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A FINE BALANCE

Household finance and financial strategies of Antwerp households, 17th-18th century*

Abstract
This article tests the use of probate inventories for distinguishing wealth groups on the basis of their wealth and the composition of their estates. This method can bring new arguments in the analysis of social mobility and intergenerational wealth transfers. The pilot study compares two small sets of Antwerp inventories for respectively 1660 and 1780. The sources are analysed on two levels. The content of marriage contracts and testaments suggests that the protection of the surviving partner and his independent management of the estate gained priority over the protection of original family estates. The assets and liabilities tend to confirm patterns of social polarisation and suggest a diminishing access to credit for the lower social groups, possibly accelerating their impoverishment.

The Southern Low Countries witnessed important economic, social and cultural transformations during the seventeenth and eighteenth centuries. Although its growth was overshadowed by Holland's Golden Age, the economy still proved to be quite resilient until the middle of the seventeenth century. After that period, changing consumer patterns hit the production sector and threatened the independent means of existence of many master craftsmen. Meanwhile, structural changes in the textile industries enabled entrepreneurs to make use of cheap wage labour and subcontracting to smooth demand and supply. A side effect for the labourers was temporary unemployment when demand fell.[1] There is a broad literature on the causes of these transformations and their impact on social polarisation. While this process

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1. C. Lis and H. Soly, *Poverty and Capitalism in Pre-Industrial Europe* (Hassocks 1979); C. Lis and H. Soly, 'Subcontracting in guild-based export trades, thirteenth-eighteenth centuries', in: S. Epstein and M. Prak (eds.), *Guilds, innovation, and the European economy, 1400-1800* (Cambridge 2008) 81-113; H. De Smedt, P. Stabel and I. Van Damme, 'Zilt succes.

is often analysed on an aggregate level, little is known of how individuals and households reacted to these changes and how they adapted their financial behaviour and strategies to changing circumstances. This article will therefore suggest a method to investigate this by using probate inventories.

Jan de Vries, when investigating the interaction between consumer behaviour and economic development from the 1650s onwards, stressed the importance of focussing on the demand side of the economy and more specifically on households. He defined households as entities that 'perform functions of reproduction, production, consumption, and resource redistribution among its members, as well as wealth transmission across generations'.[2] Historians have been working extensively on the first functions, generating many publications on demographic household behaviour, the causes and consequences of the European Marriage Pattern, labour market participation, consumption and material culture.[3] Household finance and intergenerational wealth transfers, however, have attracted less attention. John Campbell called this challenging research because household financial behaviour is difficult to measure accurately, and households face constraints that are not captured by textbook models, such as income risks and borrowing constraints, among many others.[4] Empirical research is therefore needed to capture the impact of changes on household financial choices.

Still, economic transformations and their impact on living standards and investment behaviour already merited considerable attention in historiography, especially for Antwerp. Research on wages and prices, consumption baskets, social stratification and housing elaborated on the living standards of the poor during the long sixteenth century and for the period 1750-1850.[5] Both periods were characterised by fast demographic change, migration

Functieverschuivingen van een stedelijke economie', in: I. Bertels, B. De Munck, H. Van Goethem (eds.), *Antwerpen. Biografie van een stad* (Antwerpen 2011) 109-144.

2. J. De Vries, *The Industrious Revolution. Consumer behavior and the household economy, 1650 to the present* (Cambridge 2008) 10.

3. Demography: P. Laslett and R. Wall, *Household and family in past time* (Cambridge 1972); J. Hajnal, 'European Marriage Patterns in Perspective', in: D.V. Glass and D.E.C. Eversley (eds.), *Population in history. Essays in historical demography* (London 1965) 101-143; T. De Moor and J.L. van Zanden, *Vrouwen en de geboorte van het kapitalisme in West-Europa* (Amsterdam 2006); consumption: B. Blondé and I. Van Damme, 'Retail growth and consumer changes in a declining urban economy: Antwerp (1650-1750)', *Economic History Review* (further EHR), 63 (2010) 638-663.

4. J.Y. Campbell, 'Household finance', *Journal of Finance* 61 (2006) 1553-1604.

5. Some examples: E. Scholliers, *Loonarbeid en honger. De levensstandaard in de XVe en XVIe eeuw te Antwerpen* (Antwerp 1960); C. Verlinden e.a. (eds.), *Dokumenten voor de geschiedenis van prijzen en lonen in Vlaanderen en Brabant* (Ghent 1959-1973), 5 vol.; H. Van der Wee (ed.), *The rise and decline of urban industries in Italy and in the Low Countries (late Middle Ages-Early Modern Times)* (Leuven 1988); J. De Belder, *Elementen van sociale identificatie van de Antwerpse bevolking op het einde van de XVIIIde eeuw. Een kwantitatieve studie* (Ghent 1974,

and changes in labour organisation resulting in a growing social polarisation. While the living standards of the poor are usually reconstructed on an aggregate level, little is known about their daily struggle to make ends meet.[6] Investment strategies of the rich were documented in full detail by account books of individual merchant families, correspondence, family archives and probate inventories. Baetens analysed the investments of the family De Groote against the background of commercial history in the first half of the seventeenth century.[7] Degryse explored the world of fortunes in eighteenth-century Antwerp. He studied the accumulation of capital, capital investments, risk and return on investment against the background of trade, industry and finance.[8] Only recently did the social middling groups, often considered to be the driving force behind economic growth, receive more attention.[9] Willems analysed credit relations within the Antwerp middling groups during the eighteenth century.[10] Most of the studies cited focus on specific aspects of finance, specific social groups and specific time frames.

This article proposes a method to analyse how households of different social groups adapted their strategies to economic and social changes, and how their household finance responded to changing market circumstances. This pilot is based on the probate inventories of approximately fifty Antwerp households of different wealth categories in respectively 1660 and 1780, capturing a long term.[11] After having discussed the representativeness of the sources, the households represented will be divided into three wealth groups distinguished on the basis of the contents of their belongings. Next, we will test if and how adaptive household behaviour and explicit strategies can be deduced from the composition of the inventory itself and from the marriage

unpublished PhD) 2 vol.; C. Lis, *Social change and the labouring poor. Antwerp, 1770-1860* (New Haven 1986).

6. An interesting micro approach for studying the poor is to be found in A. McCants, 'Inequality among the poor of eighteenth century Amsterdam', *Explorations in Economic History* 44 (2007) 1-21.

7. R. Baetens, *De nazomer van Antwerpens welvaart. De diaspora en het handelshuis De Groote tijdens de eerste helft der 17de eeuw* (Brussels 1976).

8. K. Degryse, *De Antwerpse fortuinen: Kapitaalsaccumulatie, -investering en -rendement te Antwerpen in de 18de eeuw* (Antwerp 2005).

9. B. Blondé and J. Hanus, 'Beyond building craftsmen. Economic growth and living standards in the sixteenth-century Low Countries: The case of 's-Hertogenbosch (1500-1560)', *European Review of Economic History* 14 (2010) 179-207.

10. B. Willems, *Leven op de pof. Krediet bij de Antwerpse middenstand in de achttiende eeuw* (Amsterdam 2009).

11. This pilot is part of a comparative study on household finance in Antwerp and Amsterdam (new research), and in ten small cities in the Netherlands (based on the Boedelbank of the Meertens Instituut). This project is part of the Euryi/vidi project 'The evolution of financial markets in pre-industrial Europe. A comparative analysis', directed by O. Gelderblom and J. Jonker. The benchmark years coincide with other subprojects.

contracts and testaments it summarizes. The last part of this article will test how long-term changes in household finance can be reconstructed from the assets and liabilities mentioned in inventories. Let us first present the case study: Antwerp.

Antwerp in the seventeenth and eighteenth centuries

Antwerp offers an interesting case for testing financial behaviour and adaptive strategies. This city evolved from the main financial and commercial centre of Western Europe during the sixteenth century into a city harbouring a textile industry mainly producing for the domestic market at the end of the eighteenth century. Still, Antwerp did remain an important financial centre long after Amsterdam had taken over its leading position. This was partly caused by the fact that the flow of funds for military expenditure in this part of the Spanish empire was channelled through the Antwerp market. On the other hand, the city became a *dispositionsplatz*, an essential chain in the financial network including London, Amsterdam, Hamburg, Italy, Spain and Portugal. Its exchange operations linked the former metropolis to the main commercial regions of Europe. This financial expertise combined with the presence of an active money market stimulated the demand for money by the Spanish government, cities and private investors.[12] The last were often former merchants who had given up active business in the course of the seventeenth century and started to live off their investments. Several of them grabbed new opportunities for gain such as the participation in the *Oostendse Compagnie* or setting up capital-intensive industries in the late eighteenth century.[13] The presence of a well functioning capital market offered households ample opportunities to invest or to borrow. The questions are: who had access to formal credit instruments, who relied on informal networks and to what extent.

In its sixteenth-century heyday, the city harboured 100,000 inhabitants. The Fall of Antwerp in 1585 not only caused the emigration of the international trade community, but the dispersion of a large part of the autochthonous population as well, many of whom contributed to Holland's Golden Age. At the end of 1586, the former metropolis counted not more than 48,500 inhabitants. Soon, a still resilient commercial and productive sector with a blooming luxury industry let the population grow to 77,000 inhabitants in 1693. The first half of the eighteenth century witnessed a de-urbanisation comparable to that of other large cities in the Southern Netherlands, causing the population

12. Baetens, *De nazomer*, 243-269 prefers for this period the term money market rather than capital market, as most credit was short term (less than one year) (p. 243, footnote 52).
13. Degryse, *De Antwerpse fortuinen*, 363.

to drop again to a low of 48,000. During the second half of the century, the establishment of a few capital-intensive industries and especially the growth of the labour-intensive textile industries attracted new immigrants, causing the population to grow to 54,000 inhabitants in 1784, of which 28 percent was active in the textile industries.[14]

It is obvious that both migration and the economic reorientation of the city caused the social composition of the population to change over time. Baetens estimated the seventeenth-century society to consist of a 10 percent elite, a large middle class, and a lower class including at least 40 percent of the population.[15] Winter indicated the 1796 society to consist of 14 percent wealthy people, 21 percent relying 'on some form of independent resources alongside income from labour', and two-thirds poor and propertyless labourers and servants.[16] These raw estimates suggest that, observed from an urban perspective, a small part of the middle class would have succeeded in crossing the border towards the elite between the 1660s and the 1780s, while a more substantial part had not been able to prevent downward social mobility. Still, one also has to take into account the impact of the immigration of both wealthy Dutch persons of independent means (late eighteenth century) and poor labourers looking for a job.

Probate inventories as a source for studying financial household behaviour

Two random samples of approximately fifty after-death inventories for 1660 and 1780, respectively, are used to test how probate inventories can inform us about changes in financial behaviour and in the agency of households. Since the samples are small, the results must be interpreted as hypotheses for further research rather than as absolute findings.

After-death inventories consist of three types of related documents: inventories, probate inventories and probate accounts. Only probate inventories

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14. Baetens, *De nazomer*; J. De Vries, *European urbanization 1500-1800* (Cambridge, Ma. 1984) 272; P. Klep, *Bevolking en arbeid in transformatie* (Nijmegen 1981); A.K.L. Thijs, *Van "Werkwinkel" tot "fabriek". De textielnijverheid te Antwerpen (einde 15de-begin 19de eeuw)* (Brussels 1987) 170; I. Van Damme, 'Het vertrek van Mercurius: Historiografische en hypothetische verkenningen van het economisch wedervaren van Antwerpen in de tweede helft van de zeventiende eeuw', in: *NEHA-Jaarboek voor economische, bedrijfs- en techniekgeschiedenis* 66 (2003) 6-39; B. Blondé, *Een economie met verschillende snelheden. Ongelijkheden in de opbouw en de ontwikkeling van het Brabants stedelijk netwerk (ca. 1750-ca. 1790)* (Brussels 1999); Willems, *Leven op de pof*; A. Winter, *Migrants and urban change: Newcomers to Antwerp, 1760-1860* (London 2009) 69-70.

15. Baetens, *De nazomer*, 165.

16. Winter, *Migrants*, 69; see also: De Belder, *Elementen van sociale identificatie*; Lis, *Social change*.

are withheld because they mention the exact value of all assets and liabilities at the moment of death, and they recapitulate the main clauses of marriage contracts, last wills and other contracts with an impact on the division of the estate.[17] These inventories served two purposes. First, they calculated the exact net wealth for the division of the estate. Second, they listed all receivables and debts. In doing so, they confirmed formal debt contracts and formalized informal notes and orally concluded agreements.[18] This offered all creditors sufficient security and diminished the need for a prompt collective settlement of debts, which would possibly lead to insolvency.[19] Probate inventories therefore offer unique information on the composition of wealth, the presence of cash money, the use of both formal and informal credit, and the dispersion and use of new financial instruments.

A comparison between the actual number of available probate inventories and the estimated adult deaths per year shows that inventories were drawn up and conserved for approximately 10 percent of the population.[20] Admittedly, this can never offer a representative image of the distribution of wealth on the urban level.[21] Yet, although the city of Antwerp did not register the inheritances of really poor families, the combined use of probate inventories in the Orphan Chamber and in notarial archives covers a broad range of wealth categories and different types of households, gender and age groups.[22]

17. Inventories list all moveable goods present at the moment of death or division of the estate. They are used for later valuations summarized in the probate inventories. Probate accounts result from the common management of estates until majority of the children. General information on these sources: A. van der Woude and A. Schuurman, *Probate inventories. A new source for the historical study of wealth, material culture and agricultural development. Papers presented at the Leeuwenborch Conference (Wageningen, 5-7 May 1980)* (Utrecht 1980); T. Wijsenbeek-Olthuis, A. Knotter, *Boedelinventarissen. De Gemeentelijke bevolkingsregisters 1850-1920* ('s-Gravenhage 1995).

18. Preliminary research proved that probate inventories in Antwerp and Ghent included detailed information on household finance, while similar sources in Amsterdam and Leyden did not always.

19. A. Hanson Jones, 'American probate inventories: A source to estimate wealth in 1774 in thirteen colonies and three regions', in: Van der Woude, *Probate inventories,* 241. Customary law in the Low Countries does not mention this explicitly, yet analysis of the inventories and related sources testifies to the same practice.

20. Willems, *Leven op de pof,* 42:10 percent in eighteenth-century Antwerp; L. Van Averbeke, *Peiling naar de bezitsstructuur van de Gentse bevolking omstreeks 1738* (Brussels 1969): 12-13 percent in Ghent in 1738.

21. J. Craeybeckx, 'Stedelijke bronnen voor de studie van de vermogensgroepen in de 18e eeuw', *Handelingen van het XXVIe Vlaams Filologencongres, Sectie IX, Geschiedenis* (Ghent 1967) 394-402.

22. Willems, *Leven op de pof,* 42 found that a representativeness of only 10 percent is in line with De Belder's statement that at the end of the eighteenth century at least 65 percent of the Antwerp population had no valuables at all (J. De Belder, 'Beroep of bezit als criterium voor de sociale doorsnede. Een aanzet tot uniformisering van reconstructiemethoden', *Tijd-*

The Orphan Chamber, a public institution, supervised all inheritances where minor heirs were involved (children, grandchildren, nephews and nieces). Households having appointed official tutors by testament were still obliged to draw up inventories and submit them to the Orphan Chamber, but had the right to manage the estate themselves. The Orphan Chamber usually supervised the estates of less wealthy families, ones without the means or the incentive to draft a testament or pay for a notary.[23] We found that notaries generally covered households with a median net wealth ten times higher than those supervised by the Orphan Chamber. In addition, the latter had 10 percent more debts. It should be stressed, though, that both benchmark years hold inventories drafted by notaries in the lowest wealth quartile and inventories deposited to the Orphan Chamber in the highest wealth quartile as well. Both institutions covered a large part of the population, but notaries tended to work for wealthier families than the Orphan Chamber. Since the findings are based on small samples, this should be considered as only a first indication of differences between the sources.

Table 1 *Net wealth of probate inventories in the Orphan Chamber and notarial protocols*

	Orphan Chamber		*Notaries*	
	1660	*1780*	*1660*	*1780*
N	37	29	17	22
Min	-2,445.3	-9.6	-12,188.8	-238.1
Max	7,279.6	55,051.7	79,782.9	205,075.7
Average	856.0	2,636.9	8,690.8	23,063.6
Median	505.6	206.9	5,200.4	2,797.3
% debt	48.8	48.7	38.4	35.9

Note: all values are indicated in guilders Brabant; from 1690 onwards in guilders Brabant courant.

Distinguishing wealth groups

As stated before, probate inventories do not offer a representative image of the distribution of wealth. The large group of poor households is definitely underrepresented in the samples, although there were still several households with pro bono inventories. In 1660, for instance, a childless couple of ribbon weavers hired the looms they were working on. Their total moveable goods were valued at seven guilders and twelve stivers (half a month's

schrift voor Sociale Geschiedenis 2 (1976) 257-279). The city of Ghent, in contrast, introduced pre-printed forms to register probate inventories of the poor, usually orally communicated.

23. Willems, *Leven op de pof*, 38-44 gives an excellent description of these sources.

work for an unskilled labourer). When the woman died, the couple still had debts for household consumption (three guilders) and deliveries (one guilder). After payment of the funeral (four guilders) and the settlement of the estate (one guilder and eighteen stivers on notarial costs), the widower was left with a negative net wealth of two guilders and six stivers, the reason why the Orphan Chamber did not charge him anything for depositing the inventory (pro bono).[24] The wealthiest household in this sample, a cloth merchant/shearer, owned assets worth 90,572.8 guilders; his net wealth was calculated at 79,782.9 guilders.[25]

For the comparison of household finance in different wealth groups, three main wealth categories can be distinguished. Group 1 (lower social groups) are households without real property or financial assets. Group 2 (middle class) are households with real property and/or financial assets. Group 3 (higher middle class and elites) are households that theoretically could live off the income of their property.[26] The boundary between groups 2 and 3 differs between benchmark years. Let us consider the income of a master mason, calculated at 320 guilders per year, as a basic annual income needed to maintain a household with two adults and two children. A total wealth of 6,400 guilders would have been needed to generate a similar income in 1660, when average interest rates were around 5 percent. In 1780, interest rates had dropped to 3.5 percent, meaning that one would need a total wealth of 9,150 guilders to generate that same income. Of course, higher wealth groups would have wanted a higher income than a master mason's wage could provide, and not all of their possessions would generate income, but this theoretical boundary serves our purposes for now. Further research, based on more substantial samples for several cities, will distinguish between the higher middle class and elites as well. A possible boundary there can be calculated as the annual income from all interest-generating assets above an annual minimum of 480 guilders (the income of a first town secretary[27]), opening up opportunities for a rentier's existence. Here again, this boundary will need to be adapted to changes in salaries over time and places.

24. Stadsarchief Antwerpen (further SAA), Weeskamer (further WK), inv. no. 945, fo. 49-52.
25. SAA, Notarial funds (further N), inv. no. 2449, fo. 290.
26. P. Earle, *The making of the English middle class: Business, society and family life in London 1660-1730* (Berkeley 1989) 3 http://ark.cdlib.org/ark:/13030/ft8489p27k/ introduced these boundaries to distinguish between social groups.
27. A. Gheldolf, *Coutume de la ville de Gand* (Brussels 1868) vol. 2, 640: in 1734, salaries were published for officials of the city of Ghent. The first secretary had a salary of 80 pound or 480 guilders.

Table 2 *Assets and liabilities of the wealth groups*

	1660			1780		
	WG1	WG2	WG3	WG1	WG2	WG3
Households N	18	28	8	15	27	9
Assets						
Min assets	7.6	254.0	8115.7	165.3	177.3	11,364.9
Max assets	1,920.0	13,135.4	90,572.8	572.6	23,369.6	213,883.9
Median	268.4	2,158.5	16,534.9	172.0	2,048.9	16,556.9
Average	583.2	3,141.9	25,384.8	391.5	3,517.6	61,333.5
Debts						
Min debts	4.0	0.0	836.1	19.7	39.7	53.4
Max debts	2,039.4	8,667.7	30,211.1	2,079.7	7,866.9	10,198.1
Median	52.0	743.6	5,992.8	72.1	426.5	1,139.1
Average	224.2	1,752.3	8,629.6	267.6	1,444.1	2,886.2
Net wealth						
Min	-182.8	-3,940.5	-12,188.8	-238.1	2.9	10,048.8
Max	1,709.0	7,362.8	79,782.9	556.6	17,730.7	205,075.7
Median	145.9	1,050.8	8,267.3	114.7	1,164.2	15,865.4
Average	359.1	1,389.7	16,755.3	123.9	2,073.5	58,447.3

Since the analysis is based on two small random samples of probate inventories, the figures in table 2 should be handled very carefully. Only when applied on a substantially larger scale will this method be useful for detecting the intensity and timing of shifts in wealth accumulation, indebtedness and social mobility. Yet, the figures are not inconsistent with the available information on social polarisation in eighteenth-century Antwerp.[28] The median wealth of our households in the lower social group (WG1) diminished in the course of the eighteenth century, since the value of their assets went down while indebtedness increased. Middle groups (WG2) maintained their position, even slightly improved it, as their liabilities diminished. The higher wealth group (WG3), on the contrary, grew considerably richer. Most of its members were rentiers, which explains their low indebtedness since they no longer actively invested in business. These groups are for now our frame of reference for the analysis of household strategies and household finance.

28. Lis, *Social change*; Degryse, *De Antwerpse fortuinen*.

Explicit financial strategies

Financial strategies and household finance are closely linked. It is important to understand the complexity and ambiguity of the main financial strategies because they influenced both daily household finance and the way probate inventories were ultimately composed. Apart from portfolio management that could be adapted anytime, the most explicit financial strategies were developed at crucial points in the family life cycle, often in anticipation of the death of the head of household or his spouse and to protect loved ones. Although even the most smoothly running households could be hit by unforeseen crises such as loss of business infrastructure, stock, unemployment, illness, and high expenditure as a result of marriages and funerals of household members, the hardest setback was the death of a marriage partner. Besides the mourning process and the practical problems caused by the loss of a wage earner or a mother taking care of minor children, the effects of death on a household budget were considerable. Probate inventories document the 'cost of dying' as such and shed light on the way households divided these costs between heirs. Marriage contracts and testaments document more explicit strategies to protect the loved ones against the financial effects of death.

Probate inventories

The first financial impact of death on household economics resulted from the funeral itself. The lower wealth group, how plain their funeral might have been, spent on average 13.8 guilders on it in 1660 and 28.5 guilders in 1780. This equalled 2.5 percent and 5.4 percent of their total assets, respectively. For the higher wealth group, funerals and memorial services were meant to express its status. They spent on average 202.8 guilders on a funeral in 1660, against 386.2 guilders in 1780. Of course, the samples are too small to generalise this. It is more interesting that probate inventories inform us about how families dealt with these relatively high costs. Most households registered them under the common estate and thus shared the funeral costs in the final division. In some cases, however, the surviving (step)parents registered these costs entirely to the individual children's accounts. When such inventories were presented to the orphan masters, the latter often asked for a redistribution of these posts to protect the orphans' interests. A comparison between probate inventories and individual accounts not only documents household finance as such, but can partly inform us about the financial relationship between parents and (step)children as well.

The highest impact of death on household economics came after the funeral. The inheritance had to be divided between the surviving partners (½) and the children, or in case of a childless marriage, the family of the deceased (½). As long as the children were under age, the surviving parent could opt for avoiding a division by a common management of the estate. Adult children and other family members, on the contrary, had the right to claim their portion, meaning that the surviving partner would be confronted with the halving of his wealth. This could imply that part of the moveable goods, real property, business infrastructure, or stock had to be sold to pay out the portions. Moreover, death often implied that creditors wanted to settle accounts in the short term, especially when the main wage earner had passed away. Not only could the division of an inheritance lead to insolvency on the business level, or considerable impoverishment on the household level, the settlement of the estate was quite expensive as well. Costs usually related to the services of notaries, copies of inventories for the parties involved, hearing by commissioners or orphan masters, valuation and auction costs, taxes related to the sales of real property and costs paid to intermediaries for calculating the actual price of financial assets and finding buyers on the secondary market. It is obvious that these costs weighed more heavily on a lower class budget: in our examples, 2.4 percent of the assets' value in 1660 and 7.3 percent in 1780 versus less than 2 percent for the higher wealth groups in both benchmark years.

A second series of problems could result from a new marriage of surviving partners. Their situation was often ambiguous. On the one hand, they had to protect the interests of their minor children and take care that they would inherit their legal portions. On the other hand, they had to be financially attractive to their new partner who would be burdened with the education of their children and would not be entitled to inherit a full half of the inheritance as a first husband or wife would have been. Antwerp customary law stated that a new partner was entitled to a child's portion only.[29] It came down to the fact that, in a household with five children, the new partner would inherit 1/6 of the total net wealth, as opposed to ½ in case of being a first partner. When new children were born to the second marriage, or the new partner brought along his children from a previous marriage, the situation became more complex. Who would guarantee that every child would get a fair portion after his own father or mother died? To prevent fraud, the customary law foresaw that, even in the case of a common management of the estate, a probate inventory had to be drafted to calculate the exact portion to which the children were entitled.

Fraud cannot be excluded. Craeybeckx already warned about an underestimation of assets, but eventually discarded fraud because inventories were not subject to taxes.[30] Yet, fraud was not necessarily directed towards the authori-

29. G. De Longé, *Coutumes de la ville d'Anvers* (Brussels 1870-1875), vol. 2, 254-255, title 41, article 58.
30. Craeybeckx, *Stedelijke bronnen*, 397-398.

ties. An exceptional example in 1660 Bruges documents what possible fraud might have looked like. Catharina Hubrecht had to prepare an inventory after her husband died. It had a negative value of 515.2 guilders. The four orphans would inherit half of the debts.[31] Shortly thereafter, the same Catharina was already divorced from her second husband with whom she had one more child. She reported to the Orphan Chamber that Jan vande Haeghe, a private person who assisted them in drawing up the first inventory, had advised her to withhold part of the assets, because this would favour her new husband. The value of the moveable goods listed in the first inventory was only 25 percent of what it should have been.[32] This is an extreme example, because tutors related to the father of the children would not have tolerated explicit fraud. Although fraud is difficult to detect, several probate inventories clearly document how financial household behaviour often balanced on the thin line between legal or bookkeeping skills and possible fraud against (new) family members. The same is documented in the contents of marriage contracts and testaments as well.

Marriage contracts

First marriage contracts, as described in customary law, were concluded in the presence of the parents and defined the dowry of one or both partners, stipulated the eventual allowance for the surviving partner, and indicated what should go back to the original families in case of death after a childless marriage. They were meant to protect the child's and the family's own wealth.[33] During the seventeenth and eighteenth centuries, this type of contract was no longer common.

The 1660 benchmark holds only three marriage contracts that do not even testify of a strategy deployed by the parents. Two contracts were drawn up on the occasion of a second marriage. They stipulated a dowry for the second partner as a compensation for the fact that she would only inherit a child's portion. The third one was used to protect the financial viability of a business against claims from inheritants. Daniel Delichte, an Antwerp merchant, married in 1644 with separation of goods, meaning that in case of death, only the possessions of the deceased should be divided, protecting the independent means of the other partner, enabling him or her to continue business. Some months later, the young couple drafted a testament to appoint tutors for their future children. Delichte stipulated that his joint children would be offered

31. Stadsarchief Brugge, Oud Archief (further SAB, OA), 207, II, 791.
32. SAB, OA, 207, II, 14604.
33. P. Godding, *Le droit privé dans les Pays-Bas méridionaux du 12e au 18e siècle* (Brussels 1987) 259-314.

a fixed amount of 6,000 guilders. This would postpone the division of the estate during the life of the surviving partner, measures clearly meant to protect his trade. Delichte was the first to die, leaving a widow and four minor children in 1653. When she wanted to remarry in 1660, a probate inventory was drawn up to calculate the exact portions. Even after having received their 6,000 guilders, the children remained with a considerable debt to pay. The widow was far better off, even after deduction of her part of the debts, since her dowry amounted to 15,000 guilders.[34] These few examples suggest that the primary goal of marriage contracts was the protection of the means of existence of the surviving partner, rather than keeping family wealth within the original families. Within second marriages, they compensated the new partner for the small, legal child's portion, even against the interests of one's own children. As will be described below, both trends are confirmed by last wills as well.

The 1780 benchmark mentioned no marriage contracts at all. The declining popularity of this type of contract is confirmed by the trend in dowries to be paid to the surviving partner or the family of the deceased. In 1660, they accounted for 16.8 and 15.7 percent of all liabilities, respectively. In 1780, dowries almost completely disappeared from probate inventories and accounted for less than 0.1 percent of all liabilities. The probate inventories in our samples indicate that testaments gradually took over the function of marriage contracts.

Testaments

Testaments show a reversed pattern. While only 24 percent of probate inventories mentioned testaments in 1660, 47 percent did so in 1780. Two variables are responsible for this. The first one is the greater number of unmarried persons using testaments to make sure that their funerals and inheritances would be executed in the way they intended. While the 1660 benchmark included no unmarried persons at all, the 1780 benchmarks included twelve of them. Eight had a last will: one person in the lower wealth group, two in the middle group and five in the higher wealth group. The second variable points at a different behaviour within the group of married and widowed persons. Only 24 percent of them had a last will in 1660, equally distributed over the middle and high wealth groups. In 1780, 47 percent had one, now equally distributed over all wealth groups.

Probate inventories do not always include complete testaments but focus instead on the clauses related to bequests and inheritance law. Their contents

34. SAA, N, inv. no. 2449, fo. 80.

show that many testaments took the function of a marriage contract *ex post*. Half of them stipulated that the surviving partner would inherit everything and should give all children a decent education. Some partners, who already had children when the testament was drafted, stipulated that the children should get a fixed amount of money at the age of 25 (the age of adulthood in the Southern Low Countries) or their legal portion. Customary law stated that, when parents had appointed legal tutors by testament, the inventory would not be monitored by the Orphan Chamber.[35] In 1660, almost all testaments (ten out of thirteen) were meant to appoint tutors over future orphans, while half of the married couples also stipulated that the surviving partner would inherit everything. Only after his/her death would the inheritance be divided as if both parents had died *ab intestato*. Parents sometimes included specific stipulations towards one or more children to guarantee that all of them would inherit their fair part, or to protect some children against themselves, if not punish them. The widow Johanna van Boom drew up a new testament shortly before her death. She expressed her will that the two youngest out of five children would inherit an amount of money and some specific silver objects besides their legal portion, *because they were still young and would need the money to reach adult age*.[36] When Jeremias Stuijtelinx died, his widow referred to a last will stating that the joint orphans should inherit 1,200 guilders. When she intended to remarry, she insisted on drawing up a probate inventory to calculate the exact legal portion. Her net wealth amounted to 7,363 guilders (23 annual wages of a master mason), and the children finally got their half of it, instead of the smaller fixed amount that was promised them by testament.[37] In two similar cases, however, the parents did not approve of the behaviour of their children. Their testaments stipulated that their grandchildren would inherit the bare property of all possessions, while their own child could only enjoy the usufruct. Were these measures taken because they were big spenders, and the parent wanted to guarantee the intergenerational wealth transfer in the long term?

In 1780, the main intent of a testament was no longer just to appoint tutors, but also to divide or protect wealth in a particular way, and taking care that the surviving partner could manage the estate on his own. Two married couples explicitly stated that the inheritance would not need to be collateralised, as was frequently done to insure the orphans of their legal portion. The surviving partners were free to manage the portfolio as they liked, either by holding on to it, selling and buying, or just spending it.[38] Two quite wealthy

35. De Longé, *Coutumes de la ville d'Anvers,* vol. 2, 308 title 42, article 35; Willems, *Leven op de pof,* 39.
36. SAA, WK, inv. no. 946, fo. 284-297.
37. SAA, N, inv. no. 419, fo. 153.
38. SAA, N, inv. no. 4745, 92.

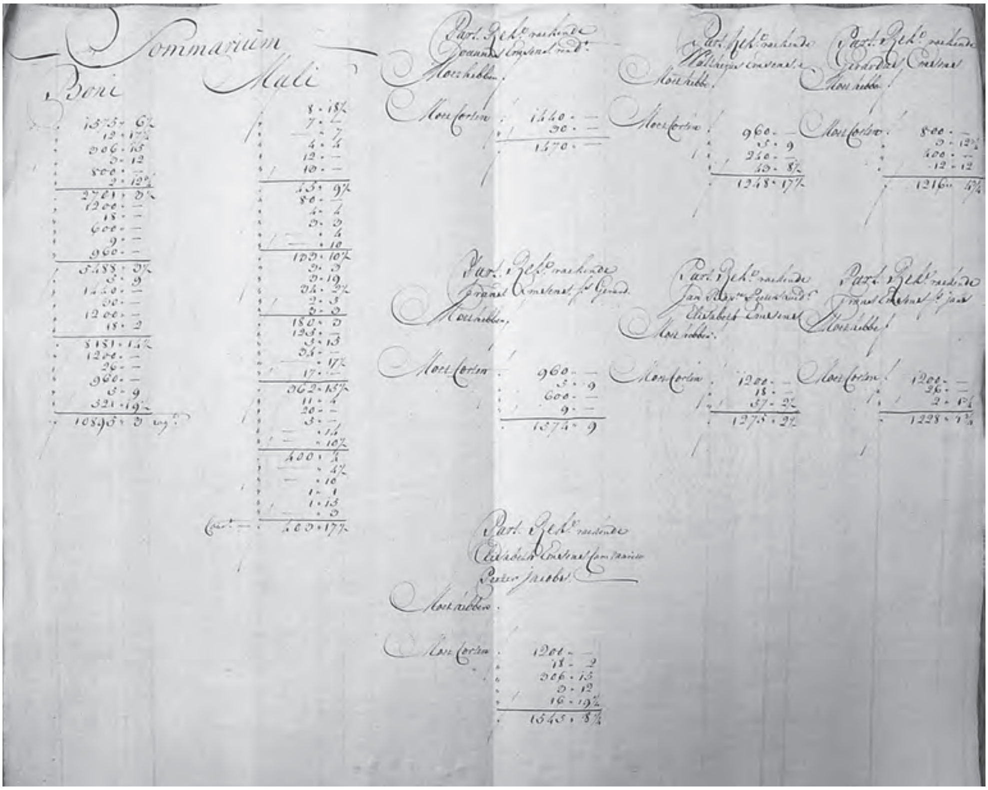
single persons appointed executors-testamentary in 'all countries where their assets were situated' (Southern and Northern Netherlands) and explicitly stated that their task would be to sell all property and financial assets. The heirs would get no opportunity at all to take over whatever assets there were, and were forbidden to discuss the actions of the executors-testamentary. They would receive their portion in cash.[39] After all, dividing money was much easier than distributing assets between heirs living in different parts of the country.[40] Other wills corrected household behaviour in the same way as in the 1660s. An old spinster drew up a testament to ensure that one of her heirs would pay an amount of 600 guilders out of his own portion as a donation to his one child from a previous marriage. Did she deem the child to be neglected by his father or stepmother?[41]

Trends in the explicit strategies

It should be obvious that marriage contracts and last wills offered ample opportunities to sidestep customary marriage and inheritance law to a certain extent. When comparing marriage contracts and last wills in both benchmark years, it is obvious that most married couples had used their testament as a marriage contract *ex post*. By doing so, nuptial agreements between two people were no longer meant to protect the family wealth of the original families on instigation of the parents. Instead, they were meant to protect the wealth of the new household by taking care that the original families could not claim their legal parts during the lifetime of the surviving partner. Although our samples are too small to generalise our findings, they still suggest that in the course of the eighteenth century new households even tended to protect the surviving partner against their own children. The main aim was no longer protecting the estate as its testator (or his ancestors) had composed it, but rather holding a more dynamic portfolio that could be adapted to market circumstances or to the personal wishes of the surviving partner. As a consequence, fewer inheritances were put under common management (8.8 percent of all liabilities in 1660, versus 5.2 percent in 1780), and testaments held more bequests to others beside the legal heirs (23 percent of all liabilities in 1780, versus 2.8 percent in 1660). This can partly be attributed to the higher number of unmarried people.

A more systematic and larger scale study on intergenerational wealth transfers is needed to document these trends in more detail and to explain

39. SAA, N, inv. no. 4745, 15 and 72.
40. M. Howell, *Commerce before capitalism in Europe, 1300-1600* (Cambridge 2010) pointed out this trend concerning *donations inter vivos*.
41. SAA, N, inv. no. 2969, no pages, no numbers, inventory of Gertrudis Emsens.


Sommarium
Boni
Mali

Ill. 1 Summarizing account for the division of the estate of Gertrudis Emsens (1780). © Stadsarchief Antwerpen, Notariaat, inv. nr. 2969 (pages not numbered)

their causes and consequences. Yet, two trends are discernable: 1) the impact of financial constraints on household relations; 2) a possible adaptation of demographic behaviour in the protection of wealth. Table 2 shows that the lower and middle wealth groups were confronted with a decline and a small increase of their average gross wealth, respectively. Any division of their estates would disturb the fine balance between assets and liabilities, leaving the surviving partner with a loss of assets and even higher debts than before. That is the reason why most households opted for a common management of the estate as long as possible. As will be elaborated in more detail in the next section, changes in the labour market led to changes in wage payments and credit supply during the eighteenth century. Young people, starting their own households, were confronted with financial and borrowing constraints and had therefore more incentives to claim their legal portion as soon as possible. The same constraints, however, necessitated their parents taking precautions for old age, thus evading early claims by forbidding divisions of the estate during the lifetime of one of the partners. The fact that households in the lower wealth groups also started to draw up testaments suggests that solidarity between marriage partners became more important than solidarity between generations. Wealthy families, however, were confronted with additional problems. Their offspring often enjoyed an allowance or used credit on the reputation of their families, eventually leading to claims against the parents. Degryse showed how an increasing number of higher-class families applied for their children to be put under legal constraint.[42]

Higher middle class and elites were not immediately threatened in their survival by a division of the estate, yet its fractioning would threaten the basis of their wealth in the long run. Although the dominance of unmarried people in this wealth group might appear to be a coincidence within a small sample, it probably is not. A high celibacy rate was one of the characteristics of the European Marriage Pattern. Several authors pointed out that postponing marriage often resulted in not finding an adequate marriage partner.[43] Uneven sex ratios in seventeenth and eighteenth-century urban centres confirm this, especially for the lower classes.[44] Still, more research should be devoted to compulsory and deliberate celibacy within the higher wealth groups. Promoting celibacy among the children was a well-known strategy within noble families or for rural landowners to protect their estates against fragmentation. Urban elites and higher middle class probably did the same. It is striking, anyway, that this research suggests that unmarried people were equally distributed over gender groups, thus excluding female surplus as a determinant. Moreover, there are indications that from the late seventeenth century onwards, women deliberately chose celibacy outside convents and opted for an independent management of their wealth.[45]

42. K. Degryse, *De Antwerpse fortuinen*, 354-361.

43. T. De Moor and J.L. van Zanden, 'Girl Power: The European marriage pattern and labour markets in the North Sea region in the late medieval and early modern period', EHR 63 (2010) 1-33.

44. De Belder, *Elementen van sociale identificatie,* 46: in 1784, the sex ratio (adult population) in Antwerp was 138 women to 100 men. J. Verbeemen, 'De werking van economische factoren op de stedelijke demografie der XVIIe en der XVIIIe eeuw in de Zuidelijke Nederlanden', *Revue Belge de Philologie et d'Histoire* 34 (1956) 683: in 1755 Antwerp, the ratio was 148 women to 100 men.

45. M. Monteiro, 'Den Middelen Staet: Waarom vrouwen in de vroegmoderne tijd kozen voor een semi-religieus bestaan', in: M. Monteiro e.a. (eds.), *De dynamiek van religie en cultuur. Geschiedenis van het Nederlands katholicisme* (Kampen 1993) 138-161; H. Deneweth, 'Spanningen tussen geestelijke dochters, families en geestelijke leiders te Brugge (17de en 18de eeuw)', *Handelingen van het Genootschap voor Geschiedenis* 141 (2004) 100-140.

Household finance

Strictly speaking, household finance explores all aspects of household budgets: income, expenditure, savings, investments, portfolio management, and choices and decisions made in these areas. Of course, probate inventories cannot document all of these aspects as they only give the stock of wealth of the estate owner at the moment of death and are not suitable for reconstructing the flow of income in an average household. Only exceptional cases refer to wage payments in the categories of receivables or debts, yet contextual information regarding work time and the exact nature of the labour performed is often missing. The Antwerp inventories, however, are very detailed in listing all receivables, receipts, debts and expenditure, including income from investments and interest payments on loans. They offer valuable insights into the composition of portfolios and the household balance at one specific moment in time, the death of its owner. The comparison between assets and liabilities of different social groups and their evolution over time can bring interesting arguments into the debates on social polarisation, its relationship with household finance, and the way households tried to protect themselves under these changing circumstances.

Cash and credit

Several authors discussed the limited and slow circulation of cash money during the early modern period. Due to economic growth, demand for money grew much faster than its actual supply. In addition, good money was often hoarded (Gresham's Law) or limited to trade transactions, making it even scarcer for daily transactions. The scarcity of cash money was an incentive to establish different kinds of credit relations or even forms of barter.[46]

How scarce was money actually? In 1660, only 54 percent of the Antwerp inventories mentioned cash, ranging between 6 and 1,046 guilders per household, with a median value of 60 guilders (4.5 months work for an unskilled labourer); in 1780, 82 percent of all inventories listed cash ranging between 8 stivers and 8,622 guilders per household, with a median value of 65 guilders. The dispersion of cash was higher in Antwerp than in Ghent in the late eighteenth century (only 71.3 percent of inventories with cash), and definitely higher than in the countryside (ranging between 42 and 77 percent

46. C. Muldrew, *The economy of obligation. The culture of credit and social relations in Early Modern England* (Basingstoke 1998) 98-103.

of all inventories), where more people were being paid in kind, and credit was ubiquitous.[47]

In Antwerp, few people, often in the lower wealth group, stated to have no cash at all. Some mentioned having received some money from minor sales or small credits being redeemed, although they spent it immediately on items related to the funeral or on household consumption. The amounts involved did not exceed 25 guilders. In 1780, inventories deposited in the Orphan Chamber were usually corrected for this kind of entry. Both the available cash at death and an exact specification of the goods or services paid with it were taken down in detail. This only partly explains the higher number of inventories with cash in 1780 as compared to 1660. The Antwerp society was more monetised than it had been in the seventeenth century when credit was 'the addition to the physical quantity of cash'.[48] What had caused this?

To explain the impact of a slow circulation of coins on credit, Muldrew calculated the ratio of debts owed to the deceased compared to the amount of cash in his possession. This amounted to 14:1 in early seventeenth-century Darlington and 28:1 in seventeenth-century Hampshire.[49] In Antwerp, this ratio fell from 7.5:1 in 1660 to almost 1:1 in 1780, mainly due to a substantial rise in cash money from an average of 93.5 guilders to 482 guilders.

It is to be expected that these ratios differed greatly between wealth groups as our first samples indicate. In 1660, households in the lowest wealth group owned on average 61 guilders in cash while they had receivables worth 72 guilders; in 1780, the average value of their assets was 35 percent lower than in 1660 (table 2 above), they owned only 30 guilders in cash and had receivables for only 19.7 guilders. This suggests that impoverishment caused the mutual assistance within this group to falter. At the opposite end of the social scale, households had receivables amounting to 2,936.6 guilders versus 175 guilders in cash money in 1660 (ratio 17:1). In 1780 this ratio skipped to 2,182.6 guilders versus 2,340.2 (0.9:1). In nominal terms, their receivables were still considerable but compared to the cash they owned, it seems as if they refrained from supplying more credit, or that the demand for credit was much lower than it had been in the 1660s. The strong cash position had nothing to do with business, but probably more with temporary constraints on the market for public bonds. Several notaries and brokers, when asked to

47. Willems, *Leven op de pof*, 95-102: comparison with the city of Ghent and rural districts in the former county of Flanders. See also: R. Vermoesen, 'Paardenboeren in Vlaanderen. Middelaars en commercialisering van de vroegmoderne rurale economie in de regio Aalst, 1650-1800', *Tijdschrift voor Sociale en Economische Geschiedenis* 7 (2010) 3-37; T. Lambrecht, *Krediet en de rurale economie in Vlaanderen tijdens de 18de eeuw* (Ghent 2007, unpublished PhD) 94-95.

48. P. Schofield and T. Lambrecht (eds.), *Credit and the rural economy in North-western Europe, c. 1200-c.1800* (Turnhout 2009) 14.

49. Muldrew, *The economy of obligation*, 98-103.

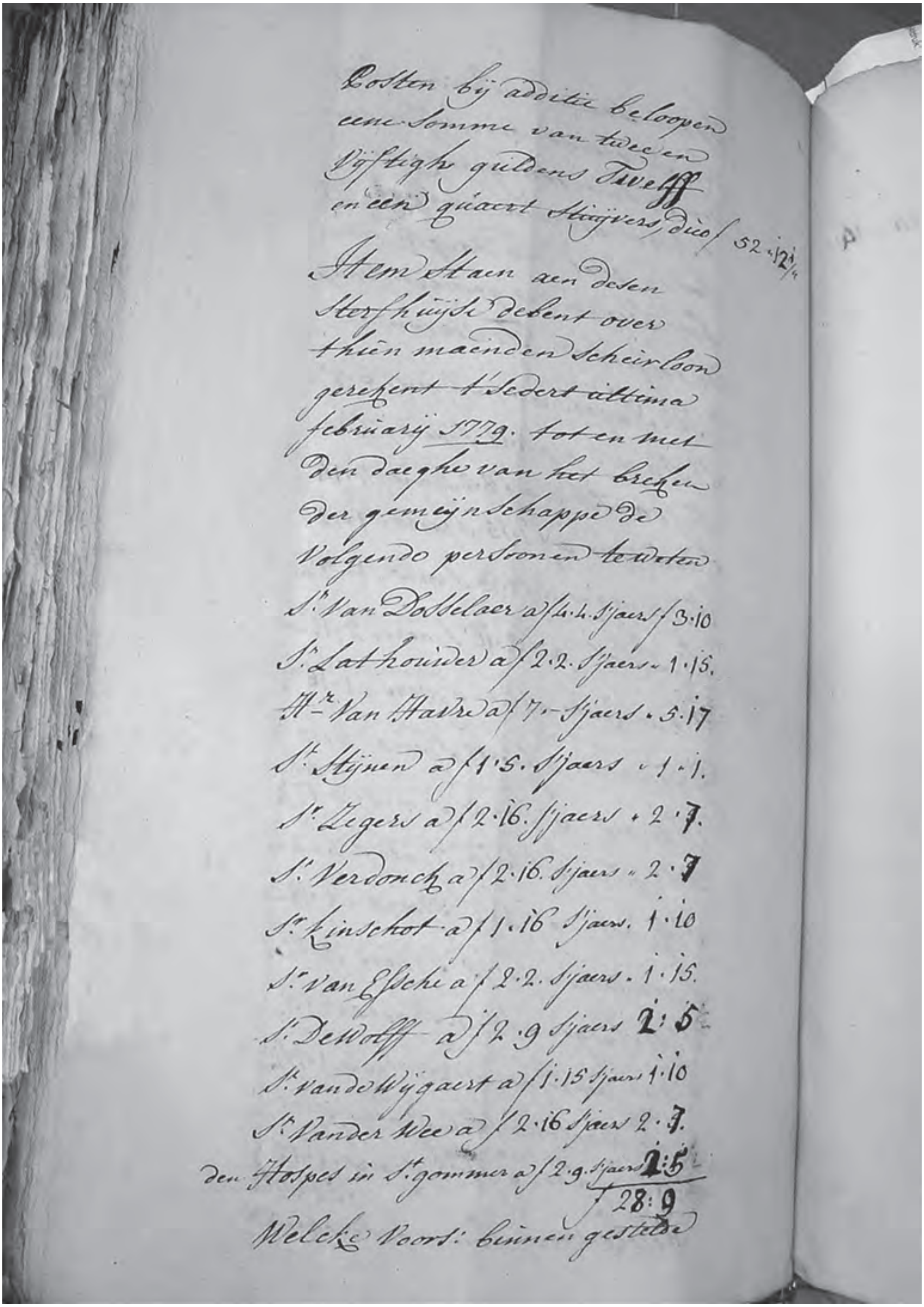
auction public bonds to facilitate the division of estates, mentioned an almost nonexistent demand on the secondary market. Moreover, many bonds were sold below par. Were these people just temporarily refraining from reinvesting their money?

Wealth group 2, which consists partly of craftsmen, merchants and retailers, demonstrated a different behaviour. While their receivables/cash ratio had been 5:1 in 1660 (average of 458.4 guilders in receivables versus 91.3 guilders in cash), it fell to 2:1 in 1780 (average of 217.6 guilders in receivables versus 108.1 guilders in cash). As Willems has documented, Antwerp middle-class groups and retailers and craftsmen in particular made extensive use of credit, compensating supplied consumption credit with enjoyed supplier credit. Credit for them was one of the main characteristics of doing business, open credit lines often being used to establish strong customer relations.[50] Here as well, the nominal value of supplied credit more than halved in the course of the eighteenth century. Examining the effects of defective coin circulation in 1660 enables one to compare the evolution between both samples and explain this shift.

Defective coin circulation created a vicious circle of demand and supply of credit. The assets side of probate inventories show that wages, salaries and deliveries were not promptly paid. One had to wait for weeks or even months before clients received their own income, or had sufficient cash to settle accounts. This might have been quite difficult when setting up business, requiring considerable investments, while income flows only started up after some time.[51] Even when well functioning capital markets facilitated access to credit and first interest payments were not required in the short term, one needed an income to survive.

When Anna Maria Wouters died, her husband Carolus Blommé, a barber/chirurgeon, listed all receivables: 102 clients had open accounts for shaving, running over 12 months. As their accounts started on different days, more or less equally spread over the year, he must have gained a rather regular income after the first difficult year. When she died, the receivables amounted to 203 guilders. More problematic were the receivables for medical treatments: 11 of 22, amounting to 73 guilders, were deemed to be *dubious receivables*.[52] This might seem quite a lot, compared to the 203 guilders for a year's shaving, but has to be considered on a different basis. *Dubious receivables* were open accounts listed in handbooks and could cover several years of activity.[53] They were listed in probate inventories of merchants, retailers, craftsmen, and even

50. Willems, *Leven op de pof*, 130.
51. Earle, *The making of the English middle class*,106-112.
52. SAA, N, inv. no. 1962, without number.
53. Several inventories suggest that the personal and business handbooks were used to list these receivables, referring to 'book D, book E' and so on. Eg. SAA, WK, inv. no. 944, fo. 1-39.



Costen bij additie beloopen
eene Somme van twee en
Vijftigh guldens Twelff
en een quaert Stuyvers, dico f 52.12¾
Item Staen aen desen
Sterfhuijse debent over
thien maenden Scheirloon
gerekent t'Sedert ultima
februarij 1779. tot en met
den daeghe van het breken
der gemeijnschappe de
Volgende persoonen te weten
Sr Van Dosselaer a f 4.4. s'jaers f 3.10
Sr Lathouwer a f 2.2. s'jaers – 1.15.
Hr Van Havre a f 7.– s'jaers . 5.17
Sr Stijnen a f 1.5. s'jaers – 1.1.
Sr Zegers a f 2.16. s'jaers – 2.7.
Sr Verdonck a f 2.16. s'jaers – 2.7
Sr Kinschot a f 1.16 s'jaers. 1.10
Sr van Essche a f 2.2. s'jaers . 1.15.
Sr De Wolff a f 2.9 s'jaers 2:5
Sr van de Wijgaert a f 1.15 s'jaers 1.10
Sr Vander Wee a f 2.16 s'jaers 2.7.
den Hospes in St. gommer a f 2.9. s'jaers 2:5
f 28:9
Welcke Voors: binnen gestelde

Ill. 2 Fragment of the inventory of Carolus Blommé, listing open accounts for shaving. © Stadsarchief Antwerpen, Notariaat, inv. nr. 1962 (pages not numbered) lawyers. Many of them related to people who had become insolvent, moved out of town, simply disappeared or died. Some of them referred to pending court cases on arrears in rent, interest payments or problematic obligations. *Dubious receivables* were just mentioned pro memory, but were not cancelled as long as there was any hope that the debtors would return, meet a better fate, or their heirs could be approached to redeem debts.

As income was quite irregular, people accordingly spread their expenditure over the year, and tried to save money for payments due. Rent was often calculated on an annual basis. Poor households, however, were asked to pay on a more regular basis, per week or per month. The advantage for them was that they only had to collect small amounts of money to pay the rent, while their landlord would not be confronted with large arrears and could speed up the procedure of eviction when necessary. Only a few entries in the inventories refer to dubious receivables or litigation for rent arrears, while the listed amounts for rent did not necessarily refer to arrears either. At the moment of death, all accounts had to be settled, and landlords just calculated the remaining rent between the last payment day and the day of death of the head of the household. As cash was scarce, several households made arrangements with their landlord, exchanging labour, repair works at the house, deliveries or products from their own workshops for rent, thus establishing a kind of barter.

The liabilities side of inventories shows that most households made use of consumption credit and supplier credit, accountable for 4 and 5.5 percent of all liabilities, respectively. Consumption credit was usually granted for food (40 percent), drink (12 percent, mostly for beer and wine), clothes and linen (respectively, 17.9 and 8.2 percent in 1660; 8.3 and 6.5 percent in 1780), and to a lesser extent for fuel and lighting, body care, cleaning, and the purchase of different kinds of daily household goods. Just as craftsmen and retailers tried to spread the start of different individual accounts over the year to gain a regular income, making use of supplier credit and supplying consumption credit at the same time was a way to balance credit supply and payments. Since Willems has already documented this extensively for eighteenth-century Antwerp, I will not elaborate further on this.[54]

When comparing credit in 1660 and 1780, these patterns did not intrinsically change. It was the amount of money involved that made the difference. In 1660, liabilities in 13 of 54 inventories mentioned arrears in wage payments for an amount of 823.6 guilders, as opposed to 17 of 51 inventories in 1780 for an amount of only 434.9 guilders. This suggests that wages were paid more regularly, leaving less need for an accumulation of credit. The implications are visible in the patterns of expenditure as well: consumer and

54. Willems, *Leven op de pof.*

supplier credit fell from a total of 4,731.6 and 6,366.4 guilders, respectively, in 1660 to 2,845.9 and 3,925.4 guilders in the 1780 sample.

Lucassen described how credit systems in the nineteenth-century Netherlands were adapted to the frequency of wage payments, either monthly or weekly.[55] It is to be expected that when wage payments became more regular during the eighteenth century, as is suggested by the improved coin circulation, credit systems would adjust to their higher frequency as well, thus shortening the acceptable credit terms. This might have been problematic for the lowest social groups who – due to changes in the labour market organisation – were more often confronted with temporary unemployment, especially in the textile and related industries. This hampered their ability to settle accounts on a regular payment day and diminished their credibility for shopkeepers, and hence their access to consumer credit. Did this accelerate the downward spiral of poverty? The average value of assets of the lower-class households in our samples declined by 35 percent between 1660 and 1780. This implies that less room was left to use moveable goods as collateral for pawning or informal loans. The lower value of moveable goods can be explained by changes in consumption patterns as well, as cheaper products flooded the market.[56] All wealth classes spent less on moveable goods, which is confirmed by their global share in assets decreasing from an average of 1,054 guilders in 1660 to 799 guilders in 1780. Still, it seems as if the more frequent wage payments and the higher monetisation of the 1780 society made credit supply less urgent than it had been in 1660, a trend confirmed by the households' borrowing behaviour as well.

Loans

Everyday credit in the form of delayed payments, supplier and consumption credit, and to a certain extent barter as well, compensated for the shortage of cash money. Unless payment was considerably overdue, interest rates were never mentioned. They were probably included in the regular prices, as discounts could be offered in case of prompt payment. Loans, in contrast, came in when income fell back considerably on expenditure, causing the usual credit lines to dry up, or when bigger investments were needed on the household or business level. Access to the financial market was directly proportional to wealth, as table 3 shows.

Households in the lower wealth group had neither real property nor financial assets to serve as collateral for more substantial loans, but in case of

55. J. Lucassen, 'Wage payments and currency circulation in the Netherlands from 1200 to 2000', in: Lucassen, *Wages and currency*, 221-263, here 234.
56. Blondé and Van Damme, *Retail growth*, 655.

emergency they could fall back on neighbours, friends, or family members.[57] The loans they got were small, informal loans with no interest rates being mentioned: 37.5 guilders on average in 1660 versus 14.2 guilders in 1780. Based on probate inventories alone, the exact relationship between debtors and creditors is difficult to define. Family members were mentioned most often, and within this group tutors or executors-testamentary in particular. A priest and a lawyer were also mentioned.

Table 3 *Type of loans per wealth group*

	Lowest wealth group		*Middle wealth group*		*High wealth group*	
	N	*Average value*	*N*	*Average value*	*N*	*Average value*
1660						
Annuities (real property)			10	895,4	9	957
Annuities (other)			5	460,8	4	1,908,2
Life Annuities					4	77,7
Mortgaged debt			2	665		
Non mortgaged loans	12	37,5	32	40,7	17	64
Obligations			4	267,5	1	400
Letters of Exchange					1	97
Pawning	2	8	2	19,3	1	409,8
Orphans' money					1	200
Counteraccount	1	14	1	1,3		
1780						
Annuities (real property)			13	1,012,6		
Annuities (other)			1	3,049,6	1	816,7
Life Annuities						
Mortgaged debt						
Non mortgaged loans	7	14,2	17	33,4		
Obligations	1	200	6	954,5		
Letters of Exchange						
Pawning						
Orphans' money						
Counteraccount						

For poor households, pawning was an alternative way to get ready money, although interest rates of 15 percent at the *Berg van Barmhartigheid* (Mount

57. C. Lis and H. Soly, 'Neighbourhood social change in West European cities: sixteenth to nineteenth centuries', *International Review of Social History* 38 (1993) 1-30.

of Piety) were quite high.[58] Soetaert calculated that this institution in Antwerp registered 110,000 to 115,000 pawns per year for an average value of 8 guilders during the second quarter of the seventeenth century.[59] Obviously, probate inventories are not the right source to trace pawning. They mention this practice only occasionally, especially when relatives opted for redeeming these loans to get back valuable family heirlooms. The heirs of Peter van Schaurenborch, a relatively wealthy mercer, redeemed a loan worth 410 guilders for which silver and diamonds were used as collateral. It was not exceptional for middle-class households to make use of pawnshops. As their servants could bring in the pawns in their own name, it was a very discreet way of borrowing without alerting business relations and creditors of temporary liquidity problems.

Access to financial markets changed as soon as households owned real property (wealth groups 2 and 3). Most households borrowed substantially to purchase a house or a plot of land. The easiest way to do so was by selling annuities mortgaged on the newly bought property. The average capital value of these annuities was about 900 guilders in 1660, the equivalent of 2.8 annual wages of a master mason. Interest rates ranged between 5 and 6.25 percent, the latter for older annuities, which translates to annual interest payments between 45 and 56 guilders, or between 1.7 and 2 months' work for a master mason. In 1780, the average capital value of annuities for real property amounted to 1,013 guilders, or 3.2 annual wages, a slightly higher amount made available by a decrease of interest rates to 3.5 percent, which converts into an annual interest payment of 35 guilders or 1.3 months' work for a master mason. Of course, the master mason's wage only serves as a yardstick for reasons of comparison, taking master masons to be the lower boundary of the middle class.[60] Furthermore, comparing wages and prices proves that a master mason would need many more years to save this amount on his household budget.

As long as houses were not over-mortgaged, the possession of real property facilitated taking new loans for other personal and business purposes:

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58. P. Soetaert, *De "Berg van Charitate" te Brugge, een stedelijke leenbank (1573-1795). Bijdrage tot de geschiedenis van kredietinstellingen in de Lage Landen* (Brussel 1974) 12-13: interest rates of 15 percent caused a lot of opposition against these institutions. The so-called *Gratiskassen*, special branches of the Mounts of Piety, and alternatives such as the Mount of Charitate were erected to offer the poor interest-free loans.

59. P. Soetaert, 'Consumptief krediet te Antwerpen (14de-18de eeuw)', *Gemeentekrediet van België* 31 (1977) 255-274: interest rates fluctuated slightly: 15 percent in 1620, 12 percent from 1621 to 1652; 15 percent in the period 1652-1752; a divergent rate from 1752 onwards: 15 percent for pawns valued 300 guilders or less; 12 percent for pawns valued between 300 and 1,000 guilders, 10 percent between 1,000 and 3,000 guilders, 8 percent for pawns worth more than 3,000 guilders.

60. Blondé and Hanus, *Beyond building craftsmen*, 179-207, there 189.

annuities and both short- and middle-term debt on collateral, formal loans in the form of obligations, and informal (non-mortgaged) loans. The main distinction between the three categories, apart from whether or not they were collateralised, was the term of the loan, often being directly proportional to its value (table 3). Owning real property gave households a head start on the financial market, as creditors were more eager to lend, knowing that it would always be possible to recover the capital value (part of it) plus possible arrears on interest payments, even if the debtor became insolvent. Annuities and mortgaged debt offered them a priority claim on the property in case of auction. Even obligations and informal loans were either directly or indirectly covered by the *person and goods* of the debtor. As soon as arrears in interest payments or refunding, or even simple rumours, provoked a suspicion of pending insolvency, creditors could lay hands on the property of the debtor by arrest, thus getting a priority claim on the property as well.[61]

The evolution between 1660 and 1780 confirms the same trend observed before: the need diminished for credit to bridge gaps (when cash money was scarce or income temporarily suspended), visible both in the number and variety of loans, and in the capital value of informal loans. Annuities remained the most popular loan for financing real property, while obligations tended to take over the former function of annuities for personal and business reasons, and other forms of mortgaged debt. Obligations became more popular, and their average capital value increased. Here again, the combination of the declining wealth of the lower social groups in our samples and the declining number and value of loans suggest that their access to credit diminished as a consequence of their deteriorating situation, probably accelerating this downward spiral even more. A larger-scale study is needed to confirm this trend.

Investments

Investment portfolios will not be analysed here, but it is important to document some trends in the financial behaviour of the higher wealth groups. While the median gross wealth of the lower social groups declined from 268 guilders in 1660 to only 172 guilders in 1780, the middle and higher wealth groups in our samples maintained their financial position quite successfully with a median gross wealth of 2,100 and 16,500 guilders, respectively (see table 2). Their average wealth, however, increased due to some exceptionally rich single-person households. Although we cannot attribute too much value

61. H. Deneweth, *Huizen en mensen. Wonen, verbouwen, investeren en lenen in drie Brugse wijken van de late middeleeuwen tot de negentiende eeuw* (Brussel 2007, unpublished Phd) 1001-1041 elaborates on arrests and the consequences of financial claims on person and goods.

to these first findings, it is more interesting that there was a remarkable shift in portfolios from real property and private finance to public finance. The latter was completely negligible in 1660 but accountable for 42 percent of all investments in 1780. Several variables can be indicated for that: the effects of late eighteenth-century polarisation that let the higher social groups accumulate wealth, the limited growth opportunities on the real estate market (building did not follow population growth at the same pace), the time and money needed for estate management, the impoverishment of the lower classes possibly creating more rent arrears, the higher monetisation and the declining demand for daily credit on the private market, which created more surplus money that was not directly invested in production or trade. The Southern Netherlands did not offer sufficient investment opportunities for this surplus money on the capital market. Furthermore, interest rates were quite low, ranging between 2.5 and 3.5 percent during the eighteenth century. Brokers such as Ertborn, Nettine, Cogels and de Proli reoriented investments abroad (Denmark and Norway, Sweden, Brunswick, Saxonia, Bank of Vienna) where bonds yielded between 4 and 6 percent. In our samples, wealthy households investing in foreign public bonds were almost always unmarried persons and some childless couples. This is in line with our findings regarding explicit household strategies. Higher celibacy rates amongst both men and women in the higher social groups seem to point at deliberate or compulsory celibacy in order to prevent the fragmentation of wealth. Still, the care for family wealth was not necessarily directed at protecting estates as composed by the ancestors. Both single persons and married couples preferred an independent management of portfolios, responding to market opportunities and aiming for higher rates of return.

Conclusions

We have demonstrated that probate inventories can be used for the reconstruction of different wealth groups, based on the volume and composition of their estates. More research is needed to optimize standardized as well as dynamic criteria for comparative research between places and over time. When applied on a sufficiently large scale and for several benchmark years, the analysis of probate inventories will provide additional information on how and when economic and social changes impacted on wealth and social mobility, and how households adapted their investment and borrowing behaviour to these changing circumstances.

The pilot study was based on two small samples, but sets out different lines and hypotheses for further research. Lucassen described how, during the nineteenth century, changes in the labour market and a growing dependency on wage labour necessitated employers to pay wages at more regular intervals, which eventually required a higher monetisation. Credit systems adapted to this by shortening the terms to the same intervals.[62] Did the growing dependency on wage labour, for instance in the textile industries, cause similar effects during the eighteenth century? Parallels between monetisation, declining receivables for wages and similarly declining debts for consumption or deliveries seem to confirm this.

Further research should focus on the lower social groups. The value of their assets, as manifested in our samples, diminished considerably in the course of the eighteenth century. Apart from the availability of cheaper products, one can presume that the low and irregular income of these groups, as well as frequent temporary unemployment, limited their expenditures to the bare necessities and hampered their access to consumption credit or loans on collateral of moveable goods. As the same process hit their social peers, even informal loans became more difficult to acquire. Did their limited access to finance accelerate the downward spiral of poverty?

The reverse side of social polarisation was that the higher social groups grew more wealthy. The lower demand for credit and informal loans thanks to the higher monetisation forced them to look for alternatives to invest their surplus money. While investment opportunities in trade and industry were still low in 1780 and the domestic capital market could not answer the demand for higher interest-yielding investments, brokers active on the markets of Vienna and Amsterdam reoriented investments abroad.

Family wealth, however, was fragile. Urban customary law in the Southern Netherlands was developed during the late Middle Ages in periods of fast urbanisation and economic growth. Customary marriage and inheritance law were meant to protect family property and intergenerational wealth transfers within families. Strong as this institution may have been, many households made their own independent choices to protect their individual situation against their families during the eighteenth century. A strong care for the independent means of one's own marriage partner urged many couples to draw up last wills, postponing the division of the estate at the moment of death of one of the partners. This happened at the expense of parents, siblings, and even one's own children, who could not claim their legal portion before the death of the surviving partner. Several last wills in our samples suggest that during the eighteenth century, the main concern was no longer to transfer family estates in the exact way ancestors had composed them, but rather to leave the new owner sufficient opportunities to adapt the portfolio to changing market circumstances. More research, based on last wills, court cases, family archives and ego-documents is needed to understand how this impacted family relations. There are indications that tensions between gen-

62. Lucassen, *Wage payments.*

erations rose as children claimed their portions while parents put them under legal constraint.

On the other hand, several authors pointed out that wealthy families tried to protect their family estates by a restrictive marriage policy among their children, thus evading further fragmentation and taking care of future generations. Whether these policies were successful remains to be seen. Unmarried persons and childless couples indeed dominated the highest wealth groups in our samples. It is not clear, however, whether this celibacy occurred on a larger scale than before and if it was compulsory or deliberate. Several last wills suggest a strong independent position, not always in line with family solidarity, and the intention to manage portfolios independently. Still, the main aim remained the preservation of family wealth, although not necessarily under the same form as it was created.

About the author

Heidi Deneweth is postdoc researcher at Utrecht University (department of social and economic history) where she currently works on a comparative research on household finance in the pre-industrial Low Countries. Her main research interests are: household finance, household strategies, inequality and social mobility.

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