A Little Country in a World of Empires: Genoese Attempts to Penetrate the Maritime Trading Empires of the Seventeenth Century

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When talking about European expansion, about the great trading companies and the creation of a "world economy" during the sixteenth and seventeenth centuries, the Republic of Genoa is hardly the first thing to come to mind. And still, even without dwelling too much on the role of individual Genoese financiers in the Spanish Empire, the small Mediterranean republic (under half a million inhabitants throughout the sixteenth and seventeenth centuries) offers an interesting case for understanding the extent of the transformations undergone in Europe with the creation of a world-wide network of trade dominated, as in the seventeenth century, by the English and the Dutch. While much attention has been given to the success of the northern countries and the East India Company as a model of economic organization, the initiatives of the Republic of Genoa cast further light on the causes of success of that model (or rather of those companies) while illustrating the reorganization of Mediterranean commerce during a period which historians of Italy tend too often to see reductively as merely a time of "re-feudalization".

Throughout the later Middle Ages, maritime traffic in the Mediterranean was dominated by the rival republics of Venice and Genoa, both of which also maintained a presence on the Atlantic routes, sending galleys and roundships annually to England and Flanders. Over the course of the sixteenth century, not only did the two Italian cities lose their near-monopoly on Mediterranean shipping, but by the end of the century neither one of the city-states could vaunt shipping of any relevance on the Atlantic routes. Since neither of the two cities merely disappeared from the scene nor were they abandoned as poor backwaters (Genoa, in fact, grew immensely rich during this century), we cannot attribute the century's changes simply to a sudden burst of luck or cleverness on the part of the Atlantic countries which inevitably and irremediably left the Mediterranean powers behind. The sixteenth century saw the peak of Genoese financial activity as Genoese merchants were present in virtually all European

markets and held an enormous influence over the continent's money market. They were thoroughly enstablished in the European economy of their day and were therefore well-informed both of the organizational models of northern commerce and of the profits available in oceanic trade and shipping. At least with regards to the Genoese, it is impossible to explain the Dutch and English progress in the Mediterranean merely in terms of a technological or organizational advantage.

Over the course of the sixteenth century, the period when Europe first exploded onto the world, the period which witnessed the rise of Spanish and Portuguese power in the New World and in the Indian Ocean respectively, as well as the growing threat to that power represented by the English and the Dutch, patterns of maritime trade changed greatly in the Mediterranean as well. Not only did the volume of trade change, along with goods and routes, but types of ship and the nationalities of those ships changed as well. The extended presence of Atlantic shipping in the Mediterranean was a novelty in the 1500s.[1] Fernand Braudel provides the following reconstruction: small Portuguese and Biscayan vessels plied the sea during the first third of the century only to leave it almost exclusively to Mediterranean vessels during the central decades of the century. From around 1560 onward the English became active in the sea at first with a very modest presence, but establishing a firm basis for a later expansion of their Mediterranean trade. Finally, during the last decade of the sixteenth century Dutch and Hanseatic ships arrived in large numbers bringing Baltic grain to Italy in the wake of a series of poor harvests throughout the Mediterranean.[2] Seen from the vantage point of the port of Genoa, the broad trends indicated by Braudel are largely confirmed. Edoardo Grendi has reconstructed the flow of port traffic in Genoa for the sixteenth and seventeenth centuries, breaking it down by tonnages and nationality,[3] providing some interesting corollary information as well. The Genoese material corroborates Braudel's intuition regarding both the presence of Atlantic shipping in the Mediterranean and the general trend toward the use of smaller ships throughout the region. Furthermore, Grendi's material indicates that the size of the Genoese fleet was inversely proportional to the presence of Atlantic shipping; its peak of expansion lay in the central decades of the century when the Atlantic ships were absent from the

[1] The presence of Atlantic shipping was not an absolute novelty, however, as a number of Hanse cogs had accompanied crusader armies as early as the twelfth century. What was new in the sixteenth century was the regular presence of ships and merchants from the Atlantic countries trading in the Mediterranean.

[2] F. Braudel, *The Mediterranean and the Mediterranean World in the Age of Philip II*, (New York, Harper and Row 1972).

[3] E. Grendi, 'Traffico e navi nel porto di Genova fra 1500 e 1700' in *La repubblica aristocratica dei genovesi*, (Bologna, Il Mulino 1987), pp. 309-364.

Mediterranean. After the mid-century, foreign shipping, including the large Ragusan vessels, accounted for an ever greater portion of the port's traffic, until the 1590's when the Genoese fleet had shrunk to the levels of the beginning of the century and from 1586 onward Genoese shipping accounted for less than 30% of port traffic.[4]

The arrival of northern shipping on a massive level in the Mediterranean brought about a number of changes in the commercial organization of the region. Even during the years between 1560 and 1590, years which marked a steady decline in the domestic fleet, Genoese merchants had been able to control shipping in their port through their financial power and part ownership in foreign, mostly Ragusan, vessels. With the arrival of the Dutch and Hanse vessels, however, and the tighter relationship between shipowning and commerce among the Northerners the Genoese began to lose control over the traffic in their port. Their financial strength had enabled them to commission enormous grain shipments to the city during the famine years, making Genoa, along with Leghorn, one of the peninsula's most important grain entrepôts; return cargoes, however, could not be guaranteed in Genoa alone (most Genoese commerce with the Empire and the Low Countries was carried overland, being composed almost entirely of high-value/low-bulk goods) and the northern ships therefore entered into the infra-Mediterranean trade.

At this point the temptation would be to point to a "decline" of the Mediterranean in the face of the growing superiority of the northern merchants and shippers, but such a conclusion would not do justice to the complex economic world of the Mediterranean. The gradual abandonment of ship-owning, and even to some degree of maritime commerce, was not the fruit of economic recession, but rather of a clear choice, taking risks and profits carefully into account. The Republic had lost nearly all its overseas possessions to Turkish expansion during the fifteenth century with the notable exceptions of Chios (which fell to the Turks in 1567), Corsica and the tiny island of Tabarka just off the Algerian coast. Chios and Tabarka, significantly under private control and only very loosely bound to the Republic (Tabarka was even a fief from the Spanish Crown), remained important points of exchange with the Moslem world, but to a great extent the Genoese economy was forced to convert over the course of the fifteenth and early sixteenth centuries.[5] As the Spanish were conquering the

[4] *Ibid.*, pp. 339-341.

[5] See R. Lopez, 'Market Expansion: the Case of Genoa', in *Journal of Economic History*, n. XXIV (1964), and *Ibid.*, 'Il predominio economico dei genovesi nella monarchia spagnola', in *Giornale storico e letterario della Liguria*, XII, 1936, fasc. II, both now in *Su e giù per la storia di Genova*, (Genoa, Università di Genova Istituto di Paleografia e Storia medievale, 1975) see also J. Heers, *Gênes au XVe siècle. Activité économique et problèmes sociaux*, (Paris, Flammarion, 1971).

Americas, the Genoese found their "America" in Spain. When Andrea Doria brought the Republic into Spain's political sphere of influence in 1528 he sanctioned what was a growing economic reality. The Republic's geographical position made it an indispensable logistical and commercial intermediary between Spain and the Duchy of Milan, and the Empire beyond that. Furthermore, Doria's influence as Admiral of the Spanish fleet in the Mediterranean allowed him to introduce Genoese financiers at the Court,[6] thus reinforcing his position with respect both to the republic and to Charles V. By the late 1550s the Genoese had gained ascendance over Spanish finances and the combination galleys/bankers former the most lucrative of economic possibilities. The decline in Genoese shipping and the willingness to use foreign ships must be read in the light of the higher profits to be had in financial activities. The risks of ship-owning were left to foreigners or to the merchants of the *Riviere* while the Genoese patriciate became more and more involved either directly in loans to the Spanish Crown or in the subsidiary activities of the Besançon/Piacenza exchange fairs under complete Genoese control.[7] The ownership of galleys rather than large merchantmen had become profitable given the possibility of hiring them out to the Spanish, and more importantly due to the access such an arrangement gave to the Court, where the *asientos* were stipulated. The circle was completed when the English captured four Spanish vessels carrying bullion to the Low Countries in 1568 for payment of the Spanish troops in the Low Countries. Payment of the Spanish army in Flanders was then re-routed through Genoa, transported in Genoese galleys either for overland transport from Genoa or for delivery to the Genoese merchant-bankers who provided for payment of Spanish troops through the "Bisenzona" exchange fairs.

Such a system did not, however, lack its critics. The initial wave of criticism, summed up in Uberto Foglietta's scathing *Della Republica di Genova* of 1559,[8] was based primarily on the internal imbalance created by the growing wealth of the bankers and galley owners who nearly all belonged to the same faction of the ruling oligarchy, the *Vecchi*, while Foglietta and the *Nuovi* claimed to be the champions of the merchants and maritime trade, and secondly on the dangers of entrusting the Republic's defence to a fleet of privately-owned galleys hired out to a foreign monarch. This line of argument evolved during the following years into a

[6] E. Grendi, 'Andrea Doria, uomo del Rinascimento', in *La repubblica aristocratica dei genovesi, op. cit.*, p. 153.

[7] On the complex history of the Genoese-controlled fairs, see J.G. Da Silva, *Banque et crédit en Italie au XVIIe siècle*, 2 vols., (Paris, Klincksieck, 1969); or more recently, M.T. Boyer-Xambeau, G. Deleplace and L. Gillard, *Monnaie privée et pouvoir des princes* (Paris, Presses de la Fondation Nationale des Sciences Politiques, 1986).

[8] U. Foglietta, *Della Repubblica di Genova*. Libri II, (Rome, Blado, 1559).

sort of mercantilist call for a publicly-owned and built fleet of galleys, financed by a monopoly on the transport of silk which in turn would feed the country's textile industry creating jobs and stimulating trade. As the distinction between the two traditional factions within the patriciate blurred in the latter quarter of the sixteenth century, political conflict was characterized less and less by factional conflict and more often by a division revolving around the republic's economic policies. The opposing politico-economic models were the pro-Spanish one, characterized by heavy financial involvement with the Spanish government with the defence of the Republic entrusted to private citizens on the Spanish payroll, and the *repubblichista* one calling for a return to commerce and the construction of a state fleet of galleys to ensure the Republic's independence. Both models were centred around a galley fleet.

In 1613, though, a new element was introduced into the debate. An anonymous proposal to the Senate in that year suggested the construction of twelve galleons to be leased out to private citizens as a means of both encouraging maritime trade and ensuring the Republic a certain military presence at sea. This proposal merits considerable attention because it sheds light on various aspects of the Genoese situation in the first decades of the seventeenth century. The proposal itself is introduced by a brief recapitulation of what the author sees as the causes for the decline in Genoa's presence at sea, exalting the virtues of shipping and maritime commerce and condemning purely financial activity as detrimental to the well-being of the community as a whole:

> The earnings from such commerce on the one hand, and the freight charges on the other, some exchanges of money, which necessarily follow the same merchandise, allowed for such profits that both public and private interests alike benefited. Later, after having begun to deal with princes, and in particular with His Catholic Majesty, and to invest in the public finances of foreign countries, and after the introduction on a wide scale of money changing, all of which bring higher profits with less effort, little by little the richest citizens have abandoned maritime commerce and allowed other nations to enter into the field. Especially the Flemish who not only through their commercial faculties, but also with the great number of their ships, now have almost all commerce and shipping in their hands.[9]

We again find the opposition of shipping and commerce as against finance and exchange fairs, but now with new elements: the fiscal weakness of the Republic, whose finances were based primarily on customs duties and a series of *gabelle* on consumption, is to be attributed to the abandonment of trade while the Flemings, the Dutch, are seen to have taken over the carrying trade through the sheer numbers of their ships.

[9] Archivio di Stato di Genova (henceforth ASG), *Archivio Segreto, Politicorum*, busta 1652, fasc. 22.

Genoese shipping has been left in the hands of "weak men who, not having their own means have been forced to suffer exorbitant interest rates" and therefore have been unable to compete with Dutch shippers. It is not, however, according to the proposal's author, too late to remedy the situation. The anonymous writer claims that the time is ripe for innovation, especially given the reduced profits offered by financial activities; the most recent Spanish "bankruptcy", that of 1607, reconverted much of the Spanish debt into relatively low-interest annuities while Philip III tried to follow a more prudent financial policy than his father. The results were lower profits for the financiers, but "the abundance of money" at the Piacenza fairs led to lower interests on bills of exchange as well. The construction, then, of twelve galleons to be leased out and eventually another twelve to be kept in reserve in the arsenal for use in emergencies, was to be complemented by a series of government subventions to merchants and sailors, to be paid back at five percent interest. The benefits envisaged included providing work for shipbuilders and carpenters, thus keeping those vital trades alive in Genoa, relaunching maritime commerce and public finances along with it, but also, providing an economic alternative for the patricians active in the service of the Spanish Crown as financiers and *asentistas de galeras*. Summing up: the decline in the Genoese fleet had been perceived and attributed to the abandonment of shipping by the Republic's wealthiest citizens; maritime traffic was seen to be in the hands of the Northerners who had the advantage of a numerous fleet and, implicitly, a sound financial backing for their shipping; sailing vessels were seen as being better adapted to commerce than galleys; the ties to Spain were seen as undermining the Republic's fiscal structure and draining it of its most able personnel. That the proposal was taken seriously is clear from the names of the commission formed to examine it, ten of the city's most powerful individuals representing the highest organs of the State as well as the Bank of St. George.[10] Apparently it was also taken seriously by the Spanish as someone saw fit to send a copy to Court.[11] Never enacted, perhaps the proposal had reached its goal by simply drawing so much attention; Spanish dependence on Genoese financial capabilities and Genoese territory for communication with its Milanese possessions, coupled with Genoese dependence on Spanish defence had led to a series of encroachments on the Republic's territory, ranging from the acquisition of Finale on the Ligurian coast, to

[10] *Ibid.*: the senators Paolo Sauli and Francesco de Marini, procurators Gerolamo Assereto and Opicio Spinola, Protectors of St. George Michele Giustiniani and Battista Centurione as well as the nobles Giorgio Centurione, Gio. Battista Doria, Bernardo Lamerizia and Cesare Spinola.

[11] Archivo General de Simanca, *Estado, legajo* 1436, f. 12, quoted in E. Neri, *Uomini d'affari e di governo tra Genova e Madrid (secoli XVI e XVII)*, (Milan, Vita e Pensiero 1989), p.31.

blocking the Republic's acquisition of Sassello and even attempts to annex La Spezia to the Duchy of Milan. The threat of a general withdrawal of the Genoese from the Spanish sphere and the Republic's armed neutrality led, at least temporarily, to greater respect for the Republic on the part of the Spanish. At any rate ties to Spain were still too strong for any real change in direction; the Doge, Alessandro Giustiniani, wrote in his diary,

> at present our Republic and its liberty are founded on its fortunes and on the protection of Spain, and we must hope to find strength in the arms of this monarch. These vessels, besides the unbearable cost to us, would show complete imprudence, or even make the Spaniards jealous. It has been proposed, but nothing has been decreed.[12]

Not until twenty-five years later had the weakening of financial ties with Spain and Spanish affronts to the Republic's sovereignty become unbearable to the point that a group of prominent citizens tried to enact privately, and in a different way, what the government had refused to do in 1613. In the meantime the Spanish had dragged their feet (at least as the Genoese saw it) in coming to Genoa's aid when the Republic's territory was invaded by a combined French and Savoyard army in 1625 only to conclude a separate peace with the French in 1626 leaving the Genoese still at war with Savoy yet dragging them into the fighting over the Mantuan succession in Monferrat. Over the next two years another suspension of payments and considerable currency disorders in Spain enormously damaged Genoese financiers, and nearly the entire community as well which had entrusted its money to the wealthy bankers. Spanish naval forces, including the Genoese -owned galleys under the command of Carlo Doria, continued to infringe on the Republic's sovereignty marauding in the Ligurian Sea, culminating in the 1636 capture of ten Dutch vessels carrying foodstuffs to the famine-stricken city. A further project for the armament of galleons, eight this time, had been proposed, discussed and let slip away in 1632,[13] so in the wake of the last incident a group of patricians formed a company whose primary goal was that of reviving the Republic's strength at sea. The *Compagnia di Nostra Signora di Libertà* drew on an odd mix of elements ranging from the projects aimed at reviving the Republic of Genoa's past maritime glory, to explicitly imitating the Dutch joint-stock companies.

In the summer of 1638 the company armed and equipped a single galley, manned by free, salaried rowers rather than slaves and convicts, and sent it out with one of the Republic's galleys to transport silk from Messina to Leghorn, Genoa and Marseilles. The voyage was a financial success and the galley even proved to be faster than any of the galleys in the squadrons

[12] A. Giustiniani, *Memorie del ser.mo Alessandro Giustiniani del 1611 à 6 Aprile sino al 1623*, Biblioteca Civica Berio (Genoa) (henceforth BCB), MCF.II.12, f. 30v.

[13] ASG, *Fondo Gavazzo*, filza 1, doc. 16, "Nota sopra quello che mi occorre circa la fabrica de' Galeoni" dated 12 July 1632.

of Sicily and Naples, and as fast as the Republic's *Capitana*. More important than the financial success of the venture, however, was its success as a rhetorical exercise. Not only was an attempt finally being made to put into practice the idea developed in the 1560s of breaking with Spain and founding the Republic's economic and political independence on the construction of a sizable galley fleet and a silk industry in expansion, but the viability of galleys manned by free rowers was also being put to the test; one of the principal objections to the repeated calls for the expansion of the tiny squadron of galleys maintained by the Republic was that of the cost of maintaining large numbers of convicts who had to be fed even when the galleys were not in the water. Furthermore, the formula of the joint-stock company had been singled out as the key to Dutch success, the solution for finding adequate capital for backing maritime ventures.

Enthusiasm for the company's initial success was perhaps a bit exaggerated. In October 1638 two more proposals were discussed by the Senate: the first calling for the formation of a knightly Order, in imitation of the Tuscan Knights of St. Stephen, which would arm twelve to fifteen galleons to be used both for commerce and for military purposes; maintenance of the fleet was to be financed through freight charges and the contributions of aspiring knights, who, following a certain number of years in the Order, would be eligible to enter into the Republic's oligarchical caste.[14] Another proposal in October 1638 specifically called for the formation of a company "in conformity with those of the Dutch", composed of 30 to 40 galleys and 10 to 12 galleons to be provided by the State while the company would pay operating expenses, the company and the State sharing the profits.[15] This second proposal openly states that the experience of the *Compagnia di Nostra Signora di Libertà* was "only a little trial".

The members of the company were more prudent. The company's charter submitted for approval by the Senate in December 1638[16] called for the eventual construction of ten galleys, but beginning with only two to be built in 1639. Preparations for the company's planned voyage of the summer of 1639 began to attract attention even outside of the Republic. While the Grand Duke of Tuscany's correspondent wrote to inform him that the Company's *Capitana* had been launched amid considerable fanfare[17]

[14] ASG, *Archivio Segreto, Politicorum*, busta 1654, fasc. 65; "Progetto d'instituire un ordine de' Cavaglieri sotto il titolo di S. Giorgio. E per la negoziazione in Levante".

[15] ASG, *Archivio Segreto, Politicorum*, busta 1654, fasc. 65bis; "Modo che la Rep.ca Ser.ma possa havere buon num.o di galere e navi con non spendere più di quello che spende al presente".

[16] ASG, *Archivio Segreto, Politicorum*, busta 1654, fasc. 69; "Capitoli e privileggi Concessi dal Senato per l'armamento di Galere e altri navigli" dated 29 December, 1638.

[17] Archivio di Stato di Firenze (henceforth ASF), *Mediceo del Principato*, filza 2860a (Avvisi di Genova dal 1575 al 1663), letter of 27 May, 1639.

the partisans of the Doria and the Spanish alliance were intent on sabotaging the Company's possibilities. Shortly before the Company's galleys were to leave port the Senate sent two of the Republic's galleys to Messina and passed a decree forbidding Genoese ships to load silk before the state galleys had been loaded to capacity.[18] In the meantime Doria sent orders to the viceroys of Naples and Sicily to block the company's galleys with whatever means necessary.[19] Unable to load silk as planned, the galleys set off in search of Turkish ships to capture and, without having found any prey were forced by a storm to take shelter in Naples. One of the captains, Galeazzo Giustiniani, handed his galley over to the Spanish in hopes of going *in corsa* with the Spanish squadron while the other escaped and returned to Genoa. Given the disastrous outcome of the voyage the Company with heavy losses. The message about the feasibility of manning galleys with free crews had been proven failed; what had fallen short, however, was the underlying supposition that the key to success, as was presumed to be the case of the Dutch, lay solely in the joint-stock company structure. The limits of the galley as a vessel could not be overcome through organization; given the high operating costs and limited autonomy of the galley, it was no longer suited to commerce.[20] In fact, when the galley captains found themselves unable to load silk, a low-volume/high-value cargo, the only alternative seen for breaking even was the risky yet lucrative prospect of piracy.

A decade later the company format was given another try. The *Compagnia Genovese delle Indie Orientali*[21] is an even more blatant imitation of the model offered by the northern companies and the Dutch V.O.C. in particular; so much so that the Company's ships were commissioned in Texel in Holland and Dutch sailors and pilots were hired to man the ships. The rhetorical connotations of the earlier company, however, are not lacking either. In the company's request for a monopoly

[18] For reasons very different from those of Doria, the officials of the Republic's *Magistrato delle Galere* were anxious to see the company fail as well. They were afraid that the company's eventual success would lead to a concentration of qualified officers and sailors on the company's galleys making it more dfficult and more costly to man the Republic's own vessels.

[19] F. Casoni, *Annali della repubblica di Genova nel decimo sesto*, 6 vols., (Genoa, Casamara 1779-1800), vol. 5, pp. 241-245.

[20] For a discussion on the uses of the galley as opposed to the carrack and galleon see my 'The Implications of Ceremony at Sea: some examples from the Republic of Genoa (XVIth and XVIIth centuries)', in *The Great Circle*, 18 (1), 1996.

[21] On the Genoese East India Company see also D. Presotto, 'Da Genova alle Indie alla metà del Seicento. Un singolare contratto di arruolamento marittimo', in *Atti della Società Ligure di Storia Patria*, n.s., IX, fasc. I, 1969; and S. Subrahmanyam, 'On the Significance of Gadflies: the Genoese East India Company of the 1640s', in *Journal of European Economic History*, 17 (3), 1988.

on shipping to the Indies, made in March 1647, the participants claim to hold in higher regard "the profits [...] that this trade will bring [...] to the state and customs duties [...] than their own interests" by bringing new merchandise and traffic to the port which were "no longer hoped for".[22] Again, the names associated with the venture all belong to prominent patricians. The expedition of two ships to "the East Indies, in particular Japan and neighbouring areas"[23] is as much a demonstrative act aimed at delivering a specific message to the city's rulers as to making a profit. In the early 1640s the Republic had actually assumed a very cool stance toward Spain and increased the size of its galley fleet as hoped for by the promoters of the earlier company; now the debate hinged on the construction of armed sailing vessels capable of penetrating the lucrative Levant and Oceanic trade routes, but also of guaranteeing a military presence in the Mediterranean along the routes plied by merchantmen, a task the galleys were not suited to. The moment seemed to be right; France, Spain and the United Provinces were deeply involved in the Thirty Years War, Portugal was just emerging from Spanish domination and England was torn by civil war. Furthermore, Dutch tolerance of the venture was hoped for especially in the light of the protection offered their shipping by Genoa, even in spite of stiff Spanish opposition. On 4 July 1647 the Republic's Senate issued patents to the company's two ships which set sail on 3 March 1648 and were captured by the Dutch near Batavia in April 1649. The ships, their merchandise and 312,000 reals in bills of exchange were confiscated and the company's brief history came to an end.

The joint-stock maritime trading company was given yet another try a few years later with the formation of the *Compagnia marittima di S. Giorgio,* taking its name from the Republic's famous bank, the financial institution, itself a sort of joint-stock company, which sustained the state's fiscal structure. First proposed in 1638, the Maritime Company of St. George was finally formed in the early 1650s and comprised what was left of the East India Company as well as a number of members of the *Compagnia di Nostra Signora di Libertà.* By mid-century, though, Genoa's relations with Spain were in more or less continual crisis and the republic's need to find a new political and economic role had allowed the supporters of a more aggressive maritime policy to come to power. Unlike the previous companies, the Maritime Company of St. George received State finances (in the form of a loan from the Bank of St. George, hence the name) in 1656, which were renegotiated following the company's plans to send two of its ships to Brazil in 1659.[24] The Brazil voyage was made under licence from

[22] ASG, *Fondo Gavazzo,* filza 2, doc. 281, dated 14 March 1647.

[23] *Ibidem.*

[24] ASG, *Membranacei di S. Giorgio,* 115, f. 198; proposal "Pro societate maritima", December 11 - 15, 1659.

the Portuguese Crown and as part of a Portuguese convoy. It ended with a considerable loss, this time due to factors which could best be called simple bad luck; the expected return cargoes of sugar and timber were not available in the desired quantities, a fate shared by all the ships in the convoy. The company continued to exist, but with little success; the Genoese no longer had the network of merchants necessary for breaking into new markets or taking over new routes and found themselves continually at a disadvantage compared to the Dutch, but, by now even more so to the English. The experiences of these last two companies, the Genoese East India Company and the Maritime Company of St. George, point to a substantial flaw in the Genoese analysis of the Northerners' success. Apparently they saw the whole key to success in the joint-stock company format and felt that in some way oceanic trade was easy. It was only necessary to put together the capital necessary for launching some ships and fabulous riches would follow.

On the internal front considerable changes had come about since the beginning of the century; in the wake of the suspensions of payments of 1607 and especially of 1627, financing the Spanish Crown was no longer an essential part of the Genoese economy, and, having built up its squadron of galleys (putting as many as 15 galleys to sea during the 1640s) the Republic no longer depended as heavily on Spanish arms for defence. With the purchase of four galleons in 1654 the Republic even organized protected convoys and, in 1666 diplomatic and commercial relations were re-opened with the Ottoman Empire and a convoy was planned to link Genoa with Constantinople and Smyrna.[25] The city's merchants, however, were not destined to rival the English and the Dutch. Genoese trade lay overwhelmingly in Spain and the Spanish-controlled regions of Italy; in the one direction high quality goods were exported to Spain, while in the other the city's location made it the port and intermediary for the Duchy of Milan as well as the roadhead for the Holy Roman Empire and overland traffic for the Low Countries. In spite of the efforts at opening the Levant trade, the state's efforts were directed primarily at protecting the city's modest, though far from negligible role as a manufacturing city and as a redistributive port for northern Italy.

Even the decision to buy galleons did not represent a final acceptance of the programme sketched out in 1613 and in the 1630s for State subsidized shipping. They were built to respond to a much more immediate problem. While, following repeated acts of piracy in the Ligurian sea, the Senate had voted to arm six vessels to protect shipping in June of 1651, the administrators of the Bank of St. George had rejected the plan to finance the acquisition and the decision would in all probability have been forgotten if one of Carlo Doria's galleys had not been stopped by the Spanish in

[25] In effect, only one such Genoese convoy ever actually sailed this route, in 1666-67.

Cartagena in September 1651.[26] Officially Doria was transporting 370 cases of silver on behalf of the King, but the Spanish officials found a great deal more bullion on board than was in the registers. Genoese galleys, both public and private, regularly transported bullion on behalf of the Crown and as can be clearly seen in the orders given by the Republic to its captains, the galleys regularly carried "contraband" bullion,[27] the by-product of a heavy trade imbalance, but also fruit of a widespread disinvestment trend on the part of Genoese financiers determined to save the savable amid the monetary chaos of Philip IV's Spain. And precisely because of that chaos the Spanish had apparently become unwilling to tolerate the continued drain of precious metals from their country. Hence the renewed efforts to overcome the obstacles posed by St. George and by December, 1651 a compromise for financing four galleons had been reached.[28] In early 1652 Ugo Fieschi was sent to Holland to ensure that they were built and fitted out to order[29] (once completed, however, the ships were requisitioned by the Dutch for use in the Anglo-Dutch War and were not delivered to Genoa until 1654). Galleys had always been used for the transport of gold and silver due to their speed and ability to outrun corsairs, but now the port officials posed an even greater threat than French pirates. Unlike galleys, galleons could wait for long periods of time a few miles off the coast where port officials could never check the quantities of precious metals on board. Participation in convoys remained at a high level only through the early 1660s during the fighting between France and Spain,[30] but the convoys were maintained, with little or even no participation on the part of merchant vessels until 1680 when apparently State coverage was no longer needed for those trying to squeeze bullion out of Spain.[31]

[26] ASF, *Mediceo del Principato*, filza 2860a, fasc. xiii, letter dated 15 September 1651.

[27] ASG, *Archivio Segreto, Politicorum*, 1651, fasc. 60, dated 12 October 1606; the Republic allowed Filippo Saluzzo and Ottaviano Centurione to rent two galleys for the transport of bullion on condition that they embarked bullion on behalf of anyone willing to pay 1½% in freight charges to the Republic. See also ASG, *Archivio Segreto, Maritimarum*, 1667, "Istruttione" of 21 October 1659 ordering galleon captains to accept any precious metals as cargo.

[28] ASG, *Membranacei di S. Giorgio*, 115, ff. 85r-86v, "Per l'armamento de' Galeoni" dated 22 December 1651.

[29] ASF, *Mediceo del Principato*, filza 2860a, fasc. xiv, letter dated 13 April 1652.

[30] G.C. Calcagno, "La Navigazione convogliata a Genova nella seconda metà del Seicento", in *Miscellanea Storica Ligure*, nuova serie periodica, III, no. 1, 1971, p. 289.

[31] While the amount of bullion being shipped out of Spain was in all probability lower than in previous decades, sporadic references show that the flow of silver had not stopped. That silver simply found its passage in other vessels. For example, in July 1663 the Dutch convoy arriving in Genoa from Spain brought with it 400,000 pieces of eight for Genoese bankers and merchants. ASF, *Mediceo del Principato*, filza 2860a, fasc. xix, letter of July 21, 1663.

All in all, the ambitious projects of the proponents of a "return to the sea" met with failure or, at best, disappointment. Nonetheless, some of their objectives were reached and what they saw at the beginning of the century as a dangerous internal imbalance of power and an equally dangerous dependence on Spanish protection had been redressed by shortly after mid-century. Early on the Dutch had been held up as worthy of emulation and the secrets of their success were thought to be seen in the joint-stock company format, in the combination of that format and the ability to tap the riches of the Indies and in a mixed system involving both private and State financing coverage. None of these and all of these can be taken as the real elements of Dutch success. The fact of the matter is that the Genoese analyses never got past the fundamental supposition that their Republic, with its peculiar social and fiscal structure, with its small population, with its attachment to specific technologies and trades, but most of all with many of its vast economic resources invested in the Bank of St. George and in financial markets across Europe, could successfully apply some abstract formula of success without transforming the Republic's underlying social and economic structures.

Over the course of the same period of time, however, another project concerning the Republic's relationship with the sea and maritime commerce grew to maturity. Growing from modest and almost unwitting beginnings, this institution at times came into conflict with the supporters of an aggressive maritime policy, but in the end enabled the Republic to achieve the goals that it had set for itself. The very arrival of the Dutch in the Mediterranean had been solicited by the economic strength of the Genoese merchants, their ability to obtain safe-conducts for the Dutch through both the English Channel and the Strait of Gibraltar and the institution of the free port for foodstuffs in Genoa making the city, along with Leghorn, the redistributive centre for grain in a famine-stricken Italy. The free port declared on 11 August 1590 not only permitted safe passage to anyone carrying at least two-thirds cargo of foodstuffs, but also allowed for ships to leave the port without paying any duty should those foodstuffs remain unsold, in effect shifting the tax burden from the merchant/shipper to consumers.[32] The institution was renewed and developed over the course of the following decade and a half. In December 1592, in an effort to steer traffic away from Leghorn, privileges were restricted to those ships coming from beyond the Strait of Gibraltar.[33] The success of the free port for grain shipments and, perhaps more importantly the nearby example of the Tuscan port, led to the opening up of a free port for merchandise in 1609.[34] During the same period which witnessed a growing debate over

[32] ASG, *Archivio Segreto, Decreti del Senato*, man. 837, p. 119.

[33] Archivio Storico del Comune di Genova, *Magistrato dell'Abbondanza, Actorum*, filza 725.

naval rearmament and possible means of creating a commercial alternative to the financial bonds with Spain, the institution of the free port became an effective instrument for ensuring a consistent flow of traffic through the city's port, but also a tool for directing that traffic. The concession of the free port contributed to the formation of an emporium trade, guaranteeing the availability of return cargoes for ships frequenting the Republic's principal port while the careful construction of articles defining exactly which ships were allowed to enjoy the privileges was aimed at attracting northern vessels to Genoa and away from its commercial rivals. In 1618 regulations were loosened up even more with the concession that ships coming from outside the established geographical limits could frequent ports inside those limits without losing the privileges applied to goods originating outside of them; in other words merchandise was now distinguished from ships in determining eligibility for free-port benefits. Goods could now be unloaded and stored for up to eighteen months without being subject to customs duties, which were to be paid only in case of sale, while goods sold and transboarded from one ship to another for export without touching ground paid a greatly reduced duty.[35] Reductions on duties for goods imported by sea and re-exported by land were established in 1623 and a number of minor *gabelle* were suppressed entirely in 1628;[36] the loss of income from the reduction of duties was more than compensated for by the increase in volume of goods transiting the port. The free-port regulations of 1654, the most liberal yet, were able to do what the increase in the Republic's galley fleet had been unable to accomplish: encourage foreign shipping to frequent the Republic's ports (limited free port concessions had been enacted for Savona as well) in spite of the heightened activity of French corsairs in the Republic's waters.[37] It is in this context that the Bank of St. George's initial refusal to finance the construction of a galleon fleet in 1651 must be seen; the Bank's, and the Republic's finances were based on the duties placed on port traffic and any sort of large-scale extraordinary spending, like the construction of a fleet, was likely to come into conflict with the institution of the free port, especially given the talk of imposing a blanket tax on shipping in order to cover the expenses of organizing convoys. For the supporters of the free port, such a policy risked damaging trade to an extent for which a limited

[34] ASG, *Archivio Segreto, Politicorum*, busta 1652, fasc. 1. Contains both the manuscript copy of the proposal as discussed by the colleges (the Senate and Camera) dated 30 January 1609, as well as printed copy of the definitive law dated 1 August 1609.

[35] BCB, *Miscellanea genovese*, B.32.1.

[36] ASG, *Archivio Segreto, Propositionum*, busta 1033, doc. 230 of 31 January 1623 and ASG, *Archivio Segreto, Propositionum*, busta 1035, doc. 20 of 5 May 1628.

[37] BCB, F. Ant., m.r. IV.5.5, f. 183r.

number of publicly-owned ships, or even the Genoese-owned merchant fleet sailing in convoys, would not have been able to compensate. The political climate, however, called for high-profile actions and the *Casa di San Giorgio* softened its position. Over the next decade a tug-of-war ensued with tax burdens first being placed on shipping and subsequently being loosened. After the Treaty of the Pyrenees and peace between France and Spain, financing for the galleons and taxes in favour of the convoys were greatly reduced; from 1661 only two galleons were kept active and from 1671 the only convoy route kept active was the one for Spain,[38] and that for the reasons mentioned earlier. On the other hand, incentives were given to encourage the redistributive trade for northern Italy, reducing tariffs on goods imported by sea for export overland and even allowing goods coming from Leghorn to benefit from the free-port privileges. By the late seventeenth century traffic in Genoa had surpassed that of Leghorn and the Dutch convoys formed in the Ligurian and not the Tuscan Sea.[39]

In a world of vast trading empires many important oligarchs had dreamed of penetrating the rich oceanic trades, re-establishing a lost and, to some degree invented, past glory. They were convinced that their good relations with the merchants of the Atlantic countries would have guaranteed cooperation in such projects without realizing what the only possible reaction to such an enterprise would be: one analogous to what their reaction would have been had the Dutch or English tried to cut out a share of the Genoese financial markets based on the exchange fairs, in a word, ruthless. In the end, in much the same way that they had been able to tap the flow of American silver flowing into Spain, the Genoese were able to direct a slice of the oceanic trade to their Republic, through the economic strength of their merchants. Through the ability of the Republic of Genoa's merchants both to draw Italian goods from its hinterland to the port and to redistribute imported goods to that same vast hinterland, and the careful construction of free-port measures encouraging the formation of an emporium trade, the Republic was able to forego a strong maritime presence. Foreign vessels brought goods from afar to Genoa, and the Genoese had been able to tie up the interests of enough foreign powers to guarantee protection in times of need.

[38] G.C. Calcagno, 'La Navigazione convogliata a Genova nella seconda metà del Seicento', in *Miscellanea Storica Ligure*, nuova serie periodica, III, no. 1, 1971, p. 270.

[39] ASF, *Mediceo del Principato*, filza 2860a, fasc. xix, letter of 19 July 1663. See also ASF, *Carte Strozziane, Prima serie,* 106, ff. 182-190: "Traffico d'Italia nel 1674". This 'relazione' mentions Genoa as the first stop of the Dutch convoys, but claims that goods from the Indies were sent in greater quantities to Leghorn. Genoa, however, is placed at the top of the list of Italian ports and the Genoese as second only to the Venetians among the Italians in the carrying trade.