

## **Practica di mercatura: Mercantile Knowledge between Up-To-Date News and Traditional Reference Material**

What purpose did the Florentine *pratiche di mercatura* serve in the late Middle Ages?

### **Introduction**

In 1766, the jurist and economist Giovanni Francesco Pagnini del Ventura published a four-volume work with historical sources about tax levies, coinage and trade in the town of Florence up to the end of the 16<sup>th</sup> century. In the third and fourth volume, he edited two manuscripts from Florentine archives dating from the late middle ages. These texts list over several pages: which units of measurement and coins were used in which commercial centre and how they could be mutually converted; how long it took letters to travel between the towns of Europe and the Mediterranean region; what period of payment was applicable to exchanges; and at which point of time and in which place it was particularly advantageous to sell or distribute certain goods. Alongside this, there is advice about routes of travel and other additional information which could have been helpful to a merchant during his work in a foreign land.

The original manuscripts published by Pagnini stand out in the archives and libraries in which they are stored simply due to the large number of long lists, noticeable even when browsing through them. Here is an example from the manuscript named 'Nottario Berti'. It concerns a schedule for the dates of payment that applied to the promissory notes between various trade centres.

### **The Term 'practica di mercatura'**

The factual content was also appropriately described in the originals. Thus Francesco di Balduccio Pegolotti named his work '*Libro di divisamenti di paesi, e di misure di mercatantie e d'altre cose bisognevoli di sapere a' mercatanti*', and Giovanni da Uzzano headed his manuscript with the line '*Libro di gabelle, e pesi e misure di più, e diversi luoghi; e come pesi, e misure tornano di un luogo ad un' altro*'.

It seemed that these titles were much too long and complicated for Pagnini, because he renamed them simply as 'Practica di Mercatura'. With it, he invented the new generic term 'pratiche di mercatura', which until recently was regarded as the general representation of trade-related information in the late middle ages, and is translated as *Handelspraktiken* (manuals of commercial practice) in German literature.

### **List of Sources**

In 2000, Peter Spufford made a survey of all Italian manuscripts from the 13<sup>th</sup> to the 15<sup>th</sup> century that feature the essential characteristics of a *Practica di Mercatura*. His investigation resulted in the creation of a list of twenty-two manuscripts. Of these, certainly four can be ruled out after detailed examination because they do not meet the criteria. Thus the claim that manuals of commercial practice were for the large part handed down, as is always being read in the specialist literature, cannot be confirmed with certainty. That leaves just eighteen so called *pratiche di mercatura*, of which eleven belong with the utmost likelihood to the literature of the Florentine merchants. I will limit myself to this group in the following explanation because they provide uniformity in their depiction of economic culture.

### **Abnormalities**

#### *Outdated content*

Economic historians have analysed these books in numerous studies on economic geography and the development of the assortment of traded goods, numismatists examined coinage lists, and metrologists like Klaus Witthöft have drawn substantially from these sources. They faced the difficulty that these manuscripts only rarely do not date their information. They do not however cite on which specific date the given values and facts were valid. The age of the coin lists can be determined the easiest, mainly because the period of validity for a lot of coin minting can be calculated from the denominations and descriptions. It appears that the manuscripts in many cases are much younger than the information contained within them. Thus the coinage list in the *Datiniana* - edited in 1385/6 - was identified as a broad copy of a draft from the year 1307, which was found again in a manuscript from 1480.

How can it be explained that in the daily work of internationally active merchants, handbooks could be in use that, in part, contained completely outdated information and over decades were copied and passed on? The information became more inaccurate with every transcription because numbers were copied wrong and unfamiliar place names were distorted to the point of unrecognisability. Pegolotti's famous description of the road to *Cataio*, to China, becomes, in the hands of Berti, a *Chattaio in Isciavonia*; he mistook China for the Dalmatian coast.

Is it possible that, on the one hand, exchange rate transactions were made with up-to-date information and on the other, the documented factual knowledge to a large extent went without being up-to-date in the manuals of commercial practice? This contradiction can even be seen in the manuscripts. Bert's manuscripts still contain information about routes to Asia that, because of the

Ottoman advance, had not been traversable for many years, and on *carta 72 recto* exchange rates from the winter of 1441.

#### *No corrections and amendments*

If these books were created with the intention of “having information available in compact form and being able to consult it”, like Denzel wrote, would it then be the least to expect that the users corrected mistakes or changes and kept the content to some degree *à jour*, up to date? Melis, who knew the archives of the Tuscan merchants like no other, only saw however clean and to a large extent ‘off the rack’ written copies of *pratiche di mercatura* during his research, and none that would have indicated an actual practice of this. All these books appear as clean as the pages in Berti’s manuscript:

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#### *Almost no originals in merchants’ archives*

In addition to these noticeable peculiarities in content, there are also some regarding the history of transmission. If the manual was part of the standard equipment for all large businesses, then it is astonishing that so few still exist today. Whoever has seen the enormous stock of archived material, containing documents from the office of Florentine bankers, can barely understand this. It is also conspicuous that in all state and private archives the number of commercial documents from the 15<sup>th</sup> century heavily increases when compared to the 14<sup>th</sup> century. This is not the case with the *pratiche di mercatura* because we have approximately the same quantity from both centuries. It should also be questioned why these codices today reside almost without exception in the manuscript collections of the large Florentine libraries and not in the merchants’ archives. Ultimately it needs to be reiterated that in the thousands of preserved letters written by merchants not one single passage was hitherto found in which reference to these books is made.

#### **Old Theses about the Purpose these Texts Served**

Various historians have been insufficiently concerned with these many inconsistencies. Dotson, for example, wrote in the year 2000 that a lot of the information would have been valid for a long time, and that the repeated duplication of these merchant handbooks demonstrates the continuous high regard they had as reference books over the centuries.

In the same year, Spufford judges differently. The discovery that the above text, classed as pseudo-Chiarini, was copied a lot more frequently than the others and was also sold in several editions as a printed book leads him to the conclusion that it constitutes at the same time a *manuale* or

*Kaufmannshandbuch* (merchant handbook). According to Spufford, the transcription of this work would have been part of the education of prospective merchants and the printed version served as a standard handbook for young merchants. It would have therefore been the precursor of common handbooks in Europe from the 16<sup>th</sup> century. The other manuscripts would by contrast be *zibaldoni* or *Kaufmannsnotizbücher* (merchant notebooks), because in them he sees collections of practical trade information which individual merchants would have created for themselves.

Melis and Tucci went somewhat further because they speculated that all surviving manuscripts would have been produced by prospective merchants in the first phase of their training. Alongside that, they claimed that there were handbooks in merchant's offices that were actually used. It was, next to the *manual d'abaco*, the *manuale di Arte della lana* and the *portolano*, one of the four indispensable books in the merchant community. Melis speculates, though, that of these scripts none were ever found. He explains that for this reason the corrections and additions scrawled on the originals were transferred onto clean copies from time to time and the originals were assessed as waste and discarded from the archives.

### **My approach**

This sequence of events seems plausible, but Melis cannot supply any evidence to prove it, and it is also by no means an explanation for the anachronistic data set. I assume that Melis, and many other historians with him, are chasing a phantom. There were never any handbooks in the offices of medieval merchants that were used daily as directories. There were no used *pratiche di mercatura* to be found because there never were any. The *pratiche di mercatura* merely served a didactic purpose, as they were textbooks and writing exercises for apprentices.

### **Apprentices**

We will first see whether there is any evidence that manuals of commercial practice served a didactic purpose. As the content provides no direct answers to this question, only analysis of the three groups of people who took part in the production can help us any further.

To begin with, there were experienced merchants who themselves produced the original, or allowed it to be produced, based upon their own knowledge, or through the compilation of other texts.

Francesco di Balduccio Pegolotti and Saminiato de' Ricci can both be named as compilers of such a document. It is rather improbable that they themselves were also the scribes who wrote the original manuscript that bears their names; they presumably entrusted others with this work. The sources are, in both cases, ambiguous. In the first text, it reads: "Questo libro ordinò Francesco Balducci

Pegolotti”, which can mean that he could have organised the text himself, but also appointed someone else to complete it. In the introduction to the second text, we read “uno quaderno fatto 1396 per Saminiato,” which leaves it open whether or not it was compiled *by* him or *for* him.

This original manuscript, by now lost, was copied either in part or in its entirety in the following decades. Antonio di Francesco Salutati da Pescia revised and expanded on de’Ricci’s composition to a great extent, as information about a promissory note in Constance and a short text in German show. He took on an intermediary position between the compilers and the copyists Cristofano di Bartolo Carocci from Barberino in Mugello and Giovanni di Bernardo da Uzzano.

Ultimately, these compendia fell into the hands of bibliophiles, who then once more commissioned a duplicate to be produced. Filippo di Nicolaio Frescobaldi duplicated Pegolotti’s *pratica* in Agnolo di Lotto dell’Antella’s copy, and Berto di Pietro Berti duplicated the codex, the compiler and copyist of which are unknown. That this has more to do with bibliophiles than merchants, who produced copies for their own use, is clearly recognisable in their books:

- Frescobaldi allowed the first page of his work to be ornately decorated at an artist’s workshop.
- In his volume, Berti copied even more texts from elsewhere that had nothing to do with trade activities. These were mainly page-long geometrical treatises and formulations for medicines and colours.

The motives of the book-lovers, though, are of no further interest to us. But why did the compilers and copyists take this weeks-long work upon themselves? Pegolotti, de’ Ricci and Salutati surely did not produce the data collection just for themselves, for they were experienced merchants and had no need for this information. Additionally, the authors address the reader directly on multiple occasions. Who did they then view as their audience?

Let us then look at the copyists. Carocci, who produced the manuscript known as *Datiniana* in around 1385, was at this time just a boy. Uzzano had to have been born around 1420, and so was hardly twenty years old when he completed his work. It is typical for these scribes not to correct false or out of date information, and after finishing work on the text did not alter anything else; it seems, therefore, not to have served them as a directory in their daily work. Also worth further noting is that both were directly connected to large trade companies active across Europe – the additions they allowed to be incorporated into the work, however, make no reference to their respective fields of business. Uzzano’s father, who died shortly after declaring bankruptcy in 1438,

also had a bank in Basel. There is no trace of this financially important engagement in his son's handbook.

Neither the compilers nor the copyists were troubled by the fact that they were transcribing anachronistic facts, although they knew this was the case. Salutati expressively explained that it would have been of little meaning how up-to-date the facts were. According to Salutati, that some measurements and coins would have changed since the formation of his original in 1396 was irrelevant, because the basics could still be learned from them regardless. He – and presumably the other compilers too – were not bothered about the composition of a handbook, but of a text book. The only readers of such a book to come into question would be prospective merchants.

How were young Florentines prepared for the career of a banker and trader? And in that, what function was given to manuals of commercial practice? One of the most well-known and successful bankers was Robert di Niccolò Martelli, director of the Medici branch in Rome for many years in the mid-15<sup>th</sup> century, and who simultaneously held the position of main papal depositary. In his memoirs, he writes about the early years of his career; how he went to a *scuola d'abbaco* first of all, then worked for three years in various banks in Florence before Giovanni de' Medici sent him to Rome in 1422, where he, from the ages of fourteen to twenty, managed the ledger. Young boys were then first sent to a tutor in order to learn arithmetic and how to write. During the second phase of their education, the prospective merchants were then introduced to their future duties "on the job" as *garzone* to a trade company. They had to sit most of the day at a desk and copy letters or manage accounts books. The sixteen year old Lorenzo di Matteo degli Strozzi wrote in a letter that he only managed to get three hours sleep a night. The rest of the time, he wrote, was spent writing. To be able to write quickly and legibly was one of the merchant's fundamental abilities. Benedetto Cotrugli wrote in 1458 in his *libro di arte della mercatura*, that it could be said that a merchant who found it difficult to write, was no merchant at all. More written documents were presumably produced in the 15<sup>th</sup>-century in trade offices than in monastic libraries.

Whilst they trained themselves in writing and acquired fundamental knowledge of book keeping, there were no lessons in business management or general studies. The closing of this educational hole was the job of the *pratiche di mercatura*. The transcription of these long texts was not only good writing training, but it also aided the young employee to expand his narrow view of the business activities of his firm into an all-inclusive overview of the world and culture of tradesmen. Marco Polo, with his *Divisament dou Monde*, introduced us to foreign worlds, and Pegolotti too, with his *libro di divisamenti di paesi* presumably had more cultural objectives in mind than trade specific ones. A foundation was laid for the development of a mercantile way of thinking that could

encompass large geographical economic areas and understand the complex network, built up of the most diverse criteria.

These manuals of commercial practice, therefore, held a great and didactic significance. If this actually was their purpose, then I must now demonstrate that they were of little use as directories in the trade offices.

### **Specialists**

In the third phase of their training, the hard-working scribes had to become profit orientated leaders of commercial establishments. Their analytical way of thinking, drilled into them during their training, had to be redirected to the formulation of knowledge of differentiated rules, data and facts relating to a specific trade area. The young merchants had to move away from being all-round students of general, international trade, and become specialists in a local market.

Through to-ing and fro-ing with a *practica di mercatura*, they had acquired a model of thought that aided them in identifying important information and the way this information connected together.

For the trade of goods, they had to know the local units of measurement and conversion rates of other areas, the trading units, levels of supply and demand and much more. Whoever worked for a company that additionally dealt with promissory notes, had to learn which payment deadlines for the ongoing exchange were usual for that place, and how this exchange in other towns would be remunerated. He would require information about the factors influencing the current exchange rates and had to be able to anticipate fluctuations in exchange rates if he wanted to make a profit from them.

### **How then, was this knowledge acquired and managed?**

#### **Embedment in existing knowledge cultures**

The Italian merchants had absolutely no need for systematically ordered directories with comprehensive commercial facts covering the whole international trade network. In by far the most cases, the young *fattore* came into an already existing branch of business and had to appropriate all this information as fast as possible. The data and facts in the manuals of commercial practice would have hardly been useful to him anymore. But he also would not have come across handbooks on the local market in the offices of the branch. He did not need lists of coins here, as the Florentines were not money exchangers who dealt with dozens of various kinds of coinage. What was on the market

and how it functioned was learnt from experienced, older colleagues, who became his most important teachers and were his points of contact when he needed advice. Even for the weights and measurement, as well as units of sale, he found no detailed lists such as he was perhaps acquainted with through a manual of commercial practice.

Information management provided the basis for the provision and development of codified knowledge. As most commercial facts and data were subject to constant changes, merchants had gotten used to stating them over and over in business letters. If, for example, a trader in Pisa offered cloth to his partner in Seville, then he would have stated the measurements of both towns each time. So-called *valute di mercanzia* were sent off regularly, which would contain information about the current prices of goods, according to the unit of sale and the quality. Long letters were also sent from important emporiums, arriving at irregular intervals, in which everything else would be reported on that could be of concern to the businesses. In addition to the current currency exchange rates, information regarding crop yields, storms, political unrest and much more was passed on, giving us cause to believe that it could have had an influence on business transactions. In the merchant Francesco do Marco Datini's archive alone, there are well over one hundred thousand such *lettere di compagnia* that have survived from the years surrounding 1400.

There was a filing system for these letters, where they would be packed in cases and ordered by emporium, so that up-to-date information could be found and accessed at any time. This form of organisation was later taken on by German tradesmen, as can be seen in the background of a famous illustration by Jakob Fugger.

All this information was not, in addition to that, included in lists and handbooks as it was ready and accessible in the letter archive in case it was ever needed. Here, as in all Florentine businesses, every employee could use systematic information management.

Notebooks, however, were utilised for the recording of particulars regarding specific business or agreements with certain trade partners if this information could not be elicited from the book keeping department. An example of such *ricordanze* is a small book compiled by Lionardo di Cipriano Spinelli in 1464. Here he made a note of which conditions he had settled upon with the Nuremberg merchant Hans Meichsner for the mutually beneficial trade of promissory notes, or why Friedrich Humpis from Ravensburg only had to pay the bill afterwards.

Even back then, lists of the employees authorised to sign documents were produced by partner firms as well, similar to the lists of authorised signatures still used in banks today. As an example, here are the lists of the bill partners accepted by the Medici in Rome in the years 1440/1. Bill transactions were only made with these men, so that there was no need for payment deadlines or



the use of emporiums not represented here, but would have been present in the *pratiche di mercatura*.

### **Acquisition of new, local expert knowledge**

The opening of new branch offices presented a particular challenge, as they had to be preceded by a strategic analysis of the market situation. How this evaluation was conducted can be reconstructed through looking at the opening of the Medici branch in Bruges. For years, Giovanni, and then Cosimo de' Medici, had managed to do without a distinct branch at one of the most important Florentine emporiums, and had limited the amount of work done together with correspondents, above all the Bardi family. However, as the Alberti family's business network fell apart in 1436, a network that had held a dominant position in trading with England, Flanders and northern Europe for decades, the firm considered whether or not to have a direct presence in this region of Europe as well. In 1437, Cosimo sent experienced workers from Florence and Basel to Bruges and London, in order to clarify the company's chances of success. This information was not attained through out-dated and unreliable *pratiche di mercatura*, but instead, on location and in conversations with Florentines, who were specialists in these markets. They proved themselves to be very helpful, as the opening of a new branch brought with it no unwanted competition, but instead, an increase in business possibilities. This is made clear in one letter sent by the manager of the failed Alberti company to his colleague in Bruges, in which he reported on the visit made by Medici's man, Giovenco della Stufa, and advised his colleague in Bruges to give him all the information he wished for.

If the decision to open a new branch was made, then the requisite knowledge had to be immediately codified, because information management was not yet established and there was a lack of experienced *fattori* in their own organisation. Ambrogio de' Rocchi's book, exemplarily edited by Bruno Dini, shows how this extensively self-organised process of learning expired by the time the Datini company was founded in Mallorca in 1394. At this juncture, handbooks detailing merchant practices were produced in a particular location, which surely made the scribe of good use. If the information management worked, they were quickly made to be redundant and the codifying of knowledge was stopped.

### **Acquisition of expert knowledge in new lines of business**

Handbooks were not developed again until new business cases arose which could not be completed with existing knowledge. A report of this kind can be found in the archive of the Banker Tommaso

Spinelli, which now resides in the Beinecke Library at Yale University. When Spinelli was promoted to the position of main papal depositary in 1442, he was suddenly responsible for the transfer of bishops' and abbots' annates and *servitia* to the papal court. For this reason, a *liber taxarum* can surely be found in his estate, which he no doubt made using a model from the apostolic chamber.

## **Conclusion**

The *pratiche di mercatura* remain puzzling on many issues. Definitive clarification could only be accomplished if completely new material was found in the archives. For instance: a text in which a merchant refers to such a compendium or - even more conclusive – a manuscript that can be unobjectionably identified as a merchant's directory. As long as this clear-cut evidence is missing, economic historians will continue to build their lines arguments based on clues and plausibility in order to substantiate their theses.

The mercantile knowledge, which laid the foundations of the Florentine businesses in the late Middle Ages, was mostly of great complexity and only valid for a short period of time. The bankers and tradesmen were specialists who had highly factual knowledge at their disposal. To document and permanently actualise this written knowledge would have been much too great an expense. There would have been no rational relationship between the expense and yield of such a work. It was therefore much more efficient to organise knowledge management on the basis of personal dissemination and systematic dealings with written, detailed information.

After summarising these statements about the process of the acquisition and development of knowledge required for successful business practice, I have come to the conclusion that there is no recognisable instance in which a manual of commercial practice would have been helpful. The *pratiche di mercatura* were not components of account books, but actually textbooks for prospective merchants.