

## Medieval Trade Fairs and Guilds (Overview)

The 12th century was a time of expansion in medieval Europe. Kings and lesser lords pushed into new territories, the Crusades brought Europeans into contact with new peoples and markets, and the economically inward-looking world of the earlier Middle Ages gave way to a larger, outward-looking world of interregional and international trade. One consequence of that expansion was the rise of towns, a development that meant a number of significant changes and innovations. The period gave rise to a new money economy, large-scale commerce, and great local trade fairs, all of which began to redefine medieval society.

### Origins of Fairs



The transformation of the Western Roman Empire into a number of independent kingdoms, the disruptions of new waves of migration (often hostile), the rise of Islam and the subsequent loss of relations with the wider Mediterranean, and an increasingly rural and local society, all contributed to waning international trade. Early medieval Europe was not completely cut off from the wider world. While the amount of international trade decreased significantly, regional trade continued. By the seventh century, Frankish communities organized fairs that involved not only Franks, but also neighboring peoples as well, many of whom traveled a good distance to attend the market. One such fair at Saint-Denis was popular and encouraged other communities to devise their own fairs. During the period historians term the High Middle Ages (roughly from the 11th to the 12th centuries), northern Europe became home to many fairs. Important markets arose in Flanders, where such towns as Brugge brought products from all over Europe to one place. It was through Flanders that English wool, one of the chief exports out of England, made its way to the Continent.

### The Champagne Fair

Perhaps the best known fairs of the medieval period are the Champagne fairs. Count Theobald II of Champagne (also known as Theobald IV of Blois) recognized that by organizing trade and providing a central location, goods could be traded more easily. He also recognized the potential for profit in hosting fairs. At its height, there were six fairs in Champagne, and it is largely thanks to them that the wool market thrived. Theobald's son, Henry, also patronized the fairs, and soon the counts of Champagne were fabulously wealthy. Fairs like those helped stimulate the economy, not only locally, but also throughout Europe and into the Levant. English wool, French wine, Russian wax, and Prussian wheat could all be found at such fairs. While the Champagne fairs did not remain as lucrative after the 14th century (thanks to the ravages of the Black Death, war, and a commercial shift from the Mediterranean to the Atlantic), they did much to reinvigorate the European economy.



### The Rise of Interregional and International Trade

Though roads improved in the High Middle Ages, the bulk of the traffic for fairs, and trade in general, made its way along the sea and rivers. Several factors contributed to the growth of interregional and international trade. Much of the endemic violence that characterized the early Middle Ages had been curbed by greater royal authority, the exportation of violence to the Holy Land, and by such religious edicts as the Truce of God. Regional fairs, like those of Champagne, were so successful that business migrated to them, and that often meant not only increased contact but also immigration. Northern Italy, where urban culture and international trade first redeveloped, was



soon rivaled by key areas of northern Europe, including the cities of Flanders, Lubeck in Germany, and Kiev in the east.

Increased trade led to increased invention. For example, "letters of exchange" began to replace large amounts of money. Safer, more convenient, and easier to transport, those letters made large-scale trade easier. New ways of approaching business also arose. The *commenda*, for instance, was a means by which investors shared their capital. One man acted as a main manager, overseeing the business, and his partners provided him capital but did not interact in daily business. Such systems meant that more products could be bought and sold and on a far greater scale than had hitherto been possible. Organizations

like the *commenda* also led to new ways of handling money and formalizing business relationships. New officials, known as notaries, drew up contracts that increasingly provided companies with legal protection. Perhaps most significant, international trade increased the need for banking.

### The Money Economy

Booming trade demanded easier ways to handle transactions, thus the demand for money increased. New mines flooded Europe with silver coin and helped the new economy. In the early Middle Ages, the need for coins had not been as great, as most business could be handled through barter or was local enough as not to require a large amount of cash. In the flourishing economy of the High Middle Ages, money came to new prominence. It was much easier to rely on money than to actually carry that amount of wool, metal, or spices. Concomitant with the growing importance of money was the necessity for banking. Banks held money for individuals, used it to invest in trade, and provided loans. Medieval society was wary of profit for its own sake. Ecclesiastic law forbade usury, or claiming too much interest on a loan. Most banks found ways to profit without breaking the law, but some openly flouted it. Merchants, who were often concerned with usury, periodically made donations to the Catholic Church or public works to offset potential sin.

### The Crises of the 14th Century & the Later Middle Ages

The 14th century witnessed several bouts of plague; the Great Schism in the Catholic Church; and war, especially the Hundred Years' War between England and France. Certain aspects of trade were affected, most especially the fairs. Even the great Champagne fairs diminished. As Europe recovered, new markets and opportunities opened, notably after European sailors encountered the New World. Fairs, though they had been replaced as the chief emporia, continued on the local level and kept alive the links between European towns and the larger medieval world.



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### Medieval Trade Fairs and Guilds: Discussion

1. To what degree did trade fairs give rise to international trade in the Middle Ages?
2. How did a new money economy contribute to European economic success?
3. How did craft guilds benefit those who belonged to them?