III. CAPITALISM AND THE DECLINE OF THE ENGLISH GILDS

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[THIS article has been inspired by Dr Stella Kramer's recent book, *The English Craft Gilds* (Columbia University Press, 1927), and is, in fact, an inquiry into it. In this, her second work on the subject[1], she has dealt with the last phase, from the middle of the sixteenth century to the middle of the eighteenth. Her material is drawn principally from the published records of towns and gilds, of which she has made so thorough an investigation that any one who has the temerity to follow in her steps will have an unprofitable task. To one who, some years ago, covered a fraction of the same ground with the same object in view and arrived at some tentative conclusions, the temptation to use Miss Kramer's exhaustive study to test and amplify those conclusions is irresistible.]

I.

IT is on capitalism that the telescopes of the economic historians are now focused. Its evolution is the theme to-day: its decline may be the theme to-morrow. The subject is one that demands courage in the use of the fascinating but dangerous art of interpretation. In order to interpret, we must be willing to conquer our rather foolish dislike of discussing history in terms of systems and periods. If we approach the history of England from the fourteenth century to the nineteenth in this spirit, we find at each end coherence, and in the middle, by comparison, conflict; or, in other words, two systems and a transition. The variety of names we may give to these systems is evidence of their complexity. We may call them medieval and modern, local and national, gild and capitalist, regulated and competitive. But all the devoted labours of research students have not yet succeeded in obliterating the fact that the two coherences have characters which we can summarise in a manner that takes us nearer to, and not farther from, the truth. In the two centuries 1550–1750 old and new were at grips, and the new was capitalism. It should be possible to relate the economic changes of the period to that conflict, to decide who fought with the invader, who headed the resistance, and who were the neutrals.

There is an inclination, when surveying a long period, to assume that all positive changes—leading on to something new, not back to something old—are steps towards the end which we know is destined to come. They are too active to be mere obstruction to progress, and so we try

[1] The first was *The English Craft Gilds and the Government*, 1905.

to fit them into a logical scheme of evolution. Thus, when Cunningham came on the amalgamation of the gilds in the sixteenth and seventeenth centuries, he took it for an advance towards capitalism and a national economy. "They were for the most part bodies of capitalists rather than of craftsmen; and their powers emanated from Parliament, or the Crown, and not from mere municipal authority. They thus served as the local agents for carrying out a national industrial policy[1]." Unwin differed. He saw that these companies were created, in many cases, to bolster up local monopoly and restore the vigour of municipal life. He found also a conflict between merchant and manufacturer. But the monopoly was capitalistic, and the conflict was between capitalists; and the revival of municipal life was a device adopted perforce by the industrialists to defeat the merchants, a device reactionary in form but progressive in aim, for it was to expedite the coming of capitalism[2]. Dr Brentano, to whose early labours in this field we owe much, has, in his latest work, followed Unwin in all except a point of detail[3].

Miss Kramer's work leads to important modifications of Unwin's view. It is not merely that she finds many more examples of amalgamated companies, both of merchants and craftsmen, than were known to him or to Gross, so that the amalgamated company appears as the normal, not the exceptional, feature of town life. Her evidence changes our impression of the conflicts and alliances of the sixteenth and seventeenth centuries, and leaves us wondering whether, perhaps, they had, in a majority of cases, nothing to do with the advance towards capitalism at all. The rise of the Craft Gilds was the outcome of that passion for division of function so characteristic of the later Middle Ages. It can be seen in the Statute of 1363, which enjoined every merchant to keep to one trade and every artificer to one mystery. The principle was carried to fantastic lengths. In Canterbury, in 1393, the bakers of white bread were forbidden to bake black[4]. This ideal of a pigeon-holed and indexed population permeates the industrial legislation of Elizabeth. But it over-reached itself. It was particularly clumsy because, although theoretically a division by technique, it was based on the product not on the process. It aimed, as Weber says, at "the longest possible course in the individual shop[5]." The result was perpetual border warfare between the crafts, which, in most cases, could only be brought to an end by an alliance and a pooling of privileges. Unwin was too ready, when he found a struggle between two groups operating in the same industrial field, to assume that

[1] *Growth of English Industry. Modern Times*, p. 36.
[2] *Industrial Organisation in the Sixteenth and Seventeenth Centuries*, ch. iii.
[3] *Geschichte der wirtschaftlichen Entwickelung Englands*, II, ch. xxiv. He differs over the inspiration of the Joint Stock experiments of the Stuart craftsmen. See p. 148.
[4] Kramer, p. 53 n.
[5] *General Economic History*, p. 139.

one was trying to establish itself as the employer of the other. Usually it was a case of jealousy between equals.

This specialisation did not differentiate between manufacture and sale. The Gild Merchant had existed to define and defend the market privileges of all its members. The craftsmen denied that they had sacrificed those privileges by splitting into their sectional gilds. They still claimed the right to buy and sell in connexion with their own trade. The merchants, therefore, had to fight for recognition as specialised groups enjoying exclusive privileges in the exercise of their function. But if the inland merchant was eager to stop the craftsman meddling with trade, the over-sea merchant was just as anxious to keep the inlander well out of his special sphere, and the companies of retail and wholesale dealers were hard put to it to carve out for themselves a province safe from the encroachments of these opposite forces. But even when the function of the inland merchant had been recognised, it remained a matter of extreme difficulty to preserve any clear distinction between the various groups in that class[1]. Overlapping was more constant than in the case of the craftsmen. And so we meet the same quarrels, leading to eventual alliance and amalgamation, until there appeared in most English boroughs a general company of merchants very similar in its aims to the old Gild Merchant, but without the latter's official position as sole economic authority in the town. These forces of change are of great potency, and they have little or nothing to do with the evolution of capitalism.

The grouping that resulted varied widely in character. Sometimes it respected the cleavage between merchant and manufacturer, sometimes it built on affinities derived from the commodity handled, sometimes it followed no recognisable logical principle at all. Cases of this last type are very numerous, and very significant. We must remember that the ideal of narrow specialisation inevitably left some small groups stranded. If they were too weak to have a gild of their own, the amalgamation movement would afford them their first chance of getting a foothold in the industrial system. In many more cases the gild was a feeble thing, a burden rather than an assistance. Evidently there was a general rounding-up of waifs and strays, a sorting out of weaklings, and the object of the re-organisation is quite clear. It was a defensive act, an attempt to strengthen the ramparts of town privileges against the assaults of unrestricted competition. We can generalise. The earlier conflicts and amalgamations sprang from friction on the frontiers of exclusive gild provinces. The later amalgamations represent a common effort to meet a common foe. In the earlier period the clash of economic interests is

[1] The clause in the Act of 1363 which confined merchants to one trade was repealed in the following year.

prominent, leading to functional association: in the later period the unity of municipal interests is prominent, leading to local association. When all the gilds of a borough are grouped into five or six miscellaneous companies, then it is evident, whether the name "Gild Merchant" survives as a title for the aggregate of the crafts or not, that we have a comprehensive municipal association divided into sections for convenience of administration[1].

It is not surprising, therefore, to find that, in this later phase (particularly the early seventeenth century), the town council is normally the directing force. The Mercers Companies of Northampton (1574)[2], Lichfield (1623)[3], Derby (1674)[4] and Faversham (1616)[5] were all created by the local authorities. In the last case the mayor was *ex officio* Master, and the other officers of the company were drawn from the ranks of the town officials. In 1605 Devizes received a new charter from James I. Nine years later it used its powers to reorganise the trades into three comprehensive companies. The Common Council drew up the constitutions and ordinances, enrolled apprentices, and was the court of appeal in all disputes[6]. The most notable example is the establishment of the Twelve Grand Companies of Norwich in 1622. The City Assembly planned the whole scheme in remarkable detail, and ensured its continued control by the regulation that the aldermen of the wards were to be *ex officio* Masters of the Companies[7]. Local records teem with instances of the active supervision by town councils of trade regulations[8]. One potent reason for their power was the fact that gilds were obliged to come to the Mayor's Court for the enforcement of their rules. In Bristol in 1647, for example, the Glovers were given facilities for recovering fines by action in the Mayor's Court, because previous attempts to enforce their penalties had led to affrays and bloodshed. Other trades received the same treatment[9].

It is impossible to believe that this movement was in any sense the product of a rising capitalism. Capitalism of an immature kind might favour vertical organisation by industries. It happened in London. It represents the outlook of the merchant who is dealing in price relationships rather than wage relationships. More natural would be a horizontal cleavage between capital and labour within one industry, producing a strictly functional association, which might, for certain purposes, extend

[1] Gross, *Gild Merchant*, I, 118–23.
[2] Markham and Cox, *Records of Northampton*, II. 277.
[3] *Trans. R. Hist. Soc.* VII, 114.
[4] *Derby Arch. Soc.* XV, 117.
[5] Gross, *op. cit.* II, 89.
[6] *Wilts. Mag.* IV, 162 *et seq.*
[7] Hudson and Tingey, *Records of Norwich*, II, 382.
[8] See, for example, Hibbert, *The Influence and Development of English Gilds*, pp. 85–6, 99, for some seventeenth-century instances.
[9] Latimer, *Annals of Bristol*, p. 217.

horizontally to include other members of the same economic class facing the same problems in other industries. But this is not what we find. The unions of trades were so varied that the capitalist (if he were present) must co-operate, not merely with his customers and his employees, but also—since, in local affairs, the various groups constituted a single aggregate organisation—with all the shopkeepers and publicans in the town. It was, in fact, precisely this "local-minded," bourgeois element that was most prominent in the movement of amalgamation: the retailers, innkeepers and victualling trades: the tanners, curriers, saddlers and shoemakers: the carpenters, joiners, plasterers and other building crafts: the blacksmiths and small metal-workers: occupations, every one of which has been classified by Professor Day as still "provincial" or "local" in 1841[1]. Unwin inclined to the view that each group was designed to give sectional command to a particular capitalist interest. The dominating factions in the groups might then collectively control the town. Miss Kramer's evidence makes it impossible to accept Unwin's picture as normal, and the collective control of the town certainly did not take place. It was, on the contrary, the town that planned the reorganisation to control the trades. There were men in the boroughs who desired that freedom in the management of their own affairs which is dear to the capitalist, but they were in conflict with authority. They were rebels against the system, and sometimes successful rebels, not its constitutional masters.

It would almost appear that, in the seventeenth century, association was a positive disadvantage to capitalists operating in the industrial field. The various joint stock companies of the period, for the manufacture of soap, paper, lustrings, linen, glass, tapestry, sword-blades and so forth were all short lived[2]. Their history shows that the men who composed them were capitalists, of course, but of the speculating financier type, and they lost their trade to the genuine industrialist who was advancing in his own natural, individualistic way. The crash of 1720 brought most of them to a sudden end. Peculiarly interesting is the Company of Framework Knitters. It received charters in 1657 and 1663. It was a London company with national powers, and seems, at first sight, to be as capitalistic as any association designed on old gild lines could be. And yet, in the eighteenth century, it is fighting a life-and-death battle with the individual capitalists of the midlands, and is being denounced as doing nothing for the manufacture, but caring only about collecting fees[3]. It called in the wage-earners in its support, and won so firm a reputation as their champion against their employers that they endeavoured to

[1] *The Distribution of Industrial Occupations in England*, Appendix.
[2] Scott, *Joint Stock Companies*, III, 63–118.
[3] *H. of C. Journals*, 1753, pp. 781–2.

revive it for their assistance in the wage disputes of the 1770's[1]. But individualism won, and the company became a dining-club. Individual capitalism was growing in iron, copper, glass, sugar-refining, brewing, distilling, and the potteries, and when association came, it was functional, and spread horizontally just so far as there was a common interest to deal with. It had nothing municipal about it and bore no traces of gild parentage. One type is represented by the combination of clothiers in the west that was trying to present a united front to labour in the early eighteenth century. The alliance spread over a wide district. The petition of 1757 was sent up in the name of the clothiers of the Stroudwater area and "many thousands more," and the towns of Chippenham and Shepton Mallet, which petitioned at the same time, retired and left the country clothiers to fight the battle for them[2]. Another type can be seen in the companies operating in the copper industry in the eighteenth century[3]. Later we have the Worsted Committee of 1775, covering three counties[4], the union of ironmasters in the midlands shortly after 1762, passing from price regulation to vigorous political action[5], and the General Chamber of Manufacturers of 1785[6]. It is a different world.

II.

The cloth industry deserves separate consideration. Here the picture of a conflict between the borough, as a self-regarding unit, and unregulated competitive industry is, of course, particularly clear. There had always existed the nucleus of a village industry, and its growth in the fifteenth and sixteenth centuries marked a revolt against the whole conception of borough monopoly. Naturally the towns resisted, and they were supported by Parliament. An Act of 1557[7] forbade all manufacture of woollen cloth and kersies outside cities, boroughs, towns corporate, and market towns where it had existed for ten years at least. All cloth must be sealed in a town. But exemption had to be granted to Wales, the seven northern counties, Cornwall, Suffolk, Kent and, in 1576[8], the western cloth counties. But the village industry could not be suppressed, and Parliament admitted defeat by repealing both these Acts in 1624[9].

It is difficult to say how far there was an employing element within the towns helping to create this village industry, in defiance of the policy of the town authorities. To put out spinning in the cottages was

[1] *H. of C. Journa s*, 1753, pp. 780–1. [2] *Ibid.* XXVIII, 683, 728.
[3] Hamilton, *English Brass and Copper Industries*, ch. iv.
[4] Heaton, *Yorkshire Woollen and Worsted Industries*, pp. 418 *et seq.*
[5] Ashton, *Iron and Steel in the Industrial Revolution*, ch. viii.
[6] Witt Bowden, *Industrial Society in England*, pp. 169 *et seq.*
[7] 4 and 5 P and M. c. 5.
[8] 18 Eliz. c. 16. [9] 21 Jac. I, c. 28.

legitimate, as spinning was not an organised craft, but undoubtedly town clothiers put out weaving as well[1]. In 1590 the Ipswich council forbad the clothiers to give more than half their work to country workmen[2]. But the clothiers resident in the villages were themselves substantial men. They were described in the Act of 1576 as persons who had "to their great Costs and Charges" established houses, fulling mills and workhouses for the employment of "a great multitude of poor people." In Norfolk, where the country industry was of long standing, control of worsted manufacture, both in city and county, together with the right of search, was given by an Act of 1441[3] to four wardens elected by the city weavers and two appointed by those four to represent the county. Three years later a new Act[4] gave the county power to choose its own wardens, and thereafter county and city were on an equality. In 1467[5] a body of 12 men of city and county was instituted to search the wardens!

But behind the independent country employers appeared a more serious rival to town supremacy in the London and foreign merchants, who were deliberately developing village industry. For, as Unwin says, "whether through the alien merchant or the London draper, the country maker was being brought into contact with the larger channels of commerce[6]." In Shrewsbury, in the early seventeenth century, "the complaint was a general one that the merchants of London and their factors forestalled and engrossed productions before they came to market[7]." In this way an industry of scattered craftsmen was being organised for mass-production to satisfy the concentrated demand of the foreign buyer, the great city and the forces of the crown. The importance of the last of these in the history of capitalism has been explained by Professor Sombart[8], but he has missed some interesting points in the English story. When government first assumed responsibility for supplying the needs of its soldiers and sailors, this was done by officials exercising the royal right of purveyance, a method lying outside the ordinary scheme of trade. But even in the fourteenth century the officials were liable to pass on their duties to substitutes or to enter into contracts with individual merchants[9]. Purveyance became increasingly unpopular. A Navy Victualling Department had been created in 1550, and in 1565 its surveyor, Baeshe, was instructed not to use the right of purveyance save in emergency[10]. Clearly one of the difficulties that confronted

[1] It is interesting to note that Defoe spoke as though, both in Norfolk and the west, it was still the general custom to put out the spinning with villages but to do the weaving in the towns. *Tour* (Everyman), I, 62, 280.

[2] Unwin, *Industrial Organisation*, p. 87.

[3] 20 Hen. VI, c. 10.

[4] 23 Hen. VI, c. 3.

[5] 7 Ed. IV, c. 1.

[6] *Industrial Organisation*, p. 90.

[7] Hibbert, *The Influence and Development of English Gilds*, p. 92.

[8] *Krieg und Kapitalismus*, chs. iii and iv.

[9] Alice Law, *Trans. R. Hist. Soc.* N.S. IX, p. 67. In 1338 merchants of Lynn and Barton contracted to provision the garrisons of Berwick, Edinburgh and Stirling.

[10] Oppenheim, *Administration of the Royal Navy*, pp. 101, 140.

purveyors was the competition of the type of merchant referred to above. At first these are denounced as "regraters," and their goods are confiscated[1], but before long the government is forced to employ them, instead of trying to suppress them. There is a very careful minute, as though of something novel, recording the acceptance in 1546 of an offer of two London merchants "to bring at their own adventure" 2000 quarters of rye for the use of the king[2]. There follow considerable dealings with the Antwerp house of Schetz. Then from victualling the contracts pass to clothing. Jolles, of London, offered in 1595 "to arm, apparel, victual and pay the forces in the Low Countries and Brittany[3]." The most notorious contractors were Messrs Babington and Bromley, who catered for the Irish troops. Between July and November, 1601, they received £23,000 for goods, including uniforms, hats, shirts, stockings and shoes, and in about six months they clothed 12,000 men[4]. But before long we meet them in the courts on a charge of embezzlement, and it was reckoned that they had defrauded the government of about £180,000[5]. It is not to be supposed that these men ignored the towns or that the towns refused their orders, but when you have to find clothing for 5000 men in a fortnight, you are not likely to pay much respect to local bailiffs and their by-laws. There can be no doubt that contractors of this type stimulated the growth of industry along capitalist lines in the villages.

Unwin's account of this phase of the history of the cloth industry must rank among his less lucid passages. He held that the drapers, anxious to meet the competition of London merchants operating in the country, invaded with their capital the field of manufacture, resuscitating town companies and appealing to ancient town privileges to consolidate their position. When the attempt to keep the whole manufacture of cloth to the towns failed, they concentrated on the finishing processes, and the movement marks the rise of industrial capitalism in the boroughs. He selects the Russell Company of Norwich (1554) as the first clear example of the new policy[6]. Now Miss Kramer denies that true mercantile capital dominated the manufacturing industry. In the resuscitated companies drapers and manufacturers were not found in association[7]. The Russell Company, which was definitely industrial and in which merchants and weavers co-operated, was an exception. It was founded to introduce a new process under monopoly or patent rights, and it is akin in spirit to the Company of Framework Knitters or the joint stock companies for linen, paper and so forth founded in the seventeenth

[1] *Acts of the Privy Council*, 1601–4, p. 259. [2] *Ibid.* p. 360.

[3] *Cal. S.P. Dom.* Eliz. CCLI, 80. Jolles is found later in partnership with the elder Cockayne.

[4] *Acts of the Privy Council* 1601–4, pp. 87, 171, 234, etc.

[5] Hall, *Society in the Elizabethan Age*, pp. 124–32.

[6] *Op. cit.* pp. 86–100. [7] *Op. cit.* pp. 88, 106.

century. It lay outside the regular organisation of the City. It was not included in the Twelve Grand Companies and was specifically excluded from the ordinance of search in the resolution that created them[1]. It seems as though Norwich tried to combine the gild tradition, extended from a municipal to a territorial basis, with an experiment in the newer capitalism. The compromise was not a permanent success. Company capitalism declined in the seventeenth century, giving place to the individual semi-capitalism of the clothier[2].

The cases where towns clung to the cloth-finishing industry after losing most of the weaving were quite different. Undoubtedly here the mercantile interest led. Drapers did give employment to shearmen. But there was not, normally, a complete fusion of interests. The Shrewsbury Drapers claimed to employ 600 shearmen and friezers in 1566, putting work out to them, but they were forbidden by statute to do the work themselves, that is, in their own workshops[3]. The East India Company had "Committees for providing of clothes" which put them out to be finished by the clothworkers, but when there was trouble over the labour in 1621, they at once decided to buy cloth dressed in future[4]. It was, apparently, a matter of convenience only, not profit. The facts do not tally with the view that the cloth-finishing industry was the nursery of industrial capitalism. It was a backward and inefficient craft, a drag upon the whole cloth manufacture. The project of Alderman Cockayne failed largely because English work in this line was patently inferior to continental, and "henceforward the honourable work of dyeing and dressing was only a dead letter[5]." In 1620 the Privy Council was implored to dissolve the Clothworkers Company of Ipswich, because their work was hopelessly inefficient and they "contemptuously demeaned themselves" towards the government of the town[6].

Everything points to a different explanation. For a long time the export merchants, far from desiring to invest money in the industry of the clothworkers, had been striving to escape the necessity of employing them at all, by exporting undressed cloth. Miss Friis has shown that Cockayne's project was not a reversal of this policy. The clothworkers were used as a stalking-horse, behind which Cockayne and his friends could defeat the Merchant Adventurers, and when the monopoly had been secured, the clothworkers did not get more employment. They were fobbed off with the work of folding and packing the undressed cloth[7]. Probably something similar was happening in the provinces. With industry moving into the country, town prosperity hung on the town

[1] *Records of Norwich*, I, lxxv, 386.
[2] *Ibid.* I, xxv–xxvii.
[3] 8 Eliz. c. 7.
[4] W. Foster, *John Company*, p. 38.
[5] Astrid Friis, *Alderman Cockayne's Project*, p. 365.
[6] Unwin, *Studies in Economic History*, pp. 285–6.
[7] *Op. cit.* passim; p. 250.

market, and the fight for the preservation of municipal economy became a fight for the market, in which the merchant was naturally the protagonist. But the merchant knew that it was of little use openly to demand a monopoly of trade. Shrewsbury tried, and failed[1]. Trade monopolies, both external and internal, were extremely unpopular in the seventeenth century. The joint stock companies were attacked and the restrictions that hampered the middlemen in the home trade were gradually removed. Trade in Welsh cloth was made free by proclamation in 1621[2]. Three years later the laws against engrossing dairy produce were suspended in favour of merchants buying for London[3], and in the same year the medieval statutes restricting the wool trade were repealed[4]. Government was not likely to uphold privileges which limited the freedom of its own agents. But there was still a case for manufacturing monopolies, especially if they could pose as "projects" for the increase of employment or the introduction of new crafts. Besides, the concentration of cloth-finishing in the towns was part of the traditional method of the government for supervising the cloth industry. Here the towns were on safer ground. Again the clothworkers were used as a stalking-horse, in the attempt to force the whole cloth trade to pass through the bottle-neck of the town market for the profit of the town merchants. If this explanation of the episode is correct, then it does not mark a step in the rise of industrial capitalism.

The towns were defeated. As the eighteenth century advanced, the authority of municipal councils in matters economic disappeared. The ideal of regulated industry was challenged by the demand for freedom, and the ideal of a corporate life was abandoned for the lure of individualism. Even so the struggle left its mark. Economic liberty never quite threw off the taint of the tradition of regulation, and this was one reason why both the east and the west lost trade to the freer, more full-blooded capitalism of Yorkshire[5]. It is true enough that, in the course of the struggle, the defenders of the towns betrayed the ideal of the gilds. Equality of status among masters disappeared. The merchant looked down on the manual craftsman, the rich despised the poor. Democracy gave way to oligarchy. The term "apprentice" lost its meaning when it was expected to cover both the pauper child foisted on an employer by an overseer, and the son of a rich merchant who had paid his £100 for the privilege of going into business. A poor boy could be bound till he was twenty-four[6], though he ought to be fully trained by sixteen at the latest.

[1] 8 Eliz. c. 7; 14 Eliz. c. 12.

[2] *Cal. S.P. Dom.* James I, CXXII, 274.

[3] 21 Jac. I, c. 22.

[4] 21 Jac. I, c. 28, e.g. against buying wool except from the owner of the sheep; against buying yarn except to make cloth; limiting the times for buying wool.

[5] Cf. *P.P.* 1806, III, p. 8, for the advantage of Yorkshire over the west.

[6] 43 Eliz. c. 2; Webb, *The Old Poor Law*, p. 196.

Mr Kendrick, a clothier of Reading, who founded a sort of municipal factory in 1624, gave instructions that children were to be trained there till they were sixteen, and then apprenticed, for he supposed that, since they would then be skilled, masters would take them without premium[1]. It is a topsy-turvy world in which the child learns his trade first and is apprenticed afterwards! Apprentices were of two kinds, the rich who paid and the poor who worked. The former became masters and the latter workmen. Northampton frankly admitted this, by difference of title. The second class were called simply "covenanted servants," and were dismissed after their seven years with a gratuity and a set of tools, but not made free of the town[2]. The oligarchy was endeavouring to "rationalise" the economic life of the town by manipulating the characteristically medieval institution of the "open monopoly." Apprenticeship must give the right of entry, but only desirable persons need be apprenticed, with all necessary formalities, to the controlling trades. To this could properly be added admission at discretion on payment of a fee. With these weapons they tried to realise their conception of a regulated municipal economy. They were beaten by the forces of economic progress, assisted by the law. Miss Kramer refers to the doctrine of "restraint of trade" and cites instances where the courts declared municipal monopoly to be contrary to the common law[3]. It is a theme that deserves fuller treatment, the important fact being that the judges interpreted the common law as a defence of the reasonable in trade, and the conception of what was reasonable changed with the growth of economic individualism. It required no legislative act for the law to condemn in the eighteenth century what it had upheld in the sixteenth.

It is open to any historian to attach the label "capitalistic" to this transformation from within of the borough economy, but this should not obscure the fact that the road down which the towns were travelling was a blind alley. It did not lead to the capitalism of the Industrial Revolution[4]. The gild form to which they clung was not adaptable to the new conditions. The open monopoly was debarred by nature, as the joint stock company was by accident, from playing a helpful part in the rise of industrial capitalism. The towns, with their gilds and companies, were actually in conflict with the true begetters of modern industry, and they must be classed, during these two centuries of transition, among the defenders of the old world and the enemies of the new.

[1] Man, *History of Reading*, p. 159.

[2] Markham and Cox, *Records of Northampton*, II, 321–2.

[3] *Op. cit.* pp. 147–50, 161.

[4] Cf. Weber: "The factory did not develop out of handwork or at the expense of the latter, but to begin with alongside of and in addition to it....As little as out of craft work, did the factories develop out of the domestic system, rather they grew up alongside the latter." *Op. cit.* p. 173.