

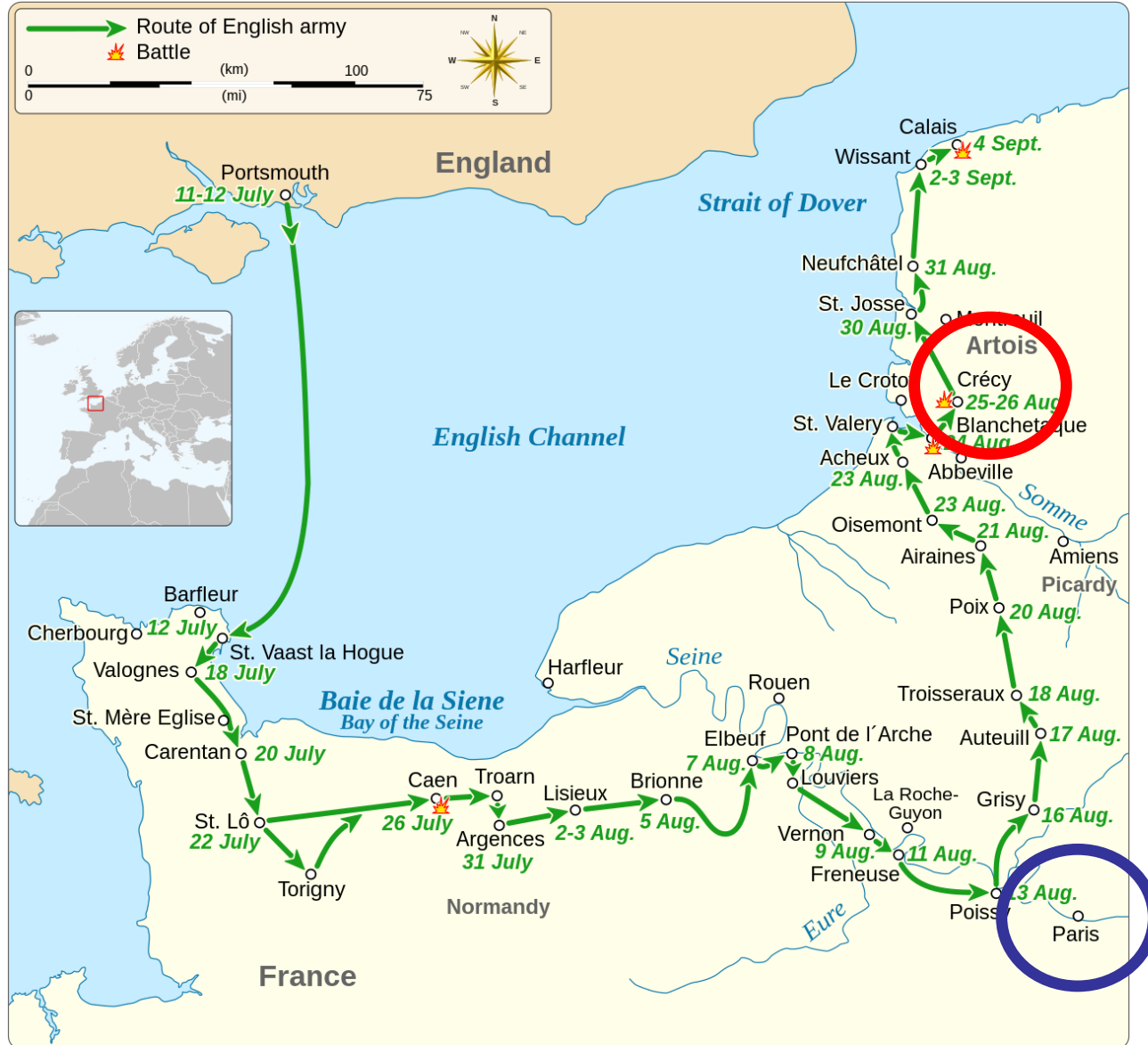
# Previous meeting

- Tournament view of the rise of the states
  - Hoffman
  - Elias: historical account
- Four cases
  - England: ideal setting immediately from 1066 on; central authority
  - France: too big, royal domain increases through a slow and long process
  - Holy Roman Empire (Germany): fragmented, emperor loose control
  - Spain: Reconquista, building the state with conquered territories
- Today:
  - Focus on England and France
    - King promotes Parliament
    - Communes and representation

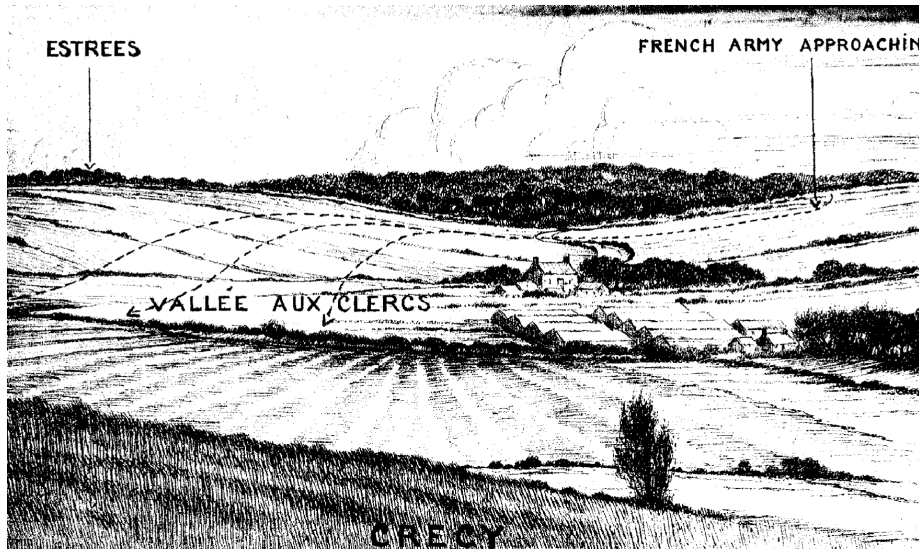
# Historical background



# Expedition of Edward III (1346)

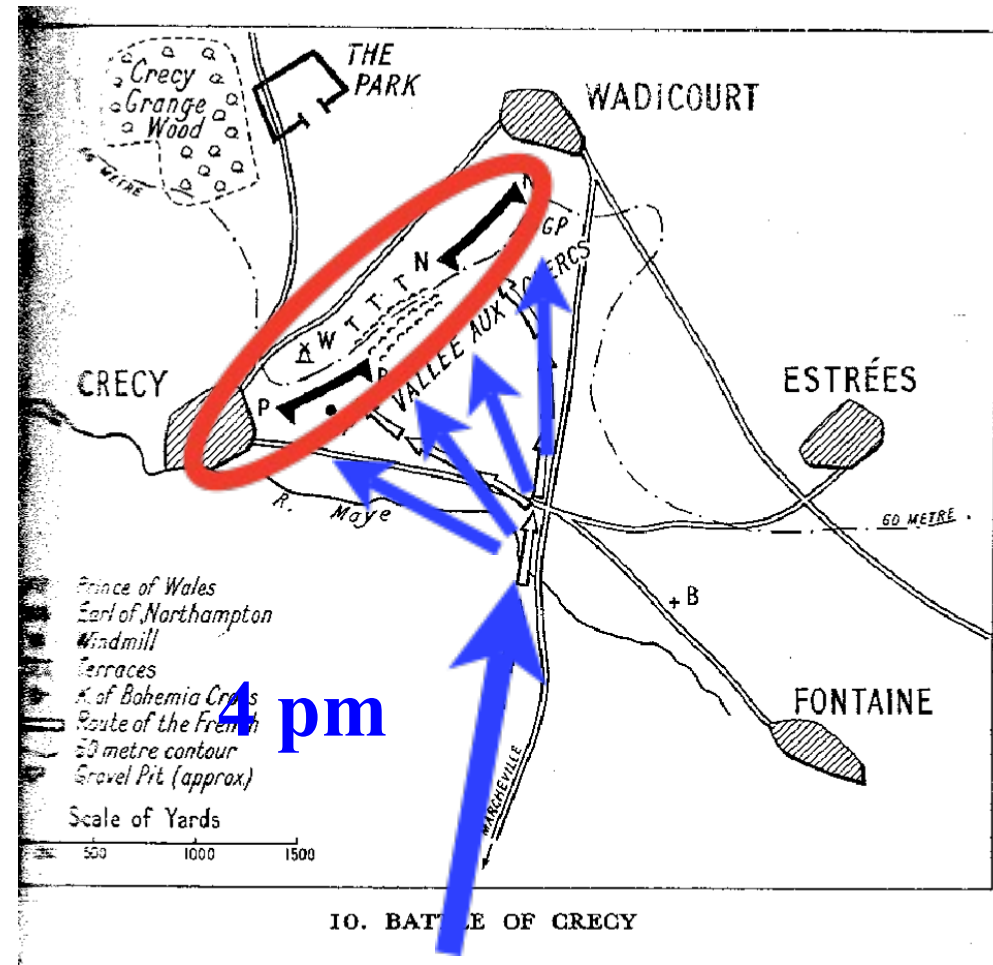


# Battle of Crécy



English viewpoint

- French side more than twice the English
  - Cavalry
  - Waves of assault
- English side
  - On foot, including the king's son, long bow (like machine guns)
- Crushing defeat of the French
- Why? Outcome is determined by the differences in public finances



# England

- Hostile takeover by the Normans and William the Conqueror in 1066, with barons (like a corporate board).
- William I, like after a corporate takeover:  
inventory of the property: **Doomsday Book**.
- From the beginning, some control by a centralized government.
  - Barons were part of a team and did not come from long local family tradition. Tenants in chief.
  - King and nobles ruled the realm in concert. They were mutually indispensable. (Holt, p.126).
  - England was a colony.  
Mainland: Anjou and Normandy. Strong link with the continent (Normandy and after the marriage Henry II - Alienor of Aquitaine, the whole western part of France).
  - England the right size and the right borders.

# Henry II

- 1154-1189. Two important achievements, to develop:
  - a judicial system (this was only a beginning) with itinerant judges (circuit judges) trained in a central school and gathering fees. This is an excellent example of a ruler providing a public good (and law is an essential public good -as can be verified today in many countries-) and raising revenues from this service.
  - an administration to collect revenues: the Treasury. Pipe rolls.





**NORMANDY**

**ANJOU**

**Angevin kings**

**Henry II  
(1054-1089)**

**burial in the abbaye of  
Fontevraud**



# Magna Carta (1215)

- “rebellions” of the barons.
- More like the board not pleased with the CEO: quarrels within the system. (Property, land rights, etc), not against the system.
- Particular arbitrariness of king John (and Richard in raising taxes).
- Charters were issued before. MC more important.
- Some of the provisions of MC were repealed soon after, but marked a strong step in the evolution of charters and discussions between Crown and barons.



# Parliaments in England

- Before 1215, councils and charters
- 1215: Magna Carta
  - Barons and king
- Henry III (1216-1272)
  - 1236 ? **1258, 1265** (three orders, with commoner elected from the buroughs)
  - 1242-1272: 23 summonses (about once a year)
- Edward I (1272-1307)
  - More than 45 summonses
- Edward II (1307-1327)
  - More than 25
- Edward III (1327-1377)
  - More than 45 total.

# Reforms of Edward I (1272-1307)

- Shift from feudal manpower to financial dues
- Paid army
  - Banneret (commander of 10 mounted men): 2s per day
  - Footman: 2d
  - Pay every 3 or 6 days (bought their own supplies---as the Romans)
- New army
  - Professional (not a band)
  - New technology: long bow
  - New tactical maneuvers
  - Training in the the campaigns against Wales, Scotland.
- Introduction of customs
- Loans from foreign lenders
- Collaboration with representative assemblies

# Tax on the export of wool

- Negotiated with the exporters (to the continent)
- Collusion Crown – exporters
  - Monopoly for the exporters
  - Few points of exports, easy monitoring
  - Shift of the tax incidence up and down, no direct collection
- Role of geography (Egypt)
- System will be the basis for taxation in the most important century (18<sup>th</sup>): taxation of imports of wine and domestic taxation of alcoholic beverages.

# Edward III (1327-77)

- Influence of war
  - “thanks in no small measure to the recurrent threat from Scotland, Edward III entered the larger war with France possessed of a firm tradition of parliamentary grants for a defensive war (with the administration)
- Beginning of the 100 years war
- System of Edward I, improved
- Expeditions on the continent have to be carefully prepared.
- Campaign of 1346
- Battle of Crécy
  - about 10 to 15 000 Englishmen, about three times as much on the french side
  - Battle and its outcome a consequence of the differences between systems of taxation

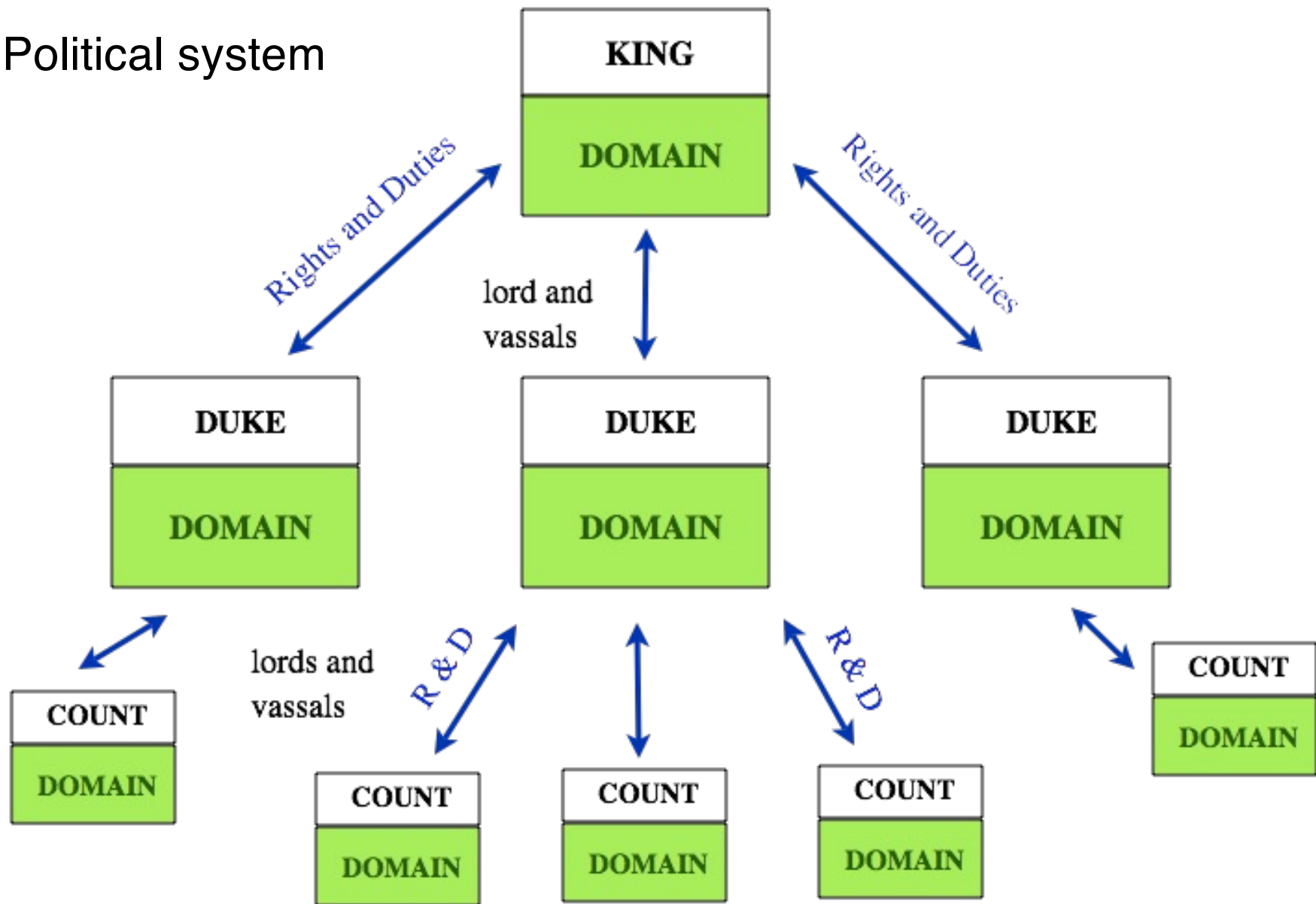
# France before 1350 (1)

- Traditional system of feudal dues
- but why?
- No “centralization” as in England
- Regional interests with local parliaments (estates)
  - Direct taxes have to be approved by regional Estates (parliaments).
    - Problem of information (think Irak)
  - The South did not want to contribute
- Poor geography for the collection of taxes
- No international trade with few ports
- Economy is much larger than England, but for the public finance, it is smaller.
- Features will persist after 1300 for half a millenium.



# “Textbook” feudalism

Political system



## France before 1356 (2)

- Indirect taxes could be implemented by the crown
- **Gabelle** (salt tax) introduced in 1346 (pressure in Hundred Years war)
  - System implemented in Italy 100 years before
  - Practically: granaries for salt and state monopoly
  - Soon repealed (to be permanent later after a few disasters)
  - After the disaster of Crécy, bargaining with direct taxation (grants) replacing the gabelle.

# Parliaments in France

- Given the size of the country, division:
  - approximatively
    - North (Paris)
    - South (Languedoc)
- Meeting in time of crisis
  - Tax could be granted only with effective war going on
  - Doctrine of necessity applied by regions
    - Some grants to be spent locally

# One purpose in this course:

- To see how economics contributes to the understanding of history. The study of history is worthwhile when it supersedes the mere account of facts and anecdotes, and uncovers mechanisms which are independent of individuals. In this task, economics which emphasizes optimization under constraints is a particularly useful tool. (Such optimization is found in many domains of nature, including the animal world).
- J.E. Morris' *The Welsh Wars of Edward I*, first published in 1901. Not content to limit himself to the conventional questions of military history, those about battles, strategy and tactics, he first of all examined the structures that underlay the triumphs achieved by Edward I in Wales."

# Recall





# Morris:

- *“If it be true that the English learnt on the battlefields of Scotland the experience which was destined to make them the victors at Crecy and Poitiers, it is equally true that the preliminary experience had been learnt in Wales. It was precisely because I wanted to trace back the evolution of the typically english combination of knights with archers beyond the battle of Falkirk, which is usually considered to have been the first great victory of the longbow, that I began to study the documents of the Welsh wars. The period, rather more than eighteen years, is of peculiar interest. The rolls are tolerably exhaustive; we have minute details concerning the men in the king’s pay in most of his armies, besides evidence which enables us to conjecture the strength of others. Feudal and paid troops are found fighting side by side”.*

# Army technology

- Evolution away from cavalry into infantry
- In England, clear evolution in the wars of Wales, Scotland
- Rise of archery
- Compulsive training
- Cavalry by itself is hard to coordinate and control
- Army on foot is more disciplined
- Moreover, technology

# England and France

## Comparison

Country	England	France
Geography	moderate size base (England) to conquer adjacent states within the envelope (Wales, Scotland, island)	country is “too large” with strong semi-independent close neighbor: Burgundy
Public finance resources	good potential for taxation: type of trade, harbors	low potential for taxation
Institutions	monetization of the feudal dues	persistence of in-kind services for the feudal dues
Shocks and technology	stimulus from conquests and military innovations	old military technology, main stimulus from king ransom
Personalities	very strong kings: Edward I (1273-1307) : Wales, Scotland Edward III (1327-1277) : France	weak kings

# Estates Generals in France

- After 1400, king succeeded in imposing a permanent tax on land. Less need for the Estates Generals

