

WAS JOHN BANKRUPT?

From the time Philip became king in 1180, there was almost continual conflict along the borders of the Angevin empire with France.

The costs of warfare were huge - so Richard & John developed a **war economy**.

Richard had proved that a large supply of cash made warfare successful in late 12th century Europe.

Warfare was an expensive business:

- ❖ Castles were now built in stone
- ❖ Siege machinery needed to be the latest equipment
- ❖ Troops were often hired professionals
- ❖ Richard had been a genius in his organisation of the Third Crusade & the defence of Normandy after his imprisonment

But – had Richard's vast spending & the increasing interference of Angevin officials under Henry II, Richard & John exhausted Angevin reserves so that Philip had more money than John by 1204?

Evidence

Historians have studied 3 main pieces of evidence concerning the finances of John & Philip (for the same financial year):

- ✓ The French account for 1202-3 is the sole record of annual audit to survive in its entirety for Philip's reign.
- ✓ The surviving Norman pipe rolls (those for 1195 & 1198 are virtually complete but the account for 1202-3 is not.
- ✓ There is a virtually unbroken run of pipe rolls for England covering the reigns of Richard & John (with the exception of 1213).

Historians have not agreed on how to interpret this evidence:

- 1 John at the Christmas court of 1205 spent £700 on robes (the average annual income of a knight was £20).
- 2 Richard had used Normandy to raise vast sums over a short period of time for purposes other than its defence (Richard's crusade & ransom). Richard's policies left Normandy's reserves low & made it harder to derive new revenue. Richard's use of English treasure & loans from Jewish financiers suggests that Normandy's resources were already insufficient for his needs. "Although further research into this subject is required, it would appear that many of John's financial problems were indeed of Richard's making". **Nick Barratt**
- 3 Richard's vast expenditure on his ransom & fortifications in Normandy left John with insufficient cash to garrison and maintain those fortresses.
- 4 No records survive from the Anjou & Aquitaine areas of John's empire, so the record of John's income is not complete.
- 5 **John Gillingham** has argued that John would have had income from Anjou & Aquitaine, which were rich.
- 6 **Sir James Holt** has suggested that by 1203, John may have had no more than 74% (or even as little as 41%) of Philip's funds.
- 7 **Holt** has argued that the royal income from England was only £34,500.
- 8 The French audit for the year 1202-3 is the only record for Philip's reign and so may not be a true reflection of his income.
- 9 **Nick Barratt** has estimated that between 1207-1212, John's revenues in England stood at £49,000 on average (double the figures for Richard I & Henry II)
- 10 John had less money from Normandy than Richard did. His revenue from 1199-1202 was 45% of Richard's in the year 1198.
- 11 Richard's castle building (Chateau-Gaillard alone cost £12,000) & the defence of his lands 1194-99 continued to crush the Angevin taxpayer.
- 12 **Gillingham** argues that Holt's estimate of £34,500 is too low.
- 13 The Normandy records for the year 1202-3 are incomplete & no figure for the extraordinary taxation in England for 1203 survives.

- 14 John had all the costs of maintaining the royal court in the lavish style expected of the period.
- 15 Philip had put into place financial innovations and reforms which maintained his reserves more successfully than the Angevins. **Baldwin** has emphasised the advance in Capetian state finance under Philip.
- 16 **Gillingham** argues that Holt's French estimates are inflated by borrowed funds & reserves.
- 17 Adding up the income from Normandy, England & Ireland, **Gillingham** has estimated £63,000-£77,000 for John & £51,000-£72,000 for Philip.
- 18 Once Philip had conquered Angevin territory, he benefited from the income they brought in.
- 19 **Barratt** has examined the disposable income available to each side – “No matter which set of data is used, it is difficult to describe Philip's revenue as having ‘outstripped’ John's on the eve of the war”. Because of the incompleteness of the data, “the relative resources of the two monarchs are likely to have been even more closely matched.”
- 20 **Gillingham** argues that John's problems were not because he had inherited financial problems but because he did not know how to rule.
- 21 **John Baldwin** has studied Philip's finances and concludes that his finances were “adequate to his political designs against the Angevin lands on the continent”.
- 22 **Ralph V Turner** agrees with Baldwin's conclusion.
- 23 **Jim Bradbury** states that “the records simply do not allow a conclusive view”.
- 24 **Gillingham** has shown how Richard managed to keep his lands together with resources similar to John's, despite long periods of absence from the heart of government.
- 25 **Bradbury** suggests that “Philip was improving his resources before this triumph”, and that “warfare from 1202, and the losses sustained from then onwards, must have seriously diminished [John's] continental income”.
- 26 **Barratt** has pointed out that all the 3 main sources are records of audit not of receipt – so do not contain all revenue collected by the monarchs. “Key data is lacking in a number of areas”.

- 27 **Barratt** has stressed the importance of studying the data concerning soldiers' pay – this expresses the revenue each king had in terms of potential military capacity. Barratt studied the wages for soldiers hired in Normandy (by John) & France (by Philip) and concluded that “John would have enjoyed a financial advantage over Philip when raising an army”. When the exchange rate is taken into consideration the cost of a Norman knight was only two-thirds the price of a French knight (true for other forces as well) – “the conversion of revenue into military units tips the balance of power in John's favour”.
- 28 Using **Holt's** total for the French disposable war revenue – Philip could purchase less than three-quarters as many knights & foot sergeants as John & under half as many mounted sergeants. If **Baldwin's** figures for France are used – Philip comes off a little better but the Capetians could still only purchase 86% as many knights & foot sergeants as the Angevins, and 57% as many mounted sergeants.
- 29 **Baldwin** has estimated that the size of Philip's army on the Norman marches was about 2,110 troops altogether. **Barratt** has estimated that if Philip used his entire disposable war revenue for this purpose, he could afford to pay these troops for 602 days (Holt) or 721 days (Baldwin). These figures compare unfavourably with John's potential length of service of 905 days.
- 30 **Barratt** – “although Philip may have enjoyed an advantage in the level of disposable revenue, he was faced by more expensive military costs. In real terms, it is likely that any financial superiority he might have enjoyed would have been negated.”
- 31 **Barratt** has also studied how much of their entire war revenue each king used in the campaign. **Holt** calculated that John diverted £18,534 from English revenue to the defence of Normandy, which added to the funds derived from Normandy, came to 69% of his entire disposable war revenue. Yet this was only 80% of the resources deployed by Philip. Philip had the great advantage of being able to use funds held in reserve. The Angevins still held a slight advantage if the revenue totals are expressed in military terms, though the gap between the two is smaller (John could maintain an army of 2,110 troops for 624 days & Philip could pay them for 496 days).
- 32 “Although Philip's superiority was not as decisive as had previously been thought, it would appear that a greater strain was indeed being placed on Angevin resources than on those of the Capetians. This is highlighted by the fact that Philip was able to use reserves built up in previous years...whereas John was struggling to raise sufficient new revenue to match Philip's resources in the combat zone.” **Barratt**

- 33 **V Moss** has studied Norman finances under the Angevins and has discovered that John was extracting more revenue from Normandy than Henry II had done BUT, compared to Richard I, “John’s fiscal performance appears truly awful.”
- 34 **Moss** believes that the sharpest fiscal decline coincides with the time of Arthur’s murder.
- 35 “John’s failure to match Richard’s fiscal performance as duke of Normandy must carry significant weight in any explanation of the duchy’s fall.” **Moss**
- 36 In 1974 **P Harvey** wrote 2 articles claiming that the 40 years at the turn of the 12th & 13th centuries were a critical period of change. He said that rising demand and a great influx of new silver coming into England (mainly by the wool export trade) caused sudden and rapid price and wage inflation.
- 37 **J L Bolton** has challenged this view – he claims that the flow of silver into England was not as great as was oncelthought (given the wars that disrupted trade). John’s strategy for reconquering his overseas lands led him to store millions of coins in his castles and this would have had a deflationary impact. “John’s reign, then, was not a period of runaway inflation, except in its opening years.” **Bolton**
- 38 Historians do accept the sharp rise in prices in the first few years of John’s reign – severe economic consequences for John when dealing with the greatest crisis to face any Angevin king.