen in Greece. Trade was looked down upon, while self-sufficiency was admired. Wealth and power were linked in the first instance to land, not money.<sup>39</sup> Apart from army payments, precious metals circulated largely in the form of gifts from the emperor to privileged citizens (*congiaria*) or foreign rulers, gift-exchange among the wealthy, and plunder. Coinage had tremendous political valence, but restricted economic meaning. As Duncan-Jones puts it, “the Emperor’s image on the coinage [was] an essential weapon of propaganda,” and it was quite normal for new incumbents to melt down the old emperor’s coinage and re-mint it with their own portraits.<sup>40</sup>

#### THE REEMERGENCE OF A MARKET ECONOMY IN MEDIEVAL EUROPE

At its most developed, commercial exchange remained, it seems fair to say, a subordinate feature of ancient society. All we can say is that, at some point, from near invisibility it started to become significantly more available and more normal and this inflection can plausibly be linked with specific problems of territorial control, modes of war fighting, resource mobilization over time and space, and political development.

The commercialization of ancient society cannot be recruited as a direct albeit distant precursor to the rise of capitalism, but in thinking about the eventual resurgence of monetized market exchange in the Middle Ages, which can, it is useful to have this prior history in mind to guide the kind of questions we can ask of the available evidence.

The decline of the empire in the West was accompanied by a sharp retrenchment in the circulation of money and in market exchange. Goods might still be

<sup>37</sup> Jones believes that Rome itself was less commercialized than one might expect, due principally to the poverty of most of its inhabitants. He also observes that the interregional redistribution of wealth from the rich provinces of North Africa and Asia to the legions in the backward regions of northern and eastern Europe tended to stimulate development and town building in the frontier areas. See Jones, *Roman Economy*, 36–38, 127.

<sup>38</sup> Badian, *Publicans and Sinners*, 30, 53; Jones, *Roman Economy*, 114–16; Harris, *War and Imperialism*, 93.

<sup>39</sup> J. Loane, *Industry and Commerce of the City of Rome, 50 B.C.–200 A.D.* (Baltimore: Johns Hopkins University Press, 1938); Badian, *Publicans and Sinners*; Harris, *War and Imperialism*.

<sup>40</sup> Duncan-Jones, *Money and Government*, 10, 98.

exchanged, even over considerable distances, but we see a reversion to their circulation in gift-exchange or pillage eclipsing their movement through commerce. Precious-metal coins disappeared into hoards or were drained off eastward in what remained of the luxury trade. Some real gains were made in the early medieval era, particularly during the Carolingian period, but the disintegration of that dynasty and the Norse invasions in the ninth century imposed new obstacles to this development.<sup>41</sup>

The Middle Ages, however, did eventually see a genuine revival of monetized trade. McCormick, in his astonishing work on *The Origins of the European Economy*, sees the revival of commercial relations throughout Europe as well underway during the eighth century.<sup>42</sup> He is quite sensitive to the problems posed by distance and exhaustively traces the movements of goods, money, and people from one end of the Mediterranean to the other and from the Middle Sea to the Baltic. Like Epstein, he views market integration as an important driver of commercialization, but again, like Epstein, he is concerned overwhelmingly with *transactions*—spiritual, political, and economic—across space. Each movement of relic, coin, diplomatic message, or commodity completes a circuit of exchange between two transacting parties. What I want to get at here is something a bit different, focusing not so much on circuits of exchange in the first instance, but on how institutions manage resources over space and how these resource flows may link up with or help generate those circuits of exchange. McCormick also sees the functioning of the Carolingian court as an important driver of commercial relations, partly because it concentrates in one place so many rich people who are anxious to display their wealth and status. However, the court is not really the same as the state, which is looked to more for infrastructural support and, as with Epstein, for market consolidation.<sup>43</sup>

### *Medieval Warfare: Methods and Finance*

I want to explore here the possibility that changing modes of fighting and financing wars may have *elicited* the increasing commercialization of society rather

<sup>41</sup> McCormick takes a more optimistic view of this revitalization of commerce, seeing it as both stronger and more durable than some other researchers; see *Origins of the European Economy*. Other sources include R. S. Lopez, *The Commercial Revolution of the Middle Ages: 950–1350* (Cambridge: Cambridge University Press, 1976); J. Masschaele, *Peasants, Merchants and Markets: Inland Trade in Medieval England, 1150–1350* (New York: St. Martin's Press, 1997); P. Spufford, *Money and Its Use in Medieval Europe* (Cambridge: Cambridge University Press, 1988); A. Verhulst, *The Carolingian Economy* (Cambridge: Cambridge University Press, 2002).

<sup>42</sup> McCormick, *Origins of the European Economy*. For other chronologies, see M. M. Postan, *Medieval Trade and Finance* (Cambridge: Cambridge University Press, 1973); G. Duby, *The Early Growth of the European Economy* (Ithaca: Cornell University Press, 1974); Lopez, *The Commercial Revolution*; P. Contamine, *War in the Middle Ages* (Oxford: Blackwell, 1984).

<sup>43</sup> McCormick also singles out the slave trade as providing a tremendous boost to the development of a commercial economy in the early Middle Ages, a point I will take up presently.

than simply supporting a natural growth and intensification of market relations by removing obstacles to them. Unluckily, there is in this period (let us say roughly from the ninth to the mid-thirteenth centuries) no neat transition between small-scale warfare underwritten by individual, landed wealth to a professional, salaried standing army or navy. I want to look first at the military side and then put it into the context of other influences on the growth of markets.

In looking at how wars were fought and how this might have influenced the development of a market economy, I want again especially to look at the problems of managing resources across space and time. This may seem an unnecessarily abstract way of approaching the matter, but a small example may show how it helps. Huge construction projects may plausibly be associated with developing market relations in general. Workmen, many of them skilled and specialized craftsmen, are on site in large numbers and for long periods, but because they are not attached to the place, they are not supported through the normal in-kind arrangements of, say, a manor. They are the perfect early candidates for money wages and cash-based subsistence. In addition, tremendous quantities of materials have to be assembled, some of them rather specialized, so local in-kind contributions are unlikely to suffice.

These conditions apply equally to building a cathedral and building a castle. Why single out warfare as a particularly critical element? The answer is that cathedrals could be built over a couple of generations while castles had to be built rapidly. The cathedral at Chartres was begun around 1195 and finished in 1260. Richard I's spectacular fortress of Château-Gaillard was begun in 1197 and finished in about a year. This project, along with related fortifications, cost an estimated £21,000.<sup>44</sup>

One might argue that the pulse of commercialization associated with castle building would be relatively brief and might be expected to dissipate afterwards. The cathedral project, by contrast, would provide a steady impetus to market exchange over sixty years or more. Even so, the castle pulses would be comparatively huge—veritable tsunamis—and would likely exert a more powerful disruptive effect on customary social relations in the vicinity. Moreover, though not every fortress is a Château-Gaillard, starting in the eleventh century and intensifying through the early thirteenth century, there was something of a castle-building boom with the result that they were substantially thicker on the ground than cathedrals. Philip Augustus, for example, engaged in a concentrated campaign of fortification during the years 1203–1214. Unusually, his engineers developed a standardized approach to tower building

<sup>44</sup> Even I am somewhat nonplussed by the extreme rapidity of this project. Richard is said to have remarked about the fortress, "How fair a daughter but twelve months old," only he said it in Latin. See J. Baldwin, *The Government of Philip Augustus* (Berkeley: University of California Press, 1986), 90; Contamine, *War in the Middle Ages*, 113.

that economized on time and total cost but increased the demand for standardized inputs, which is likely to have increased their reliance on market procurement. Whereas previous constructions were accomplished with locally available materials, resulting in a mix of stone types between and even within towers, Philip's towers were made of a uniform quality and size of stone.<sup>45</sup> So it seems possible that the acute time compression associated with the development of military infrastructure might have a special role to play in promoting the development of market relations.

### *Changing Forms of War*

Under the Frankish kings, from Charles Martel to Charlemagne, large armies were called out almost every year for expansionist campaigns on the frontiers of the empire. Individual armies of farmer/soldiers ran to the tens of thousands, and several of these might be fielded in different theatres. All free men with sufficient means were liable for military service. The means test was necessary because the warriors, as in ancient Greece, had to equip themselves. Since there was no permanent, professional army on the frontier, the whole mass had to be transported annually to the site of conflict, over distances as great as fifteen hundred kilometers, and then home again. The muster had to take place months in advance of battle to leave adequate time for transport.<sup>46</sup>

The logistics for such a style of warfare pose severe problems. Bachrach has calculated the requirements for moving a contingent of about 850 fighting men to the Saxon frontier from the monastery of Saint Wandrille in 806. They had to be fed for three months in the field. Based on caloric minima, this implies hauling in excess of 75 tons of grain, requiring over 150 ox carts. The baggage train for this small contingent would have extended more than two kilometers.<sup>47</sup> Water, wood, and animal fodder (for three hundred oxen plus horses) would have to be foraged along the way. Multiplied by twenty to yield a smallish host by Carolingian standards, it is plain that the army could not expect to live strictly off the countryside, which would rapidly be swept bare. As McCormick notes, "Cassiodorus knew whereof he spoke when he compared troops

<sup>45</sup> Baldwin, *Government of Philip Augustus*, 296–99. See also J. Gillingham, "An Age of Expansion: C. 1020–1204," in M. Keen, ed., *Medieval Warfare* (Oxford: Oxford University Press, 1999), 59–88.

<sup>46</sup> J. F. Verbruggen, *The Art of Warfare in Western Europe during the Middle Ages, from the Eighth Century to 1340* (Woodbridge, Suffolk: Boydell Press, 1997 [1954]); Contamine, *War in the Middle Ages*; B. S. Bachrach, "Logistics in Pre-Crusade Europe," in J. A. Lynn, ed., *Feeding Mars: Logistics in Western Warfare from the Middle Ages to the Present* (Boulder: Westview Press, 1993), 57–78; and B. S. Bachrach, "On Roman Ramparts," in G. Parker, ed., *The Cambridge Illustrated History of Warfare* (Cambridge: Cambridge University, 1995), 64–91; H. J. Nicholson, *Medieval Warfare: Theory and Practice of War in Europe, 300–1500* (New York: Palgrave Macmillan, 2004).

<sup>47</sup> Bachrach, "Logistics in Pre-Crusade Europe," 71.

moving across the farmlands of northern Italy to a powerful river scouring its bed clean of all growth. And this was a friendly army."<sup>48</sup> Yet carrying everything was equally plainly a tremendous burden—tremendous, but evidently not absolutely prohibitive. Nevertheless, one can see that being able to buy provisions along the way would be an immense advantage.<sup>49</sup>

As noted above, this period did see a resurgence of monetized commodity trade that seems to have ebbed following the breakup of the empire in 843 and the subsequent Viking raids. The latter mobilized a great deal of hoarded wealth that was paid out in indemnities and tribute to the raiders. Much of this was in the form of precious metal objects, bullion, or coin. A considerable amount was simply drained out of the region.<sup>50</sup>

In this context, we can see that the resurgence of the money economy was at least coincident with a fairly successful state with imperial ambitions and that it declined when these conditions no longer held. This is perfectly compatible with an account that views the state primarily in terms of its ability to provide the security and scope for the natural development of markets. There is, moreover, no question of supporting a standing professional military during this period as in the case of Athens or Rome. But there is a recurring and urgent problem of mobilizing resources across great distances that may plausibly have served as a driver of expanding commercial relations.

Entering into the tenth and eleventh centuries, the style of warfare changed considerably. Territories were more fragmented, with some important exceptions such as England, and a multiplicity of territorial lords maintained independent military establishments. These, consequently, were much smaller and wars tended to be both smaller and more local. They could be quite short, too, in the form of the raid or *chevauchée*. The maintenance of the warrior was generally assured by the grant of lands, from the product of which he was expected to arm and sustain himself and his followers. The eleventh and early twelfth centuries were the high point of knightly combat.<sup>51</sup>

Yet, this model was unsatisfactory for several reasons, and was already being supplemented by the use of mercenaries, among other strategies. A key problem is that the obligatory period of feudal service was rather short, on the order of forty days. This is adequate for raiding a neighboring territory, and carrying or commandeering provisions *en route* for such an enterprise would seem

<sup>48</sup> McCormick, *Origins of the European Economy*, 74.

<sup>49</sup> To clarify the geography of this a bit, I am supposing that the areas experiencing the strongest impetus to marketization would be behind the front lines, so to speak, but well forward of the home base in the heartland of the empire. As in the case of Rome, the resulting market geography might be rather counterintuitive.

<sup>50</sup> Lopez, *The Commercial Revolution*; Spufford, *Money and Its Use*, 60–69.

<sup>51</sup> Verbruggen, *Art of Warfare*; Duby, *Early Growth*, 166–68; Contamine, *War in the Middle Ages*; Bachrach, "Logistics in Pre-Crusade Europe"; A. Ayton, "Arms, Armour and Horses," in M. Keen, ed., *Medieval Warfare* (Oxford: Oxford University Press, 1999), 186–208; Nicholson, *Medieval Warfare*.

reasonably feasible. For longer and more distant campaigns, forty days are inadequate and military leaders had to pay wages to keep men in the field.<sup>52</sup> Logistics also become considerably more complex and burdensome although, given the reduced size of the military force, nothing like the situation described above.

With the eleventh- and twelfth-century building boom encompassing castles and fortifications for towns and cities, siege warfare became the characteristic form of military engagement.<sup>53</sup> The besieging force has to settle in for an indeterminate amount of time. Unless it is overwhelmingly stronger than the besieged and there is no hope of outside relief, one could hardly count on being in place for less than forty days and the siege could go on for months or, much more rarely, years. Presumably the immediate vicinity would have been drained of resources by the besieged as they settled in as well, and in any case, supporting a sedentary army by foraging and plunder would rapidly deplete local supplies.<sup>54</sup> So the problem here is not so much how to move resources over huge distances, but how to concentrate them in one place for a long period of time. Even though it may be possible to maintain a supply chain from the home base that continually transports supplies to the siege site, buying provisions from intermediate zones would be a great advantage. In this sense, both the military building boom and the style of warfare would provide considerable impetus to commercialization.<sup>55</sup>

The most spectacular non-siege military campaign of the eleventh century was, of course, the Norman invasion of England. Here again we see major problems involving the mobilization of resources over distance and the time compression characteristic of military investment. William built some seven hundred ships in eight months to transport two to three thousand warhorses and his army of roughly fourteen thousand men. Bachrach again provides the figures. At the muster site in Normandy and after the battle at Hastings, the men would have eaten their way through 28 tons of un-milled grain *each day*, assuming they ate only porridge. The horses would have consumed daily a further 12 to 18 tons of grain, 13 to 20 tons of hay, and 4 to 5 tons of straw.<sup>56</sup>

Plainly, it would be easier, if possible, to buy these supplies in the region rather than, for example, shipping them continually from Normandy or even

<sup>52</sup> M. Prestwich, *Armies and Warfare in the Middle Ages: The English Experience* (New Haven: Yale University Press, 1996), 67–81. See also Verbruggen, *Art of Warfare*; Contamine, *War in the Middle Ages*; J. A. Lynn, “Medieval Introduction,” in J. A. Lynn, ed., *Feeding Mars: Logistics in Western Warfare from the Middle Ages to the Present* (Boulder: Westview Press, 1993), 31–38.

<sup>53</sup> Baldwin, *Government of Philip Augustus*; Prestwich, *Armies and Warfare*; R.L.C. Jones, “Fortifications and Sieges in Western Europe, c. 800–1450,” in M. Keen, ed., *Medieval Warfare* (Oxford: Oxford University Press, 1999), 163–85.

<sup>54</sup> Prestwich, *Armies and Warfare*, 258.

<sup>55</sup> N. Houseley, “European Warfare, c. 1200–1320,” in M. Keen, ed., *Medieval Warfare* (Oxford: Oxford University Press, 1999), 113–35.

<sup>56</sup> Bachrach, “Logistics in Pre-Crusade Europe,” 72.

commandeering them locally, with the necessity of collecting and transporting them from a thousand different sites. Of course, buying supplies in such quantities rather than hauling them around does not solve the logistics problem, it merely displaces it onto the commercial sector. What commercial sector? We do not need to assert a prior social order that has no experience of commodity exchange to suppose that the “commercial sector” to some degree grows up—in the dual senses of gets bigger and more mature—around the needs and resources of the invasion force. As with castle building, William’s army would have constituted something like a crash course in market exchange—a sudden, enormous pulse of market demand that courses through a region that, happily, is rich enough to provide a marketable surplus. Indeed, the richness of England is what made it so attractive to invaders in the first place.<sup>57</sup>

### *Waged Warriors*

Apart from being large and hungry, William’s invasion force was also comparatively cash-rich since a major portion of it was composed of mercenary troops. He employed thousands more to ward off a Danish/Frisian invasion in 1085. In this, he was continuing and amplifying a practice that dated to at least the latter part of the tenth century and that became increasingly normal and widespread from the mid-eleventh century onwards. William’s heirs were dedicated users of mercenary troops, often against each other. Mercenaries figured significantly in the wars of King Stephen and the Empress Matilda and of Henry II against his rebellious sons and restive lords.<sup>58</sup>

In his 1159 campaign against the Count of Toulouse, given the distance and complications of the expedition, Henry opted to raise £8,000 by taxing his knights in England and France and used the money to hire a large mercenary force. This is a particularly clear example of how it was seen to be easier to move money rather than feudal levies across the channel and then convert the money into mercenary troops on the other side. Interestingly, in the course of this campaign, Henry issued orders that every soldier had to buy provisions *en route* and forbade them to commandeer supplies. The campaign was, nevertheless, a failure. According to Verbruggen, even with the possibility of buying provisions along the way, his main supply lines were overstretched. That this was a matter of only some 100 kilometers between Cahors and Toulouse suggests just how hard it was to keep an army going.<sup>59</sup>

Richard I raised a paid army to fight against Philip Augustus, with wage rates running to a shilling a day for knights. King John relied on mercenaries since he

<sup>57</sup> Gillingham, “An Age of Expansion,” 66.

<sup>58</sup> Verbruggen, *Art of Warfare*; Spufford, *Money and Its Use*; Prestwich, *Armies and Warfare*, 147; M. Mallet, “Mercenaries,” in M. Keen, ed., *Medieval Warfare* (Oxford: Oxford University Press, 1999), 209–29; Nicholson, *Medieval Warfare*.

<sup>59</sup> Verbruggen, *Art of Warfare*, 130. See also J. Baldwin, *Masters, Princes and Merchants* (Princeton: Princeton University Press, 1970), 215–16; Mallet “Mercenaries.”

could not rely on the English nobility. Philip raised a counterforce of “notoriously costly mercenaries.” Military wages—which could include paid but not strictly mercenary troops—accounted for about half his total outlays for the war on the Norman marches of 1202/1203. As Baldwin writes, “At the turn of the century the wars between Plantagenets and Capetians became contests between hired armies led by professional captains. . . . If Philip Augustus finally won and drove John out of Normandy, it was in large measure due to superior finances.”<sup>60</sup>

When they were not employed by the French or Anglo-Norman kings, the mercenaries could usually find patrons elsewhere. The Norman knights who conquered southern Italy were themselves mercenaries in the pay of local lords to begin with, and Pope Leo IX raised another mercenary army to fight them. Emperor Frederick Barbarossa, who found it difficult to persuade his German princes to fight for him in Italy, hired mercenaries for his campaigns across the Alps. They were so feared and despised for their savagery in warfare and their habit of pillaging the countryside during temporary periods of unemployment that the Third Lateran Council banned them, ineffectively, in 1179.<sup>61</sup>

Beginning in the tenth and developing through the twelfth centuries, then, the market for mercenaries was perhaps one of the better-developed branches of international trade. It was not a huge market; a mercenary army was rather more likely to run into the four digits than five. But they could be kept in the field for a long time and then dismissed—though not without consequences for innocent bystanders—when they were no longer needed. In this, they were a very flexible resource, spatially and temporally as well as, of course, politically.

Apart from genuine mercenaries, however, the principle of pay for military service outside the normal boundaries of the feudal muster was well established by the time of the Norman invasion. As indicated above, it was very difficult to wage an effective war within the time constraints of feudal obligation, so it was often the case that the army had to be maintained by the royal exchequer. Whether these payments should be understood as wages or, essentially, stipends to cover expenses is unclear, although it appears that they were generally equivalent to civilian daily wage rates where these can be established, and possibly roughly equivalent to mercenary pay.<sup>62</sup> However, Prestwich argues that the king was in such a strong monopsony position, that he was “able to dictate

<sup>60</sup> Baldwin, *Government of Philip Augustus*, 55, 169–70; and Baldwin, *Masters, Princes and Merchants*, 220–21.

<sup>61</sup> Verbruggen, *Art of Warfare*; Contamine, *War in the Middle Ages*.

<sup>62</sup> Baldwin reckons that a mercenary knight earned roughly three times the stipend of the highest-paid civilian artisan in France. He also calculates that the daily wage scale for a knight, at 72 *deniers parisis*, ran five to six times that of a crossbowman on foot and twice the rate of a mounted sergeant, thus overlapping the civilian wage scale. See Baldwin, *Government of Philip*

wage rates with little reference to market forces” as late as the thirteenth century.<sup>63</sup> This suggests that the non-military wage labor market was not yet sufficiently developed to provide autonomous price signals or an adequate level of competition. In this context, military pay might be quite significant as a source of market development—for labor and for commodities.

### *Resource Conversion Strategies*

Other resource flows involved subsidizing important allies for major campaigns. Some of these were in the form of money fiefs. The Count of Flanders, for example, received a *fief-rente* of 300 marks per year from William of Normandy prior to the invasion of England. Henry I raised the stipend to £500 per year in exchange for the service of one thousand knights. The Plantagenets competed vigorously with the Capetians via *fief-rentes*, concentrated particularly in the Low Countries right through the early thirteenth century. The particular attraction of the money fief was that it could be transacted rapidly, both in the offering and in withdrawing it from an unreliable recipient, avoiding the messy problem of ejecting a vassal from property in his possession.<sup>64</sup>

Ransoms also figured importantly in medieval warfare, most famously and sizably in the case of Richard I. These also required the conversion of fixed or illiquid resources into cash and their movement over large distances.

All of this reminds us that liquidity is unusually important for fighting wars. Resources which otherwise might have been extracted in kind (men, armor, and provisions) are increasingly demanded in money form via taxes and other payments (e.g., scutage). The twelfth century saw the innovation in England of the *taille* on moveable property, which was imposed to finance the Crusades and ransom Richard, eventually becoming a regular part of the English fiscal order. As Hopkins argued for Rome, the monetization of the tax system forces commercialization. The surplus must now be sold in order to obtain the cash demanded for state obligations. Nonetheless, as in the case of Rome, the state obligations are overwhelmingly concerned with territorial conquest and control, so the needs of war fighting continue to play a leading role in this process.<sup>65</sup>

### *Venice*

The focus thus far has been on economic development in northwestern Europe from about the tenth century onwards. However, it can be argued that northern

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*Augustus*, 133, 169–70. See also Prestwich, *Armies and Warfare*; Housely, “European Warfare,” 123–24.

<sup>63</sup> Prestwich, *Armies and Warfare*, 84.

<sup>64</sup> *Ibid.*; Baldwin, *Government of Philip Augustus*, 272–74.

<sup>65</sup> *Ibid.*, 219; Hopkins, “Taxes and Trade.”

Italy was the real epicenter of commercialization in this period and that the habits and techniques of market exchange needed merely to spread northwards from there. This is also certainly an important part of the story and Venice, plausibly, is the first mover in it.

Frederic Lane remarks, "Among all the cities of medieval Europe, Venice was the first to become capitalistic in the sense that its ruling class made their livelihood by employing wealth in the form of commercial capital. . . ." <sup>66</sup> But he also writes, "Venetian business enterprise, having been fathered by the state and mothered by the family, remained subordinated to these older and stronger institutions." <sup>67</sup>

In Lane's account, Venice essentially gets its start economically by selling protection to the Byzantine Empire. The Venetian navy was employed initially in the Emperor's war against Norman Sicily in the eleventh century. In return, Venetian merchants were exempted from all tariffs within the empire and could trade at an advantage even to the Greeks. Lane describes this margin of advantage as "protection rents" and argues that these were the main avenue through which the Republic amassed its wealth. By 1204, Venice was sufficiently rich that it was able to employ the knights of the Fourth Crusade to overthrow the empire, giving it access to tremendous amounts of booty and tribute. Throughout this period, the commune was essentially indistinguishable from the merchant class. Venetian shipping was used variously for war and for trade as need dictated and the commune regulated merchant activities and schedules, even participating directly in trade and its associated capital investments. <sup>68</sup>

The picture that emerges from Lane's close analysis of Venetian history is of state and market developing together. In this, the state's capacity for organized violence plays an important role. If it is the case that the urge to exchange is basic to human nature and that we would inevitably create commercial markets to accommodate this process, Venice provides a good example of how much and what kind of work is involved in establishing the conditions that allow markets to flourish.

### *The Crusades*

A word needs to be said about the Crusades, which also involved major conversions of real property resources into cash on a fairly large scale from the end of the eleventh century. Although dedicated to warfare, this was not so closely identified with the state.

The crusades *are* often linked directly to the development of the market economy in several ways. They are seen as having increased access to eastern markets and as having educated the crusaders in a taste for exotic

<sup>66</sup> Lane, *Venice and History*, 57.

<sup>67</sup> *Ibid.*, 36.

<sup>68</sup> *Ibid.*

and expensive goods. They are also thought to have enriched many of the crusaders, allowing them to indulge these new tastes and carry both the money and the preferences home with them where they spread to the rest of the ruling classes.

There is no question many crusaders expected to get rich, but we have surprisingly little evidence that they succeeded. It seems more likely that the Latin states in the east required a continual transfer of human and financial resources from the west.<sup>69</sup> Crusading was both expensive and time-consuming. The typical crusader expected to be away for at least three years. If he was not a member of a great lord's household, he had to finance himself. This may have absorbed some four times a knight's annual income. Besides that, he may also have sought the more active help of God by financing daily masses on own his behalf for the term of his expected absence.<sup>70</sup>

In short, a crusader needed to get himself to the Holy Land and back fully equipped for battle over the course of some three years. This again is a substantial problem in the mobilization of resources over time and space. How did he go about doing it? The first problem is to convert landed into liquid wealth, preferably without actually destroying one's patrimony. This could be accomplished through mortgages and so-called *vifgages*, where the use of the property is ceded to the creditor for the duration of the loan, thus avoiding interest payments and the problem of usury, but unavoidably, quite a bit of real property was simply sold off to raise cash.<sup>71</sup> The great lords, for their part, mobilized a great deal of wealth by inducing the de-hoarding of vast amounts of treasure. Louis VII is said to have raised a thousand marks of silver from the abbey church of Fleury alone in 1147. William II of England raised 10,000 silver marks from his churches for the *vifgage* of Normandy.<sup>72</sup>

The crusader armies were substantial—among the largest of their day. J. France estimates that some one hundred thousand people set out on the First Crusade. This is out of a total population of some twenty million for France, Italy, Germany, and England taken together. An equivalent population movement today would involve upwards of 1.3 million people.<sup>73</sup> Not all of these people were rich and not all of the money was spent *en route*. The crusaders would certainly have husbanded their resources to support themselves in the Holy Land. Indeed, Spufford points out that the crusades were “a new

<sup>69</sup> Spufford, *Money and Its Use*, 98; P. Edbury, “Warfare in the Latin East,” in M. Keen, ed., *Medieval Warfare* (Oxford: Oxford University Press, 1999), 89–112.

<sup>70</sup> G. Constable, “Medieval Charters as a Source for the History of the Crusades,” in T. Madden, ed., *The Crusades* (Oxford: Blackwell, 2002), 130–53; J. Riley-Smith, “Early Crusaders to the East and the Costs of Crusading, 1095–1130,” in *ibid.*, 156–71.

<sup>71</sup> *Ibid.*; see also Baldwin, *Masters, Princes and Merchants*, 275–76.

<sup>72</sup> Constable, “Medieval Charters,” 145; Riley-Smith, “Early Crusaders,” 168.

<sup>73</sup> J. France, “Patronage and the Appeal of the First Crusade,” in T. Madden, ed., *The Crusades* (Oxford: Blackwell, 2002), 195–207.

means of draining Europe of coin.”<sup>74</sup> In any case, a large number of people converted fixed assets to mobile resources—cash, portable goods, and animals—and gradually consumed them while trekking to and fro across Europe and the Mediterranean. Instead of the huge, sudden, and highly localized impetus to marketization associated with castle building, we see here a large, gradual, and dispersed counterpart in roughly the same period.

### *Resources and Markets*

We have seen here traces of the development of three kinds of market in the context of changing forms of warfare and the struggle for territorial control. Markets in commodities were connected with the logistical problems of medieval warfare, especially the problem of moving material resources across space, and the nature of investment in military infrastructure. Markets in men—labor markets—were linked to both infrastructure development and the problem of mobilizing military forces over long periods. Finally, the elements of an emerging market in property are seen most clearly in the context of the Crusades where private persons needed to convert landed resources into movable wealth. Taken together they are exactly what you would need to see if you were looking forward to the rise of a capitalist social order. There was undoubtedly a great deal going on of a purely private and anonymous nature in the development of these markets in this period, but it seems probable that the state and its military projects also constituted a key influence in this critical development.

Against this, one must reckon with the destructiveness and wastefulness of warfare at this or any other period.<sup>75</sup> Many resources that might otherwise have supported the deepening and widening of markets were simply vaporized. It is true that the destruction of use values may not be altogether incompatible with the extension and elaboration of exchange relations. People whose possessions have just been destroyed may be forced onto the market for a completely new range of consumables and for new forms of employment to support themselves. They may also be encouraged to flee to safe havens such as towns out of the immediate line of fire where, lacking property, they are similarly more likely to become enmeshed in more thoroughgoing market relationships. Yet this does not seem the sort of process that would provide a sufficiently consistent basis for stable market development. Perhaps all we can say in general is that war is both productive and destructive, that it certainly promotes the redistribution of

<sup>74</sup> Spufford, *Money and Its Use*, 98.

<sup>75</sup> Postan, *Medieval Trade and Finance*, 112–13, 341; Spufford, *Money and Its Use*, 98; Cipolla, for example, comments that “From a purely economic point of view, war was a much greater evil than the plague. . . .” C. Cipolla, *Before the Industrial Revolution: European Society and Economy, 1000–1700* (New York: Routledge, 1993), 109.

resources although not in a consistent way, and that it is, by all the evidence, compatible in principle with any economic system of which we know.

*The Non-War Economy and Resource Mobility*

Fighting wars is not the only circumstance that requires mobilizing fixed or lumpy resources over time and space. The truly wealthy may also benefit from the ability to convert material resources into money and then back again. The rich are often looked to as drivers of market development in this period because of their wealth and exorbitant tastes. They are seen, in effect, as a particularly powerful block of consumers that is able to call forth a market-supply response, although much of this supply comes from outside of Western Europe and quite a bit involves not independent merchants, but agents of the lord in question. Certainly this helps us understand, for example, why aristocrats might have promoted the conversion of in-kind rents to money-rents.<sup>76</sup>

To this picture of lords as consumers, I think we need to add some consideration of their role as resource managers and the particular kinds of problem they encounter in this guise. The great lords, secular and religious, controlled vast but scattered territories. They could benefit from the output of these domains in three ways. They could visit them all in rotation, living off the local produce. They could stay put and have the output laboriously and inefficiently transported to them. Or they could convert distant resources to cash—either by selling directly or demanding rents in money—and use that money to buy supplies wherever they happened to be. In the event, they did all three,<sup>77</sup> but the opportunity for mediating their resource management problems through market exchange would have been attractive. Since these were often the same people who were waging wars, their military experience may have shaped their attitudes to using the market to convert and transfer assets in kind and *vice versa*. The lords were also frequently involved in establishing markets in the vicinity of their domains. This was perhaps primarily a strategy for raising cash revenues from market tolls and fines,<sup>78</sup> but it would also be helpful for the kind of resource conversion problem described here.

The lordly resource-management problem seems to me a reasonably serious one, yet nothing so urgent as that related to warfare and territorial conquest. In the latter, the stakes involved in effectively deploying assets are extraordinarily

<sup>76</sup> Duby, *Early Growth*; Spufford, *Money and Its Use*; Masschaele, *Peasants, Merchants, and Markets*; McCormick, *Origins of the European Economy*; Verhulst, *Carolingian Economy*.

<sup>77</sup> Duby, *Early Growth*, 47, 96, 215–17; Spufford, *Money and Its Use*.

<sup>78</sup> Masschaele, *Peasants, Merchants, and Markets*. Russo seems to me closer to the mark in his analysis of English urbanization in an earlier period. The trading towns he is concerned with are generally royal or aristocratic foundations, but he sees these as closely connected to state-building and interstate aggression, as well as facilitators of luxury consumption. See D. G. Russo, *Town Origins and Development in Early England, c. 400–950 A.D.* (Westport, Conn.: Greenwood Press, 1998).

high and would exert tremendous pressure, but in spatially and temporally discontinuous ways. In the former, the penalty for ineffectiveness is lower, but the needs are more consistent.

The Church in this period also faced a growing need to move assets around over the whole of Latin Christendom. The twelfth-century reforms helped to consolidate papal power and control over Church resources. Resource management, previously quite decentralized and localized, became increasingly centralized. At the same time, available revenues were growing, in part due to the innovation of the idea of purgatory and the imposition of Peter's Pence and other taxes. By the thirteenth century, the Pope was in control of enormous sums drained from an area encompassing Scandinavia to the Mediterranean and either funneled directly to Rome or redistributed over a large terrain.<sup>79</sup>

The Italian bankers and merchants who came to England in the late twelfth century were originally dispatched as papal tax collectors. The enormous amounts of cash passing through their hands allowed them to set up as bankers to English royalty and aristocrats and they leveraged this service into control over export licenses for wool. In this way, they were drawn inevitably both in the direction of royal finance in England and into the wool trade between England and the continent.<sup>80</sup>

Finally, one would wish to note the peculiar circumstances connected with mining, especially the precious metal mining that supported the expansion of the money economy and underpinned the fortunes that would develop in later centuries into something like genuine finance capital.<sup>81</sup>

Silver mining in the Harz Mountains started developing seriously in the late tenth and early eleventh centuries, paralleled by a revival of minting and monetary transactions. Spufford considers this "the real start of a money economy in western Europe."<sup>82</sup> Given the low level of technology available to silver miners in that era, production was extremely labor-intensive, and required gathering large numbers of miners who had to be fed and otherwise provisioned.<sup>83</sup> So one of the key sites of commercialization that is genuinely about exchange in the early Middle Ages is precisely in the mining districts that provide the

<sup>79</sup> S. Baldwin, *The Organization of Medieval Christianity* (Gloucester, Mass.: Peter Smith, 1962); Postan, *Medieval Trade and Finance*; J. Le Goff, *The Birth of Purgatory* (Chicago: Chicago University Press, 1984); J. L. Nelson, "Making Ends Meet: Wealth and Poverty in the Carolingian Church," in W. J. Sheils and D. Wood, eds., *The Church and Wealth* (Oxford: Blackwell for the Ecclesiastical History Society, 1987), 25–35. Cipolla considers the effects of these changes to be more pronounced from the thirteenth century, as does Tellenbach. See Cipolla, *Before the Industrial Revolution*, 192–93; G. Tellenbach, *The Church in Western Europe from the Tenth to the Early Twelfth Century* (Cambridge: Cambridge University Press, 1993), 34, 68, 185, 329.

<sup>80</sup> Postan, *Medieval Trade and Finance*, 206; Cipolla, *Before the Industrial Revolution*, 192–93.

<sup>81</sup> G. Brechin, *Imperial San Francisco* (Berkeley: University of California Press, 2002).

<sup>82</sup> Spufford, *Money and Its Use*, 77.

<sup>83</sup> T. A. Rickard, *Man and Metals. Volume 1* (New York: McGraw Hill, 1932); I. Blanchard, *Mining, Metallurgy and Minting in the Middle Ages, Volume 2* (Stuttgart: F. Steiner, 2001).

material for monetization. Once again, we may look for a significant impulse for market development on the periphery of the main arena of development.

#### CONCLUSION

This paper has really been an exercise in hypothesis generation. There is enough evidence, I think, to make the hypotheses plausible, if not enough to make confident judgments about them. I have perforce paid more attention to them than to counter-arguments or complementary propositions. Here I would like to restate them in a more contextualized manner and signal more clearly the questions left dangling.

The first hypothesis is that states and markets grow up *together* in a complex dialectical process. Markets need states in order to function well and to become generalized, and states need markets in order to accomplish some of their tasks efficiently and effectively. I would stress that these needs are not absolute. Markets can arise without states, but they may not function well enough to become generalized. States can operate without markets, but they may be hampered more or less severely in accomplishing their tasks. So far, this is quite compatible with the view that markets arise to begin with through the actions of private individuals trying to meet their needs, and with the view that institutions—particularly state-supplied guarantees about the status of private property and contract—provide crucial support to market development. It is, however, incompatible with the view that states and markets are antithetical or operate in entirely separate spheres.

A second proposition is that states, as they go about their business, may *call forth* the development of markets where they did not exist before or where they were present but not well developed or generalized. This is stronger than the institutionalist view that states may provide necessary support to market development through their legal and regulatory functions, and the view that state-driven territorial integration propels market development through lowering transaction costs and affording opportunities for specialization, scale economies, and productivity gains. It is also stronger than the view that states, by monetizing taxes, promote the commercialization of society. Nevertheless, the proposition is quite compatible with all of these views; it merely adds another dimension to them. This dimension is connected most strongly to the problems generated by processes of territorial conquest and control. Expanding sovereign territory and governing it effectively pose critical problems of managing resources across space, problems that market mediation may significantly alleviate. Without planning to promote the commercialization of society, the state's efforts to convert fixed and lumpy resources into flows across territory may spur the formation or further development and generalization of markets.

Third, markets are not always wholly and uniquely about exchange for the sake of exchange—this for that. They may also be to some considerable degree about managing resources over space and time. This is compatible

with conventional accounts of how monetized markets function. Money makes it much more possible to sell now and buy later or sell here and buy there. Again, I want to add an extra dimension to this account: I do not sell this in order to buy that; I sell *here and now* in order to do something else *there and then*. Markets provide the ability to convert resources generated in one place into more mobile and flexible forms, and then to reconvert them into a different set of resources in another place. Markets, in this context, satisfy a demand for liquidity and mobility rather than for goods and services.

Fourth, how wars are fought affects this state-driven impulse to marketization. Both military techniques—siege warfare, for example—and institutional structures—professional, standing armies rather than farmer-soldiers fighting seasonal campaigns—have differing effects on the relationship between states and markets. In the pre-modern era, it seems safe to say that the level of taxation and spending by the state was connected strongly, if not overwhelmingly, to warfare. So the important economic side effects of state formation outlined above are necessarily strongly tied to trends in military strategy and technology. This view is in line with some of the historiography on Antiquity; as far as I know it has not entered much into the discussion of medieval economic development. Further, this proposition is incompatible with a view that warfare is purely destructive. It is compatible with the argument that one possible *outcome* of wars—territorial integration—provides a favorable context for market development, but goes further to suggest that the process of fighting wars in itself may spur commercialization.

Fifth, other state-like institutions such as the Church, or people and institutions—abbeys, monasteries, the higher aristocracy and royalty—endowed with genuinely extensive landholdings in a pre-capitalist society may face similar problems of territorial and resource management and this may have similar consequences for the development of markets. Crusaders also fall in this category as a large group of people with a particular need to mobilize resources across space. Again, these people and institutions would be engaging in market transactions not only for the sake of exchanging, but also for the possibilities markets afford for resource conversion and effective utilization.

A sixth proposition by extension is that states and *capitalism* grew up together in a complex and historically contingent dialectic. We cannot know what would have been the outcome if invasion and conquest had not cut short the evolution of Greek or Roman society. But medieval society in Western Europe did evolve into a fully realized capitalist social order with generalized and well-functioning markets in commodities, labor, land and capital—markets that became the central mechanism for the allocation and distribution of social resources and a central element in the mediation of social relations. If the hypotheses proposed here are well founded, then the evolution of the state was deeply and actively connected to this broader transformation.

Finally, violence is intimately involved in developing commercial economies and, by extension, in the development of capitalism. McCormick is quite clear that the slave trade in the early medieval period provided “the first great impetus to the development of the European commercial economy.”<sup>84</sup> This dispossession of rights to one’s own body is, to our eyes if not to theirs, inherently violent. Further, warfare was one of the chief ways that slaves were acquired. So the organized violence of state building was inextricably tied to the private violence of taking slaves as war booty and selling them on and both helped build the foundations for a thriving commercial economy.

The development of capitalism in Western Europe did not happen everywhere at exactly the same time in the same way; it may be more to the point to speak of states and *capitalisms* as a way of getting at some of the signal differences in the trajectories of particular countries and regions within the whole. Among the larger dangling questions here is precisely what happens with these hypotheses when you examine conditions closer to the ground: can they help us understand divergent historical trajectories towards capitalism; do they still seem plausible when applied to a smaller scale of analysis and/or a more refined timeframe?

Scaling upwards also presents its mysteries. It would be interesting to compare Western Europe with other regions of the globe in light of these propositions to see if they might help us understand differing developmental trajectories globally. It would also, plainly, be imperative to analyze how the processes I’ve focused on here, which have been generally internal to the Western European economy, link up with developments in the Christian East, the Muslim world, and beyond.

Finally, this account has focused on how states and warfare contribute to market development. It would be important to explore how existing market structures contributed to state formation and the ability to successfully fight wars of territorial expansion and control.

Taken together, I think these hypotheses suggest some important aspects of the particular developmental trajectory taken by Western Europe during the Middle Ages on the way to capitalism. I think they also may suggest the value of reframing certain questions that we ask of the available evidence. These would include what are markets for; what do wars create in the midst of their destruction; and how does the problem of space—geography—really enter into the developmental process. It is easy to invoke the term “dialectic” but quite difficult to provide the substance in a satisfactory way. It may be better to say of the present effort that it provides one useful lens through which to analyze a complex process, but it is only one of multiple optics that, in combination, might lead us to a richer understanding of this history.

<sup>84</sup> McCormick, *Origins of the European Economy*, 768.