

## **Institutions and Long-Distance Trade, 1000-1800**

### **Professor S. C. Ogilvie**

This course provides an introduction to the problems confronting long-distance trade between the Middle Ages and the Industrial Revolution, and the institutions devised to address these challenges in Europe and parts of the Near East. It does not assume any prior knowledge of pre-industrial history or trade theory. The course is organized around the following themes:

1. The Challenges of Impersonal Exchange in Developing Economies
2. Merchants and Rulers in Europe and the Islamic Mediterranean
3. Commercial Security
4. Contract Enforcement
5. Principal-Agent Problems
6. Information
7. Price Volatility
8. Particularized vs. Generalized Institutions

The aims of this course are to introduce the main debates, conceptual tools, and empirical findings relevant to understanding the growth of long-distance trade in the Medieval and Early Modern 'Commercial Revolutions'. By the end of the course, participants should have acquired a basic knowledge and understanding of the following:

- the problems faced by impersonal exchange in the pre-industrial world and their analogues in modern developing economies
- the institutions used by the 'Geniza Merchants' ('Maghribi Traders'), a Jewish minority in the eleventh-century Islamic Mediterranean
- the ascendancy and decline of the Champagne Fairs (c.1180–c.1320)
- the activities of corporative organizations of long-distance traders: merchant guilds, 'hansas', regulated and chartered 'companies', proto-industrial merchant associations
- the interaction between taxation and monopoly in pre-modern trade
- security provision through safe-conducts, warfare, and trade boycotts
- mercantile contract enforcement by rulers, towns, the church, fair courts, guilds, and collective reprisals
- informal and formal institutions governing agency relationships, correspondent relationships, and firms
- institutions for the collection and dissemination of commercial information
- causes of price volatility, analysis of the benefits and costs of 'stabilizing' prices, exploration of the impact of different institutions on volatility
- the distinction between 'particularized' and 'generalized' institutions and implications for the growth of impersonal exchange

#### Basic text:

Sheilagh Ogilvie, *Institutions and European Trade: Merchant Guilds, 1000-1800* (Cambridge, 2011).