

# THE HANSEATIC STEELYARD IN DOWGATE

Read by Alderman Alison Gowman in Mansion House

18 October 2013

My Lord Mayor, Lady Mayoress, Fellow Historians and guests.

I am honoured to be able to speak to you today on the subject of the Hanseatic Steelyard in Dowgate—the Ward that I represent in the City as its Alderman for those of you not versed in the City’s electoral boundaries. I resist the chance to say the best Ward in the City and I leave you to conclude that for yourselves at the end of my talk.

The Hanseatic League is the stuff of schooldays history. Everyone has heard of them but cannot then say much more. I can tell you that the Hanseatic Steelyard, the home of the Hanseatic League in the City of London, is a tale of foreigners and Royalty, enclaves and secret passwords, riots and skulduggery.

There is inevitably a bit of further explanation to unfold. Some hinges on the vagaries of language and the poorest of translations; whilst much arises from the loss or absence of documentation. The Hanseatic League is the English nomenclature for a phenomenon that is termed in its original tongue the Hanse. Literally The Association—no further description was needed, as the merchants and cities it encompassed knew what it meant and all other traders, towns, Kings and parliaments trembled at the power it represented. There is very little documentation in English about the Hanse—a merciful release when seeking to do some research—but most historians agree that the first association between the cities of Lübeck, Hamburg, Rostock, Cologne and Kiel dates from around 1259. Unlike its modern counterpart, the EU, there was no overarching formality or administrative burden of regulation in the links between the cities. Towns joined and left from time to time. An occasional assembly was called of all towns but there seemed to be no compunction to attend or vote.

The next clerical error is in the word Steelyard. The Steelyard relates to the area of the trading post, warehouses and homes of the Hanse merchants which is in Dowgate Ward. It is shown on the early maps of the City very close to Three Cranes Wharf as “stilyard.” The derivation of this term is obscure. The early records refer to this in early Middle Low German as the *Stalhof*. ‘Hof’ we all know means yard, and so that is quite straightforward but ‘stal’ is not so clear. Does it mean a sample or pattern, or is it synonymous with staple meaning emporium? Does it refer to the labels or seals affixed to items to attest to their quality and price? Or is it akin to the Bristol nail where the deal is sealed with a firm assurance between the parties? Or finally does it refer to the steelbeam used to weigh goods? In short, no one can be definitive on this matter.

The next leap is to the Anglicisation from Stalhof to Stilyard which has come to be known as the Steelyard because of its homophonous quality. Thus we celebrate their presence in the City of London with an alleyway that passes under Cannon Street rail bridge called Steelyard Passage and a section of the riverside walk that I compelled the City a few years ago into renaming as Hanseatic Walk.

Dowgate had been a location for foreign merchants since the late 10th century. Germans or Easterlings or Osterlings were mentioned during the reign of Ethelred II. A regulation of 967 stated:

*“the Easterlings coming with their ships...were to pay toll at Christmas two grey cloths and one brown one, with ten pounds of pepper five pairs of gloves two vessels of vinegar...”*

(I had to quote this simply for the gloving reference, as I am the Master Elect of the Glovers.)

In 1125, William of Malmesbury states that the wharves of London were “packed with the goods of merchants coming from all countries and especially from Germany”. Special privileges were granted by Henry II in 1157 and 1175 and these were confirmed in 1194 when the merchants in Cologne paid part of the ransom for Richard I. He promptly granted them a charter in England with special rights which were confirmed in 1213 by King John, who stated that the Easterlings did not need to pay rent for their Guildhall nor on any trade throughout the kingdom. The pre-dominance of these Cologne merchants waned as others (mainly all from other German cities) arrived and the Hanse, being an association of merchants of several cities, took over.

So far as we can tell the site extended from Cosin Lane in the west, now Cousin Lane, and the river to the south and Windgoose Lane or Wingoose Alley (no longer in existence but approximately at All Hallows Lane) in the east with Upper Thames Street to the north. Between the 12th and 14th centuries over 40 metres of land was reclaimed from the River and so made usable for wharves and premises. The Stalhof area was a complex of rooms and buildings including two Guildhalls where the goods were protected from all weathers. There was a dye house (with Dyers’ Hall close by); a wine cellar and gardens planted with vines and fruit trees stretching down to the river.

The regime in the Steelyard was strict. It was enclosed and secure—no women, loose or otherwise, could enter. The merchants were not allowed to marry. Barbers and goldsmiths’ apprentices were banned; no straw “mess or other foulness” must be left about with no fighting, playing ball or breaking windows with stones. Above all, no English were allowed inside for fear that they would

find out the secrets of the Hanse trade. The merchants lived communally. There was a curfew by which time they must be back inside each night and a shibboleth of “cheese and bread” was said to the gatekeepers to let them in—it was said in English and not German—another crossover of our cultures. The Hanse had a council of 12 who ruled the Stalhof being a Master, 2 assessors and 9 others.

If they were simply merchants trading on the river they might not have had much impact on the life of the City—but they were the Hanse a strong trading alliance centred in the cities of Lübeck, Hamburg and Cologne but stretching out to the four great pivots of their reach in Novgorod, Bergen, Brugges and London with four Kontors (trading posts). These were the backbone of the trade and encompassing up to 165 other cities throughout north western Europe. Its strength was in the treaties that it made to gain preferential rights to trade and be exempt from customs and an occasional foray into international affairs and the infrequent and unfortunate, attempt at war or aggression. The merchants traded fish and timber, hides, fur, linen, wheat, rye, grain (in 1258 it is said that German grain saved the City from famine), tar, pitch, wax and ashes (but no steel!) No wonder the Skinners and Tallow Chandlers also thrived in Dowgate Hill (and what serendipity that the Skinners held an evening lecture on the Steelyard, the Hanseatic League and the Skinners earlier this week!) Notes have been compared.

English wool, the staple was traded in exchange. By the 16th century it is thought that the Hanse held 90% of the wool exports from London.

The Hanse merchants in London had gained their rights by many diverse treaties, loans and diplomatic moves. I have already mentioned the ransom for Richard I in return for which he gave the merchants certain privileges. When Henry III faced Simon de Montfort (1264) the Hanse merchants financed the King and further benefits were bestowed. In particular in 1266 the first royal charter was granted to the merchants from Hamburg to set up a protective organisation (hanse) and to hold assemblies and to regulate their own affairs. This charter is still honoured in Hamburg today to which I will refer later.

Succeeding decades saw the ups and downs of life in the City. In 1282 a dispute arose between the Hanse and the City about the upkeep of Bishopsgate which the Hanse merchants lost. The outcome was that the merchants agreed to fund the upkeep of, and secure against the enemy, the city gate at Bishopsgate. Later, the Hanse sided with the King against the French (always a good move) and the Carta Mercatoria of 1303 was granted by Edward I that exempted the Hanse from all customs duties and also excluded English merchants from trading in the Baltic and Scandinavia. The Hanse paid less duty than even the London traders. The early part of the Hundred Years War was likewise financed for

Edward III who pawned his crown jewels in Cologne between 1339 and 1344. As a result, amongst other privileges, the King granted the Hanse concessions in many of the Cornish tin mines.

One of the further and unique privileges granted to the Hanse was to elect their own alderman in the City governance. Again the books and vellum fail to clarify the full background to this. It certainly was extant in the mid-13th century. The best known Alderman was Arnald Fitzthedmar who lived from 1201–1274. He was termed the “aldermanus mercatorum Alemaniae in Angliam venientum.” He was not a mere sidekick but took a leading part in politics during the reign of Henry III. In 1270 the chest of the City’s archives were entrusted to him “Scunium civium” and he wrote an important and major chronicle about the mayors and sheriffs from 1188–1274, the *Liber de Antiquis Legibus*. In reality it seems that for the most part the Hanse had two aldermen—one was a German and the other a Londoner. An alderman had to be a freeman and citizen of London and it was incompatible for a German to swear such oaths if they wanted to maintain their position in the Hanse. A situation that pertains today, as I believe you cannot be a joint citizen with another country if you want to retain your German citizenship. Therefore in 1381 for example, the Hanse elected William Walworth to be their Alderman. There may have been other reasons for this but as the Peasants’ Revolt of that year had threatened the position of the Hanse in the Steelyard as much as the other citizens of London, this was perhaps a way of honouring Walworth both as Mayor and as the killer of Wat Tyler.

Needless to say, the English merchants did not like the preferential treatment given to the Hanse. The customs rolls from this period list the items reaching port and the dues paid. They are listed under the headings: denizens, Hansards and aliens. At most periods the Hansards were importing and exporting the most but paying the least. In general the Hansards did not pay wharfage, pontage or pannage and only paid much lower general taxes and duties. They had various privileges, such as freedom from arrest and speedy justice. The end of the 14th century saw repeated attempts by the London merchants to minimise the differentials and gain the upper hand. The Hanse was facing competition and problems on all fronts and was under threat in the Baltic and by the Dutch. In England the young King Richard II came to power in 1377. The City merchants petitioned the King to protect English merchants and to restrict the foreigners (sounds familiar?) They argued that the Hanse should only be allowed to stay for a limited time and must not prevent the English merchants from trading goods both retail and wholesale. The King granted the petition, since he disliked foreigners, and he rescinded some of the Hanseatic rights. Parliament met subsequently and was more concerned about the benefit from the foreign traders to the whole of the country and was not minded to kowtow to the powerful City merchants whose interest might not benefit the

rest of English trade. A final uneasy truce was found in that the Hanse kept their rights, but the London merchants were granted wider rights and were to be treated with fairness in trading with the Hanse towns abroad.

This lasted another 100 years until further dissent meant that the Bishopsgate care was taken away as “being too important at the time of war to trust to foreigners”. Wars at sea broke out, with the Hanse seizing English ships on their way to Danzig and Edward IV closed the Steelyard, but when a few years later he needed help to return to England during the Wars of the Roses he entered into the Treaty of Utrecht in 1473 to renew “oold friendly-hode”. The Steelyard was restored as well as Bishopsgate and rights in Boston and King’s Lynn. This did not stop the Mercers attacking the Steelyard in 1480 with 80 arrests being made, nor the Drapers (who benefitted from the Hanse) turning out to patrol and keep safe the Steelyard over a period of 17 days in 1493 when tempers were raised over the trade for Flemish cloth. It suited the Drapers to be able to trade with the Hanse.

The Tudors, whose period saw the greatest rise in English trade and merchants, really pursued the Hanse with more vigour. Edward VI seized the Steelyard which was briefly restored by Mary at the behest of her Spanish husband, Philip, but then closed entirely by Elizabeth in 1597 under the guidance of Thomas Gresham, with the Merchant Venturers clearly the winners. The buildings remained and certainly one Samuel Pepys supped at the winehouse on his 28th birthday in 1661. A few years later, the Great Fire saw the then Hanse agent seeking to put out the fire but ended up running down the street with his clothes ablaze—if only Dowgate Fire Station had been there then. The ultimate and final act of destruction was the sale of the site in 1853 for £70,000 for the building of Cannon Street Station.

But the name lives on in the pathways with a plaque and in the minds of the Cities of London and Hamburg.

What has the Steelyard left us? We have the amazing portraits of the Hanse merchants painted by Hans Holbein, a regular visitor to the Steelyard in the 1520s and 1530s. They are the best depiction of what it would have been like in the offices of these wealthy merchants—in particular that of Georg Gisze—described in correspondence as the alderman’s deputy. His portrait shows letters and merchant symbols pinned on the wall behind him and a vase in front holds carnations, rosemary, basil and wallflowers—symbolising betrothal and warding off the plague that was raging at the time and indeed carried off Holbein only a few years later. We can also perhaps remember the Osterlings who have left us with the word sterling—the sign of a solid currency as established by these canny and wealthy merchants. It is said that the trade in wax mainly with Poland via the Hanse gave us polishing from Polish, and the word Dutch has derived from the fact that incomprehensible speakers from Holland were

thought to be deutsch and this corrupted to Dutch.

The City of Hamburg has always treasured the links with the City of London. There is a saying that when it rains in London they put their umbrellas up in Hamburg. This historic friendship culminated via the good offices of my guest here today, Kenneth Stern, with a visit to Hamburg in 2005 by the then Lord Mayor Alderman Sir Michael Savory and the civic team. They attended the first Morgensprache of the modern era. The event—roughly translated morning talks or “morn speech”—is a ceremonial re-enactment of the events in the Steelyard when the council of the alderman and members met to consider business. Each year a new alderman is elected in Hamburg and the installation ceremony, based loosely on our Silent Ceremony, is performed at this event followed by dinner and speeches. It is a revived tradition at which a representative of the Lord Mayor attends. The Morgensprache is held in the Handelskammer and this signifies the close liaison between the event and the Hamburg Chamber of Commerce. The evening focuses on the City of Hamburg’s links with Europe and the USA, with a guest speaker receiving a prestigious international award. It is a reminder of the importance of Cities in our globalised trading world—a hallmark of the Hanse. Hamburg the second largest port in Europe with the majority of European trade with China arriving at its huge port facility. The City of London, the World’s leading global financial centre. Did the Hanse have it so wrong in facilitating a liaison between cities? Over 50% of the world’s population live in cities today and by 2050 that will have grown to 70%. Who says that Cities are not the better bell weather of global trends and connections than a nation state? Does the City of London need to embrace a City view in addressing the issues of today?

It only leaves me to remind you that if you want to travel back again to the Stalhof you will need to remember the password nowadays used at the Morgensprache as a toast “cheese and bread”.