

# MERCHANT NETWORKS IN THE CROWN OF CASTILE CITIES BETWEEN MEDIEVAL AND EARLY MODERN AGE

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The figure of merchant in pre-industrial era has been approached from different points of view. His controversial place in the stratified society, their acts of usury condemned by religious orthodoxy, a passion for culture, or their fledgling business, axes raised by Le Goff, are reflected in many works from theoretical reflections: Positivism, Marxism, Weberianism, etc<sup>2</sup>. In all these studies, it's clear that merchants of this time were a peculiar group in the heat of the urban system, and they represented the economic and social development, organized around different networks.

Over the years it has become necessary to advance knowledge through new tools and theories. S. Subrahmanyam asked: "How does one understand the workings of these merchant communities in the early modern World, and what are the appropriate Tools of analysis?"<sup>3</sup> The objective of this paper is to answer Subrahmanyam's question, or at least, to set out an initial proposal for the analysis and the study of society and economy in the past. For this reason, we propose to work from the field of social networks analysis. It was hardly used in historical studies in which, generally, historians have always spoken of mercantile networks, putting more emphasis on trade and forgetting the importance of merchants<sup>4</sup>. For this reason, we consider the possibility of applying the knowledge, which Sociology provides to us, to the study of social networks in order to analyze the economic and commercial past in the Crown of Castile. The creation of strong and extensive trade networks among merchants are an example of the importance of such social behaviour has had on the development of economy, trade and commercial companies. This sets a perfect field of study for our aim.

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<sup>2</sup> LE GOFF, J., *Mercaderes y banqueros de la Edad Media*, Madrid, Alianza Editorial, 2004, (1ª edición francesa de *Marchands et banquiers du Moyen Âge* es de 1957). More information about historiographic vision of medieval merchant in: CARVAJAL DE LA VEGA, D., *El mercader medieval: revisión historiográfica y nuevas perspectivas de estudio*, DEA – Universidad de Valladolid, 2009, (unpublished).

<sup>3</sup> SUBRAHMANYAM, S., *Merchant Networks in the Early Modern World*, Wiltshire, Ed. Ashgrave Variorum, 1996, p. 23.

<sup>4</sup> YUN CASALILLA, B., «Perspectivas para la investigación en historia económica y social de Palencia: consumo y redes de comercialización», in CALLEJA GONZÁLEZ, Mª V. (Coord.), *Actas del III Congreso de Historia de Palencia*, Vol. 3, 1995, pp. 51-70.

In this work, we propose the framework for analysis and the first results of the study of urban merchant families, mainly from Burgos, in the northern half of the Crown of Castile between 1480 and 1521. A work based on study cases through the methodology of social networks, trying to distinguish different types of relationships, social or economic, ways that families developed to obtain very different objectives: individual and group aims.

## **CASTILE 1480-1521: SOCIAL AND ECONOMIC CONTEXT**

After the strong problems of the fourteenth century (social and economic crisis, civil war between Pedro I and Enrique II, persecution of jews, etc.), during the first decades of the fifteenth century the Crown of Castile consolidated the bases of economic growth that went on until the sixteenth century. Among other things, at this stage the growth was based on institutional strengthening, the end of the process of Reconquista against Muslim Kingdom of Granada, and the general expansion of the economy. Strong economic growth in Castile is easily explained if we look at the combination of several facts such as population growth, the formation of an intense urban network, the recovery of the fields and crops, the improvement of internal trade through the emergence of fairs and markets, the increase of foreign trade between other European regions, or the rise of the "intermediate social groups". This was accompanied by significant legislative progress (Cortes of Toledo in 1480, Cortes Toro in 1505, and Reales Ordenanzas in the decade of 1480). And, obviously, in the sixteenth century, the discovery of America, that boosted further the growth of the Crown of Castile<sup>5</sup>.

In this context, the expansion of Castilian urban system made possible the emergence of major trade areas, regional and international ports, fairs, markets. The rise of cities in the north coast: Santander, Bilbao, San Sebastian, allowed Castilian sailors to charter the ships of the Castilian merchants coming from inner<sup>6</sup>. These cities intensified its economic activity: Burgos as the main wool export city, Segovia and Palencia which had important textile industries, Valladolid as administrative and judicial capital of Castile, and Medina del Campo, the center of international trade

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<sup>5</sup> The economic and comercial growth in Castile has been studied by many researchers. Some of the most important examples are: CARLÉ, M<sup>a</sup> DEL C., «Mercaderes en Castilla (1252-1512)», in *Cuadernos de Historia de España*, 1954, XXI-XXII, Buenos Aires, pp. 146-328, RUIZ, T., *Crisis and Continuity. Land and Town in Late Medieval Castile*, Philadelphia, 1994, and GARCÍA SANZ, A., «Economía y sociedad en la Castilla de los siglos XV y XVI», in *Actas del V centenario del Consulado de Burgos*, Burgos, Exma. Diputación de Burgos, 1995, Vol. I., p. 56-65.

<sup>6</sup> ARÍZAGA, B. and SOLÓRZANO, J. A., *Ciudades y villas portuarias del Atlántico en la Edad Media. Encuentros internacionales del Medievo (2004)*. Logroño, Instituto de Estudios Riojanos, 2005.

fairs<sup>7</sup>. Other cities such as Toledo and Seville also served as economic centers with their own characteristics, especially the second,<sup>8</sup> since Seville was the commercial bridge to America. Cities were the perfect setting for the most powerful merchant families to carry out their business and politic activities. Merchants replaced the aristocratic oligarchies in the local government of cities taking over some ways typical of the old dominant group. Of course, Castilian merchants were good administrators and developed the field of economic management<sup>9</sup>. We could see these facts in cities such as Burgos and Valladolid<sup>10</sup>.

The extent of these relationships led the merchants to positions close to the sphere of the Catholic Kings, especially when they needed their services and their loans whenever their projects required more investment. Diego de Soria was a good example of moneylender. But the Court also needed merchant families as suppliers, for example Daza family, located in Valladolid. Their economic and social position allowed merchants to be close to other forms of power as the Church<sup>11</sup> or other lords, as García González Cocón, Merchant of Valladolid. He was creditor of Pedro de Ayala, Conde de Salvatierra, for 33.171 maravedis because of the purchase of different clothes<sup>12</sup>. Here are some examples of how social networks were created beyond the purely commercial relation. But will not enter into this issue in the proposal that we achieve.

## THE SOCIAL NETWORKS ANALYSIS

In order to apply this methodology to historical studies but taking a sociological definition, we could define social network analysis as the study of specific relationships between a defined set of elements (individuals, groups, organizations, countries, and

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<sup>7</sup> LORENZO SANZ, E. (Coord.), *Historia de Medina del Campo y su tierra. Auge de las Ferias, decadencia de Medina*, Vol. 2, Medina del Campo (Valladolid), Ayuntamiento de Medina del Campo, 1986.

<sup>8</sup> COLLANTES DE TERÁN, A., *Sevilla en la Baja Edad Media. La ciudad y sus hombres*, Sevilla, Ayuntamiento de Sevilla, 1977, OTTE, E., *Sevilla y sus mercaderes a fines de la Edad Media*, Sevilla, Universidad de Sevilla, 1996, and PALENZUELA, N., *Los mercaderes burgaleses en Sevilla a fines de la edad media*, Sevilla, Universidad de Sevilla, 2003.

<sup>9</sup> MÍNGUEZ, J. M., La transformación social de las ciudades y las cortes de Castilla y León, en *Las Cortes de Castilla y León en la Edad Media*, II, Valladolid, 1988, pp. 13-45.

<sup>10</sup> About the city of Burgos: CASADO ALONSO, H., *Señores, mercaderes y campesinos: la comarca de Burgos a fines de la Edad Media*, Valladolid, Junta de Castilla y León, Consejería de Cultura y Bienestar Social, 1987, BONACHÍA HERNANDO, J. A., *El señorío de Burgos durante la Baja Edad Media (1255-1508)*, Valladolid, Universidad de Valladolid, 1988, y VV.AA., *La ciudad de Burgos, Actas del Congreso de Historia de Burgos*, Madrid, Junta de Castilla y León, 1985. And about Valladolid: RUCQUOI, A., *Valladolid en la Edad Media*, Valladolid, Junta de Castilla y León, 1987.

<sup>11</sup> In Burgos we could see the strong relations between merchants and institutions as the Cathedral in En CASADO ALONSO, H., *Señores, mercaderes y campesinos: la comarca de Burgos a fines de la Edad Media*, Valladolid, Junta de Castilla y León, Consejería de Cultura y Bienestar Social, 1987.

<sup>12</sup> ARChVa, Pleitos Civiles, Alonso Rodríguez (D), c. 37-5.

even events<sup>13</sup>). From relational data (specific links between a pair of elements), network analysis focuses on relationships rather than attributes of individual elements, although we couldn't forget it<sup>14</sup>.

Network analysis is not a new theory in the world of research. Sociology has been the testing ground and development of this tool which recognizes the important influences in Sociometry since the thirties at Harvard and Chicago. Projects started by researchers such as R. Lloyd Warner and Elton Mayo in his Hawthorne studies on the performance of workers in the Western Electric Company of Chicago. At Harvard, blockmodelling emerged in the early seventies. While other school in Manchester laid the foundation for the conceptualization of social network analysis with varied influences such as Durkheim, Weber, Radcliffe-Brown, Malinowski, Lévi-Strauss and Talcott Parsons<sup>15</sup>. Today, network analysis offers new perspectives, for example the study of personal networks (community or mutual aid networks), or the study of the evolution of social networks over time. This kind of questions could be applied on studies about history of different social groups in the past.

In History, network analysis has not attracted the attention of researchers on Medieval and Modern times. Most of network studies in business history have provided to young researchers with descriptions of trade routes, companies, important merchants and its families, and other relations. But we are lacking a systematic analysis as researchers like R. Medici A. Goldthwaite<sup>16</sup>, and J. Padgett, C. Ansell did. They studied historical data from a sociological perspective, relating the consolidation of the urban elites and the formation / rise of states such as Florence<sup>17</sup>. In the case of Castile, in the transition between Medieval and Modern Age there are studies which emphasize the vision of merchants as a group, making relevant their geographical origin. Recent studies offer new insights about these networks by analyzing the role of information networks among traders from the correspondence in the sixteenth century<sup>18</sup>.

In this paper we want to present a first step in implementing new techniques as studies in Sociometry and use of sociograms to advance in the study of different merchant networks that emerged between the Castilian families. For this reason, we will define the sample and the context: the northern region of the Crown of Castile between 1480 and 1521, and basically Burgos family environment.

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<sup>13</sup> WASSERMAN, S. and GALASKIEWICK, J., *Advances in Social Network Analysis*, Sage, Thousand Oaks, 1994.

<sup>14</sup> MOLINA, J. L., *El análisis de redes sociales. Una introducción*, Barcelona, Ed. Bellaterra, 2001, p.13.

<sup>15</sup> SCOTT, J., *Social Network Analysis. A Handbook*, Sage Publications, AÑO XXX Chapter 2; y MOLINA, J. L., *El análisis de redes sociales. Una introducción*, pp. 22-36.

<sup>16</sup> GOLDTHWAITE, R. A., «The Medici Bank and the World of Florentine Capitalisme», *Past & Present*, 114, 1978, 3-31.

<sup>17</sup> PADGETT, J. F. and ANSELL, C. K., «Robust Action and the Rise of the Medici, 1400-1434», *The American Journal of Sociology*, 98, n° 6, 1993, pp. 1259-1319.

<sup>18</sup> CASADO ALONSO, H., «Information flows in Castilian commercial Networks of the 15th and 16th centuries», *Investigaciones de Historia Económica*, n° 10, 2008, pp. 35-68.

The second step is to define the unit of analysis. In other words, to delimit the historical subject that corresponds with each node in the networks raised. As some historians did with the Medici and other Italian families, one of our objectives is to continue the approach of works like those of M. E. Bratchel, R. de Roover, Goldthwaite, or Heers, who have discussed the importance of the family in economic organization in pre-industrial times. According to this and our sources, we consider the merchants family as the best exponent of the unit of analysis<sup>19</sup>. The family was the basis of the social structure, the axis of matrimonial strategies and the core of business and property framework. The family was the heart of business and occasionally it needed outsiders as we shall see with the “factores” or sales representative. When defining the unit of analysis we must remark that the name of a merchant identified every family and person in their towns. Surnames like Verdesoto, Tovar Pardo ... in Valladolid, Lerma, Castro, Soria, Maluenda... in Burgos, were symbols of power in the city and through the various networks to which they belonged.

The third element to consider in our proposal are the sources that can report us on the activities of families who claim to analyze. Many works done in last decades have revealed the multiple possibilities that Archives offer us for the study of commercial and economic past in Castile. To cite some of the most important Archives and sources, in Castile we could look up the General Archive of Simancas, the Crown’s Archive where its considerable documentation from the fifteenth century gives data on: business litigation, relations between Castilian merchants and the Crown, and varied information about merchants. The best section is the Registro General del Sello<sup>20</sup>, where we can learn some notices about merchant families and their activities. The Archivo de la Real Chancillería de Valladolid, Castilian supreme court in the Middle and Modern Age, also offers information about the past of the major merchant families but from the point of view of legal sources. Many of these families and business companies appeared in their lawsuits and resolutions. Furthermore, we can consider local archives and their historical sections. Municipal Archives are great treasures and their documents include information about the activities of the merchants in the processes of decision made in the city councils or “Concejos”. On the other hand, it’s possible to consult Historical Archives, which preserves notarial documents and all kind of private contracts: civil and commercial contracts, wills, etc., although there are few documents at this time. Finally, archives of ecclesiastical institutions as the Cathedrals, and other institutional archives like commercial institutions (the Consulate of Burgos) which preserve their acts, proceedings, account books... All these files offer many types of documents (public and

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<sup>19</sup> GOLDTHWAITE, R., *Private Wealth in Renaissance Florence, A Study of Four Families*, Princeton, 1968; DE ROOVER, R., *Business, Banking and Economic Thought in Late Medieval and Early Modern Age Europe*, Chicago, Ed. J. Kirschner, 1974; HEERS, J., *Le clan familial au moyen Âge*, Paris, 1974; HUGUES, D. O., «Urban Growth and Family Structure in Medieval Genoa», in *Past & Present*, nº 66, 1975, pp. 3-28.

<sup>20</sup> We could know more about families Soria and Daza.

private) that record the different activities and relationships that now can be studied from a whole network analysis as we propose.

## **LINKS AND NETWORKS**

In one of his most recent works, R. A. Goldthwaite recovers the study of international trade networks in Florence from its specific context, structures and relationships<sup>21</sup>. Just read this approach and all literature on merchants to understand how varied and complex were the relationships between families of merchants. Trying to create an order, we could delimit two perspectives depending on the type of relationship. Social relationship, based primarily on matrimonial and friendship ties. The second option is an economic relationship in which we can collect all the ties born under different forms of commercial contracts and other links such as labour. These links created several networks with different degrees of complexity, something that we have to take into account. For this reason our analysis should be systematic. To do this, and develop the methodology of sociology about networks analysis, all these relationships are orderly expressed in symmetric matrix, thus establishing the pattern of relationships and interdependence between families. The possibilities to represent relationships through different matrix are varied. We choose to perform binary matrix, collecting the existence of a relationship without quantifying the intensity or direction of it (binary matrix 1, 0). If for example we try to specify the intensity of relations we can choose weight matrix, using the value of data. This system is very valid in case of economic relations as we discussed below.

When we start the business network analysis, we decided to use the relationships that we considered the most relevant to understand the world of the Castilian merchants: family relationships, the foundation of companies, the figure of the sales representatives, and other contracts between families.

### **- Family relationships: marriage**

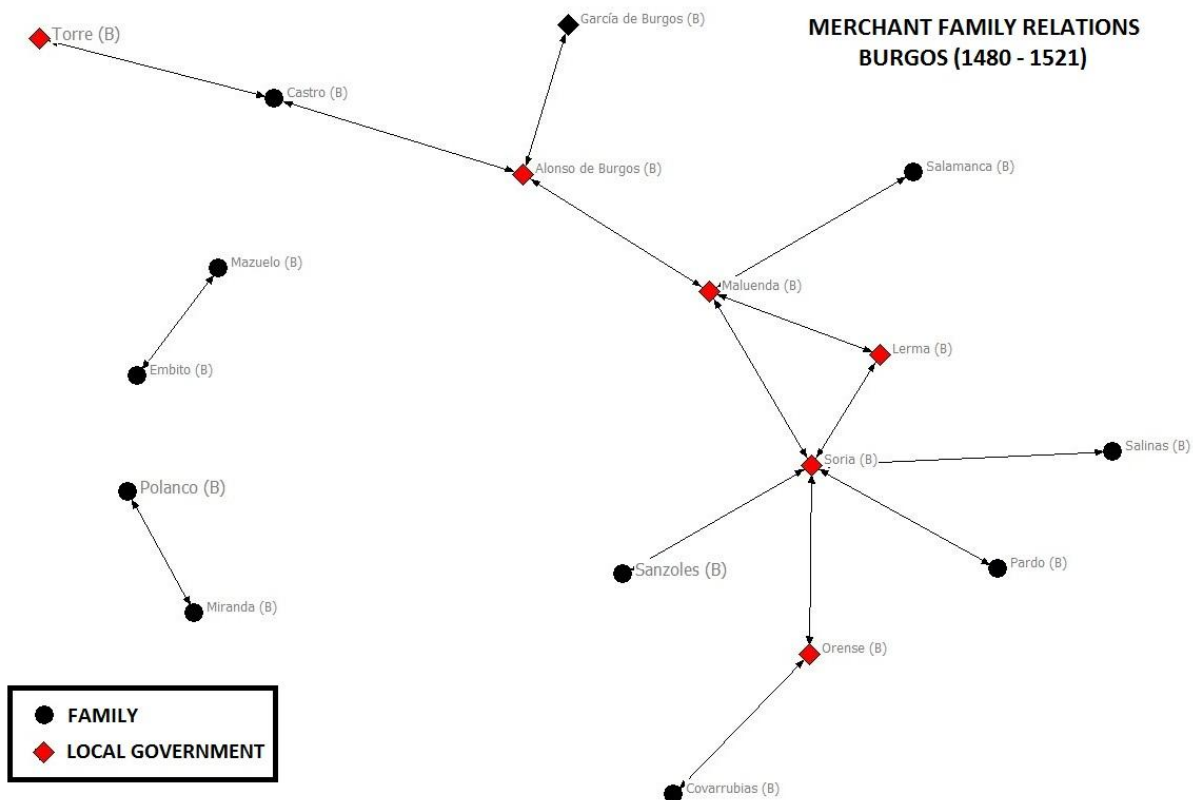
Establishing marriage ties and, therefore, family ties, was one of the strategies followed by Castilian merchants in order to strengthen the power of families. The importance of family as center of business in Castile in fifteenth has been demonstrated in numerous studies by researchers such as H. Casado, Y. Guerrero, B. Caunedo, N. Palenzuela, among others. To cite one of many examples that investigations have shown to us, we can remember the case of the Soria family. Thanks to Diego de Soria, the head of household, this family became one of the most important actors in Castile. Diego

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<sup>21</sup> GOLTHWAITE, R. A., *The Economy of Renaissance Florence*, Baltimore, The Johns Hopkins University Press, 2008, pp. 37-125. More about companies, pp. 105-108.

reached a position as “Regidor” (citizens representative) on the “Concejo”, or Council of Burgos, the local institution of government. His immense fortune, his position near the Catholic Kings, his trade relations with other families of merchants, among other things, became very attractive to create family ties through marriage. especially to Maluenda and Lerma<sup>22</sup>. The formalization of links between great urban families engaged in trade was a very common strategy in Castilian towns. For example, families as Bernuy and Ordóñez in Ávila, through marriage between Toribio Bernuy and Mencia Ordonez<sup>23</sup>. These strategies had a clear objective: achieve the integration into powerful lineages. We can find something similar in Valladolid, where families as Cueto or de la Serna were integrated in the lineage Tovar. An important family related to other major merchants as Virues, “regidores” in Council of Valladolid<sup>24</sup>. These are only a few examples of this general phenomenon in the most active Castilian cities.

All these strategies of alliance and integration between different merchant families is evidenced by the social network for merchant families who established marriage ties in Burgos.



<sup>22</sup> CAUNEDO DEL POTRO, B., «Los negocios de Diego de Soria, mercader burgalés», en VV.AA., *La ciudad de Burgos*, Madrid, Junta de Castilla y León, 1985, pp. 163-171.

<sup>23</sup> CASADO, H., «De la judería a la grandeza de España. La trayectoria de la familia de mercaderes de los Bernuy (siglos XIV-XIX)», en *Boletín de la Institución Fernán González*, Burgos, 1997, nº2, pp. 305-311.

<sup>24</sup> RUCQUOI, A., pp. 192-193.

The family network sociogram shows the closeness of nodes (major merchant families in Burgos) in terms of marriage strategies during this period. It's not casual the phenomenon of vinculation of families like García de Burgos and Alonso de Burgos, both with a common past. And it was not innocent that families in the high positions in the local political institutions of government created these ties. The most relevant members of these families, the heads of family, were "Regidores" in the Council of Burgos. Their position usually passed from father to son or it was maintained within the family. It seems that power (social, politic and economic) tended to concentrate in that families. As we pointed out before, the family Soria was one of the best examples. Diego de Soria occupied his position as "Regidor" in 1480. In the last decades of the fifteenth Century the Lermas, Maluendas, or Alonso de Burgos, tried to establish marriages between them, especially the last two who consolidated their union through a common lineage<sup>25</sup>. These two families, Alonso de Burgos-Maluenda and the Sorias were a clear example of cohesion in the same line referred by M. E. Bratchel<sup>26</sup>. In the case of the brothers, it was normal to reinforce family ties, as Soria Diego de Soria and Gómez de Soria did when they established a solid business relationship. But sometimes these efforts went on for generations when looking at the grandchildren of Diego de Soria, and how they were partners in their business to defend their personal fortunes (fortune that they inherited from their grandfather, Diego de Soria). In short, the family was a basic institution at the time of social promotion, trade expansion and defense of the interests and personal patrimony. For these reasons, it was one of the social relations that deserves an analysis from a different context: long time analysis, in numerous cities, etc.

## - Companies

The business organization in Castile was very similar to other european nations in the final part of Middle Age. Local commerce was involved in varied situations, but in international trade, the company was the most important Castilian merchants association between the Late Middle Ages and early Modern Age. It was the most common way of conducting international trade between Castilian merchants, as they were organized around commercial colonies in Flanders, France, Italy...<sup>27</sup>. Companies were usually formed by merchants with the same origin or from near regions, but it was

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<sup>25</sup> CAUNEDO DEL POTRO, B., «La disgregación de una rica hacienda: el ocaso mercantil de los descendientes de Diego de Soria. ¿Un problema político?», in *Espacio, Tiempo y Forma*, 2007, serie III, Hª Medieval, t. 19, pp. 77-97, y CASADO ALONSO, H., «Una familia de la oligarquía burgalesa en el siglo XV: los Alonso de Burgos-Maluenda», en VV.AA., *La ciudad de Burgos*, Madrid, Junta de Castilla y León, 1985, pp. 143-162.

<sup>26</sup> BRATCHEL, M. E., «Italian Merchant Organization and Business Relationships in Early Tudor London», en SUBRAHMANYAM, S., *Merchant Networks in the Early Modern World*, Wiltshire, Ed. Ashgrave Variorum, 1996, pp. 14-15.

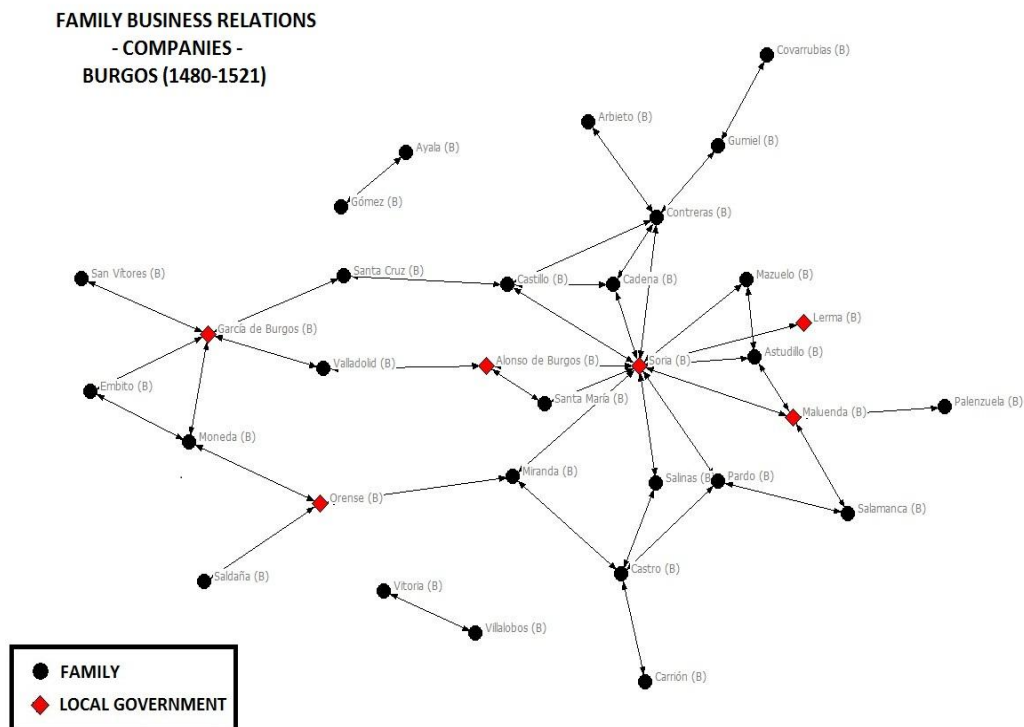
<sup>27</sup> CASADO ALONSO, H. (Ed.), *Castilla y Europa. Comercio y mercaderes en los siglos XIV, XV y XVI*, Burgos, Diputación Provincial de Burgos, 1995. About Castilian companies: CAUNEDO DEL POTRO, B., «Compañías mercantiles castellanas a fines de la Edad Media», *Medievalismo*, 1993, nº 3, pp. 39-58.



not strange the foundation of trade companies by merchants from different and remote cities, regions or countries.

The constitution of a company expresses a strong economic relationship. A formal pact signed before a public authority was required, but sometimes a private document or oral agreement was also enough<sup>28</sup>. As we noted when we explained the sources, private contracts are scarce. For this reason data about companies come from very different sources: legal, public or private. Thanks to these documents we could reconstruct companies which were formed by members of one family, or by members of more families. This last link is the most interesting to us, and it is one of the reasons why we decided to take family as the unit of analysis, because it was the fundamental socio-economic unit.

In the case of commercial networks, we'll try to study the relationships between different families. Trade relations forged a network that allowed the development of domestic and foreign trade of Castile, and one of the best examples we can study is the city of Burgos. The data offered by numerous researchers about the Castilian capital can be translated into a binary matrix that explains the network of commercial relations based on the creation of trading companies<sup>29</sup>.



<sup>28</sup> OTTE, E., *Sevilla y sus mercaderes a fines de la Edad Media*, Sevilla, Universidad de Sevilla, 1996, p. 181.

<sup>29</sup> This network was based in mercantile relations, in a matrix in which 1 is the value that express the existence of companies.

Before creating the company network in Burgos, we can see the closeness between the different families of merchants from the companies created between them. For example, according to the graphic, Contreras family was more important among merchants than Monedas family. The sociogram also shows the central position of the Soria family in the late fifteenth and early sixteenth. It had trade relations with twelve families. But the relationship was more intense with four of these families that established the link of matrimony: Maluenda, Lerma, Salinas and Pardo. The Maluenda and Lerma established marriage to the owner of the family, Diego de Soria, with Catalina de Maluenda, and her daughter, Beatriz de Soria, with Alonso de Lerma respectively. These three families were “Regidores” of Burgos, it demonstrates the inbreeding of the economic and political elites of the city. On the other hand, it also notes the importance of some families as García de Burgos, wool and textile merchants who traded in Medina del Campo, Burgos, England... And other families out of political power as Contreras family, which took part in an intense activity in the marketing of textile and came to settle in foreign ports such as Nantes<sup>30</sup>.

Beyond these examples, networks theory also offers the possibility to use sociometric studies, but we should note the bias of the statistical information collected because we don't have and will never have 100% of the data. We probably don't have a representative sample. Therefore we must analyze the data with caution and we must always know the context and the different possibilities of our sources. Anyway there are some elemental measures coming from Sociometry which could give us clues about the direction of our research. We have measures of centrality as the rank or Degree, the intermediation index (Betwenness), and an index that relates variables as above to give us the centrality of each node or family into the network (Bonacich Power or Beta Centrality).

DEGREE CENTRALITY				BONACICH POWER/BETA CENTRALITY			BETWENNESS CENTRALITY		
Family	Degree	NrmDegree	Share	Family	Power	Normal	Family	Betwenness	nBetwenness
SORIA	12	28,571	0,146	SORIA	12	27,661	SORIA	223,86	26,00
G <sup>a</sup> DE BURGOS	5	11,905	0,061	G <sup>a</sup> DE BURGOS	5	11,525	CONTRERAS	74,01	8,59
CONTRERAS	5	11,905	0,061	CONTRERAS	5	11,525	MIRANDA	71,76	8,33
CASTRO	4	9,524	0,049	CASTRO	4	9,220	G <sup>a</sup> DE BURGOS	54,57	6,34
MALUENDA	4	9,524	0,049	MALUENDA	4	9,220	ORENSE	53,43	6,20
CASTILLO	4	9,524	0,049	CASTILO	4	9,220	CASTILLO	47,79	5,55
<b>Network Centralization Index = 24,49%</b> <b>Centrality Measures. UCINET v.6.</b>							MALUENDA	36,76	4,27
							SANTA CRUZ	33,79	3,92

<sup>30</sup> CAUNEDO DEL POTRO, B., *Mercaderes castellanos en el Golfo de Vizcaya (1475-1492)*, Madrid, Universidad Autónoma de Madrid, 1983, pp. 263-288.

The results corroborate the data offered by the sociograms. Sorias family appears as the most influential in the merchant network in Burgos, accompanied by García de Burgos (Regidores) and Contreras. Castros also stand out. They were an important family whose companies the brothers Pedro and Diego de Castro led. Its international business with merchants such as John Glays, in London, with distinguished merchants and small retailers, and their presence in different parts of Castile (Toledo, Alcalá de Henares, Medina de Rioseco, Caceres, Trujillo), are good examples of the power of the family. Its power was beyond its important position in Burgos<sup>31</sup>. However, the intermediation index provides to us with valuable information about the role of some families that, a priori, do not occupy a central position in the network. For example, Miranda, Orense and Castillo. Miranda's family controlled businesses along the English Channel (Canal de la Manche), some of its main businesses were developed in England. There are some documents such as an insurance letter granted by Henry VII where we discover Pedro de Miranda as a merchant at the king's service, forming a company with William Rose<sup>32</sup>. About Orense's we know their important role as "Regidores" and municipal finance lenders, which surely strengthened their position in the institutions of Burgos and their social position in the network.

#### - Sales Representatives (Factores)

Generally, when we studying the large trading companies, the partners took the main places. History has left out the factors. But we can't forget that they played a decisive role in the activity of the great merchant families in Castile. They had the capacity to manage, to contract, to be legal representative in foreign markets of the main company partners. So the relationship established between partners and sales representative was based on strong and mutual trust, involving always dependence and submission.

The most important sales representative of companies were members of the merchant families. They travelled in their youth to learn the business, account and contract technics, and all that they' were going to need in the future, when they took the control of the familiar business. It was not strange that other families carried out this role as sales representatives<sup>33</sup>, but they always had to have certain human qualities: fidelity, loyalty, obedience, honesty...<sup>34</sup>. These qualities were more important than the business skills that they could learn during their stay in a foreign city. These data show

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<sup>31</sup> CAUNEDO DEL POTRO, B., «Operaciones comerciales del grupo familiar Castro a finales del siglo XV», en *En la España Medieval*, Tomo V, Universidad Complutense de Madrid, Madrid, 1986, pp. 289-298.

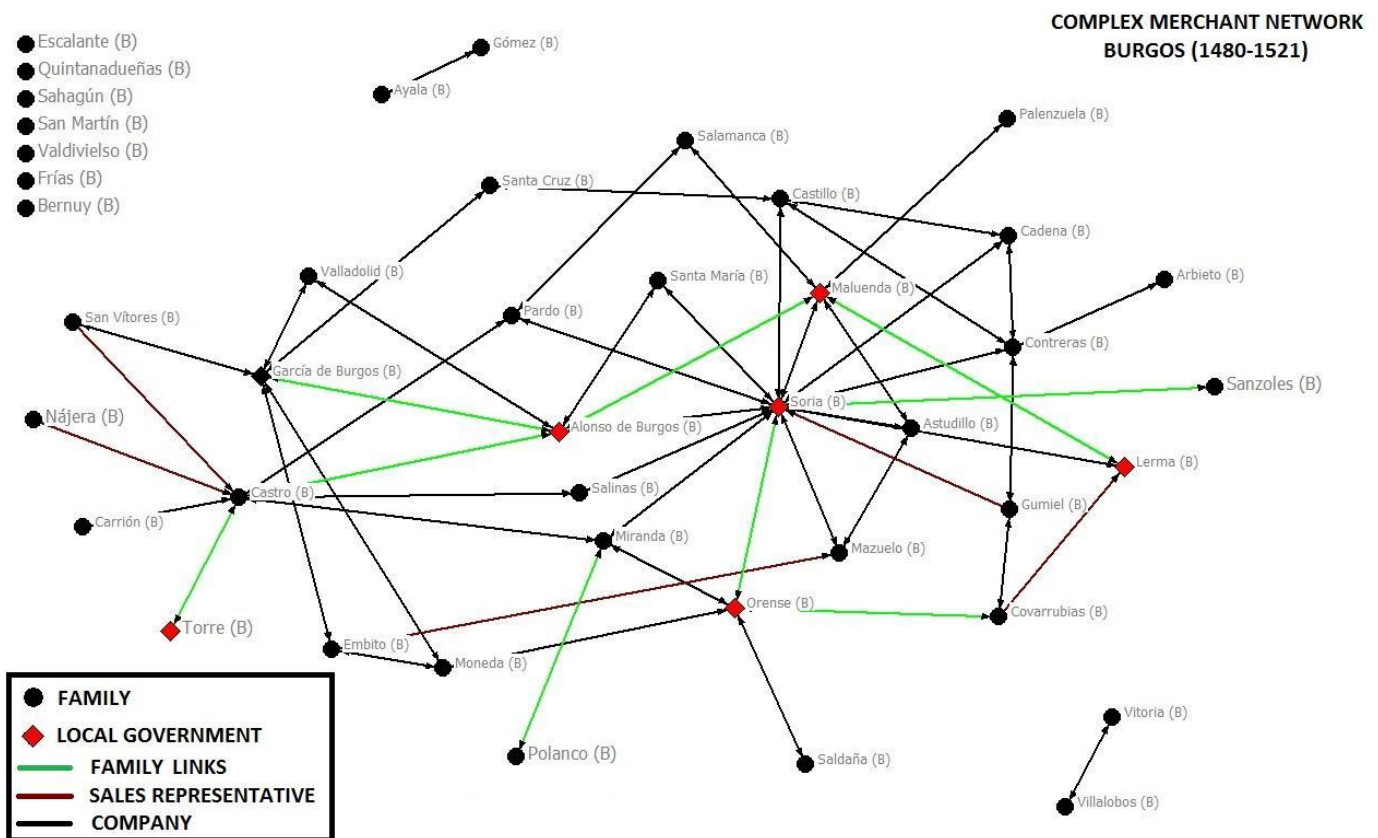
<sup>32</sup> CAUNEDO DEL POTRO, B., *Mercaderes castellanos...*, p. 276 y 278.

<sup>33</sup> Note 39.

<sup>34</sup> CAUNEDO DEL POTRO, B., «Factores burgaleses. ¿Privilegiados o postergados?», in *En la España Medieval*, Universidad Complutense de Madrid, nº 21, 1998, p. 98-99.

the intensity that these relationships were supposed to be and, consequently, the strength of emerging networks around merchants and their factors.

At present it is difficult to establish networks among merchants and sales representative because studies and data about it are still scarce. The systematic collection of information will help us in order to build this network. Now, we have another possibility, for example we can include a joint analysis with other relationships. The next sociogram shows a joint analysis of family relations, and commercial (companies and sales representatives). It notes how the family relationships established an internal network among the most important families. Meanwhile, the sales representatives reinforce the centralization of the network to a 28.87% (only for the companies was a 24.49% - see table above -), because links as Covarrubias - Lermas, Embitos - Mazuelos, or San Vítors – Castros, close the network.



Nevertheless, regards to sales representative we can speak of two realities on these relationships. As mentioned, the sales representatives were the youngest members who come from the family partners. But in the network we could see the numerous cases of other sales representative coming from modest merchant families. It was

normal that partners and sales representatives create a dependency relationship. For example, in 1489, we have interesting information about it from a member of family Nájera, Juan de Nájera. In Seville he acted as a sales representative in the company of two major families from Burgos, the Castros and the Pardos. Together, they bought and sold textile in a trade route between Seville, Lisbon and London<sup>35</sup>. As noted in the sociogram, these two families are central in the merchant network in Burgos, and their relation with Juan puts to the family Nájera in the network despite occupying the outside of the network.

This is an example of the possibilities for study and analysis that offers us a combination of relationships in a network.

- **Contractual relationships: purchase contracts, loans, letters of change, and others.**

Finally, we talk about other relationships inside a contractual society that made possible the emergence of other economic relations between merchants or merchant families.

In addition to some documents such as letters of attorney, which were issued to represent another merchant in a business, there were many other commercial activities that required contracts: the purchase of goods, letters of change, obligations, etc. Although there are few contracts, there are many references to participation of the major merchant families in these operations in the great fairs of Castile. Fairs acted "as a hub of retail and as agents of redistribution of goods"<sup>36</sup>. These contracts report, beyond the goods and the quantities, about the characters who were directly involved in commercial relationships.

But relations between merchants are very broad and they are not only limited to those already discussed. The loans between merchants, exchange operations, and other contracts, formed more complex networks that we must consider. Within this field we can also study the credit operations, very common in pre-industrial era, where personal items such as confidence played a key role. This topic has been well-studied by C. Muldrew, who understand that these operations are a powerful mechanism to create interpersonal relationship and, consequently, between merchant families<sup>37</sup>.

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<sup>35</sup> PALENZUELA DOMÍNGUEZ, N., *Los mercaderes burgaleses en Sevilla a fines de la edad media*, Sevilla, Universidad de Sevilla, 2003, p. 53.

<sup>36</sup> CASADO ALONSO, H., «Crédito y comercio en las ferias de Medina del Campo en la primera mitad del siglo XVI», in GARCÍA, E. M<sup>a</sup>. and DE LUCA, G. (Eds.), *Il Mercato del Credito in Età Moderna*, Milano, Franco Angeli, 2009, p. 22.

<sup>37</sup> MULDREW, C., *The Economy of Obligation. The Culture of Credit and Social Relations in Early Modern England*, Palgrave, 1998, pp. 185-195.

Relations such as debts for any of the above mentioned reasons (loans, purchase...) can be collected in weighted matrices indicating the intensity of the relationship. The work could be complex, but the long-term results might be reasonably interesting.

## **CONCLUSION**

Social and commercial relations among different families of Castilian merchants formed a complex framework. However it supported the operation of trade in the middle of a process of intense economy growth.

There are many examples that show us the development of relations between Castilian merchants. Just the creation of common spaces like the colonies of merchants in different European ports and cities (Bruges, Antwerp, La Rochelle ...), or the emergence of institutions such as Merchant Consulates of Burgos and Bilbao, are some examples that show how merchants formed a group whose main aim was to dominate the local politics and the economic activity. These were the stones of power that built merchants, institutions and spaces where they work his rise to civil power. These phenomena studied during the late fifteenth and early sixteenth let clarify some facts:

### **Social, economic and political promotion of great merchant families.**

There are several examples of families who occupied important positions in local Castilian, while acting as a powerful economic actors in trade relations: local, regional and international. Apart from the cases about the Burgos Council members, we can join many other families in many cities of Castile: Verdesoto, Virues, Bernal, Torquemada (family of the famous Grand Inquisitor Tomas de Torquemada), Santiesteban ... in Valladolid, Bernuy and Ordoñez in Ávila, Palencia<sup>38</sup> are good examples of this phenomenon.

### **The improvement in business management and cost reduction.**

Undoubtedly, the existence of sales representatives in different ports and consulates of merchants as legal and business representatives improve the daily management of business. On this regard, we can remark the importance of developing

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<sup>38</sup> ESTEBAN RECIO, A. and IZQUIERDO, M. J., «Familias Burguesas representativas de la élite palentina a fines de la Edad Media», in *Studia Historica. Historia Medieval*, nº 10, 1995, pp. 101-147.

the business skills and the education of the future merchants<sup>39</sup>. A good example is the rise of correspondence. The use of these media is analyzed as a competitive advantage by H. Casado, using the records kept by the Consulate of Burgos and the company of Simon Ruiz in Medina del Campo. Records that show the daily flow of information as an example of information networks in the Castilian trade between the XV and XVI<sup>40</sup>.

Companies and cooperation between merchants allowed merchants to start businesses with significant amounts of wool and other raw materials, money, textile... But their business needed great capital investment, and it demanded the economic effort of several agents (families) in order to capture international markets. Another important fact must be mentioned: the exchange of information about routes and hazards that Castilian merchants could find in the navigation of the English Channel: especially attacks of Britons, French and English corsairs. But, having an extensive business network and numerous contacts have also provided to them with interesting competitive advantages. For example, Sahagún family, merchants from Burgos, thanks to their contacts with Diego de Quirós, a merchant from Medina del Campo, could have some houses to stay during fairs over ten years. In exchange, Sahagún had to pay the reconstruction of the burnt building. In times of fair, having a house in the Rua Mayor in Medina del Campo supposed to establish an office in one of the economic centers of Castile, where contracts were negotiated and signed with other national and international merchants<sup>41</sup>.

In short, a cohesive merchant network promoted strong economic growth in the Crown of Castile. Institutions took advantage of strengthen their domestic and foreign policy, and the most important merchant families to achieve or strengthen their political, social and economic power.

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<sup>39</sup> CAUNEDO DEL POTRO, B., «La formación y educación del mercader», en DE LA IGLESIA DUARTE, J. I. (coord.), *El comercio en la Edad Media. XVI Semana de Estudios Medievales. Nájera y Tricio 2005*, Logroño, Instituto de Estudios Riojanos, 2006, pp. 417-454; «De arismetica: un manual de aritmética para mercaderes», en *Cuadernos de Historia de España*, 2003-2004, nº 78, pp. 35-46; y «La aritmética mercantil castellana en la Edad Media: una breve aproximación», en *Llull: Revista de la Sociedad Española de Historia de las Ciencias y de las Técnicas*, 2007, Vol. 30, nº 65, pp. 5-20.

<sup>40</sup> CASADO ALONSO, H., «Information flows in Castilian commercial Networks of the 15th and 16th centuries», *Investigaciones de Historia Económica*, nº 10, 2008, pp. 35.68.

<sup>41</sup> ARChVa, Pleitos Civiles, Fernando Alonso (F), c. 768-1.