

# Contents

<b>Foreword</b> .....	9
<b>Chapter 1: Hanse History and Economics – a New Institutional Economics Perspective on Hanseatic Trade</b> .....	11
Points of Departure .....	11
Hanse Research, the Economy and Economics .....	12
New Institutional Economics and the Hanse – a Challenge .....	21
<b>Chapter 2: Reputation, Trust and Culture – the Network Structure of Hanseatic Trade and its Benefits</b> .....	29
Hanseatic Trade and its Historiographical Evaluation .....	29
The Network Structure of Hanseatic Trade .....	31
Forms of Commercial Exchange and Cooperation .....	31
Firm size and Network Organisation .....	33
Overlapping Circles of Family and Business .....	35
Coordination of the Network Trade System .....	39
The Problem of Coordination .....	39
The Agency Problem .....	40
A Game-theoretical Analysis of Medieval Commercial Exchange .....	41
The Viability of Hanseatic Reciprocal Trade .....	45
Non-hierarchical Means of Coordination .....	49
An Economic Assessment of the Hanse’s Network Organisation of Trade .....	53
Individual Economic Benefits .....	53
Cost Savings .....	54
The Minimisation of Contractual Risks .....	55
Concluding Remarks .....	57
<b>Chapter 3: A ‘Small World’ – Reconstruction and Meaning of the Hansards’ Social Networks</b> .....	59
Network Analysis as a Method to Describe Social Structure .....	59
The Theoretical Concept of Social Networks .....	59
A Brief Sketch of the Methodology of Social Network Analysis .....	61

Social Networks within the Hanse – Examples and Corresponding Sources.....	63
Conditions of the Emerging Networks – Population Growth and Migration.....	63
Kinship Networks among Hansards .....	65
Wills as a Source of Network Reconstruction – the Case of Lübeck.....	68
Social Proximity vs. Spatial Vicinity – Societies and Neighbourhoods.....	71
Social Networks of Hansards as a ‘Small World’ .....	74

**Chapter 4: Bridging Distances and Filling Gaps – Strategies to Handle Heterogeneous Commercial Environments.....77**

Extension of European Trade to the Baltic Sea – Merchants and Cities .....	77
Unequal Hanseatic Commercial Settings – Sources of Heterogeneity .....	79
The Dissimilarity of Mercantile Environments .....	80
Handling a Variety of Goods.....	85
Bridging and Filling the Gap – Strategies to Balance the Effects of Heterogeneity .....	86
Hedging Against the Risks of Transportation .....	88
Creating Formal Institutions.....	89
Networking and Reciprocal Trade.....	90
Standardisation and Homogenisation of Commercial Institutions and Culture.....	92
Success and Failure of Hanseatic Strategies to Cope with Heterogeneity.....	95

**Chapter 5: State of Cities, Commercial Trust, or Virtual Organisation? – Structure and Coordination of the Hanse.....99**

The Paradoxical Outward Appearance of the Hanse .....	99
Structure of the Hanse.....	103
A Theoretical Concept – the Network Network Approach and Virtual Organisations .....	103
The Hanse’s Network Trade and its Virtual Character.....	104
The Organisational Multiplexity of the Hanse .....	107

Problems of Coordination and Institutions to Enhance Cooperation .....	109
The First-order Problem of Coordination.....	109
The Second-order Problem of Coordination.....	112
Determinants of Fruitful Cooperation and of Cooperation Failure.....	120
<b>Chapter 6: Competitive Advantage or Limit to Business? – Contingency and Path Dependence.....</b>	<b>123</b>
The Context of the Hanseatic Network Organisation .....	123
Economic Effects of the Hanseatic Network Organisation.....	125
Effectiveness and Profitability of Hanseatic Trade .....	125
Economic Growth and Collective Welfare.....	127
Distribution of Income and Wealth in the Hanse towns .....	128
The Scope of Hanseatic Trade.....	129
The Development of the Hanse’s Network Organisation and Path Dependence.....	130
Network Size, Cultural Borders and the Network Paradox.....	132
Adaptations Missed Because of the Success of the Network Organisation .....	138
The Multiplicity of Structure, and a Mismatch of Structure and Coordination.....	140
The Change of Economic Conditions .....	143
<b>Chapter 7: Perspectives of Research into Hanseatic Trade – the Impact of the Model of Network Organisation.....</b>	<b>147</b>
A Short Look Back .....	147
Methodological Advances and Newly Published Sources .....	148
Network Organisation as a Formative Pattern of Pre-modern Trade .....	149
The Hanse as a Political Organisation.....	152
The Structural Change around the Year 1500.....	153
Insights Relevant to Historical Economics of Trade .....	154
<b>Bibliography .....</b>	<b>159</b>

