

SIR THOMAS GRESHAM: TUDOR, TRADER, SHIPPER, SPY¹

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Alderman Professor Michael Mainelli, Chartered FCSI(Hon), profiled in this edition on pages 30 to 33, has made a special study over many years of the life and work of Sir Thomas Gresham, founder of the eponymous college and subject of a vibrant new biography by Tudor historian John Guy.

The following article has been updated and adapted from Michael's website at mainelli.org. It is one of the most eye-opening studies of a revered historical figure for many years. While Sir Thomas was indeed the founder of the first serious English challenge to the power of Oxford and Cambridge as seats of learning, and a (mainly) loyal servant to monarchs, he had a more robust side, from which many lessons – particularly on ethical behaviour – are still to be learnt.

THE LEGEND

Sir Thomas Gresham (1519–79) is the best known of all 16th-century English merchants and financiers. Gresham served four Tudor monarchs, managed to keep his head, and all the while made money.

He helped to make London a great international financial centre by importing from Antwerp the idea of a 'bourse' or 'exchange' for items such as shipping and insurance. He built the Royal Exchange and installed the first English shopping mall or bazaar on the first floor of the building. His will enabled a challenge to the dominance of Oxbridge in higher education at the time.

Sir Thomas was a true cockney, born within the sound of Bow Bells on Cheapside around 1519. He attended St Paul's School and Gonville Hall (later to become Gonville and Caius College), Cambridge. In 1543 the Mercers' Company admitted the 24-year-old Gresham as a liveryman dealing in cloth. In the same year he went to Antwerp to make his fortune.

¹ Mainelli.org/?page_id=1497.

² greshams.com/prep-schools-2/archives/history-society-lectures/sir-john-gresham/.

His legend is as a wizard of global finance and one of the wealthiest men of his era. He rose through the mercantile worlds of London and Antwerp to become indispensable to Tudor monarchs. He was something of a maverick both in business and in life. His guiding hand at the helm helped to keep England safely afloat financially in some of the most turbulent of times, but he followed his own rules. Recent appraisals show that while he made money much of the time, his two biggest speculations for the Crown went badly wrong, and he died heavily in debt despite the vast scale of his reputed assets.

He made his greatest discovery as early as the 1550s – bankers and money markets could hold monarchs and sovereign governments to ransom, just as much as the reverse. We're still living with his legacy. Today his name is remembered in the institutions he founded (the Royal Exchange, Gresham College), through an economic principle (Gresham's law) that he did not in fact invent, and for starting to place the City of London at the economic centre of the world.

THE TUDOR

According to family legend, the founder of the family, Roger de Gresham, was abandoned as a baby in long grass in north Norfolk in the 13th century. A woman's attention was drawn to the foundling by the chirping of a grasshopper, hence the family symbol. While this is a beautiful story, it is more likely that the grasshopper is simply a heraldic rebus on the name Gresham, with 'gres' being a Middle English form of grass (Old English 'græs'), and 'gressop' a grasshopper. The grasshopper emblem first appears in correspondence from London to the Pastons in Norfolk in the mid-1400s.

James Gresham, Sir Thomas's grandfather, was from the Norfolk town of Holt. He became a London legal agent working for Sir William Paston, a prominent judge from a family of Norfolk gentry.

Sir Thomas's father, Sir Richard Gresham, his uncle Sir John Gresham, and later Sir Thomas himself were merchants actively trading in Antwerp and London. They had a lucrative sideline undertaking specific missions for the Crown, for example supplying tapestries for Wolsey in the 1520s and armaments for Henry VIII in the 1540s. Richard, in particular, was also engaged in short-term lending (Tudor 'payday' loans) to Londoners and courtiers during these years, while speculating extensively, and highly profitably, in land

and lead after the Dissolution of the Monasteries.

Sir Thomas owed much of his success to the patronage of his father

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and uncle; both were two of the most effective of the Tudor financiers, but were known to be ruthless, greedy and were widely hated.

The head of history at Gresham's, Simon Kinder, expanded on this in a History Society lecture called 'Shovellor of human manure':

Sir John was accused of crafty business dealings as early as 1526. In 1532 an Antwerp merchant, Nicholuccio Vinnaciese, pleaded with Henry VIII to give him protection from the Gresham brothers who, he claimed, had had him wrongfully arrested and had attempted to destroy his credit rating amongst his fellow merchants.

In 1535 Sir Francis Bigod wrote to Thomas Cromwell complaining that he 'dare not come to London for fear of Mr Gresham'. When Sir John Gresham died in 1556 his death was celebrated in verses which carried the following catchy title, translated from the original Latin – 'The epitaph of that stupid and squalid usurer, John Gresham, a soldier who shovels human manure ... who is buried in hell'. Similar verses celebrated the demise of Sir Richard Gresham in 1549.²

THE TRADER

Gresham was no stranger to rigging markets. He writes to Lord Cecil in 1558, “Dyd I not raise it to 23s, and paid his whole detts after 20s., and 22s whereby wool fell in price from 26s 8d to 16s., and cloths from ix li a packe to xl and xxxvi li a packe, with all other our commodities, and forrayners.”³

Throughout the 1550s and 60s, Sir Thomas continued to acquire significant properties in several counties, such as Osterley Park and Boston Manor in West London. He built his City mansion near Bishopsgate around 1563 on the site now occupied by Tower 42. The unsettled times preceding the Dutch Revolt against the Spanish rulers of the Netherlands compelled him to leave Antwerp for good and bring much of the trade with him to London. Queen Elizabeth I then found Gresham useful in other ways, including acting as jailer to Lady Mary Grey (sister of Lady Jane Grey) for three years.

Monarchs such as Holy Roman Emperor Charles V and his son Philip II, king of Spain, and big banking and trading firms, such as the German-based Fuggers, raised funds on the Antwerp Bourse. The extravagancies of Henry VIII and mismanagement of trade by Sir William Dansell, the king’s merchant in the Low Countries, financially embarrassed the English monarchy. By late 1551, Edward VI appointed Sir Thomas as Royal Agent in Antwerp. A shrewd dealer, Gresham advised the king to manage actively the value of pound sterling by buying low and selling high on the Antwerp Bourse.

THE SHIPPER

Antwerp was very cosmopolitan and large for the time, with a population approaching 100,000, double that of London or Rome. The growth of the cloth trade between London and Antwerp was the single most important factor in the City of London’s expansion. Just 25 merchants accounted for half of London’s cloth exports, and the two biggest exporters were the brothers, Sir John and Sir Richard Gresham.

³ archive.org/stream/in.ernet.dli.2015.40825/2015.40825.Life-And-Times-Of-Sir-Thomas-Gresham--Voll_djvu.txt.

// HE MAY NOT HAVE INVENTED GRESHAM’S LAW BUT HE UNDERSTOOD IT WELL //

Sir Thomas proved so successful at manipulating royal debt that within a few years King Henry’s successor, the young King Edward VI, had discharged most of his debts. On the accession of

Queen Mary in 1553, Gresham fell from favour, perhaps due to his Protestant leanings, and was relieved of office. Alderman William Dauntsey replaced him, but Dauntsey quickly proved unsuccessful at

finance and Gresham was reinstated.

Instructions in 1558 under Mary Tudor said: “Gresham shall with all diligence repair to Antwerp ... for the speedy receipt to our use of 100,000 pound bargained for by [a German banker] and for the borrowing to our use of 100,000 pound more ... at such favourable interest as he may [obtain].” Not only were his services retained throughout Mary’s reign (1553–58), but besides his salary of 20y shillings per diem he received grants of church lands to the yearly value of £200.

By Elizabeth’s accession in 1558, Sir Thomas was a royal favourite. He may not have invented Gresham’s law (‘bad money drives out good’), but he understood it well, explaining to Queen Elizabeth that because her father and brother, Kings Henry VIII and Edward VI, had replaced 40% of the silver in shilling coins with base metal, “all your fyne gold was conveyed out of this your realm”. William Cecil put Sir Thomas in charge of recoinage. To his, Elizabeth’s and Cecil’s credit, within a year (1560–61) debased money was withdrawn, melted, and replaced, with a profit to the Crown estimated at £50,000. The restoration of the coinage improved commerce and positioned London nicely to profit from increasing turmoil on the Continent. This also demonstrates that ultimately ‘good money drives out bad’, as people will revert to a strong currency backed by the appropriate authority.

THE SPY

On his own account, and on that of his father and uncle, Sir Thomas carried on

business as a merchant and acted in various matters as an agent for King Henry VIII. He was clearly a ‘merchant adventurer’ with an international network of agents, though the sobriquets ‘arms-dealer’ or ‘gun-runner’ might apply too. He procured armaments and munitions for the defence of the realm, particularly against Spain and France. There are tales of bullion concealed in bales of pepper or armour. In 1560 he writes to Queen Elizabeth I, “Yt maye please your most Excellent Majestie to understand, that for the better profe to your highnes: for the conveyans of soche bullion and golde as I shall provyde for you, I have sent you this letter inclosed in the stonne worke being no smale comforte unto me: that I have obteyned to the knowledge therof for the better conveyans of your treasure, which thing must be kept as secretlie as your Majestie can devize, for yf yt shulde be knowne or perseved in flandders it were as moche as my liffe and goods were worth, besides the lose that your highnes shuld susteyne therbie.”

Sir Thomas acted temporarily as ambassador at the court of Margaret of Parma, for which he received his knighthood in 1559. He passed intelligence to William Cecil (Lord Burghley, Secretary of State for

Elizabeth and her great spymaster) – such as King Philip’s plans to ally with the King of France. A ship from 1570 was discovered in the Thames in

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2003 with cannons inscribed with grasshoppers and marked ‘TG’.

Sir Thomas’s manoeuvring released English monarchs from some crushing burdens of debt and allowed for vital military preparations during the wars of religion, above all between England and Spain, that set Europe ablaze.

GRESHAM COLLEGE

Thomas married Anne Ferneley (1521–96), a widow with two sons. The only child they had together, Richard, died in 1564 at the age of 19 from ‘a fever’. He also had a daughter who

predeceased him, as did his sister. Despite his London marriage, Sir Thomas still continued to reside principally in the Low Countries. Later, in 1559, he bought a large house at 43 Lange Nieuwstraat, as well as a Flemish country mansion. Sir Thomas died suddenly of a stroke ('apoplexy') on 21 November 1579.

Sir Thomas's will of 1575 established his most enduring legacy, Gresham College:

I Will and Dispose that one Moiety.. shall be unto the Mayor and Commonalty and Citizens of London ... and the other to the Mercers ... for the sustenation, maintenance and Finding Four persons, from Tyme to Tyme to be chosen, nominated and appointed And their successors to read the Lectures of Divinity, Astronomy, Musick and Geometry... and distribute to ... Three Persons... and their successors from Time to Time, to be chosen and appointed meete to reade the Lectures of law, Physick and Rhetorick, within myne now dwelling House in Bishopsgate Street

His wife contested his will in favour of her sons from her first marriage for 17 years, but without success. After she died, College lectures began in the Bishopsgate mansion (now the site of Tower 42). The first professor of geometry was Henry Briggs, populariser of the logarithm. Other notables include Edmund Gunter, with his 'Gunter's chain', a distance-measuring device used in surveying; John Greaves, who set up observation posts in the Middle East in 1638 to observe the Moon's eclipse; and the composer John Bull, widely regarded as one of the founders of the modern keyboard repertory.

An intellectual high point followed a lecture by the professor of astronomy, Christopher Wren, on 28 November 1660. Thirteen men formed a 'College for the Promoting of Physico-Mathematicall Experimentall Learning'. A Royal Charter of 1663 named it The Royal Society of London for Improving Natural Knowledge. Many Gresham notables played a part in the Royal Society, perhaps none more so than Robert Hooke, a Gresham professor from 1664

to 1703, and curator of the Royal Society from 1661 to 1703.

After over 150 years at Bishopsgate, the College gained purpose-built premises on the corner of Gresham Street and Basinghall Street in 1842. In 1991 the College moved to Barnard's Inn Hall, a 13th-century hall located close to Chancery Lane. As well as the original seven professors of divinity, astronomy, music, geometry, law, physick, and rhetoric, an eighth of commerce, now business, was added in 1985. The disciplines covered by the College's sponsored and visiting professors now range widely from the environment to information technology.

SIR THOMAS GRESHAM'S LEGACY

Sir Thomas left many marks on the topography of the City of London. The grasshopper, his family symbol, can be spotted around the City, as weathervanes at the top of his major commercial contribution, the Royal Exchange, and in many crests, seals, and stained-glass windows. A large grasshopper hangs at 68 Lombard Street, site of St Martin's Goldsmiths.

His major philanthropic contribution, Gresham College, thrives, over four centuries on, at Barnard's Inn Hall in Holborn. Its former location still exists, and a street before the Guildhall commemorates the family. His grave is prominent in one corner of St Helen's Bishopsgate. At least three statues of Sir Thomas stand in the City, one in a north-facing alcove of the Royal

Exchange, one on Holborn Viaduct, and the other in the Old Bailey. A portrait by Holbein

in Mercers' Hall, where Sir Thomas was Master Mercer three times, is possibly the first full-length painting of a 'commoner' in Britain. Outside London his various properties extended well beyond his Norfolk origins to include estates such as Mayfield House in Sussex. Sir Thomas is a tough subject for biographers accustomed to focusing on monarchs, their families and their

wars. He traded in several lands and worked in several languages. To some he was austere, to others manipulative, to others ruthless. How did he really make his fortune? How rich was he in

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modern terms? Was his support for 'new learning' in his will a commitment that education should be available to

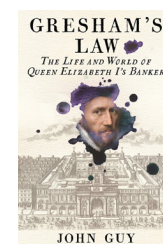
merchants, tradesmen, and navigators, rather than just to gentlemen scholars, or was it a throw-away bequest?

FIRST NEW BIOGRAPHY SINCE 1839

Drawing on extensive new research and several startling discoveries, the eminent Tudor historian John Guy recreates Sir Thomas's life and singular personality with astonishing intimacy. He reveals a survivor, flexible enough to do business with merchants and potentates no matter their religious or ideological convictions. Sir Thomas's mind was a calculating engine; he was a smuggler and arms dealer, an extortioner who was backed by royal authority, and he was a coldly unsentimental figure even to members of his own family.

Even Elizabeth, England's steely young queen, found herself disconcertingly at odds with Sir Thomas's ambitions. In their collisions and wary accommodations, we see our own conflicts between national sovereignty and global capital foreshadowed. A story of adventure and jeopardy, greed and cunning, loyalties divided, mistaken or betrayed, this is a biography fit for a merchant prince. Five hundred years after his birth, now is the time to take stock of his legacy.

// AN INTELLECTUAL HIGH POINT FOLLOWED A LECTURE BY PROFESSOR CHRISTOPHER WREN //



Gresham's Law: The Life and World of Queen Elizabeth I's Banker, John Guy, Profile Books, 2019, 320 pages

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