

How the guilds governed the market

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The political guilds of Zurich were also economic authorities. They wrote and enforced the rules of the crafts, supervised quality, fixed or influenced prices and wages, controlled admission to mastership and defended the urban market against competition from the countryside and from outsiders. The Zentralbibliothek Zürich summarises their purpose in a phrase that captures the moral economy of the system: the guild ordinances on apprenticeship, the journeyman years, places of sale and prices aimed to provide the inhabitants with food and a livelihood.¹ Otto Sigg identifies the guiding principle as the *gerechte Nahrung*, the “just livelihood” to which every master was entitled, together with the authority of *Herkommen*, custom and precedent.² Most of the detailed ordinances that survive date from the sixteenth to the eighteenth centuries, but they codified practices whose roots lie in the late medieval period. Read together, they allow a reasonably clear picture of how the guild economy worked.

1 Entry: apprenticeship, the journeyman years and mastership

Across Switzerland, crafts came to be organised in guilds in the fourteenth and fifteenth centuries. The central rule of the system was the *Zunftzwang*, the obligation of anyone who wished to practise a craft to acquire membership of the relevant guild.³ In Zurich this obligation became general. From 1490 all male citizens, and unmarried female citizens, had to belong to a guild or to the Constaffel. From 1525 onwards a person could belong to only one guild.⁴ Women who practised a trade were included in the guilds but had no political rights, the only guild office open to them being that of the tavern-keeper.

The route to independent practice was standardised. An apprentice served two to four years with a master, followed by a period as a journeyman, often of similar length, before he could apply for mastership.⁵ The guilds

issued certificates confirming completed training. By the eighteenth century some crafts used printed forms designed to resist forgery, as the coppersmiths did from 1763.⁶ The final hurdle was the masterpiece. The carpenters' ordinance of 1623 prescribed the construction of a chest of specified dimensions and limited the cost of materials to eighteen to twenty gulden. The finished piece was then examined by the serving guild master, the guild councillor, the guild and craft wardens and four masters of the craft. Admission cost money: besides the fees the guilds collected for masters and apprentices, a newcomer paid an entry fee, the *Einkauf*, which in the fourteenth and fifteenth centuries formed, together with fines and widows' payments, the modest basis of guild income.

The number of workers a master could employ was limited. A locksmith, for example, might keep three journeymen, or two journeymen and one apprentice.⁷ More generally, Swiss guild ordinances limited the quantity of raw materials a master could process and the size of his workshop, typically to three or four looms or workbenches.⁸ The shoemakers were forbidden to put out work to subcontractors, whether citizens, country people, clergy or laymen. The effect of these rules was to keep enterprises small and roughly equal in size, to prevent any single master from growing at the expense of the others, and to preserve the structure of many independent households, each headed by a master.

2 Prices, quality and the separation of trade and craft

Within the craft, competition was tightly bounded. The ordinances forbade undercutting prices, enticing away another master's workers and taking over another's workplace. The shoemakers justified these rules as being "zu Ehre und Notdurft des Handwerks", for the honour and the needs of the craft.⁹ In the Swiss towns generally, prices and wages were set by the authorities, and quality was maintained by detailed rules and inspections.¹⁰ The shoemakers' ordinance, for instance, prohibited the use of wet leather and prescribed which kinds of leather were to be used for which products. A butchers' ordinance of 1548 bore the motto "A qua lance Justus singula dispersat", the just man distributes all things with an equal scale, which Sigg takes as a fitting summary of the guild ethos.

A further principle separated the crafts from trade. Swiss guild regulation drew a line between the crafts, the *kleines Gewerbe*, and commerce, the *grosses Gewerbe*, and prohibited merchants from producing and craftsmen from trading in goods beyond their own products.¹¹ In Zurich this separation mapped onto the political order. The long-distance merchants were placed in the Constaffel in 1336, while the regional merchants

organised themselves mainly in the guilds zur Saffran and zur Meisen. Petty traders and pedlars were fully integrated into the craft guilds.¹² The division of labour between those who made goods and those who traded them was therefore also a division of political constituencies.

The same regulatory mindset could restrain innovation. The Zentralbibliothek notes that the new technique of morocco tanning was at first banned and later reserved to guild members, an example of how guild monopolies could inhibit new methods.¹³ Sigg, who is otherwise sympathetic to the guild world, observes that the strict craft morality of the journeymen often hindered innovation.¹⁴ An ordinance of 1722 permitted only goods from guild shopkeepers within an hour's journey of Zurich to be sold, which illustrates the defensive, local horizon of the regulation.

3 City and countryside

The most consequential economic feature of the guild order was the monopoly of the town over the surrounding countryside. Swiss towns generally claimed a *Bannmeile*, a zone around the town from which rural craftsmen were excluded, while the rural crafts were partly unregulated, partly organised in the traditional *ehaften* trades such as mills, smithies and taverns, and partly organised in rural guilds.¹⁵ Zurich pursued this policy with particular consistency. Until the end of the ancien régime the city monopolised the markets and protected urban craftsmen against outside competition.¹⁶ Only guild members resident in the city could practise and sell certain goods. As late as 1790 a petition of the watchmakers still defended the principle of granting “dem Stadtbewohner gewisse Handwerks-Vorrechte vor dem Landmann”, certain craft privileges to the townsman over the countryman.¹⁷ Certain rural masters, the country bakers, farriers, linen weavers, saddlers and locksmiths, were attached to the urban guild structure, a form of integration that also ensured their supervision.

This monopoly became more important as Zurich acquired a territory. Between the middle of the fourteenth and the end of the fifteenth century the city bought or took in pledge a series of lordships around the lake and beyond: Zollikon in 1358, Küsnacht, Meilen and Höngg in 1384, Thalwil in 1385, Greifensee in 1402, Grüningen in 1408, Regensberg and Bülach in 1409, the county of Kyburg in 1424 and definitively in 1452, Andelfingen in 1434, and Winterthur and Stein am Rhein in 1467 and 1484. Apart from the conquest of the Freiamt in 1415, these acquisitions were made by purchase or pledge.¹⁸ The territorial state was thus built with money, which came in large part from the merchant and rentier families who dominated

the councils. In political terms, city and countryside formed a double commonwealth, held together by the sovereign authority of the city's government. The country people held a *Landrecht* distinct from urban citizenship and had no place in the guild constitution. The guild order was, in this respect, the constitution of a privileged urban minority that governed and regulated a much larger rural population.

The tension this created erupted repeatedly, in the Grüningen affair of 1441 and, most famously, in the Waldmann affair of 1489, both of which the Historisches Lexikon interprets as reactions against the city's growing intervention in the justice and administration of the countryside.¹⁹ The economic dimension of the conflict, the city's attempt to concentrate crafts within its walls and to control the grain trade, is considered below in the discussion of Waldmann.

4 Guilds, credit and capital

Questions of money-lending and coinage belong to Chapter A.IV. The guild order nevertheless shaped the credit economy of Zurich in three ways that deserve mention here.

The first concerns the location of financial occupations within the political order. As seen above, the money-changers, goldsmiths and salt dealers belonged to the Constaffel from 1336.²⁰ The professional handling of money was therefore associated with the old elite and with the wholesale trade, remaining outside the craft regulation that governed the rest of the urban economy. After 1498 merchants, goldsmiths and rentiers could choose their guild freely, which allowed families whose wealth rested on capital to spread their political presence across the guilds.²¹

The second concerns the guilds' own capital. In the fourteenth and fifteenth centuries their income was modest, drawn from entry fees, fines and the taxes on masters and apprentices. From the sixteenth and seventeenth centuries onwards, however, the guilds drew substantial revenues from mortgage lending and ground rents.²² Sigg's analysis of the assets of the guild zur Saffran around 1750 is striking: out of total assets of some 160,000 gulden, about 100,000 gulden consisted of interest-bearing capital, lent mainly to rural communities, while the rest comprised real estate and shops worth some 20,000 gulden, cash reserves of over 19,000 gulden, grain stocks, military ammunition and a treasure of silver plate that was not even counted in the total.²³ A guild, in other words, had become a capital-holding corporation that lent to the countryside the savings accumulated by an urban community. The movement of capital from city to country through

secured loans, which is characteristic of the Zurich economy of the early modern period, was carried in part by the guilds themselves.

The third concerns the guilds' social functions, which served as a form of insurance. The guilds supported their members "from cradle to grave", provided assistance in hardship, supervised marriages, organised burials and, in famine years such as 1770–1771 and 1794–1795, subsidised the sale of grain.²⁴ The grain stores listed in the Saffran's balance sheet were part of this function. A guild was thus simultaneously a regulator, a political constituency, a militia unit, a savings institution, a lender and a mutual-aid society. The combination explains both its resilience and the difficulty of dismantling it.

5 An economic assessment

How should the guild economy be judged? The most comprehensive recent economic analysis of the European guilds, by Sheilagh Ogilvie, concludes that guilds existed because they benefited two powerful groups, their members and the political elites. In her assessment their costs outweighed their benefits: they regulated quality but prevented poor consumers from buying cheaply, fostered skills but blocked innovations that threatened them, and excluded women, migrants and minorities from work.²⁵ Critics of this thesis have asked how an institution with so many defects could last so long, and have suggested that guilds may have represented a transitional labour system between coercive economies and wage bargaining.²⁶

Zurich provides material for both sides. The fusion of political and economic power in the guilds is exactly the arrangement that Ogilvie identifies as the source of guild privilege: those who wrote the rules of the market were those who profited from them, while the city's territorial monopoly extended those rules over a rural population that had no voice in making them. On the other hand, the Zurich guilds provided a stable framework of training, quality control and mutual support. Their small-scale, egalitarian structure among masters limited the concentration of economic power within the crafts. Above all, the dynamic sectors of the Zurich economy were never fully subject to guild control. The silk trade of the fourteenth century collapsed after the Old Zurich War, leaving regional markets for grain, wine, salt and iron.²⁷ When textile production revived in the sixteenth and seventeenth centuries, it did so through Protestant refugees and Huguenot merchants who organised putting-out systems outside the guild constraints. In 1662 the merchants created their own semi-official body, the Kaufmännisches Direktorium, which existed until 1834.²⁸ The guild order, in short, protected the crafts and the local market

while leaving room, at its edges, for the commercial and financial activities that would eventually carry Zurich into the modern world. That pattern of a regulated core and a freer commercial periphery is one of the more durable features of the city's economic history.

6 Notes

1. Monica Seidler-Hux, "Die Zürcher Zünfte", Zentralbibliothek Zürich, April 2024, <https://www.zb.uzh.ch/en/fokus/beitrag/die-zuercher-zunfte>. ↩
2. Otto Sigg, "Zunft Herrlichkeit" (1986), <https://www.zuerich-geschichte.info/pdfs/Zunft Herrlichkeit.pdf>. ↩
3. HLS, "Handwerk" (Anne-Marie Dubler), <https://hls-dhs-dss.ch/articles/013954>. ↩
4. Monica Seidler-Hux, "Die Zürcher Zünfte", Zentralbibliothek Zürich, April 2024, <https://www.zb.uzh.ch/en/fokus/beitrag/die-zuercher-zunfte>. ↩
5. Otto Sigg, "Zunft Herrlichkeit" (1986), <https://www.zuerich-geschichte.info/pdfs/Zunft Herrlichkeit.pdf>; HLS, "Handwerk" (Anne-Marie Dubler), <https://hls-dhs-dss.ch/articles/013954>, on the standardisation of the apprenticeship and the Wanderschaft. ↩
6. HLS, "Handwerk" (Anne-Marie Dubler), <https://hls-dhs-dss.ch/articles/013954>; Monica Seidler-Hux, "Die Zürcher Zünfte", Zentralbibliothek Zürich, April 2024, <https://www.zb.uzh.ch/en/fokus/beitrag/die-zuercher-zunfte>. ↩
7. Otto Sigg, "Zunft Herrlichkeit" (1986), <https://www.zuerich-geschichte.info/pdfs/Zunft Herrlichkeit.pdf>. ↩
8. HLS, "Handwerk" (Anne-Marie Dubler), <https://hls-dhs-dss.ch/articles/013954>. ↩
9. Otto Sigg, "Zunft Herrlichkeit" (1986), <https://www.zuerich-geschichte.info/pdfs/Zunft Herrlichkeit.pdf>. ↩
10. HLS, "Handwerk" (Anne-Marie Dubler), <https://hls-dhs-dss.ch/articles/013954>. ↩
11. HLS, "Handwerk" (Anne-Marie Dubler), <https://hls-dhs-dss.ch/articles/013954>. ↩
12. HLS, "Kaufleute" (Martin Illi), <https://hls-dhs-dss.ch/articles/016380/2016-03-23/>. ↩

13. Monica Seidler-Hux, “Die Zürcher Zünfte”, Zentralbibliothek Zürich, April 2024, <https://www.zb.uzh.ch/en/fokus/beitrag/die-zuercher-zunfte>. ↩
14. Otto Sigg, “Zunft Herrlichkeit” (1986), <https://www.zuerich-geschichte.info/pdfs/Zunft Herrlichkeit.pdf>. ↩
15. HLS, “Handwerk” (Anne-Marie Dubler), <https://hls-dhs-dss.ch/articles/013954>. ↩
16. HLS, “Zürich (Gemeinde)”, section “Wirtschaft”, <https://hls-dhs-dss.ch/de/articles/000171/2015-01-25/>. ↩
17. Otto Sigg, “Zunft Herrlichkeit” (1986), <https://www.zuerich-geschichte.info/pdfs/Zunft Herrlichkeit.pdf>. ↩
18. HLS, “Zürich (Kanton)”, <https://hls-dhs-dss.ch/de/articles/007381/2017-08-24/>. ↩
19. HLS, “Zürich (Kanton)”, <https://hls-dhs-dss.ch/de/articles/007381/2017-08-24/>. ↩
20. Zunft zur Letzi, “Geschichte der Zünfte”, <https://zunft-zur-letzi.ch/geschichte-der-zuenfte/>. ↩
21. HLS, “Zürich (Gemeinde)”, <https://hls-dhs-dss.ch/de/articles/000171/2015-01-25/>; HLS, “Villes corporatives” (Anne-Marie Dubler), <https://hls-dhs-dss.ch/textes/f/F9917.php>. ↩
22. Otto Sigg, “Zunft Herrlichkeit” (1986), <https://www.zuerich-geschichte.info/pdfs/Zunft Herrlichkeit.pdf>. ↩
23. Otto Sigg, “Zunft Herrlichkeit” (1986), <https://www.zuerich-geschichte.info/pdfs/Zunft Herrlichkeit.pdf>, giving the individual items as real estate and shops 20,079 gulden, interest-bearing capital 100,168 gulden, outstanding interest 2,461 gulden, grain 6,661 gulden, ammunition 1,455 gulden and cash of 19,162 gulden in ten bags plus 4,518 gulden in the treasurer’s hands. ↩
24. Monica Seidler-Hux, “Die Zürcher Zünfte”, Zentralbibliothek Zürich, April 2024, <https://www.zb.uzh.ch/en/fokus/beitrag/die-zuercher-zunfte>; Otto Sigg, “Zunft Herrlichkeit” (1986), <https://www.zuerich-geschichte.info/pdfs/Zunft Herrlichkeit.pdf>. ↩
25. Princeton University Press, description of Sheilagh Ogilvie, *The European Guilds: An Economic Analysis* (Princeton 2019), <https://press.princeton.edu/books/hardcover/9780691137544/the-european-guilds>. ↩

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26. Steven A. Epstein, review of Ogilvie, *The European Guilds*, H-France Review 19, no. 150 (August 2019), <https://h-france.net/vol19reviews/vol19no150epstein.pdf>. ↩
27. HLS, “Zürich (Gemeinde)”, section “Wirtschaft”, <https://hls-dhs-dss.ch/de/articles/000171/2015-01-25/>. ↩
28. HLS, “Zürich (Gemeinde)”, <https://hls-dhs-dss.ch/de/articles/000171/2015-01-25/>; HLS, “Kaufleute” (Martin Illi), <https://hls-dhs-dss.ch/articles/016380/2016-03-23/>. ↩

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