

**The silent revolution.
The emergence of commons, guilds and
other forms of corporate
collective action in Western Europe
from the Late Middle Ages onwards**

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Preface to the paper

In terms of communal/common property, Western Europe on the one hand and Eastern-Europe and Asia on the other are quite distinctive. Western Europe has gone through a "liberalisation phase" during the late 18th and 19th centuries, leading to an almost complete extinction of common property.¹ In 20th century Western Europe not much "original" common land was left. Many of the Eastern European and Asian countries went during that period through a phase of communism, with extensive land reforms.

In this paper the emergence of common in Western Europe from the late Middle Ages is explained by means of looking at the characteristics and internal functioning of commons and by -via a comparison with other forms of corporate collective action that emerged during this period- detecting the necessary conditions for corporate collective action to emerge. This approach, which in the case of this paper entails a comparison between guilds and commons, should make us aware of the other processes in a society that need the same conditions to emerge as commons, such as the guilds, fraternities, Rather than asking the question what makes commons work (as has been researched thoroughly by Elinor Ostrom and many others) this paper asks the questions: what makes the commons *emerge*? What makes it possible to act collectively? Commons are a form of rural guilds, in Europe and elsewhere, and therefor a comparison between these two types of collective action can help us to understand what is necessary to make forms of corporate collective action to emerge and what offers the incentives to choose for a common property arrangement. Or what prevents it from making this choice possible.

At the basis of this paper lay two questions that will not surface very clearly, or be dealt with explicitly, but are however important to keep in mind to understand the comparisons made in this paper. The first question is why do we see commons and other forms of corporate collective emerging at such speed and intensity in Europe, and why does this not happen (that early) elsewhere, e.g. in China? And secondly: to what extent can this contribute to our understanding of economic growth (as part of the so-called the Great Divergence Debate about the growing differences in economic development after 1500, between Europe and China -hence also the choice for China as region of comparison)? The second question will not receive much attention here, it is more important to understand corporate collective action itself first before starting to analyse its impact on economic growth. Eventually the comparison with Asia will become more extensive too. The approach to the emergence of historical commons taken in this paper is quite new and as such, the comparison with Asia is still quite limited.

¹ This process has been extensively described for several countries in Vivier and Demélas 2003, including the effects this movement had on the Latin American situation.

Introduction to the "silent revolution"

During the Late Middle Ages, Europeans formed to a previously unknown intensity and extent "alliances" that were not (primarily) based on kinship, but on other common characteristics such as occupation. In the urban context, organisations such as guilds and fraternities can serve as examples. For the countryside, this is the period that communal land tenure arrangements, or simply "commons", were increasingly formed and institutionalised. It is not so much the actual formation of such types of collective action that is striking, nor their institutional characteristics that make this region in this period so exceptional. Elsewhere and in other times (e.g. Roman times), craftsmen and merchants also formed guilds. It was however the high intensity of new units of such collective action that were being formed that makes this movement striking enough to refer to it as "a silent revolution". A revolution, as this was a movement that started from below and because it may have been as important –in the long-term- for the course of history and for Europe as an economic and political example, as any other revolution. Silent, as this movement was primarily based at first tacit and later on explicit –written- agreements between powerful rulers and demanding subjects, villagers and townsmen alike. Mostly these agreements were formed on a peaceful basis. The silent progress and development of the here described form of collective action has made it for a long time an unnoticed revolution too. Most attention in historiographical collective action research has been going to the short-lived demands for change (riots, protest demonstrations) as motors for democratisation and political change. Equally –or even more- important are those movements that resulted in institutions that tried to solve certain social problems, though in a more sustainable way. They offered a framework that made those riots and revolts more effective in their strive for political change.

It would be quite exaggerated to claim the discovery of this revolution. Several authors have pointed to similar trends, either on the countryside (e.g. Blickle's *Kommunalismus*) either in the cities (e.g. Greif in his latest book²) but what they have missed is the co-evolution of all these trends. So far these trends have been considered in a fragmentary way, and have not sufficiently been seen in coherence. Although in literature both guilds –of merchants and craftsmen- and commons have already been identified as institutions that function according to the "law" of collective action, this was always done separately, without linking their simultaneous emergence, their parallel development, their similarities in structure, functioning, rise and decline.³ Moreover, the implications of the development of such collective action –and this is what makes it important to study- have often been ignored. The striking geographical and simultaneous concentration –of both the rural and urban form of collective action in Europe suggests a relationship with the industrial leap forward Western Europe made during the 18th and 19th centuries (see later the inclusion in the debate on the "great divergence"). If we consider that some factors, like the absence of strong family ties, might have been (equally) important for the development of collective action and the development of the labour market (which was in turn a necessary prerequisite for the Industrial Revolution), we are then not far from linking collective action to economic development. In the past, guild-researchers have often been trying to estimate the direct economic impact of guilds and commons. Consequently, they have often been considered –as in the 18th century- as inefficient and counter-productive for economic development. After all, guilds –and commons- designed and implemented rules (like minimum quality) that might have limited rather than stimulated economic growth. This view has altered lately, mainly due to the greater stress that is being laid on the importance of institutions for economic development, as for example formulated by Greif: "Although the late medieval European institutions differ in forms from later ones, many of the elements and features of

² Greif 2006

³ See Greif, Milgrom, and Weingast 1994 for merchant guilds, Ogilvie 2004 on craft guilds, and many publications on commons (Ostrom etc)

modern, welfare-enhancing Western style institutions were already present or in the process of emerging during the late medieval period: individualism, man-made formal law, corporatism, self-governance, and rules reflecting an institutionalised process in which these who were subject to them had a voice and influence. To the extent that the Rise of the West is due to its underpinning institutions, the roots of this rise may have begun to take hold as early as the late medieval period."⁴ From an alternative view on the relationship between collective action and economic development, not only historical research can benefit. As in historical research, the predicate of present-day commons as a "traditional" or indigenous form of resource management is often bracketed together with economically inefficient, though culturally and potentially socially important. A change in perspective in the long-term economic development as described above, can therefore also be of value to non-historical disciplines. In the past, research on collective action often was pushed in the defensive, as those who did not believe in the functioning of collective action, were often also the advocates of a competitive free market. However, writes Lin Ostrom "a competitive market – the epitome of private institutions- is itself a public good. Once a competitive market is provided, individuals can enter and exit freely whether or not they contribute to the cost of providing and maintaining a market. No market can exist for long without underlying public institutions to support it."⁵ Thus, (semi)public institutions such as guilds and commons might be as necessary for market exchange as the market itself.

This paper gives ample clues for alternative research on the relationship between collective action and economic development, but does however focus in the first place on the "silent revolution" itself. A first step consists out of identifying the characteristics of the movement. Guilds and commons are for this paper the most suitable examples of this "silent revolution" as they offer the possibility to point out the geographical omnipresence (in Western Europe) and universality –from town to countryside- of the collective action processes during the period as described. Besides of having the advantage that they have been studied fairly well, guilds and commons are both economic institutions, which makes them easier to compare. Other forms of collective action that are part of the silent revolution and that could be included in the study at a later stage are for example the fraternities, or brotherhoods with a mainly religious cause, or the beguinages, where women choose live together independently in a religious way, without belonging to a religious order or convent.⁶

This paper starts off by identifying the peculiarity of this movement of collective action and its distinctive characteristics. The examples of commons and guilds will show that this the co-evolution was exceptional indeed. In order to support the arguments made in this paper with sufficient evidence, abstraction had to be made of the many differences that these institutions, such as commons and guilds, show. The institutions of the kind discussed here often have a longstanding history and are therefore not only complex but have also developed many different varieties of their "Ur-type". A description of the characteristics of the silent revolution does however not yet explain why it happened, and why it didn't –or at least not to such an extent- take place elsewhere, for example in Asia. The second part of this

⁴ Greif 2005: 1 of part V, concluding comments

⁵ Ostrom 1990: 15

⁶ I have dealt with the motives behind the beguinage-movement that took place in the same period as the development of guilds and commons (start around the 12th century) in another paper. See the paper (and forthcoming book) "GIRLPOWER

The European Marriage Pattern (EMP) and labour markets in the North Sea

region in the late medieval and early modern period", <http://www.iisg.nl/hpw/papers/demoor-vanzanden.pdf>

Just like guilds and commons, beguinages could develop in Western Europe because of the loose family ties, the European Marriage Pattern and because of changes in the labour market, which allowed women –including single women- to secure their own income. In principle one could compare beguinages and guilds: some of the women who became beguines did this because the "dowry" that had to be paid to a normal convent had become too high. In this sense they managed to stay out of the religious "market", but by demanding official recognition from the church they did manage to stay within the religious community. In some literature the beguinages have even been described as the female versions of guilds (See e.g. Simons 2001: xi), though this was primarily because beguines were often also involved in the crafts business, primarily textiles.

paper gives reasons for collective action and distinguishes the conditions and motors that might have played a role in the historical development of these forms of corporate collective action. Analysing and comparing the problems that collective action tried to solve, requires sufficient abstraction of the structure of such a problem. A concept that helps in achieving this is the "social dilemma": not only does it capture well the issues at stake in social problems with conflicting interests between individuals and society, research has in the meanwhile also revealed which qualities collective action should adhere to in order to solve the problems effectively and efficiently.

Most of this article focuses on the Low Countries as a case study, although much of the characteristics of the silent revolution can be applied to other countries in Western Europe as well. It remains uncertain where exactly the movement here described began but this region, together with England, seems to have offered fertile soil to this movement.⁷ In order to make this picture clear, contrasting evidence will be offered in the last part, as a jump-start for further comparative research. As will be made clear, Asia, and in particular China, is in this sense a very interesting region.

Distinctive features of the silent revolution

Universitas

Legally a corporation was conceived of as a group that possessed a juridical personality distinct from that of its particular members. This principle is juridically referred to as the concept of "universitas", which was newly introduced in European law of the late 11th-12th centuries. Although the term "corporation" (*universitas*) was derived from Roman law, the 12th century Western European interpretation was substantially different from what the term meant in Roman law. It would carry us too far off to explain the discussions between the jurists of that period, but the core of the concept of "universitas" that is important here is that a debt owed by a corporation was not owed by the members as individuals; an expression of the will of a corporation did not require the assent of each separate member but only of a majority.⁸ The principle of *universitas* established the existence of fictive personalities that are treated as real entities in courts of law and in assemblies before kings and princes.⁹ These entities could be economic –guilds- educational –universities, religious –religious order, etc.

Longevity of corporate collective action institutions

A consequence of this legal basis of *universitas*, is the longevity of the corporations that came into existence. Tierney described this medieval change very well: "a corporation did not have to die; it remained the same legal entity even though the persons of the members changed" (this contrary to for example family relations that could very well die).¹⁰ Indeed, many of those corporate versions of collective action like guilds and commons lasted literally for ages, and on the basis of the archival documents (e.g. charters that formed the official recognition of their institution/organisation) many indications that they were meant to last for several generations can be found. And many new initiatives followed. To a certain degree path dependency was playing a role here; quite some new initiatives may be considered as copycats, its founders being attracted by the success of their colleagues in other towns and regions. Collective action under consideration in historical literature mostly focuses on short, often sudden rises of collective discontent mostly in the form of mass movements (e.g. riots, protest demonstrations). The forms of collective action which were the most prominently

⁷ Collective action is of course not the only change that took place in this region during this period. Elsewhere I have described the changes in the family structure and its consequences for the labour and capital markets. Please see the following web page for a version of that paper: <http://www.iisg.nl/hpw/papers/demoor-vanzanden.pdf>

⁸ Tierney 1982:19; Huff 2003: 133

⁹ Huff 2003: 133; Berman 1983: 214

¹⁰ Tierney 1982: 19

present in the revolution as referred to, are however of a more long-lasting type. It is however not unusual that the members of those organisations were involved in protest movements (the "other" type of collective action"), as could for example in the famous Flemish Battle of Spurs (1302) wherein the weavers' guilds of the Flemish towns played a prominent role. Though they were composed of more than only guilds-members, many revolts in cities (e.g. the Bürgerkämpfe) during the 14th and 15th centuries, have led to the establishment of their formal representation in city councils, albeit not everywhere as effectively.¹¹ In a similar fashion many commoners¹² were actively involved in protests and riots against enclosures, in England, France and elsewhere.¹³ In short: one form of collective action often goes with the other.

For a long time, historical collective action has been interpreted in its more short-term form as studied by for example Charles & Louise Tilly, Sidney Tarrow and Douglas McAdam, who considered collective action mainly as large-scale mass movements that often can only make their point via riots and demonstrations. Charles Tilly justifies the use of the term "collective action" (over e.g. the term rebellion) by pointing to the many methods of action that were used by groups besides rioting or demonstrating to make their point and change their living circumstances. For Tilly therefore collective action "consists of all occasions on which sets of people commit pooled resources, including their own efforts, to common efforts".¹⁴ Though this definition is broad enough to include the "other" type of collective action that is dealt with in this paper, Tilly does not include any reference to that in his description of the repertoires of collective action.¹⁵ Over the past few years the debate on this Tilly's kind of collective action has merged into the "contentious politics" debate, thus moving even further away from the more "silent" version of collective action. In this paper, "*corporate* collective action" is therefore added to the exclusive, self-enforced autonomous institutions that formed the core of the silent revolution.

Institutional design: self-enforced, exclusive and autonomous corporations

Besides the legal basis and the duration of the process (short, acute riots versus long-lasting initiatives) the degree of institutionalisation makes this silent revolution markedly different from other forms of collective action and forms also a distinctive feature of this revolution in itself. The collective action was accompanied by the design of a set of rules, that was written down and revised regularly in order to make the collective action work. After all, it is not because people decide to act together, that they will also keep doing so in the future. They might become freeriders and thus undermine the initial good intentions of the collective actors. It may be assumed that those actors were not complete strangers to them but since these institutions had new members continuously and because kin-relations (which naturally inhibit trust) were not the prime requirement for membership, it is not surprising that rules were absolutely necessary to keep freeriders from getting into action. I here refer to the element of prevention: management and monitoring are costly affairs. Although freeriders might be fined and these fines might feed the budget of the institution, it is still a costly affair to spot defectors and obtain the fines (sometimes court cases are required). Part of the monitoring can be achieved via social control, but to make social control effective investment is also required: regular meetings are necessary to keep members up-to-date on new members and

¹¹ Prak 1994: 22; these revolts were concentrated especially in the German areas and in the Southern Netherlands; they did only sporadically appear in the Northern Netherlands and were completely absent from England and France. According to Prak, the degree of urbanisation cannot explain these differences. Prak 1994: 22-23

¹² The word "commoner" is in this paper used as a reference to a person who has use-rights on a common, not as a reference to "common folk"

¹³ See for example the artikel of Wayne Te Brake about the protest against the enclosures of commons in the Eastern Netherlands. Te Brake 1981: 59-66

¹⁴ Tilly, Tilly, and Social Science History Association 1981: 19

¹⁵ True: he focussed on Western Europe in the 18th and 19th century but there were still guilds and common at that time.

to announce which people might have defected, to announce new rules so that defection can actually be identified as such. In short: a solid institutional design is necessary to turn the collective actors into cooperative actors.

This degree of institutionalisation is a clear difference with the more short-term collective action. Revolts are mostly a response to an immediate provocation, though the underlying causes may have been long build-up grudges.¹⁶ Riots and revolts are supposed to give immediate relief, whereas corporate collective action sets up institutions for particular goals which are not primarily aiming at immediate relief but rather constant relief (see also the point on longevity). Moreover, the participants of that short term collective action aim at change, but do not necessarily see an active role for themselves in achieving that change, not in the short nor the long term, except for those who cherish the ambition of a leaders' role maybe. Linked to this characteristic are the fact that riots, etc. aimed at forming large groups (the more the merrier and convincing) and that these groups were essentially formed of anonymous individuals. In contrast to collective action in the form of riots and revolts, the following elements make corporate collective action institutionally seen entirely different from corporate collective action and that have clear implications for the institutional design of guilds, commons etc.

Exclusiveness

Cooperative behaviour within the group and respect for the resources of the group was expected from the contemporary members of the group. In several charters it could be found that the members would be working for the well-being of the institution, thus implicitly ascertaining the importance of sustainable management of their resources. Keeping in mind Mancur Olson's quote "rational, self-interested individuals will not act to achieve their common or group interest", the ambitions of our medieval ancestors sound highly unrealistic.¹⁷ Their method to achieve this was forming institutions for exclusive groups: institutionalisation secures the continuity, exclusion secures feasibility by only allowing those with an at least minimal interest in keeping the institution going. Whereas sudden, short-lived collective action benefits from attracting as much participants as possible, sustained collective action tries to limit the number of participants.

The institutions that were part of the silent revolution, were exclusive and this exclusion was self-enforced. The members limited the number of people that could become members by setting clear access rules. Both guilds and commons wanted to differentiate insiders from outsiders, set boundaries to the resources and the group, via a set of rules that could – according to the needs of the moment- be expanded or reduced. As a group, they decided upon the rules that were needed to exclude others from participating. Rules could include limitations of the access to the group by means of several requirements (e.g. financial requirements or a "waiting period" like in the case of apprenticeships), a set maximum of production to restrict overproduction, specifications to guard the local market against competition of others (farmers in case of commons, members from other guilds or non-guild-artisans in the case of the guilds). However, to a certain degree these organisations did honour requests of non-eligible persons, under certain conditions. Guilds were closed organisations but were also to a certain degree open for non-members, as they sometimes also retrieved income from non-members. Those living outside of the city but of the same profession could practice their profession temporarily in the city, but were obliged to pay redemption money to the guild.¹⁸ The same for commons: in times when the members themselves could not provide sufficient livestock to graze the commons, non-members were

¹⁶ Many causes of collective resistance and rebellion have been given: inequality, governmental reform, class conflict, social disintegration, conflicting religious values, relative deprivation, and many other explanations. See the works of De Tocqueville, Marx, Durkheim, Tönnies, Weber and Gurr Ted Robert 1970

¹⁷ Olson 1965: 2

¹⁸ Van Genabeek 1994: 78

allowed. Their exclusiveness was thus rather flexible. This can easily be explained: letting foreign merchants or non-commoners for a short while take advantage of the benefits that were offered in return for payment did not mean they could also make use of the other facilities (social welfare etc). In principle these temporarily guest would thus hardly cost money, on the contrary.

Although they are in most literature considered as primarily economic associations that regulated access by means of group of occupation, guilds could also take other forms, and thus use other access rules. In the so-called pre-corporative period guilds were primarily religious groupings, fraternities. Later, with the parallel development of cities, the access rules became intertwined with citizenship. In the Low Countries for example, one had to be a "poorter", which meant the possession of full citizenship rights, and these could be obtained via certain rules. If one did not have these rights via the "natural" way, as the son of a father with rights, it was most advantageous to marry the daughter of a poorter, which was considering the surplus of women in the Dutch cities, not a very hard task indeed. In comparison to other countries, the third option, namely buying your city rights, was relatively cheap.¹⁹ Other factors, such as the comparatively short period of apprenticeship, indicate that guilds in the Dutch Republic were more inclusive and open than elsewhere. But, they did not forsake to limit entry to their guilds. Membership was to a certain extent dependent on family relations: sons of masters paid often only half in comparison to external candidates, and women only very occasionally could obtain the right to become a master. In cases they did become members, their rights (e.g. to vote) were restricted. If strangers managed to marry a master's daughter or collect the necessary budget, they still needed to work several years with a master before actually being allowed to become a member. This requirement was not set right from the foundation of the guilds, in most cases it was only introduced later, from e.g. the 17th century onwards.²⁰

Those taking part in the collective action clearly wanted their organisation to last for several generations of members, not just for themselves. The guild members and peasants created an institution for several generations, not only for their own generation, as becomes clear on the basis of documents that provided the rules to arrange succession within the common. In some cases, these rules include an "inheritance-clause": guilds where members/masters needed to inherit the right from their fathers, commons where the right to use the land could only be inherited from family members. There could be several reasons why such institutions were set up "for eternity": the costs, in terms of coming to an agreement with the local ruler, were relatively high; if one had obtained the right "to belong" one would not easily let go of it; and participants may have realised that it would take time before they would really benefit from the institution.

The individuals taking part could not remain anonymous, in most cases they even had to swear an oath before they can become a member, which makes them visible and identifiable for the rest of the group. As much as these may also have had a deep and long-lasting effect on society, the anonymous crowds that figured in riots have entirely different objectives and apply other methods than the organised individuals that formed guilds or commons. It is known from sociological research that the degree to which participants to collective action know each other influences the potential success (in terms of reciprocity) of that group.²¹ The practice of swearing an oath when becoming a member of a guild, makes then a fundamental difference with revolts and riots where the group was often very diverse and anonymous. Their willingness to cooperate in the future, lies in the potential benefits

¹⁹ Lourens and Lucassen 1997: 53; Panhuysen 1997: 134-135

²⁰ Panhuysen 1997: 135

²¹ See Jager 2000

participants may obtain and the security this gives. This "willingness" has been at the centre of sociological/behavioural research on collective action (Olson, Ostrom etc).²²

Self-enforced

The corporations were (mostly) self-enforced. Instead of relying on external bodies to give relief, they became self-help groups: they formed rather autonomous, self-governed interest groups with often good relations with local authorities. The fact that people formed groups is in itself not striking, but that they actually regulated and controlled the execution of these rules (including punishment) themselves, is a less obvious practice. In order to make their collective project work, guilds and commons both relied heavily on group norms, as opposed to formal legal enactments, as enforcement mechanisms. They designed most of the rules themselves, with or without the involvement of the local powers. This should not surprise: involvement in the design of the rules has proven to offer a better guarantee on success (Jager). They supplemented these rules with impressive sets of "instruments" to make their alliance work. I will not give details of e.g. fining systems but I do want to point out two striking elements. The members of these corporate institutions—both guilds and commons—developed methods to protect their organisation from the functioning of the free market. They tried to safeguard at least part of the production market against the forces of the free market. It is often assumed that they tried to achieve a complete monopoly. But in practice it didn't turn out as such. Notwithstanding the strict regulation in writing, in practice there were many and often rather radical exceptions to the guilds regulation that prevented any form of monopoly to be established.²³

"A world within a world"

With a large set of rules the commoners and guild members tried to regulate the behaviour of fellow members –to prevent them from freeriding- and the effect their surroundings could have on the behaviour of the members. They developed a system of market-regulation, in order to protect their own "little world". In both cases, guilds and commons, measures were taken to achieve a reasonable income for the members, to eliminate the disruptive effects of the market. At the time when commons and guilds were set up, the European market economy was still in an early stage of development. Because of the market economy's instability, institutions such as the guilds were set up to make functioning within those settings less risky, though without losing too much of the advantages the market offered. Prudence above all, one could say.

With Prak and Panhuysen we can say that the fact that the guilds' domination of the markets was incomplete, does not necessarily point towards an inefficient monopoly. They might not even have planned to go for the complete monopoly in their trade in the first place.²⁴ As described by Panhuysen, guilds set up a number of strategies to deal with these problems. These strategies were designed to give the master tailors control over the most profitable parts of the trade, while they were willing to compromise in what was seen as the peripheral activities. One of the methods of the guilds in their attempts to master product markets was by forming cartels. The number of conflicts about the right to form cartels demonstrates the importance of this for the guilds until the eve of their abolishment. The information about this and the effects it had is limited, but there are indications that the guilds

²² "Identifiability of the behaviour. Jorgerson and Papciak (1981) found that cooperative behaviour is promoted if the other people can observe one's personal choice behaviour. This effect only occurs when there is no communication. This suggests that identifiability has about the same effect as communication, namely the promotion of 'social control' to exercise personal restraint. This 'social control' mechanism may be responsible for the fact that people are more willing to work hard under conditions of high visibility than in more anonymous settings. Group size also plays a role in the identifiability of behaviour: the larger the group, the more anonymous one is" (see Jager 2000).

²³ Panhuysen 1997: 79

²⁴ Panhuysen 2000: 276

managed to protect the market though not completely but substantially nevertheless.²⁵ The question here is whether it was necessary for the guilds to master the markets completely. Would it have been an objective of a small-scale organisation that aimed primarily at securing the income of its members who had particular skills and –due to their human capital- discerned themselves from the lesser trained "mob" that worked at the countryside? Is their much advantage to be gotten from a putting-out system when one does not have the capital to invest in such a system? It seems like it that the guild-system, and the system of common land, both offered their members the advantages of scale –via cooperation- (see also further).

The peasants also tried to limit the influence of the market on their common and its members. The background hereof is the wish to prevent the overexploitation of their common, although it is commonly supposed –primarily by non-historians such as Hardin cum suis- that commons were traditionally always overgrazed. Regulation of the use of the common and rules to prevent or at least restrict the commercialisation of the commons' goods was devised. Overall there were two methods to regulate the use of the resources: by setting stints, or numerical limits to the amount of resource units per person, and by implementing a price mechanism that adjusted the prices to the foreseeable pressure on the commons (payment per head of cattle). Depending on the type of resource involved, different types of rules limiting the influence of the market could be found on the European historical commons. In general the amount of produce a commoner was allowed to take was limited to a certain number of resource units. In some cases the surface of the common was expressed in terms of the number of units of cattle the common could feed. In for example the Wijkerzand common in the central Netherlands, the number of 180 'shares' and their size in the grazing rights of the common, appear to have been laid down in the fifteenth century and survived until today.²⁶ Often, the limitation of the shares of the commoners was not limited to the capacities of the common but to the factors that were directly related to aspects of the subsistence economy –and thus not to the commercial economy- of the commoners. One of such rules was the express prohibition on the selling of produce from the common (wood, or milk from the commons' cows) outside the village borders. This helped them in protecting the most valuable assets of their common against the free market, and its possible negative side-effects (in the case of the common: commercialisation and overexploitation). Protection of the members against the free market, is in no sense however the same as being against the free market. Besides their activities on the commons, the commoners could have participated in the free market.

Furthermore guilds and commons also developed mechanisms to offer resources at a uniform price, meant to lead to more equality within the organisation.²⁷ In the case of the commons, the prices of the resources that could be harvested were uniform and equal for all members. Prices could however be higher for non-members, in case that was allowed.²⁸ Moreover, this does not mean that prices for products were stable; they were adjusted –not to the prices of the market- but to the needs of the common. Evidence can be found of commons that used an "internal market" to regulate the use of their resources: when demand for the resources (by members) was high and threatened to become too high in comparison with what was available on the common, the prices per individual piece of cattle were raised, leading to a reduction in the demand for cattle on the common.²⁹

The functioning of the guilds can be compared to this. The members of the guilds aimed at putting their products on the markets with uniform prices, thus also promoting – though not necessarily achieving- a maximal average income among the members. Prak however notes that the great social differences between members of the guilds indicates that there must have been other factors at work that turned that optimal average into a

²⁵ Prak 1994: 19

²⁶ Hoppenbrouwers 2002

²⁷ Guilds: see Van Genabeek 1994: 72

²⁸ In some cases non-members could ask to obtain some resources. See De Moor 2003

²⁹ See De Moor 2003

minimum -wage.³⁰ The guilds did not use –nor did the commons- the laws of supply and demand to set and change their prices; they used an internal –autonomously defined- quality standard.³¹ Products of the same quality were to be sold for the same uniform price. By offering products of the same quality they created a medieval form of quality label. This did not only make trade easier, but it also prevented internal conflicts to arise. Gustaffson considers quality control as a key organizing principle of medieval guilds. The variability of quality as conditioned largely by the individual craftsman's skill would be changed only with the industrial revolution when the quality of products was to be determined by machines and hence given a more uniform and homogenous character.³² In the meanwhile guilds were necessary to solve the "quality problem" for the traders in the emerging market economy. Gustaffson sums up several methods the guilds used to control quality: scrutiny of raw materials, scrutiny and regulation of production processes, setting standard and compliance inspections for end products, hereby using marks to indicate a specific quality. One can assume that by controlling the quality themselves, the guilds achieved a competitive advantage over the free-market produce: traders no longer had to control the merchandise intensively themselves, as this was already done by the guilds. Traders could thus let others do the buying.

Aiming at offering products produced by the guilds at uniform prices had a similar effect as on the common: those who complied with the rules of the guilds, were assured of an income. This was probably not the best possible price they would have received on the free market, but it did assure them of income continuity. Those who decided to ignore the quality standard and to make goods of a lesser quality and offered these at a lower price to the consumer threatened the income of all the suppliers of quality goods. This straightforward social dilemma problem was solved by a multitude of rules and sanctions, to prevent free-riding by the members. Richardson describes how the members of the guilds were dependent upon each other to achieve that required income level: "...they had a common theme. Guild members acted to increase their incomes, and their efforts required action in concert. Members had to cooperate. Each had to do his part for the guild to attain his goals."³³

Ignoring the quality standards of the guild can be considered as a user-strategy equal to overusing the resources of the common, either for personal or for commercial use. In both cases members abused the fact that they belonged to a privileged group. Commoners could try to put more cattle on the common, hence abusing their legitimate presence on the common. Whether or not their abuse would be discovered, depended on the functioning of the commoners' (social) control mechanisms. Guild members could abuse their reputation as a respected guild member to offer products of a lower quality to the market, under the prejudice of being of guild-quality. Records exist of manufacturers –guild-members- who preferred a low quality product strategy, which conflicted with the guilds' general strategy.³⁴ Durability was important in the manufacturing sector because products often needed to be sold over long distances. If the product proved to be of lower quality this could wreck the reputation of the guild.³⁵

³⁰ Prak 1994: 21 en Prak 1992: 72-75

³¹ Gustaffson 1991

³² Gustaffson 1987:21

³³ Richardson continues: "If some slacked off, all would suffer. Guilds that wished to lower the costs of labor had to get all masters to reduced wages. Guilds that wished to raise the prices of products had to get all members to restrict output. Guilds that wished to develop respected reputations had to get all members to sell superior merchandise. The need for coordination was a common denominator." Richardson 2005: 145

³⁴ Merges : 8; Dyer 2002: 315

³⁵ Richardson 2005: 143-144. Richardson: "Without reputations, craftsmen could not sell their wares to consumers who did not know them. With reputations, craftsmen could distribute their wares through chains of merchants to anonymous consumers in distant markets". Abuse could also exist out of the disclosure of a generic body of knowledge that was to be kept within the guild. Apprentices were required to swear an oath not to distribute their knowledge, and in some cases even not to practice their craft outside the city.³⁵ Richardson gives some more examples of other forms of free-riding and the need for cooperation within the guilds: masters could collectively decide to pay their journeymen a few pennies less; however some masters might secretly add some more earnings

In order to avoid prevent members from free-riding social control played an important role in these institutions. We find evidence that members of commons would be fined if they did not report it when they saw others cheat. Guilds often required members to set up shop in the same area in order to encourage the social control among each other.³⁶ The so-called gradual sanctioning Ostrom mentions in her list of design principles is found in both institutions' methods of fining free-riders.³⁷ In both guilds and commons the punishment could amount to permanent expulsion from the organisation.³⁸

Guilds used however also another method to prevent free-riding. Richardson explains that craft guilds combined spiritual and occupational endeavours because "the former facilitated the success of the later and vice versa. The reciprocal nature of this relationship linked the ability of guilds to attain spiritual and occupational goals". By combining piety and profit the guilds could overcome free-rider problems and achieve common goals".³⁹ This kind of bundling of endeavours "increased the pain of expulsion. People expelled from guilds with both craft and Christian features lost both business and religious benefits. They lost not only their colleagues but also their church, not only their partners but also their preachers, not only their means of prospering in this life but also their hope of passing through purgatory". The advantage of combining religious and economic goals lay –according to Richardson- in the fact that the religious consequences of defection could not be easily calculated as they might have become obvious only in the afterlife. The religious goals of the guild added an extra enforcement tool. Although he gives no evidence for this, Richardson concludes that complex guilds –those that combined endeavours- deterred shirking better than simple, secular associations and that the complex variants would be more profitable than the simple ones.⁴⁰

Both types of organisation also went through similar processes of change and in the end also dissolution. Both guilds and commons went through what can be considered as an exclusion process, in particular from the 16th century onwards. New rules were added in order to limit the expansion of the group of members even further, in particular rules related to the access of women to the organisations.⁴¹ This goes for both guilds and commons. Commoners decided to make the conditions of becoming a commoner stricter, which often entailed the exclusion of women. During the 16th century, guilds also took increasingly recourse to excluding women to keep their number of members down. The Amsterdam seamstresses who were originally members of the tailors' guild and were as such allowed to sew men's clothing on the conditioning of fulfilling the necessary tests, were from 1578 onwards forbidden to continue that job. From then onwards they could only make women's and children's clothing, and several other rights were abolished. Basically, seamstresses could stay members but they had no rights whatsoever within the guild.⁴²

to their journeymen's wages in order to attract the best among them, which might eventually lead to a restoration of the wage level to the market clearing level. Freeriding could also take place in the form of absence during compulsory meetings, as the frequent religious processions and masses the guilds all organised for their guild saint. Or members could abstain from becoming an administrator, wanting to spend their time in their workshop and not calculating the expenses the guild made daily. Richardson 2005: 154-155 On p. 156 Richardson gives ample examples of English guilds that put a penalty upon refusing appointments to administrative posts or the failure in the duties thereof.

³⁶ Richardson 2005: 160

³⁷ Footnote commons; see Richardson for examples on England Richardson 2005: 160

³⁸ Richardson 2005: 161

³⁹ Richardson 2005: 141

⁴⁰ Richardson 2005: 164

⁴¹ See e.g. Wiesner 1989, Wiesner 1991 for guilds and De Moor, Shaw-Taylor, and Warde 2002b, on guilds (part on exclusion process)

⁴² Panhuysen 1997: 130; see also Martha Howell on the exclusion of women from the guilds. Du Plessis and Howell 1982

Omnipresence

Is the trend that I describe here the same as or similar to what Blicke described for Germany as "Kommunalismus"? In Blicke's view this term expresses "the mutual dependency of independent labor organisations of burghers and peasants on the one hand, and communes with state functions on the other (the commune imposed itself as a horizontal principle within the socio-political system from the 13th century). These two complementary factors challenged and altered the wider political regime by means of representation and resistance, establishing "communalism" as a fundamental organizational principle between medieval and modern times".⁴³ Blicke considers the introduction of more complex agricultural methods to reach a higher output as the stimulus for collective decision making: "The thirteenth century,witnessed a remarkable change in agricultural production...economic activities underwent considerable change: more and more crops were planted, using a field rotation system, arable land was separated more clearly from pasture, and neighbouring villages defined their respective territories much more explicitly. All this provides clear evidence for a more intensive use of rural resources in the face of rising population....the comparatively complicated new rotation system ruled out individual choices of crops and demanded a process of collective decision-making involving all peasants. To settle the inevitable disputes, some form of local conflict resolution had to be found, while rules and regulations were necessary to keep the peace among neighbours who now lived in much closer proximity. The result was the emergence of village autonomy, village jurisdiction, and village legislation as autogenous rights of the inhabitants."⁴⁴ This view is consistent with our earlier expressed view on the origins of commons. In a similar fashion, Blicke's reasoning can –although the processes he describes are mainly rural- be linked to the origins of the guilds. Blicke sees the fast return to serfdom east of the Elbe and the expansion of the village powers in Western Germany in relation to the degree of strong lordship –though this seems to be a circular argument- and to urbanisation density. The overlap between areas with a dense network of villages and highly urbanised regions (as in the west of the Empire) suggests that the cities and villages depended upon each other. This *Verdorfsungsprozess*, the accelerated formation of villages, was the motor behind the formation of a new labor organisation and political order. During the transition from an agrarian system based on demesnes –where farming was practised by forced labor of serfs according to seigniorial instructions- into a system that involved more independent tenant holdings –where tenants worked on the basis of rents (in cash or kind) which required the division of seigniorial land into individual holdings- the disposition of one's labor and produce was freed. Blicke "the medieval turning-point brought a move from serfdom to freedom, from a life determined by others to one determined by oneself".⁴⁵

There are some differences between Blicke's approach and mine. Blicke in fact captures only part of the movement and leaves out other organisations that were taking shape during that period. Blicke hardly ever refers to commons –though they were present in the rural environment he focused on- neither to guilds as part of this process. The reasons for leaving them out may be that the region Blicke is putting forward does not witness a similar striking rise in the establishment of guilds and commons (and other forms of collective action as for example *beguinages*) as in the Low Countries and –of course- his greater interest in short-term forms of collective actions such as the peasant revolt of 1525. It should also be noted that the process he describes was less idealistic than he makes it sound like. Blicke's *Kommunalismus* sounds like "the good old days" when people still co-operated. To cite him: "Feudalism kept subjects in a "servile" position, with lords deciding on the tenants' room for economic and political manoeuvre. Communalism, in contrast, "freed" subjects by offering more independent disposition over labor and produce as well as increased political power" (quotes

⁴³ Blicke 1998: 12

⁴⁴ Blicke 1998: 2-3

⁴⁵ Blicke 1998: 4-6

by Blickle).⁴⁶ Although the process as a whole encouraged the formation of democratic regimes by nibbling bits and pieces from the feudal power, it was also a method to exclude persons who did not fit certain conditions. Setting conditions to be part of a group with certain rights –as guilds did, and so did commoners- also means that some cannot belong to that group. Nor can we say that groups would function out of themselves, or that members of commons and guilds would be so altruistic that free-riding did not belong to their behavioural repertoire. "Freedom" is in this sense a very subjective term to use. There was a need for regulation (which often meant restriction), and for sanctioning, and sometimes exclusion; enthusiasm for communalism out of altruistic spirits would simply not do. It would be incorrect and naïve to give the impression that communalism went counter capitalism or even managed to slow down its progress. As will be suggested further on, many forms of collective action were closely related to typical capitalist phenomena, such as market development and wage labour.

Whereas Blickle describes the rural form, others have pointed towards the urban variant. Robert Putnam suggested in his renowned "Making democracy work" in a short footnote that guilds might have made the difference in the construction of civil society in Northern Italy. Avner Greif, in his newly published book "Institutions and the path to the modern economy: lessons from Medieval trade", stresses the importance of the Late Medieval rise of European institutions, whereby his interest goes primarily to guilds. He sees plenty of similarities between a variety of institutions that arose during that period and in the early modern period: "central to both [periods] are individualism; corporatism (including at the national level), particularly in the form of non-kin corporations; man-made formal law; self-governance; and institutionalized processes for setting rules (in which those subject to them have a voice and influence)".⁴⁷ Perceptions of the functions of guilds can however differ. Greif describes how "the merchant guild, initially a welfare-enhancing institution that protected property rights, began to use its abilities to reduce welfare by preventing competition". On the basis of which he claims that "an institution can also undermine itself, even though a better alternative is not available, as the community responsibility system did in various parts of Europe". I believe that here he misses a vital point about the function of guilds, a point that Putnam in fact already suggested –albeit indirectly- for the medieval craft guilds, namely the link between guilds and the formation of the civil society. By creating collective property rights on their common good, the guild merchants did aim at enhancing their welfare, but also –and maybe even primarily- at securing a part of that welfare at the cost of loosing some to the common welfare of the group.

Quite a few similarities between guilds and commons have now been identified. One of the differences however remains that the type of work that was executed by the guilds was also done outside of the guilds. Even if we consider that the guilds originated out of an attempt to regulate that labour in order to secure a continuous income for its members, we cannot say that they attempted to prevent at all that other work in their branch that was being done by others. We can say similar things about the commons: Besides the income that was derived from the commons, the commoners were engaged in other jobs whereof they got most of their income. The difference with the guilds is the importance of these organisations for their income: whereas members of the guilds derived most of their income from the guilds, the commoners only saw the commons as a side-income (albeit an essential one). The village economy consisted typically out of a combination of individual and collective production: farmers combined the work on their own plots of land, with the work on the common.

A striking aspect –and difference with commons- of the functioning of the guild system is the interconnectivity of the guilds. An example is the quality control of the guild's produce by separate guilds (waag- en metersgilden).⁴⁸ This interconnectivity seems to be

⁴⁶ Blickle 1998: 15

⁴⁷ Greif 2005: 14 of Concluding Comments

⁴⁸ See Van Genabeek 1994: 72-73

something that was typical for larger cities. This should not surprise: the guild system was a system that used the advantages of small-scale production (quality!) in combination with larger-scale organisation (reducing risk etc.). If a function or an aspect of that organisation became a standard part of all or most guilds, it was more interesting to organise it separately. This type of self-control is something that was organised differently in rural areas, at least when were talking about commons. Commons mostly did not have contacts among each other, nor did they depend upon a common institution to organise control. In some cases, the local police did take up part of those control tasks.

Another difference is the treatment of immigrants. The right to use the common was often limited to villagers who could prove a residence of at least 3 years, sometimes even longer. Immigrants or even inhabitants from nearby villages were prevented from taking part. Contrary to what has often been claimed by their 18th century enlightened abolishers and later liberal economists, the guilds were not per se against immigrants, though it must be stressed that this was not a European-wide attitude. The guilds of the Dutch Republic were rather inclusive towards immigrants, at least to those of the male and Christian kind. It seems they chose to control rather than to ignore their presence. Their attitude can be derived from the rather low fees that were charged for citizenship and membership of the guilds and from the comparatively short apprenticeship period.⁴⁹

Motives, motors and conditions for a silent revolution of corporate collective action

Why do we find that many forms of collective actions in this period and in this area? There are several reasons why collective action can be more advantages than private and public action. However, as it can be said from a Darwinian perspective, collective action should not be seen as a straightforward choice, it can be that there are motives to choose for it but the actual choice needs to be stimulated in order to be made. Without some specific circumstances the usefulness of collective action may remain obscured. In this paper I want to refer to these circumstances as motors and conditions. Motors are elements of change that can lead to collective action, such as population growth or market development. However, we do not now as such whether there aren't any other circumstances as these that would stimulate collective action to originate. What we do know –on the basis of field research- is that there is another set of factors that is required before collective action can actually take place. Considering that we have described corporate action as an action that comes from below, that is self-governed and rather autonomous, it should be clear that there needs to be "space" to let such initiatives develop. It is rather unlikely that collective action develops at full length in "restricted" circumstances. These circumstances are political –the strength of the state-, societal –the degree of openness in relationships, and legal –the potential for legal recognition of corporate bodies.

Motives for corporate collective action – potential advantages

What are the motives for a group of people with a common, though basically not yet collective, objective to choose for uniting forces and act together as a response to a social dilemma? If there is potential for collective action, if the "right" circumstances are created what would then convince them that it is worth to invest in a joint effort? What could be there motives. I explicitly not use the term "causes" but "motives" in relation to collective action, since I start from the premise that in principle there were other options to solve the social dilemmas as well. I will discuss here the two most important and relevant motives for choosing for collective action: risk sharing and advantages of scale.

⁴⁹ Lourens and Lucassen 1997: 53

Risk sharing by resource pooling

By choosing for the cooperative answer has the advantage that one can share the possible costs that arise from uncertain or risky situations. In the case of commons, the risks reside –as is also the case in some types of guilds, such as guilds that deal with construction works- in the dependency of (the availability of) the resources on nature. This is the case when the flow of natural resources is not continuous, for example due to seasonal variations: flooding, excessive rainfall, ... can seriously hamper the availability of resources but this cannot be foreseen. Pooling resources and the costs that are made to make these productive made the use of such resources less risky. Each participant was certain of a part of the harvested resources, year after year, but this share was probably lower than the short-term profit that could have been obtained on an individual basis. In the same sense artisans were in medieval times facing risks, which they may try to limit via collective action. Guild members their main objective was also providing a minimal but secure income for its members. The capital "good" they pooled in order to prevent running great risks, was their skill: by combining their skills, and taking advantage of the scale of organisation (see next para) they could offer a uniform, high quality good, that would be sold at a minimum price. The "selling channels" and commercial knowledge the guild had build up over the years and that had been passed on could prove to be helpful hereby. Using those channels could reduce transaction costs. Those who were relatively highly skilled might have been able to get higher incomes than what they obtained via the guild, but it was probably unlikely they would have done so over the long run. This collectivisation of human capital has been described for example the glassmakers of Venice: "The skills to make quality glass constituted a form of intellectual property. Knowledge was...a valuable commodity. In the community of Murano, where practically everyone's livelihood depended on glassmaking to some degree, the knowledge associated with eh glass craft was "communal property". Failing to protect or maintain this property was to the detriment of the community, the guild and the Venetian state".⁵⁰

Advantages of scale

Sticking together also offers the possibility that more is possible than on your own. If your resources are of low value, like it was the case with many commons, the costs of fencing the land in the form of individual patches would not have covered the possible –uncertain- benefits. In those cases where a minimum surface of land is necessary to achieve efficiency, forming a collective is simply a necessity. Forming a collective then clearly offers advantages of scale. The same goes for guilds: they could achieve advantages of scale not only in buying raw materials in group but also in "grouping" their knowledge. Prak gives the example of guilds in 'sHertogenbosch that let a representative buy goods in bulk at distant markets for a common account. In Medieval Venice, butchers let a member of the guild by a number of pigs and smiths bought their charcoal in common.⁵¹ In Venice butchers bought their pigs together, smiths bought charcoal in bulk, and ceramists bought their white-lead etc.⁵² Furthermore the combination of the limited resources of modest individuals, offered guilds the possibility to mobilize expensive legal aid. An example of this are the many petitions that were filed by guilds. This allowed the guilds to obtain specific privileges from the local authorities.⁵³ Epstein refers to advantages of scale for the use of knowledge: "Much premodern craft and engineering knowledge appears to have been shared or 'distributed' within industrial districts...sharing was more likely in ship- and edifice-building, mining and metalworking, and in the production of clocks and scientific instruments, which displayed strong division of labor and advanced levels of coordination and where cooperation provided clear economies of

⁵⁰ McCray 1999: 150

⁵¹ Mackenney 1987: 16 taken from Prak 1994: 18). Prak has the impression this practice of buying goods in large amounts, becomes less important during the early modern period Prak 1994: 18

⁵² Prak 1994: 18; Mackenney 1987

⁵³ Prak 2004: 186

scale and scope –sectors that are also notable for having played the most technologically innovative role in the Industrial Revolution.⁵⁴

Another incentive, though not economic, for the organisation in collective action, is the absence of other collectivities that generate sufficient trust to generate reciprocity to make a collective work. These can be family networks, of networks based on tribal organisations or clans. If costs and benefits can be shared among family members, there might not be a need to look for fellow commoners or guilds, at least if the family network is sufficiently large to generate sufficient capital.

The motives of medieval commoners and guild members

Several theories have been launched about the origins and the reasons of existence of guilds.⁵⁵ the origins of commons have however received comparatively little attention: most research on commons has focussed on the British enclosure movement and –for the “continental” commons- on their final dissolution during the 18th-19th century.⁵⁶ The difficulty in finding the reasons for their existence lays in their multi-functionality and the shifts in the importance of those functions that these organisations have gone through: although most historians consider them as primarily focussed on economic goals, the importance, and in some periods even prevalence, of the social and charity character of guilds and commons cannot be ignored. Geographically, I limit the discussion here to the Low Countries. These can easily be considered as typical cases of the developments I intend to describe here. Commons can be considered as institutions for the collective use and management of land and its resources. Although the history and typology of commons (and naming) is quite different on the continent, the English term has become widely used to indicate for example the German Genossenschaften or the Dutch Meenten and Markegenootschappen. Overall one can distinguish four types of commons. The first type comprises land that is only temporarily open to a group of people –usually the members of the local community- and this after harvest of the crop, thus for the remaining grain to reap, or for the cattle to pasture on the stubbles left behind. These are generally indicated with the term “common arable”. The other three types relate to land that is open to a group of entitled users –and this can be a group defined differently from the community- throughout the whole year, except for indicated periods that should allow the commons’ resources to regenerate. These commons can be divided into common woodland, common pasture and common waste, the last being usually rather poor land, and open for pasture and other activities during most of the year. Rights were assigned to groups, in some cases comprising the whole local village and sometimes even more than one village and in other cases limited to only those who met certain qualifications (membership of other commoners, payment of a certain fee, etc.).⁵⁷

In the past, mainly two explanations for the origins of commons have been given in literature. Elsewhere I have described these as the evolutionary explanation, and the causal explanation.⁵⁸ The evolutionary explanation considers the existence of commons as part of a long evolution towards private property, dating from Germanic times when only movables could become one’s property, all non-movables belonged to the family/clan/tribe.⁵⁹ Common property could –as claim Engels, Marx, De Laveleye and many other 19th century authors, be seen as the primitive form of property. Over time, this common property would “naturally” evolve into private property. Clearly Marx and Engels did not favour this evolution, but others like De Laveleye stressed that this was an only natural evolution: “When jurists want to account for the origin of such a right, they fly to what they call the State of Nature, and

⁵⁴ Epstein 2004

⁵⁵ See e.g the overview of these evolutionary explanations as given by Wyffels 1951

⁵⁶ See among others: Vivier and Demélas 2003

⁵⁷ Further details on this typology of the commons, including an explanatory glossary, can be found in De Moor, Shaw-Taylor, and Warde 2002a .

⁵⁸ See De Moor 2003

⁵⁹ Gilissen

from it derive directly absolute, individual ownership -or quiritary dominium. They thus ignore the law of gradual development, which is found throughout history, and contradict facts now well-known and well established. It is only after a series of progressive evolutions and at a comparatively recent period that individual ownership, as applied to land, is constituted.⁶⁰ In their views, all property would evolve into private property in the long run.

Not only would this way of reasoning not explain the origins of commons in non-Germanic areas, it also contradicts with the establishment of new common rights upon large plots of lands during the Middle Ages or the foundation of many more commons in the period thereafter, when property systems had already evolved further.⁶¹ According to for example Slicher van Bath⁶² –to mention only one eminent agricultural historian- the formation, of *marken* and *meenten* (both forms of wasteland commons) did not go further back than the 12th of 13th centuries, although the defenders of the "Germanic theory", such as Heringa, contested this.⁶³ Heringa saw a long continuous history whereby the writing down of the rules for the use of the common in charters was the only change.⁶⁴ However, although the origins of commons have not been studied thoroughly so far, it is clear that large numbers of commons appeared during the late Middle Ages in large parts of Europe. And although the evolutionary explanation is considered outmoded these days, it does implicitly continue to live in the literature and debates over other aspects of common land. Garrett Hardin, for example, in his very influential article "the tragedy of the commons" implicitly favours this explanation, when stating that common property should be replaced by either state property either –but preferably- private property.⁶⁵ Moreover, this evolutionary explanation ignores entirely the profound legal changes that took place during the 12th and 13th century.

In fact, denying the continuity between communal property in Germanic times and the movement towards corporate collective action of the Late Middle Ages is not the same as denying the existence of forms of collective usage of natural resources in the period before. It is quite clear that during the Germanic period land was used collectively, but this was based primarily on the membership of a clan or a family.⁶⁶ What we witness in later periods, is a formation of collectivities or alliances not primarily based on kinship but on a mutual agreement –between lords and villagers and between the villagers themselves- regarding the use of the resources, and their rules were written down, confirmed, reviewed and self-enforced. In many cases, these agreements should be read as settlements of conflicts that arose between the lords and the village inhabitants. According to Godding these arose in particular from the 12th century onwards.⁶⁷ The agreements should be seen in the light of the Great European Reclamations, that took place during the 10th-12th century. Thereafter agreements between local lordships and villagers about the use of the village's wasteland popped up. This should not surprise: as will become clear in a later section in this paper, these agreements should be seen as forms of risk avoidance and a way to benefit from advantages of scale in the management of natural resources that are necessary but cannot be commercialised. The background of these agreements is the population growth and the consequently increased and intensified land-use. Commons were a way to keep the agricultural system in balance at an only limited cost (one that was at least lower than

⁶⁰ De Laveleye 1894, chapter 1 on "The Gradual and Universally Similar Evolution of Property in Land"

⁶¹ Similar to the expansion of common property rights over land is the growth of guilds –in the form of the foundation of new guilds- long after the Middle Ages. In the Dutch republic for example, the number of guilds was about 564 around 1560. By the end of the 17th century, this had grown to a total number of ca. 1300. Lourens and Lucassen 1997: 52

⁶² Slicher van Bath

⁶³ Heringa 1982

⁶⁴ Hoppenbrouwers 2002: 93

⁶⁵ Hardin 1968

⁶⁶ Gilissen 1953

⁶⁷ Godding 1987: 203-204

privatisation). This becomes clear on the basis of many studies that point towards the "prudence" of the commoners (McCloskey, Allen).⁶⁸

I would like to define "craft guilds" here –following Lourens and Lucassen- as "organisations that –with the agreement of the local authority- unite members of the same occupational group, with as their most important goal the furthering of their economic interests, but not without taking into account the general well-being of their group as well".⁶⁹ Due to a lack of sources it is often impossible to find out whether the Late Medieval guilds would have corresponded entirely to this definition right from their foundation. Some guilds were not recognised right away –at their foundation- by local authorities, simply because these authorities had not really been defined themselves as yet. Guilds were mainly urban institutions, but in some cases the densely populated setting wherein they developed had not yet been attributed with the legal predicate of "city"; the number of rural guilds is rather small, just as in a similar sense the number of commons –a primarily rural phenomenon- in the cities was very small too (although many medieval towns did have their common pastures and fields for e.g. bleaching linnen). According to Lourens and Lucassen the number of guilds outside cities was in the Netherlands no more than 4%. It is thus quite straightforward that we should see these in relation to the urbanisation, and thus, as is the case with the commons (see earlier, the Great Reclamation), in relation to population growth. One of the prime prerequisites for the origination is the need for a certain concentration of members of the same occupational group in the same location. If we consider for example the Netherlands, Lourens and Lucassen claim that around 1400 a city needed to have reached a population of at least 2.500 inhabitants before more than only one craft guild would be established. Small cities of less than 500 inhabitants and less, usually did not have craft guilds. Although there are exceptions to this rule, there did seem to be a certain threshold population number for guilds to develop. There was also an upper limit to the number of guilds per urban centre: there seems to have been a maximum of about 50 guilds per city. Cities, like Amsterdam, with a much larger than average population, had only 1 guild per 4000 inhabitants (1670: 52 craft guilds per 200.000 inhabitants), but –as a form of compensation- these organisations counted each of course on average many more members. It is interesting to note that in practice there was –although this was not officially ordained by the authorities- a maximal number of representational/interest groups in a city. Lucassen argues that with the expansion of merchant capitalism, the guild-system became only more popular and that –contrary to what would later be claimed by their late 18th century critics- there existed a symbiosis of guilds and capitalist enterprises that started to thrive during this period. The majority of the Dutch guilds for example was founded during the 17th century, the growth period of merchant capitalism.

The origins of craft guilds should not only interest us here as part of the general phenomenon of upcoming collective action during the Late Middle Ages, but also because the period wherein they were established seemed to have had a decisive influence on their political importance in the long run. Lourens and Lucassen claim that only in those cities – though not without the necessary exceptions to the rule- where the craft guilds had not or hardly been established by 1400, they would not manage to obtain any political influence. Their results thus suggest that it matters when and where collective action takes place for their relationships with local authorities and their political power.⁷⁰ This would not prevent the further establishment of many guilds (Lourens-lucassen). As with the commons, there is also quite a bit of discussion about the novelty of guilds during the Middle Ages. Some –like Anthony Black- have stressed the continuity between guilds during the Classical period; Others, like S.A. Epstein have stressed that indeed the Medieval variant that came up around

⁶⁸ See Donald N. McCloskey 1991; Allen 1992

⁶⁹ Translation of the definition of craft guilds by Lourens and Lucassen 1997: 43-44

⁷⁰ Lourens and Lucassen 1997: 46-474-52

1100 was quite different, though the "theme" around which the organisation was centred, was as in Roman times primarily religious and not yet economic.⁷¹

In conclusion of this part of the paper we can say that clearly there are some good reasons to choose for a collective way of acting: it can in many ways be more efficient and cost less than the private or public solution. These advantages become clearer when stimulated by certain "motors of change". Some changes, like a growing population density make these advantages more obvious and thus stimulate actors to act collectively. These motors of corporate collective action will be discussed in the following part. Thereafter another part will follow on the conditions for these motors to act towards collective action. In certain circumstances, these changes may simply not have the effect that collective action arises because there are obstacles which make collective action no longer an option. In theory one can always choose to cooperate but what if the state prevents you to form corporations, or if you live in a society wherein collaboration with relatives is valued more –or even the only way- than collaboration with your peers? There are certain conditions to be fulfilled before collective action becomes a choice. These will be treated in the third part.

Motors of corporate collective action

The changes that may in these specific European circumstances have caused a rise in the degree and intensity of corporate collective action are considered in this paper as "motors" behind this specific revolution. It should be stressed that collective action can be caused by many elements (see for example the summing up of the potential causes of short-lived collective action), thus these factors cannot be considered as conditions for collective action. Identifying these motors is interesting because it brings us closer to those factors that may have been fundamentally different within Europe, as compared to other regions.

Growing scarcity of resource

Commons and guilds can both be considered as institutions founded with the objective of dealing with problems of collective action (negative causes) in order to profit from the advantages cooperation could offer (such as economies of scale, risk sharing, etc.). The reason for the fact that they are dealing with similar problems (at least in their abstract form) has to do with the similarities in the goods they are trying to protect. Both types of goods, large-scale vulnerable natural resources in the case of the commons and knowledge/skills in the case of the guilds, have a rather low degree of excludability. The natural resources of commons are mostly too vast to be well delimited; the knowledge and skills of the guild members can also be considered as goods that can easily be copied and that are thus hard to exclude others from. They possessed a form of expert knowledge, which is quite different from knowledge in general. Protection of their knowledge was –at least in the eyes of the guild members- necessary, not exactly because their knowledge could be overexploited –like in the case of the natural resources- but because a more intensive use of their knowledge would basically overexploit the market they were producing for. In other words: the equivalent of the commodifiable goods on the common (grass, peat, wood,...and the agricultural produce that is the result of the use of the common) can be compared to the commodifiable goods as produced by the guild members. In both cases a higher production and consumption of the goods would have negative effects for the members of the corporation: the natural resources on the common would become overexploited, eventually disappear and thus also threaten the future of the common as an institution; the increasing production would in the cases of the guilds lead to lower prices of the goods and the eventual collapse of the institutional guild structure. In both cases it is not unimaginable that

⁷¹ Prak 1994: 12; Epstein 1991: chapter 1

the future of the institutional structure itself –instead of the reasons for having that structure– would become an objective for the perpetuation of the institution. The reason for this might not necessarily be the unwillingness of the members of the institution to face the facts, but also the fact that a corporation had more than only economic objectives.

Growing population pressure

As explained above, a condition for the origination of a guild thus was a critical mass of potential participants in that particular city. Just like in the case of the commons, it only becomes necessary to exclude others only when there are others. In the case of many commons, it is possible that at first they were accessible for the whole village but that –in due time– access had some people from the village had to be excluded. Lourens et al. write that in order to lead to the setup of a guild, a certain population size was necessary because there had to be sufficient possible members for the guilds. In cities of less than 500 inhabitants, craft guilds normally wouldn't develop. This is certainly true but considering the real drive behind the guilds, it must also have been true that the larger the population, the greater the possibility that others –who weren't members of the guilds– would have taken part of the (also growing) consumer market.⁷² Around 1400 there was a strong correlation between urbanisation and the presence of guilds in the Low Countries. In the largest cities there was however a limit to this correlation. This was according to Lourens et al. a consequence of the political involvement of the guilds in those cities: in the case that certain guilds had gained political power, they were no longer inclined to allow new organisations, certainly not by splitting up existing guilds.⁷³

Can population growth be a cause for the development of collective action?? Or should we be looking elsewhere? This can be questioned since after the Black Death, when the population had dropped significantly, there was a very clear rise of the number of guilds in for example the guilds. In the half-century following the first outbreak of the Black Death, the number of functioning guilds rose rapidly.⁷⁴ After the Black Death, the increased demand for labour led to an increase in incomes for labourers in the lower orders, meaning that many people could afford to pay the membership fee and yearly dues for a guild for the first time.⁷⁵ Moreover, the uncertainty that the Black Death had brought along might have drawn people to membership. [Add arguments of Richardson on Christianity and guilds]. people saw membership of a guild as a way of safeguarding themselves against future problems. Guilds also provided members with services that they might be unable to afford individually.⁷⁶

Social dilemmas

If the pressure grows on an exhaustible resource a social dilemma may arise. That guild and commons' members react collectively to such dilemmas is because this was in many ways the most optimal solution, in the given situation. A social dilemma entails a choice between individual advantages and general advantages, and this was exactly what both institutions were dealing with. The medieval peasant faced a choice between one the hand trying to

⁷² However, over time guilds did subcontract also on the countryside. Lis and Soly 1994

⁷³ Ghent for example had many more citizens than Bruges and Leper but hardly more craft guilds. Lourens, Lucassen, and De Munck 2005

⁷⁴ Westlake 1919: 28.

⁷⁵ Bainbridge 1996: 105

⁷⁶ Westlake 1919: 32.

get as much benefits as possible out of an individual plot of land, though with the risk that his investments would be insufficiently rewarded, and on the other, to invest in a common pool resource with the certainty of getting at least some benefits. The medieval artisan faced a similar situation: either producing individually and selling individually –sometimes, though not always at a very low price- or pooling his produce with others, and taking advantage of the selling channels of the guild and thus getting a good, standard price for his products. Or simply: the choice between individual and collective action. There are good reasons to choose for collective action instead of the private or public solution. As will become clear after the explanation of what a social dilemma is, the most important reasons are economies of scale and risk sharing.

One of the occasions when one can see a social dilemma emerge is when there is scarcity: there is not enough of the good (or service) for each and every individual in society at a reasonable price. Studies of social dilemmas –even if they have not been considered as such- have for long been focussing on resource depletion: in the early 18th and 19th century economists such as Malthus, Ricardo and Mill concluded that the scarcity of natural resources could lead to diminishing returns and that to a reduction in economic growth.⁷⁷ Natural (or other) resources are however not the only "goods" that can be scarce and thus lead to a social dilemma. In the case of the guilds for example, it was the consumer market that was limited. Demand for the products produced by the guilds was scarce and thus members needed to be organised.

One could easily question the relevance or added value of a concept like social dilemma by suggesting to simply using scarcity as a term with an equal amount of explanatory value. What makes a social dilemma different from and more useful than simply scarcity? Scarcity is the indication that the resource is insufficient for the number of people who want to use it. How scarcity is solved depends for a great deal on the resource (regeneration time, number of units etc). One can decide upon a number of actions, e.g. add fertilisers to the resource to make them more productive in the case of natural resources, but from a pre-industrial point of view many of such "solutions" were not available yet. A social dilemma is the social situation that arises out of that scarcity, which has basically nothing to do with the resource itself. How the dilemma is tackled is dependent on the behaviour of those involved. One could describe scarcity as the "resource-side" of the general problem we are dealing with and social dilemma as the "social (human) side" of the problem. A social dilemma should in fact be considered as a response of to resource scarcity, rather than as a parallel process, since both do not originate separately but consecutively.

Solving the social side of the problem is a matter of implementing "rewards and punishments in which behaviours that are gratifying for the individual in the short term, imply long-term punishments for the individual and for others as well". The solution (the form of action) to solve this dilemma can be individualistic or collective (collective action). There are many reasons to choose for the second option, depending on the type of good that is scarce and upon the circumstances. "Circumstances" should here be interpreted in a variety of ways: as will become clear in the text the emergence of collective action as a response to social dilemmas depends on the "freedom" within a society for the members to organise themselves independent from "traditional" networks (the family, the clan, ...) and within a governmental structure that allows such alternative action to develop. As will become clear, collective action develops comparatively much slower in societies with a strong government –by whatever means this is obtained- and a strong position of the family as a binding agent for society. Summarised or abstracted one can say that there needs to be sufficient "collective action" potential within society and sufficient freedom to let this potential develop into collective action. These two lines of reasoning will be explained more in detail in the next section.

⁷⁷ Norton 1984

Conditions for collective action

The next step in this research project will be to explore the world-wide (though restricted mainly to two major areas, Europe and China) differences in the development of the types of corporate collective action that were considered here. If we compare for example with places that developed (economically) at the same pace as Europe, for example China, it turns out that collective action started developing much later, and often to a lesser extent. Moreover, the guilds that developed and thrived during the Qing period usually did not have more than a passive ability to defend their interests against official exactions. This kind of authority differs from that of the European guilds in the sense that it had no basis in law, customary or otherwise. The Qing statutes and other forms of written legislation barely mention the (merchant) guilds.⁷⁸ Guilds did have their own regulation but -as Morse suggests- the Chinese guilds had "grown apart and independent from the government; they have molded their own regulation, and enforced them in their own way and by their own methods."⁷⁹ This different development of collective action could offer new insights for the debate on "The great divergence" between Europe and China.

"Space" for alternative bonding

Although I will not deal in depth here with the differences between China and Europe, I do want to point out the factors that may have played a role in the creation of this divergence. In his "Warum Europa. Mittelalterliche Grundlagen eines Sonderwegs" Mitterauer stresses the importance of the disappearance of family bonds as an explanatory factor for the so-called European "Sonderweg".⁸⁰ This more "open" form of social organisation than systems based on kinship or tribal relations may have played a role in the development of collective action. Whereas in societies based on strict family bonds (lineage), tribal structures or clans, there may not have been any "space" for the development of collective action. The importance of lineage in Confucian ethics may have restricted Chinese craftsmen to unite, or at least may have restricted them in doing so for a considerable period of time. In China there was much less intensive "collective activity" in that particular period of time; guilds for example did not fully develop until the 17th century.

Relationships with family members –craftsmen or not- were more important than with fellow –but unrelated- craftsmen. The same goes for tradesmen. Anthony Black considers the European guilds as "artificial families", which is probably one of the best description to be given of guilds.⁸¹ Maybe the term "surrogate families" would even stress the difference with other societies even better. Besides such an open relatively non-kin based society, one needs also to have the freedom to organise. Social dilemmas do not lead automatically to continued collective action such as in the case of the guilds. The state needs to offer the room to its inhabitants to form interest groups and must allow that these will lobby for their cause. In the case of strong states, like in China, collective action arises only sporadically and temporarily. If there is no strong state, it becomes possible for collective actors to join forces. As power becomes negotiable, democratic developments can start. In contrast to the type of collective action that is described here, the short-term version that becomes visible in the form of mass movements has in the past often been considered as the direct cause for major historical changes, and has as such often been linked to important democratic developments. Democratic developments are bi-polar processes: they are processes of giving and taking by those who have already obtained powers (princes, nobility, estates...) and those who have no or only limited rights as yet. Actions taken by the former have often

⁷⁸ Joseph Fewsmith 1983: 622

⁷⁹ Morse 1909: 25

⁸⁰As Mitterauer describes in Mitterauer 2003

⁸¹ Black 1984

been the subject of study (studies on parliaments, monarchies etc.), as have initiatives of the groups at the bottom (strikes, riots, demonstrations) and their motives.

The relationship between guilds, commons and the state and its importance for negotiation in a democracy in their intermediate position should in this sense also been taken into account. In this sense the "co-operative revolution" has already been noted –though in other terminology- by other historians. Brunner for example has described the regime of the High Middle Ages as the "co-operation" between prince and estates in matters of law and defence whereas the law of the land only applied to the nobility.⁸² Co-operation then evolved into the broader form of "negotiation" accompanied by an institutionalization of the estates into parliaments and imperial and territorial diets. Blickle wonders whether the co-evolution of this process and the emergence of the communes, both between the 13th and 15th century, was more than a chronological coincidence. To this we can add our own speculations about the appearance of other institutions, such as commons and guilds.⁸³

Guilds needed to be allowed –by the political institutions- to develop.⁸⁴ The lagging behind of the development of guilds in the Northern Low Countries as compared to the South, is also a consequence of regional politics. In particular the regional governments of Holland and Gelderland made the establishment of new guilds rather hard. In some cases the guilds even managed to overrule the local authorities: in 1274 the craft guilds of Utrecht – among others those of the shoemakers- chased away the city council and replaced them with representatives from their own circles. However, the political power of the craft guilds overall disappeared by the time of the Reformation. For the Low Countries we can say that only in the South and Southeast they kept some political power, whereas elsewhere in the whole area they had either lost this or had never managed to obtain any power.⁸⁵

A change in the power of the state can offer new opportunities for collective action to develop. This is precisely what could be seen during Qing China. If the government recognises the rights to organise them and accepts that there must be room for other interest groups than the state, guilds could not be abolished at will.⁸⁶ Basically, one can define the role of the state in creating such freedom either as active or as passive. The state can actively and purposely contribute to creating the room for collective action to develop. This fits in well with what for example Greif and Milgrom say about the emergence of merchant guilds: "It is our thesis that merchant guilds emerged with the encouragement of the rulers of trading centres to be a countervailing power, enhancing the ruler's ability to commit and making an important institutional foundation for the growing trade of that period".⁸⁷ The state can also be too weak to intervene, to stop such collective action processes. A strong, strictly organised state can limit the freedom of its inhabitants to the desires of the state (ly powers). This is what we see for example in China: by the 17th century-Qing rulers had become considerably less interventionist than their Ming predecessors, which left an opening for craftsmen to unite in guilds. But even then guilds were to a large extent dominated in their functioning and directed by the state. If these two factors (capability of development of collective action & freedom to organise) were the prerequisites for collective action to develop, one could assume that a change in these fields can explain why in later times Chinese guilds did develop.

The legal and political recognition of groups

⁸² Brunner

⁸³ Blickle 1998: 8

⁸⁴ Compare to the condition set by E. Ostrom for the functioning of commons. See *Nested enterprises*, Ostrom 1990: 90

⁸⁵ Lourens and Lucassen 1997:51

⁸⁶ Lourens, Lucassen, and De Munck 2005

⁸⁷ Greif, Milgrom, and Weingast 1994: 746

The earlier described legal changes made it possible for corporations act as a single body out of the name of many members. Legally these entities –of whatever purpose they were had sufficient recognition to function properly. This was possible because of canon law attributed these collectivities with rights of assembly, ownership and representation (both internal and external).⁸⁸

The exclusion rules as designed by commoners and guild-members can be considered as norms formed "from below", that received, from the beginning or only later, support from state power. Although the attribution of the right to be a member can in itself be considered as a property right, as it gives the right to appropriate some resources, it differs significantly from the later modern property rights that were devised, in particular from the later 18th century onwards. These state-backed "rights to exclude" were not devised to solve – as the guild's and common's regulation- an economic problem but to support a newly constructed political order, wherein individuals and not groups formed the pillars of society.⁸⁹ Considering these conflicting backgrounds, it should not surprise that in the century preceding their almost simultaneous dissolution at the end of the 18th century, both guilds and commons were the subject of fierce debate. The abolition of both organisations was fuelled with the same arguments: these remnants of a feudal, medieval past were the enemies of innovation and economic progress. The kind of rhetoric that attacked the organisations during the 18th century (see e.g. Physiocrats) is to a large degree applicable to both types. In the debates about commons and guilds at the end of the Old Regime, their contribution to the nation's economic development became highly questioned: weren't these phenomena from backward times that limited the development of the nation's economy? Didn't they restrict the implementation of the free market? In these times of legal reform (towards the establishment of absolute, private property) and growing individualism the *raison d'être* of commons and guilds was questioned.

If we take the situation of for example commons in what is now Belgium –which followed to a large extent the French legal and political developments, which itself would then again influence the legal reform in large parts of Europe- for an example. The debate on the dissolution of the commons started around the middle of 18th century onwards –under the reign of the Austrian Maria-Theresia, leading eventually towards their official abolition in 1791 and their definite dissolution with the law on the reclamation of the wastelands of 1840. Before the second half of the eighteenth century common land and the rights of commoners had primarily been threatened by local rulers, who acted independently. Thus far the central government had only played a rather passive role in the history of the common land. The Austrian government however regarded common use of land as an obstacle, no longer fitting into the picture of a modern and rational agricultural policy. It was convinced it limited intensification of agriculture and prevented personal initiative. The central government often acted in co-operation with or according to the demands of the provincial authorities, thereby encouraging reclamation of waste land. Stimulated by some prematurely acclaimed reclamation successes on the poor sandy soil by a few private enterprises, some of the regional governments became interested in promulgating an ordinance to stimulate the reclamation of wasteland, inquiries among officials on the desirability of such an ordinance showed that reclamation of common land would lead to great deprivation for many peasants and would possibly lead to disputes between lords and peasants.⁹⁰ In 1772 a first ordinance was promulgated, but, although it was copied in the whole of the country, it did not resort much effect.⁹¹ Neither local communities nor private persons succeeded in successful reclamations. During the last years of the Austrian reign (which ended in 1794) a

⁸⁸ Huff 2003: 134

⁸⁹ Posner 2000

⁹⁰ Willems, 1962: 47-90; Tilborghs, 1988: 10-14

⁹¹ Vandenbroeke, 1975: 45-48; Vanhoutte, 1977: 243

lack of experience in reclamations, technical problems, transport problems and the war would prevent any more attention being paid to reclamation.⁹² As the new revolutionary French régime did not favour the nobility and clergy, the dissolution of convent communities brought an end to some important reclamations going on under the direction of the clergy.⁹³ The nobility lost all feudal claims on common land; the full property of these goods was assigned to the newly set-in-place municipalities.⁹⁴ In 1796 the French laws had become legally binding for the former Southern Netherlands. Consequently, the French law of the 10th of June 1793⁹⁵ became applicable for the whole area in question. Due to this law, common land was assigned to the municipalities, and fell from then onwards under the auspices of the municipality. The law also stimulated municipalities to sell and reclaim their common land. Some municipalities used these facilities to pay off their debts. In the Code Civil -introduced in 1804- 'communaux' (the word normally used to refer to common land) was explained as goods « à la propriété ou au produit desquels les habitants d'une ou plusieurs communes ont un droit acquis (art. 542). Common land thus had to be regarded as the collective property of the users, the inhabitants. But, as the Code Civil no longer acknowledged that form of property, it had to be transformed into a classic individual property (art. 544 and following) and was as such attributed to the municipality as a legal body. The property rights of the inhabitants as formulated in art. 542 were thus reduced to a usufruct in common.⁹⁶ Some common lands however were -on the basis of documents proving their title for centuries- not absorbed by the municipality. These became private property in joint ownership, a legal status that was and is characterized by a very limited legal security but which did allow the commoners to use and manage the common more or less as during previous centuries. The final dissolution of the commons in Belgium followed with the law of 1847 on the reclamation of waste land. Given the changed juridical status of the commons by that time, their privatisation had become a piece of cake for the government to organise.⁹⁷

Although at the introduction of the French rule in the Low Countries (by the end of the 18th century) the guilds were more active in social security than in securing economic benefits –again, a similarity with the commons-, they were still alive and kicking. The official abolition of the guild-system,⁹⁸ in many European countries before the start of the new century, did not prevent that afterwards new forms of guilds were erected, though not for long.⁹⁹ One of the similarities in the rhetoric that led to the abolition of commons and guilds was the issue of innovation. Both institutions were supposedly preventing innovation, but for both, researchers have in the meanwhile come to the conclusion that this was a wrong perception. There was space for innovative, creative entrepreneurs to develop and invest outside of the corporative system. Merchant capitalism saw a way to develop disregarding the presence of small-scale corporations.¹⁰⁰ For Lille and surrounding cities, Bossenga showed that "merchants belonged to guilds and used them selectively to prevent commercial competition, to mobilize credit, to lobby the government, and to impose quality controls upon goods sold on international markets. Far from being moribund organizations, guilds were

⁹² Van Looveren, 1983: 192

⁹³ Vliebergh, 1906: 149

⁹⁴ Tilborghs, 1987: 18

⁹⁵ *Décret concernant le mode de partage des biens communaux*

⁹⁶ De Page and Dekkers, 1975: 677

⁹⁷ Taken from Chapter 5 on the Swiss Allmende by Emile De Laveleye, *Primitive Property*.

⁹⁸ In the Republic the guilds were abolished in 1798

⁹⁹ Lourens and Lucassen 1997: 58

¹⁰⁰ See Prak 1994: 14; add Peuter 1999: 130; Bossenga 1991

flexible institutions, which merchants manipulated to secure profit and to carve out a protected share of the market".¹⁰¹ In the same sense one can say that commons did not prevent the introduction of new agricultural practices, they did not halt the productivity rises that took place after the implementation of new crops; there are even cases to be found of commons that integrated new agricultural practices in their daily functioning.¹⁰² In the meanwhile, the relationship between innovation and collective action is no longer considered as negatively as at the end of the 18th century. On the contrary, some even considered guilds as an "example of a larger set of informal institutions that facilitate innovation by virtue of shared norms".¹⁰³ Merges and Epstein for example consider –quite contrary to the "traditional" belief- the guilds to be "appropriability structures", that make it profitable for individual entities to develop new technologies and sometimes share them. The guilds contribution to innovation consisted in practice out of investments in training new members and thus generating new human capital and at the same time protecting trade secrets. Furthermore they stimulated the creative minds by issuing the certification of minimum quality standards among producers within a group.¹⁰⁴

From the above description of the struggle for life of guilds and commons at the end of the 18th century, it becomes clear that corporate collective action needs backing in order to succeed. As soon as that backing disappears, collective actors find it hard to survive. There needs to be freedom to organise before collective action emerges too. Besides the different strength in family relations, the absence of the freedom to organise can also contribute to understanding why for exaple guilds developed so late in China. Powelson summarises the situation of the guilds in Chian as follows: "the guilds existed only when authorized by government; they did not grow into independent political foci, able to negotiate with government or other corporate groups besides foreign merchants; and they did not serve as prototypes for further corporate entities capable of bargaining with each other."¹⁰⁵

¹⁰¹ Bossenga 1988: 693

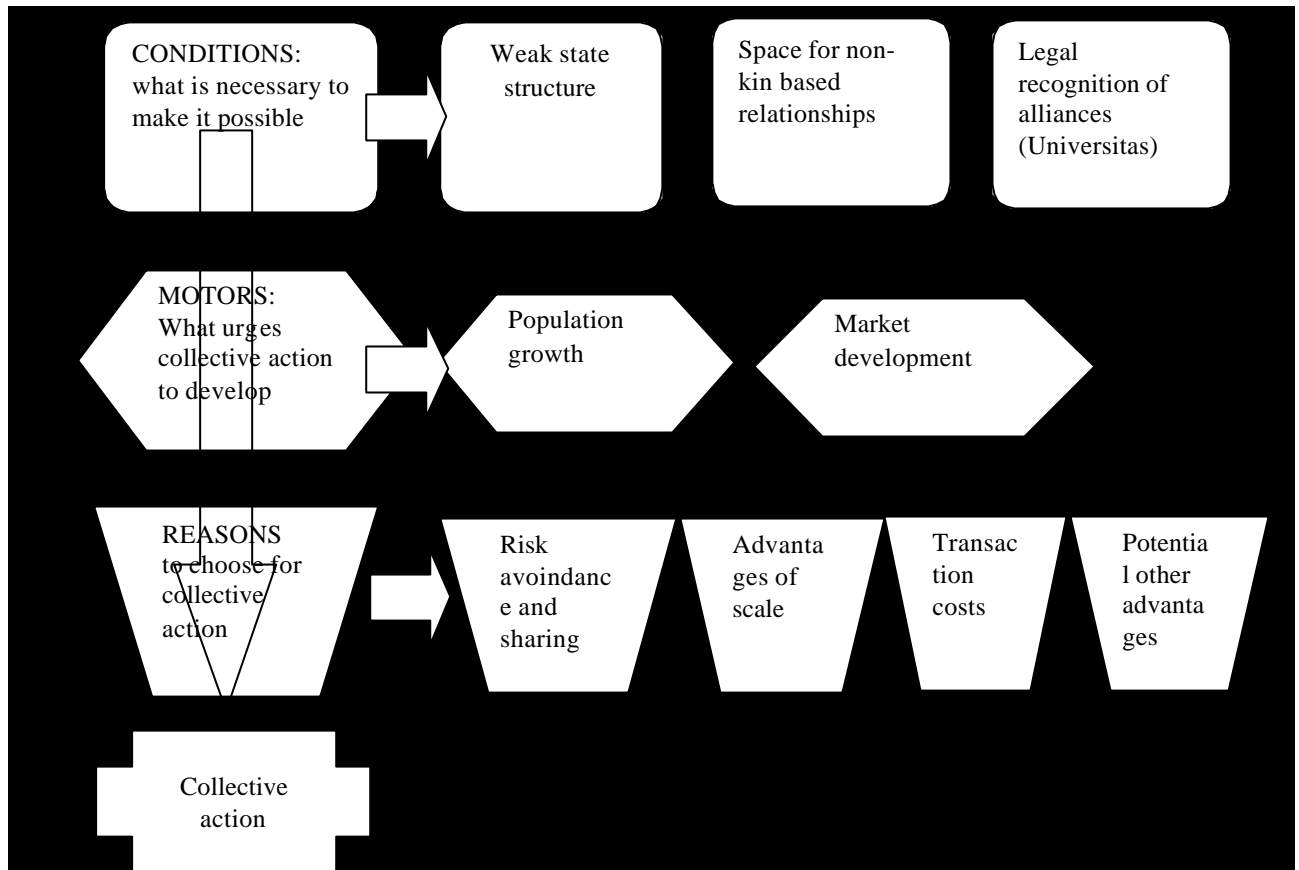
¹⁰² See my own research on a common in Flanders, near Bruges, where part of the common was reclaimed to serve as arable land but not without loosing the common management practices. See De Moor 2003.

¹⁰³ Merges : 3

¹⁰⁴ Merges and Epstein 1998: 691-694

¹⁰⁵ John P. Powelson, A History of Wealth and Poverty. *Why a Few Nations are Rich and Many Poor*, Chapter 11, China: The Puzzles of History

<http://www.quaker.org/clq/wealth-and-poverty/11china.htm>



Concluding remarks

The collective action-hypothesis: collective action as a *modus vivendi* for stabilizing markets

Collective action in the form of commons was a suitable *modus vivendi* to combine participation in the market with protection for the negative side effects of that market. Thus using the market without being abused by it. Both commoners and guild members tried to avoid the negative side-effects of the still weak and incompletely developed market by protecting their capital goods. In the case of the commoners, they tried to protect the valuable and exhaustible resources they had. If these could simply be sold on the market, this would threaten the sustainable government of the resources and thus also the income of the commoners, since they were dependent on the common for their commercialised agricultural produce. The guilds faced similar threats on their income if they didn't put limits to the commercial benefits to be reaped from their members production. The capital good they needed to protect were their knowledge and learned skills. Making this knowledge available to others, who were not members of the guild, would also form a threat to the members' income since they would thus to a certain extent lose their income security and witness a drop in their wages. There was a need for this *modus vivendi* because of the situation of the factor markets at that point. Capital was available but only to a certain extent, the labour market as at an early stage of development but did start to form a threat for independent crafts men. In situations with such unreliable markets, whereby large fluctuations can be expected in the returns on ones investments, collective action institutions can offer an attractive *modus vivendi*.

Guilds, commons and other forms of collective action were answers to the economic and social needs of the North-Western society, in response to a quickly developing but long from fully developed market economy and to the social networks that due to the weakening of family networks were insufficient. Collective action was thus used as a tool to deal with imperfect markets and –in particular in the case of the commons- insufficiently specialised production methods. Markets could not provide a continuous, though basic, income. Guilds used the market as their channel for sale, but also protected their members for negative side-effects. Commoners did not sell the goods from the common but needed the common to provide in foodstuff for their cattle which, on its turn, was indispensable for fertilising the land. In this way, the common provided products for the market but at the same time provided a basic income. Investing in goods is a risky affair. Craftsmen and commoners therefore relied on collective action to minimize costs. They took advantage of them being united for provision of social welfare for themselves and their families and as a congenial group they often interfered in political matters of affair. They could do so because the rules of the enfeebled feudalism offered them the room to do so. Organised in relatively small states that were always involved in one or another conflict, they may have had no other choice anyhow.

Guilds e.g. could offer income security and social security in an insecure society, thus filling in two needs. We can say exactly the same of commons. The not-straightforward but necessary combination of these two elements was exactly the strength of the system. It was not straightforward since the social costs made by some members affected the economic benefits for others. The social component was however necessary since without the social component, the (sometimes only temporarily) weaker members of the occupational group would work under the price limit, thus also affecting the income of the "stronger" members. Solidarity was thus needed to make the system work, both because of economic and societal (lesser family bonds) factors. Considering the variations in income between all members, this might not have been clear to everybody at all times, hence the body of rules, the strict regulation.

What can we learn from social dilemma theory and its application for the history of guilds and commons? Approaching the origination of guilds as an answer to social dilemmas shows why it is so hard to prove that guilds were promoting economic growth. It unravels the multi-functionality of these institutions, in a situation whereby the most optimal economic impact could not be known, let alone achieved, because of the incomplete development of the markets. A sustainable answer to a social dilemma always entails a suboptimal outcome on the individual level in the short term.¹⁰⁶ In the long term, collective action will be more beneficial for each participating individual. If on the contrary an individual solution is chosen, individuals will at first obtain optimal outcomes but in the long term experiences the negative effects of that choice. This difference in economic outcome for the individuals (the choice for a suboptimal outcome), helps us explain why it has often been supposed that guilds weren't the best choice for economic development. It is logic that the choice of individuals has an impact on the bigger picture of economic development. This and other elements such as the reasons for the multi-functionality of guilds can also help explain why people in the pre-industrial society were prepared to become members of guilds, a question that since it was posed –and repeated– by among others Prak, has not received an adequate answer.¹⁰⁷

The objective of this discussion paper was to point out the existence of this peculiar co-appearance of similar collective action organisations that thrive on what can be called "bridging social capital" instead of upon the old kinship-arrangements. Many populations–such as the Chinese– still largely depend on such kin-based relations. One of the conclusions of this paper should be that given the right political circumstances (freedom to organise, rulers that can be compromised,...) and specific economic incentives, pursuing joint welfare within a group should by means of collective action not be seen as a cumbersome affair with little change for success but often as a preferred option by those forming the group. Furthermore I have given some ideas about the advantages of collective action that can explain why a collective answer instead of an individual answer was given to the social dilemmas. These reasons explain the multi-functionality and the fact that guilds and commons were not necessarily the best performers in economic terms. The next step is to find out why such a revolution took place in NW-Europe and not elsewhere (at that time).

¹⁰⁶ Prak mentions that in the pre-modern society one did not think in terms of individual but in terms of households. In this paper we subscribe this nuance. Prak 2000-2001: 14

¹⁰⁷ Prak 1992: 53

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