

16TH CENTURY BANKERS AND MERCHANTS

TOPIC

ROOM 7: FAIRS, TRADE - 16TH C.

Lyons – the hub of European trade

At the crossroads of trade and exchange

Given its strategic position on the Northern European–Eastern route, Lyons has been a commercial and financial crossroads since the 15th c. On a par with other cities such as Anvers, Augsburg, Genoa, Florence, Venice and Lisbon, Lyons confirmed its role as an economic centre in the 16th c. In the words of humanist, Guillaume Paradin, “*biens de toutes parts*” (*goods from all regions*), “*marchandises de toutes les mers*” (*merchandise from across all seas*) and “*commerce de toutes les nations*” (*trade from all nations*) passed through Lyons. A key point of passage between Paris and Italy, Lyons was in constant contact with Spain and increasingly so with the States of the Germanic Holy Roman Empire and England. Lyons communicated on a regular basis with far-off regions such as Narva (nowadays in Estonia), Constantinople, Beirut and Seville.



Le parfait négociant
(The Perfect Merchant),
engraving, Pierre Landry,
18th c., Inv. 1507.3

Lyons – an economic centre

A major economic centre in the 16th c., Lyons was home to 169 of France's 209 major trading companies. The latter accounted for 81% of the kingdom's business, mainly during the fairs, which had been held in the town since 1420, but which took place 4 times a year in 1494 following the royal decree given by Charles VIII. Soaring from strength to strength between 1510 and 1560 in particular, the fairs attracted up to 6 000 foreigners on each occasion and promoted the development of the town's leading sectors, namely printing and silk, which had already carved its niche. Lyons even rivalled the famous fairs of Flanders. This dialogue and the regular presence of foreigners stimulated the intellectual and artistic influences of the town.

Business district

The place des changes (currently the place du Change) was the site where the fairs, commercial exchanges and banking transactions took place (Inv. 53.468, 53.469 and 53.471 **Moneychangers' boxes**). Nearby, towards the pont du Change, the tax offices were housed. There was still no official building for the moneychangers: the Loge du Change (stock exchange) was not constructed until 1631. Business was also booming on the other side of the bridge in the Saint-Nizier district and rue Mercière in particular (etymologically, “*rue “marchande”*”), focusing on cloth manufacturers, bookshops and printers. These merchant districts, which accommodated only one-quarter of the taxpayers, held more than half of Lyon's fortune!



Place du change and maison Thomassin
(Thomassin House),
the first curator
of the Lyons fairs,
19th c. drawing,
programme
of the national puppets'
congress at the Lyons
Fair, 2 and 3 March
1931, Inv. N 3873

The power of negotiation

Qualified merchants....

The merchants often specialised in certain goods. For instance, they focused their business on Italian silks, German metals, English drapery or even fine Dutch fabrics, etc. They also frequently specialised in a specific country: by controlling the networks, they traded in all of the goods of that country. They were said to be “*mapping out*” the country in question. The Lyons merchants Panse family, for instance, had a shop in Lyons and another in Anvers, which received the other regions' products, respectively. Lyons traded in all sorts of merchandise: spices, metals, leather goods, gold and silver plate, books, playing cards and even works of art from Italy...but textiles predominated. In 1522-23, they represented over 75 % of the total value of imports. The Lyons fairs were sure to offer the richest fabrics in the whole of Europe along with the coarsest canvasses from Lyons and Bresse.

.../...

A good middle-class citizen

In the early 16th c., the French term “*bourgeois*”, meaning middle-class, was used to refer to retired merchants living off their profits. In the late 16th c., the term was used to refer to affluent merchants still in business, whose fortune earned them quite a reputation. A title envied by the people of Lyons and similar to the modern-day meaning of the term!

Merchants...politicians!

During the 16th c., the “Commune” (smallest administrative subdivision in France) – the town’s decision-making body, originally representative of the various professions – was then in the hands of the merchants, as was the Consulate: the major consular families existed alongside the merchant dynasties, the responsibility of the consulate being passed down from father to son... from merchant to merchant! People talked about “a merchants’ republic”. These responsibilities were accompanied by a set of privileges, tax exemptions and even retributions. A non-negligible incentive at a time when the people of Lyons were subject to considerable tax duties: the town’s expenses were further increased by the king’s considerable borrowings from the town (cost of war, maintenance of national strongholds, etc.), which weighed heavily on the taxpayers.

Meeting of the towns’ advisors in 1519, focusing on the orders given to Guillaume Gautheret, a merchant and apothecary in Lyons, water colour, anonymous artist, 1519, Inv. 71



grey words: items that can be seen in this room

The merchants who controlled the finances and the institutions also wielded considerable power at both local and national level, and interfered with affairs of the crown.

The elite: the merchant bankers

Merchants who chose to trade in money as well as merchandise were at the pinnacle of the social hierarchy: these were the merchant bankers. Their status covered numerous functions: wholesalers, they did not keep “open shop” but purchased the most promising goods in all sectors and in large quantities in order to sell them on to the retailers; acting as agents, they purchased goods on their travels abroad or in other towns, and supplied them to other merchants moderately well off; as bankers, they advanced money to manufactures and asked for reimbursement in the form of the manufactured products, which guaranteed them added value.

In a system based on the letter of change*, the merchant bankers speculated on currency rates and set the stage for Lyons’ capitalism. After all, wasn’t the first French stock exchange created in Lyons in 1506 and, along with it, the commercial bank?

Gondi, Guadagni e tutti quanti!

During the 16th c., the power mongers who controlled the economy and finance in Lyons were often successful foreign merchant bankers. Present in large numbers, they descended from rich Italian dynasties such as the Luccans, Genoese or Florentines: the Medicis, Gondis, Gaglianos, Capponis, Bonvisis and...the Guadagnis! They imported velvet, silks, satins or spices and played a key role in banking. During the 16th c., 143 of the 169 major trading companies in Lyons were Italian. And, in 1569, Italian merchant bankers were responsible for two-thirds of the merchandise imported into the town. The Italians settled in Lyons outside the period of the fairs and often, like the Guadagnis, they obtained their “lettres de naturalité” (letters of citizenship): they became naturalised people of Lyons and then naturalised French citizens.

TO READ:

Focus data sheet
*The privileges
of the Lyons
fairs*

glossary

letter of change: Written confirmation for a person (the drawer) to give another person (the drawee) the order to pay a sum of money on a given date and in a specified place to a third person (the beneficiary or carrier).