

Debtors, Creditors, and their Networks

German Historical Institute London Bulletin
Supplement No. 3

GENERAL EDITOR: *Andreas Gestrich*

**Debtors, Creditors,
and their Networks:**
*Social Dimensions of Monetary
Dependence from the Seventeenth to the
Twentieth Century*

EDITED BY

ANDREAS GESTRICH

AND

MARTIN STARK

GERMAN HISTORICAL INSTITUTE LONDON

© German Historical Institute London, 2015

Published by the German Historical Institute London
17 Bloomsbury Square, London WC1A 2NJ, UK
2015

ISSN 0269-8552

FOREWORD

The present volume is the outcome of a workshop on 'Networks of Paupers and Debtors: Qualitative and Quantitative Approaches to Forms of Monetary Dependence in the Modern Period', which was held at the German Historical Institute London on 24–26 February 2011 and was organized by the GHIL and the Research Cluster 'Social Dependencies and Social Networks', jointly conducted by the Johann Gutenberg University Mainz and Trier University. The workshop focused on the importance of social networks for gaining access to credit and material support at times of hardship and in situations of material and social dependence. Conversely, it also investigated the function of networks for the creditors, in particular, for gathering information on the trustworthiness of their debtors.

Over the past decades, network analysis has developed into one of the most interesting and complex tools of analysis in the social sciences. Because historical data is often too heterogeneous to provide an adequate basis for long-term data series, historians have been reluctant to adopt rigorous quantitative forms of network analysis and generally prefer a more metaphorical use of the term. Historical network analysis is not impossible, however, and quantitative methods can be applied in social history and combined with qualitative research in a number of ways. This volume brings together a broad spectrum of such research in the specific field of debt and credit relationships from the sixteenth to the twentieth century.

In the process of preparing this book for publication the editors have incurred many debts. Apart from the authors who revised their essays for this publication, we would like to thank all the other participants in the workshop for their contributions and comments. We would also like to thank the authors for their patience in bearing with us through the slow process of editing this volume. Our special thanks, however, go to Jane Rafferty who translated and edited the essays, and Angela Davies who typeset the volume. Both from the German Historical Institute, their experience and help proved invaluable at all stages of the production of this volume.

Hamburg and London

Martin Stark and Andreas Gestrich

CONTENTS

1. Introduction
ANDREAS GESTRICH and MARTIN STARK 1

Part I: Network Analysis: Theoretical and Methodological Aspects

2. The History of 'Relational Science' and Social Network Analysis
MARKUS GAMPER 11
3. Historical Network Research: Taking Stock
MATTHIAS BIXLER 43

Part II: Social Networks and Mortgage Lending

4. Credit, Trust, and Social Networks: Mortgage Credit in the Industrializing Town of Esslingen (Württemberg, Germany)
ANNA-CAROLINA VOGEL 71
5. Networks of Lenders and Borrowers: A Rural Credit Market in the Nineteenth Century
MARTIN STARK 99
6. Credit Markets in the Nineteenth-Century Countryside: A Comparative Study in a Rural Border Region
DANIEL REUPKE 119

Part III: The Role of Agents, Trust, and Knowledge in Networks of Credit and Support

7. The Emperor as Debtor: The Prague Coinage Consortium 1622-3. Monetary and Social Dependence in Financing the Early Thirty Years War
STEFFEN LEINS 147

CONTENTS

8.	Social Support Strategies in the Family: Women's Networks. German Families in the Baltic Area (Late Nineteenth and Early Twentieth Centuries) ANJA WILHELMI	171
9.	Relational Decision-Making: Rural Society, Credit Markets, and the Nazi State in German-Annexed Austria, 1938 ERNST LANGTHALER	189
10.	<i>Falliment</i> : The Social Life of a Legal Category. Knowledge and Morals in Bankruptcy Proceedings (Basel, 1840s) MISCHA SUTER	217
	<i>Notes on Editors and Contributors</i>	253

1

Introduction

ANDREAS GESTRICH and MARTIN STARK

As a result of the worldwide financial crisis and its enduring socio-economic repercussions, the topic of debt has once again become the focus of public attention. In their book *This Time is Different*, to take just one example from the vast number of analyses of the recent financial meltdown of large banks and whole economies, economists Carmen Reinhart and Kenneth Rogoff show the role played by indebtedness, especially state indebtedness, in the emergence of financial crises.¹ Then again, according to the social and financial anthropologist David Gräber the entire history of humanity can be perceived as a history of debt.² Debt is, in fact, ubiquitous in human societies. Questions of debt and indebtedness affect not only states and financial institutions, but also individuals, regardless of their social status. Thus, just as public debt has become a major area of economic research, private debt and the economic and social ‘mechanisms’ and consequences of private borrowing and lending should constitute an important field of analysis in social history.

This is, in fact, increasingly the case, and much of this new research has also proved to be methodologically and theoretically innovative. The practices of borrowing and lending are as much connected to the quality of social ties, to kinship, gender, and especially trust as the result of the availability of capital. The topic of debt therefore frequently takes historians into areas which constitute emerging fields of interdisciplinary inquiry, such as the history of emotions and historical anthropology.³ Debt is also closely linked to the histo-

¹ Carmen M. Reinhart and Kenneth Rogoff, *This Time is Different: Eight Centuries of Financial Folly* (Princeton, 2009).

² David R. Graeber, *Debt: The First 5000 Years* (Brooklyn, NY, 2011).

³ William Chester Jordan, *Women and Credit in Preindustrial and Developing Societies* (Philadelphia, 1993); Marie Eileen Francois, *A Culture of Everyday Credit: Housekeeping, Pawnbroking, and Governance in Mexico City, 1750–1920*

ry of consumption and the rising field of material history and the history of objects,⁴ and it forms an important part of the renewed interest in the history of poverty and the economies of makeshift of the poor.⁵ The historical analysis of social networks as a basis of borrowing and lending is a relevant aspect in almost all of these approaches. In western European countries such as Britain,⁶ France,⁷ and Switzerland,⁸ in particular, historical research picked up the topic of non-institutionalized forms of lending and indebtedness amongst private individuals well before the crisis of 2008, and inquired into these social and anthropological dimensions of borrowing and lend-

(Lincoln, Nebr., 2006); Gabriela Signori (ed.), *Prekäre Ökonomien: Schulden in Spätmittelalter und Früher Neuzeit* (Constance, 2014); Gabriele Jancke and Daniel Schläppi (eds.), *Die Ökonomie sozialer Beziehungen: Ressourcenbewirtschaftung als Geben, Nehmen, Investieren, Verschwenden, Haushalten, Horten, Vererben, Schulden* (Stuttgart, 2015).

⁴ Clare Haru Crowston, *Credit, Fashion, Sex: Economies of Regard in Old Regime France* (Durham, NC, 2013); Andreas Hirsland, *Schulden in der Konsumgesellschaft: Eine soziologische Analyse* (Amsterdam 1999).

⁵ Kenneth Hudson, *Pawnbroking: An aspect of British Social History* (London, 1982); Melanie Tebbutt, *Making Ends Meet: Pawnbroking and Working-Class Credit* (London, 1984); Cheryl L. Danieri, *Credit Where Credit is Due: The Mont-de-Piété of Paris, 1777–1851* (New York, 1991); Alannah Tomkins, *The Experience of Urban Poverty, 1723–82: Parish, Charity and Credit* (Manchester, 2006); Sean O’Connell, *Credit and Community: Working-Class Debt in the UK since 1880* (New York, 2009); Sylvestre Clap and Delphine Brihat, *Du Mont-de-Piété au Crédit Municipal Avignon 1610–2010: Quatre Cents Ans d’une Histoire Exceptionnelle* (Avignon, 2010).

⁶ Craig Muldrew, *The Economy of Obligation: The Culture of Credit and Social Relations in Early Modern England* (Houndmills, 1998); Margot C. Finn, *The Character of Credit: Personal Debt in English Culture, 1740–1914* (Cambridge, 2003).

⁷ Philip T. Hoffman, Gilles Postel-Vinay, and Jean-Laurent Rosenthal, *Priceless Markets: The Political Economy of Credit in Paris, 1660–1870* (Chicago, 2000); Laurence Fontaine, ‘Antonio and Shylock: Credit and Trust in France, c.1680–c.1780’, *Economic History Review*, 54 (2001), 39–57.

⁸ Ulrich Pfister, ‘Le petit crédit rural en Suisse aux XVIIe au XVIIIe siècle’, *Annales* (1994), 1339–57; Hans-Jörg Gilomen, ‘L’endettement paysan et la question du crédit dans les pays d’Empire au moyen âge’, *Endettement Paysan et Crédit Rural dans l’Europe médiévale et moderne*, Toulouse 1998 (Actes des XVIIes Journées Internationales d’Histoire de l’Abbaye de Flaran, Septembre 1995), 99–137.

Introduction

ing. In the German-language area the focus longer remained on the traditional intermediary lending institutions such as banks, building societies, and the co-operative system as agencies of social reform or self-help.⁹

This restricted approach sometimes resulted in a distorted view of early modern and nineteenth-century money markets, and the practices of lending and borrowing money in Germany. Thus, for instance, in the Kingdom of Württemberg in south-west Germany there was not a general lack of capital, as some researchers maintained. It was simply that until well into the second half of the nineteenth century the banking system was underdeveloped.¹⁰ The private market for borrowing for private investment and short-term consumption needs at times of crisis, however, hardly came into the focus of historical research. Especially in rural areas, anyone wanting to borrow money had to resort to private loans, the limited funds of local religious and secular foundations, or private connections with lenders in nearby towns. In contrast to the anonymous capital markets, these loans were based on personal acquaintance between lenders and borrowers, with greater opportunities for acquiring information and control on both sides. Lending money, therefore, was not a purely economic transaction between lender and borrower. It also created a social relationship between the persons involved.

Credit networks formed in this way were based on communication networks which they simultaneously structured. Along with the transfer of resources, these networks also facilitated the exchange of information. Loans were granted on the basis not only of means, in this case, the ability of the potential borrower to provide property as collateral, but also of the borrower's reputation.¹¹ Expanding on this, Margot C. Finn's research, for example, looks at the major signifi-

⁹ Gabriele B. Clemens, 'Einleitung: Die Omnipräsenz von westeuropäischen Kreditbeziehungen in Mittelalter und Neuzeit', in ead. (ed.), *Schuldenlast und Schuldenwert: Kreditnetzwerke in der europäischen Geschichte 1300–1800* (Trier, 2008), 10–11. For this research tradition see also Frauke Schlütz, *Ländlicher Kredit: Kreditgenossenschaften in der Rheinprovinz (1889–1914)* (Stuttgart, 2015).

¹⁰ Knut Borchardt, 'Zur Frage des Kapitalmangels in der ersten Hälfte des 19. Jahrhunderts in Deutschland', *Jahrbücher für Nationalökonomie und Statistik*, 173 (1961), 402–21.

¹¹ Anke Sczesny, *Zwischen Kontinuität und Wandel: Ländliches Gewerbe und ländliche Gesellschaft im Ostschwaben des 17. und 18. Jahrhunderts* (Tübingen,

cance mechanisms such as trust and reputation still had even in the nineteenth and early twentieth centuries.¹² Far-reaching social aspects determined the processes of granting and obtaining credit. 'Good' borrowers, that is, those known to be reliable in paying money back, and citizens with a good reputation as frugal householders, were more likely to be granted loans. In rural face-to-face societies this was common knowledge; long-distance traders frequently used local agents and informants to gather information on their business partners. In this way lenders gave themselves additional security. This was expensive, however, and economically viable only if larger sums were being invested. For this very reason pre-industrial credit markets were often restricted to specific regions, which made the mutual exchange of information easier.¹³

In recent years, increased interest in the various forms of private credit and general issues of indebtedness have coincided with greater sensitivity towards the network-type organization of debt relationships.¹⁴ Social networks facilitated access to credit and also played an important part in overcoming material dependence resulting from (over-)indebtedness.¹⁵ Access to credit, the availability of material and social support, even access to communal and state support are embedded in social relations that can be described as social networks. As a first approach to the topic, a social network can be described, drawing on James Clyde Mitchell's influential definition, in the broadest sense as a 'specific set of linkages among a defined set of persons, with the additional property that the characteristics of these linkages as a whole may be used to interpret the social behav-

2002), 326-7; Craig Muldrew, 'Zur Anthropologie des Kapitalismus: Kredit, Vertrauen, Tausch und die Geschichte des Marktes in England 1500-1750', *Historische Anthropologie*, 6 (1998), 167-99.

¹² Finn, *The Character of Credit*.

¹³ Sczesny, *Zwischen Kontinuität und Wandel*, 326-7; Muldrew 'Anthropologie des Kapitalismus', 194.

¹⁴ Klaus-Joachim Lorenzen-Schmidt (ed.), *Geld und Kredit in der Geschichte Norddeutschlands* (Neumünster, 2006); Jürgen Schlumbohm (ed.), *Soziale Praxis des Kredites: 16.-20. Jahrhundert* (Hanover, 2007); Gabriele B. Clemens (ed.), *Schuldenlast und Schuldenwert: Kreditnetzwerke in der europäischen Geschichte 1300-1800* (Trier, 2008).

¹⁵ Curt Wolfgang Hergenröder (ed.), *Gläubiger, Schuldner, Arme: Netzwerke und die Rolle des Vertrauens* (Wiesbaden, 2010).

Introduction

ior of the persons involved'.¹⁶ On the one hand, credit itself can constitute such linkages and form the basis of social networks. On the other, different types of social networks, such as those constituted by kinship, neighbourhood relations, or other types of regular social interaction, can be analysed and used as a tool for understanding who is likely to be asked for credit, and who is prepared to grant it. It is the aim of this volume to explore the complexity of such social networks, how they support credit relations and are simultaneously shaped by this financial link.

About this Volume

This volume is based on contributions to a workshop,¹⁷ whose aim was to examine, theoretically and empirically, the concept of network formation as a strategy for overcoming situations of economic or social difficulty which resulted in financial credit being sought and granted. The scholarly analysis of such complex situations and strategies mostly requires a multi-method approach, which would ideally combine quantitative and qualitative aspects. The inconsistency and heterogeneity of available sources (personal statements, letters, legal sources, inventories, mortgage documents), however, means that such a combination is mostly impossible to achieve with the necessary consistency in historical projects. This also becomes clear in this volume, which represents a variety of approaches and attempts to cope with such problems posed by the sources. It discusses method-

¹⁶ James Clyde Mitchell, *Social Networks in Urban Situations: Analysis of Personal Relationships in Central African Towns* (Manchester, 1969).

¹⁷ The workshop 'Networks of Paupers and Debtors: Quantitative and Qualitative Approaches to Forms of Monetary Dependency in the Modern Period' was convened by the German Historical Institute London and the now discontinued research cluster at the universities of Trier and Mainz on 'Social Dependencies and Social Networks'. The conference papers have been supplemented by a few selected essays by additional authors. For the conference programme see <http://www.ghil.ac.uk/events_and_conferences/conferences_and_workshops/2011/networks_of_paupers.html>, accessed 25 June 2015. For more information on the Trier and Mainz research cluster see <<http://www.netzwerk-exzellenz.uni-trier.de/>>, accessed 25 June 2015.

ological difficulties and possible inroads into the analysis of network-building in the context of poverty, indebtedness, and credit in Europe from the early modern period to the twentieth century.

The volume is structured as follows: the first two essays reflect on the state of network research in terms of methodology and theory. In an introductory essay Markus Gamper (Cologne) presents a broad historical overview of how the interdisciplinary field of relational sciences and social network analysis has developed up to the present. Matthias Bixler (Bremen) then presents the most recent developments in the sphere of historical research towards Historical Network Analysis or, indeed, Historical Network Research (HNR), and asks whether a common basis is already emerging for this network-oriented historical research.

In the second section three essays focus on the influence of social networks on mortgage lending in the nineteenth century. First Anna-Carolina Vogel (Göttingen) looks from a cultural anthropology perspective at the connection between lending, social practices, trust, and social networks in the Württemberg town of Esslingen in the second half of the nineteenth century. Expanding on this, Martin Stark (Hamburg) uses the example of the Württemberg village of Ohmenhausen, near Reutlingen, to examine from the perspective of economic history the interplay between changes in rural lending institutions and the change in credit networks. Daniel Reupke's (Saarbrücken) essay widens this question geographically by presenting the results of his study on rural credit markets and lending practices in the border region between Germany, Luxembourg, and France in the nineteenth century.

In the third section various social and monetary support networks, the role of agents and brokers within these networks, and the importance of knowledge and trust are presented along with different methodological quantitative and qualitative approaches to these phenomena. First Steffen Leins (Tübingen) analyses the attempt by the German emperor Ferdinand II, who was heavily in debt, to acquire the funds needed to finance the war through the Prague Coin Consortium of 1622–3. He reveals the not inconsiderable socio-economic repercussions of this enterprise, which ultimately failed. Anja Wilhelmi (Hamburg) then demonstrates the importance of women's networks, in particular, those of single women, for strategies of social support within the family. She draws on the example of German fam-

Introduction

ilies in the Baltic area in the late nineteenth and early twentieth centuries. These networks transcended purely monetary considerations and expectations and thus opened up an additional perspective on social networks. Ernst Langthaler (Vienna) then shows how ideas and methods relating to network analysis can be innovative and fruitful for complex analyses of twentieth-century socio-political measures by examining the influence of social networks on the decision-making processes of over-indebted farmers in German-annexed Austria during the Second World War. Finally, the complex of topics on over-indebtedness and the resultant dangers for the economic and social status of the debtor is examined by Mischa Suter (Basel) looking at knowledge production in insolvency procedures. Using Switzerland as an example, Suter analyses how judgements were enforced in nineteenth-century liberal capitalism.

All in all, this volume offers a broad spectrum of recent and innovative research exploring the potential of the concept of social networks and the methodology of quantitative and qualitative network analysis in historical research. The wide field of credit relations provides an interesting field for such an inquiry, revealing the complexity and ambivalence of social networks as forms of social integration and support as well as social control.

PART I

Network Analysis: Theoretical and Methodological Aspects

2

The History of 'Relational Science' and Social Network Analysis

MARKUS GAMPER

In Castells' view the modern world, more than ever before, is characterized by global interrelations and dependences that determine and change social behaviour, the economy, and also communication between social units—such as people and institutions.¹ Even if, according to Castells, society is determined ever more strongly by networks, the question arises as to what extent this is a new phenomenon. In philosophy and social anthropology it is assumed that in humans lack of natural instincts has always led to social dependence and thus has constructed social networks.² Accordingly, from the moment of birth the human relies on a social environment to satisfy his basic needs and to learn the cultural codes (for example, language, behaviour, norms and values). This is the only way that he can integrate into society and become capable of survival. The significance of networks for actors, the effects they bring about and similar issues are the focal point of so-called 'relational science' that has developed since the late nineteenth century. It does not deal primarily with social units, but conceives of them 'pre-relationally'. Actors are only constituted by the social relationships that exist between them and should be understood as 'terms of relations, and as such can never be "given" in isolation but only in ideal community with each other'.³ The relationship as such is the focus and becomes 'the

¹ Manuel Castells, *The Rise of the Network Society. The Information Age: Economy, Society and Culture*, vol. i (Cambridge, 1996).

² Jean-Jacques Rousseau, *Emile: Oder über die Erziehung* (Stuttgart, 1998; 1st pub. 1762); Arnold Gehlen, *Anthropologische Forschung: Zur Selbstbegegnung und Selbstentdeckung des Menschen* (Reinbek bei Hamburg, 1961).

³ Ernst Cassirer, *Substance and Function and Einstein's Theory of Relativity* (New York, 1953), i. 36.

primary unit of analysis rather than the constituent elements themselves'.⁴ So the relational approach concentrates on the actors' embeddedness in their environment.⁵ Environment is understood as the structures formed by relationships that offer or restrict behavioural options and, beyond that, influence the way in which the actors perceive themselves. According to the 'radically constructivist' definition of the relational paradigm, culture, identity, and sense are also created in relationships and thus constitute the starting point for that social identity from which society emerges in the first place.⁶ The research fields in which the relational approach can be applied are therefore manifold. Relationships can, for instance, be examined as regards reciprocity or behaviour in small groups (for example, family or work relations). Processes of socialization and diffusion (for example, knowledge, illnesses, luck) can be looked at just as much as processes of migration or cultural exchange, economic relations and social movements. In mathematics, historical science, information technology, and physics, too, (social) relations are modulated with the aid of graph theory (for example, swarm behaviour). The focus is on social relationships of all sorts and the structures deriving from them, which are examined with the aid of so-called network analysis.

How are networks to be understood against the backdrop of relational science, and what sorts of analyses do social scientists and humanities scholars have at their disposal? In general networks can be defined 'as a specific set of linkages among a defined set of persons [actors], with the additional property that the characteristics of these linkages as a whole may be used to interpret the social behaviour of the persons [actors] involved'.⁷ Historically, two ideal types of network analysis have developed: 'whole networks' and 'egocentric networks'.⁸ The analysis of whole networks seeks to establish all

⁴ Mustafa Emirbayer, 'Manifesto for a Relational Sociology', *American Journal of Sociology*, 103/2 (1997), 281–317, at 287.

⁵ Mark S. Granovetter, 'The Strength of Weak Ties', *American Journal of Sociology*, 78/6 (1973), 1360–80.

⁶ Harrison White, *Identity and Control: A Structural Theory of Social Action* (Princeton, 1992).

⁷ James C. Mitchell, *Social Networks in Urban Situations: Analyses of Personal Relationships in Central African Towns* (Manchester, 1969), i. 2.

⁸ Roland S. Burt, 'Models of Network Structure', *Annual Review of Sociology*, 6 (1980), 79–141.

existing interior relations of a set of actors. These form part of a delimited system (for example, school class). The focus of inquiry lies on whether and in what way the members within the defined boundary are linked up. Relations to actors outside are not taken into account. So the focus of interest lies on the global structure of the network and the interactive patterns it contains.⁹ The focus of egocentric network¹⁰ analysis lies on the relations of an actor (ego) (for example, persons, organizations) and the social environment (alteri). By this method, ego's network is established from his or her subjective point of view. Questions touching on ego's partners ('actors/name generators') in everyday life are posed to identify ego's contacts (alteri) to whom a defined relation is maintained; this is then shown using connecting lines (edges). Further personal and socio-demographic data such as age, sex, contact frequency, and level of education are subsequently gathered using so-called 'actor/name interpreters'. Ego-networks represent an individual's overall pattern of relationships. The focus lies on the embeddedness of single actors in their social environment. Egocentric network analysis is put to work in cases where the group under investigation is hard to delineate or the sheer size of the whole suggests the study of individual cases.¹¹ Networks can be established quantitatively or qualitatively.¹² Quantitative network analysis focuses on calculating formal aspects of network structure,

⁹ Stanley Wasserman and Katherine Faust, *Social Network Analysis: Methods and Applications* (New York, 1994).

¹⁰ There are authors who still distinguish between personal networks and egocentric networks: Marinda J. Lubbers, Jose L. Molina, and Christopher McCarty, 'Personal Networks and Ethnic Identifications', *International Sociology*, 22 (2007), 721–41.

¹¹ Claude S. Fischer, Robert M. Jackson, Ann C. Stueve, Kathleen Gerson, Lynne M. Jones, and Mark Baldassare, *Networks and Places: Social Relations in the Urban Setting* (New York, 1977); Barry Wellman, 'The Community Question: The Intimate Networks of East Yorkers', *American Journal of Sociology*, 84 (1979), 1201–31; Marinda J. Lubbers, Jose L. Molina, and Christopher McCarty, 'Personal Networks and Ethnic Identifications', *International Sociology*, 22 (2007), 721–41.

¹² Markus Gamper, Michael Schönhuth, and Michael Kronenwett, 'Bringing Qualitative and Quantitative Data Together: Collecting Network Data with the Help of the Software Tool VennMaker', in Maytham Safar and Khaled A. Mahdi (eds.), *Social Networking and Community Behavior Modeling: Qualitative*

that is, standardized data on the basis of which structural units of measurement like density, centrality, or actors' prestige, cutpoints between sub-networks (cliques) and density can be calculated.¹³ The focus of qualitative network analysis lies not solely in the mere existence of relations in a social network but their quality too. What is important is the actor's view of the network, in order to comprehend and analyse their dynamics and the subjective meanings and stories of relations.¹⁴

In this essay the historical development of network research will be outlined. The most influential lines of development and their representatives from the humanities and the social sciences, from the nineteenth century until today, will be presented here as examples, and it will be demonstrated that a relational science has developed. To start with the theoretical origins, mainly deriving from sociology, will be briefly presented (I), then the most important empirical beginnings from the educational sciences and psychology, for example, Child Studies (II). Linking up with this the focus is on industrial sociology and urban and anthropological community research studies from the USA and Manchester (III). I will then go on to show how network research has developed since the 1970s into an important branch of research in various disciplines (IV).

I. *Theoretical Roots*

The first theoretical roots of social relations originate at the beginning and particularly in the second half of the nineteenth century. The significance of social structures is to be found especially in the work of European sociologists such as Karl Marx, Emile Durkheim, Nobert

and Quantitative Measures (Kuwait, 2011), 193–213; Nicole E. Coviello, 'Integrating Qualitative and Quantitative Techniques in Network Analysis: Qualitative Market Research', *An International Journal*, 8/1 (2005), 39–60.

¹³ Wasserman and Faust, *Social Network Analysis*.

¹⁴ Rainer Diaz-Bone has written a critical article about qualitative network analysis, 'Does Qualitative Network Analysis Exist?' (2007), online at <<http://www.qualitative-research.net/index.php/fqs/article/viewArticle/224/493>>, accessed 21 Nov. 2010; Gamper, Schönhuth, and Kronenwett, 'Bringing Qualitative and Quantitative Data Together'.

Elias, Alfred Schütz, Georg Simmel, and Leopold von Wiese. '[A]ll tried to specify the different kinds of social ties that link individuals in different forms of social collectivities.'¹⁵ Karl Marx, for instance, proposed that the social structure and position of the individuals in this are constructed from the relationships between the various groups—in this case, the expropriated and the expropriators. Even though Marx's theory focuses on capital and its distribution, for him the structures of distributing the means of production play a key role: 'Society does not consist of individuals, but expresses the sum of the relationships that exist between them.'¹⁶ Amongst the classical writers, however, it was mainly the Germans, Simmel (1908) and von Wiese (1924), who recognized the importance of social structure for analysing human behaviour and society.

Simmel maintains that forces of attraction exist between points and that individuals combine in networks. In his view the only way that society becomes possible at all is 'that the individuality of the individual finds a place in the structure of the generality, indeed that right from the start this structure, despite the incalculability of the individuality, is geared towards this and its achievement'.¹⁷ Against the backdrop of this interaction Simmel talks explicitly of networks.¹⁸ The sociologist assumed an interlocking of various social circles in which individuals share. So everyone is in various forms of mutual relationship with everyone else, which advances the process of socialization. What is remarkable about Simmel's theoretical ideas is that it is only the form of relationships that provides insight into cohesion processes and tendencies towards individualization. At the same time they can also be called upon to explain why norms are followed or changed.¹⁹ What should be emphasized particularly here is that numerous structural characteristics of social relations used in network literature today (e.g. homophily, number of people) were

¹⁵ Linton C. Freeman, *The Development of Social Network Analysis: A Study in the Sociology of Science* (Vancouver, 2004), i. 15.

¹⁶ Karl Marx, *Grundrisse der Kritik der politischen Ökonomie* (Berlin, 1953; 1st pub. 1857–9), 176.

¹⁷ Georg Simmel, *Soziologie: Untersuchungen über die Formen der Vergesellschaftung* (Berlin, 1908), i. 30.

¹⁸ *Ibid.* 30.

¹⁹ *Ibid.* 20–30.

already dealt with by Simmel,²⁰ and the significance of triads, as used today in the balance theory, already posited.²¹

If Simmel was the one who provided theoretical underpinning for the significance of networks, it was Leopold von Wiese who took the idea forward and further systematized the types of relations. Here he distinguishes between social processes in which social units either become closer or more distanced. Various distances between social units—that can be measured empirically—the social space in which the processes of networking play out, and the social edifices that are constituted from the linked relations of the social units. Here von Wiese emphasizes the importance of dynamics and change in the relational network.²²

Even though the theoretical approaches mainly played a significant role in German-speaking sociology, the first important academic studies of relations between humans,²³ and the structures emerging from them were largely produced in other disciplines—psychology, educational sciences, and anthropology.

II. *Network Analysis in Psychology and Educational Science*

Some of the first empirical studies on the path towards Social Network Analysis arose in educational science and psychology. Most of them can be subsumed under the concept of Child Studies. Their roots can be traced back to the end of the nineteenth century. Research into social relations was largely conducted in schools. By using participatory observation, and quantitative and qualitative interviews, relations between school children were analysed. Here the studies of

²⁰ Bettina Hollstein, 'Strukturen, Akteure, Wechselwirkungen: Georg Simmels Beiträge zur Netzwerkforschung', in Christian Stegbauer (ed.), *Netzwerkanalyse und Netzwerktheorie: Ein Neues Paradigma in den Sozialwissenschaften* (Wiesbaden, 2008), 91–103.

²¹ Simmel, *Soziologie*, 80–2.

²² Leopold Wiese, *System der Allgemeinen Soziologie* (Berlin, 1924).

²³ The first attempts at raising data systematically regarding non-human relations date back to 1810 and the Swiss biologist Pierre Huber. He examined the interactions amongst ants and amongst bees. Freeman, *The Development of Social Network Analysis*, i. 16.

whole networks by Johannes Delitsch should be mentioned,²⁴ as well as the one by Will Monroe,²⁵ which must be the first egocentric study.

Some of the first research by the pedagogue Johannes Delitsch, which is both innovative and detailed, represents, in fact, the start of systematic research on relations. In his analysis of friendship networks of 1880–1 Delitsch used a mixture of methods—observation, interviews with school children and parents, and analysis of pupils' essays. In order to understand how friendships are formed and how youngsters develop in their identity, he examined the whole network of 53 boys in class 4 of a secondary school. Here he was already using an adjacency matrix to record the relations between the pupils. He recorded both offered friendships (rows = 'I') and attempts at friendship (columns = 'I'). At the same time he noted reciprocal relations, in other words, actual friendships (+) (see Figure 1). Based on his data we were able to demonstrate, for instance, that older boys who were repeating a class were generally very popular with their younger classmates.²⁶ Monroe produces similar findings (1898).²⁷ He was also interested in friendship networks between adolescents. Unlike Delitsch he used a purely quantitative approach and a kind of egocentric network analysis. He asked 1,068 boys and 1,268 girls aged between 7 and 16: 'What kind of chum do you like the best?' Like Delitsch he also found that the children he asked liked to have friends who were older than them or at least of the same age. He was also able to show that the pupils tended towards gender homophily. During this time other studies emerged that dealt with the same topics,²⁸ for instance, Terman (1904), Almack (1922), Reinigen (1924), and Bott (1928).²⁹

²⁴ Johannes Delitsch, 'Über Schülerfreundschaften in einer Volksschulklasse', *Zeitschrift für Kinderforschung*, 5/4 (1900), 150–63.

²⁵ Will S. Monroe, 'Social Consciousness in Children', *Psychological Review*, 5 (1898), 68–70.

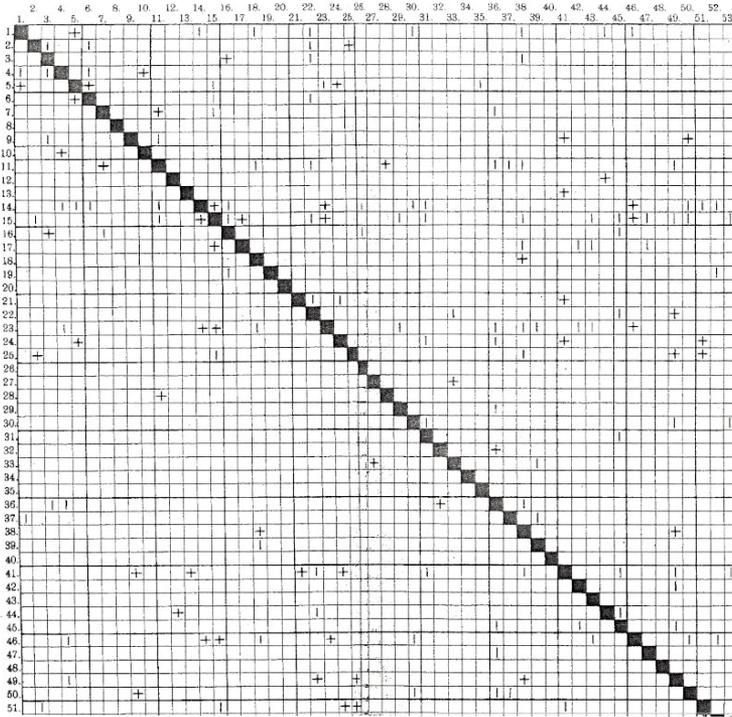
²⁶ Richard Heidler, Markus Gamper, Andreas Herz, and Florian Eßer, 'Relationship Patterns in the Nineteenth Century: The Friendship Network in a German Boys' School Class from 1880 to 1881 Revisited', *Social Networks*, 37 (2014), 1–13.

²⁷ Monroe, 'Social Consciousness in Children'.

²⁸ For a summary of the English studies see Lincoln C. Freeman, 'Some Antecedents of Social Network Analysis', *Connections*, 19 (1996), 39–42.

²⁹ Lewis M. Terman, 'A Preliminary Study of the Psychology and Pedagogy of Leadership', *Journal of Genetic Psychology*, 11 (1904), 413–51; John C.

Figure 1: Adjacency matrix of 53 boys in a 4th Class.



The senders of ties are written in the columns, and the receivers in the rows.

Source: Johannes Delitsch, 'Über Schülerfreundschaften in einer Volksschulklasse', *Zeitschrift für Kinderforschung*, 5/4 (1900), 160-1.

The same research interest, but a different way of presenting networks, was developed in the 1930s by the very extrovert psychiatrist Jakob Moreno with the help of his colleague, the psychologist Hellen Jennings: namely, the sociogram.³⁰ The 'inventor' of sociometry and psychodrama had already been examining the emergence of small groups and the processes that occurred within them since the 1920s. Like his predecessors, his focus was on the processes of inclusion and exclusion in children and young adolescents.³¹ Using data raised through discussions, observations, role-playing (psychodramas), and questionnaires he put together so-called sociograms. Here he entered the people (node) and joined them up with lines (edges), until a network emerged (see Figure 2). The allusion to Darwin's selection theory in what must be his most well-known book *Who Shall survive?* (1934), in which he presents the principles of his theory, is certainly no coincidence. In his view, the procedure he used represented in detail the process of natural selection in social groups and showed that it is possible to influence the selection process. The aim was to change society in a positive sense.³²

The question about individuals' relationships with one another and how their attitudes to one another can change was also of interest to Fritz Heider. Drawing on Wolfgang Köhler's *Gestalttheorie*,³³ and Kurt Lewin's Field Theory,³⁴ he developed the Balance Theory and examined the interplay between people's social relations and attitudes in small groups. Heider describes his basic assumption as follows: 'Attitudes towards persons and causal unit formations influence each other. An attitude towards an event can alter the attitude towards the person who caused the event, and, if the attitudes to-

Almack, 'The Influence of Intelligence on the Selection of Associates', *School and Society*, 16 (1922), 529-30; Karl Reininger, *Über soziale Verhaltensweisen in der Vorpubertät* (Vienna, 1924); Helen Bott, 'Observation of Play Activities in a Nursery School', *Genetic Psychology Monographs*, 4 (1928), 44-88.

³⁰ First attempts at sociogram research had already been made at an earlier stage, e.g. Rudolf Lochner, 'Das Soziogramm der Schulklasse', *Zeitschrift für Pädagogische Psychologie*, 28 (1927), 177-205.

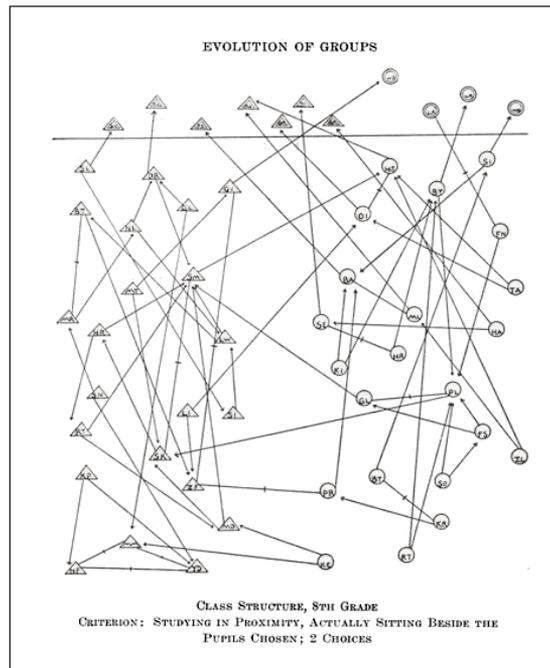
³¹ Jakob L. Moreno, *Who Shall Survive?* (Washington, 1934), i. 104, 129.

³² *Ibid.* i. 7.

³³ Wolfgang Köhler, *Intelligenzprüfungen an Menschenaffen* (Berlin, 1921).

³⁴ Kurt Lewin, 'Field Theory and Experiment in Social Psychology: Concepts and Methods', *American Journal of Sociology*, (1939), 868-96.

Figure 2: Sociogram of an 8th Class.



Source: Jakob L. Moreno, *Who Shall Survive?* (Washington, 1934), 161.

wards a person and an event are similar, the event is easily ascribed to the person. A balanced configuration exists if the attitudes towards the parts of a causal unit are similar.³⁵ The triad formed by this constellation consists of three units: the node P (person), the = node O (other), and the node X (object of attitude).

The balance theory is still highly regarded in network analysis today.³⁶ In network research the object of attitude X is often defined

³⁵ Fritz Heider, 'Attitudes and Cognitive Organization', *Journal of Psychology*, 21 (1946), 107-12, at 107.

³⁶ e.g. Jürgen Lerner, Ulrik Brandes, Patrick Kenis, and Denise van Raaij, 'Modeling Open Web-based Collaboration Networks: The Case of Wikipedia', in Markus Gamper, Linda Reschke, and Michael Schönhuth (eds.), *Knoten und Kanten 2.0: Netzwerkanalyse in Medienforschung und Kulturanthropologie* (Bielefeld, 2012), 139-60.

as the 'Third Person'. The relations are examined here on the basis that an individual (unconsciously) seeks to balance out his relations. A triad is balanced if all three relations are positive or two relations are negative and one is positive. Balance can be said to exist in a network if, for instance, node P has a positive relationship with node X and at the same time sympathy exists between node O and the person X. To put this over-simply: my friend's friend is also my friend.

While the assessments were mostly just restricted to frequency or simple calculations of homophily, and the visualization of the sociogram had not yet been standardized, in the 1940s and 1950s a strong mathematical branch developed in psychology. One of the main reasons for this development was dissatisfaction with the options for representation that existed at that time, which, in spite of everything, were only suited to structuring networks in a limited way, as well as the difficulties in interpreting a large number of cases. Thus the edges in a sociogram could be placed without any specific rules, the result being that any given network could be depicted in various different ways. So in many cases it was impossible to compare several sociograms/networks. Interpretation of the image was also hindered by a large number of nodes and edges. In order to remedy this, research was done into determining structural co-efficients that could be interpreted independently of graphs and which form the basis of quantitative network analysis today.

So psychologists returned to the ideas of Child Studies, for instance, Moreno (1934),³⁷ Bott (1928),³⁸ and the social psychologist Lewin (1936),³⁹ in order to analyse social relations mathematically, and thus comparatively. Mary Northway (1940) and Lloyd A. Cook (1945)⁴⁰ create an easy way to visualize social network data. To achieve this Northway worked with concentric circles to portray the acceptance of individuals and the preferred relations between people within social groups. Here the circles represented degrees of acceptance, varying by one-quarter, into which the group members could

³⁷ Moreno, *Who Shall Survive?*

³⁸ Bott, 'Observation of Play'.

³⁹ Kurt Lewin, 'A Dynamic Theory of Personality: Selected Papers', *Journal of Nervous and Mental Disease*, 84/5 (1936), 612-13.

⁴⁰ Lloyd A. Cook, 'An Experimental Sociographic Study of a Stratified Tenth Grade Class', *American Sociological Review*, 10 (1945), 250-61.

be categorized (see Figure 3). The collected data was visualized in these circles. In the 1980s, Kahn and Antonucci used nearly the same concept to collect network data visually.⁴¹ Figure 4 shows an example of a ‘convoy’ with the corresponding roles of the *alteri*. Ego is positioned in the middle, represented by a ‘P’. Moving outwards from the innermost circle the importance in terms of providing support diminishes for ego. In the outermost circle are the people who provide ego with the least support.⁴² The so-called Social Convoy Model was taken up again in particular by the so-called ‘new’ Qualitative Network Analysis or Visual Network Analysis.⁴³

If the first mathematical steps were still fairly rudimentary, Alex Bavelas (1947) went beyond ‘simple forms’ of representation. This psychologist dealt with communication within networks and developed mathematically conveyable parameters capable of providing information, for instance, centrality. Using this value the importance of an actor for the whole network can be assessed. In the early 1950s at the MIT Bavelas examined the influence of key actors on the work achievement and ways of functioning within groups.⁴⁴

The experiment carried out by Stanley Milgram in the late 1960s on the so-called Small World Problem was also based on mathematical problems that had already cropped up in the 1950s. Ithiel de Sola Pool and the mathematician Manfred Kochen had looked at how social networks function and tried to tease out the mathematical

⁴¹ Robert L. Kahn and Toni C. Antonucci, ‘Convoys over the Life Course: Attachment, Roles, and Social Support’, in Paul B. Baltes and Olim G. Brim (eds.), *Life-span Development and Behavior* (New York, 1980), i. 383–405.

⁴² Ibid.

⁴³ Markus Gamper and Michael Kronenwett, ‘Visuelle Erhebung von egozentrierten Netzwerken mit Hilfe digitaler Netzwerkkarten’, in Sabrina Kulin, Keno Frank, Detlef Fickermann, and Knut Schwippert (eds.), *Soziale Netzwerkanalyse: Theorie – Methoden – Praxis* (Münster, 2012), i. 151–66; Michael Schönhuth, Markus Gamper, Michael Kronenwett, and Martin Stark (eds.), *Visuelle Netzwerkforschung: Qualitative, quantitative und partizipative Zugänge* (Bielefeld, 2013).

⁴⁴ Alexander Bavelas, ‘Communication Patterns in Task-Oriented Groups’, *Journal of the Acoustical Society of America*, 22 (1950), 723–30; Alexander Bavelas and Dermot Barrett, ‘An Experimental Approach to Organizational Communication’, *Personnel*, 27 (1951), 366–71.

Figure 3: Northway's Target-Sociogram.

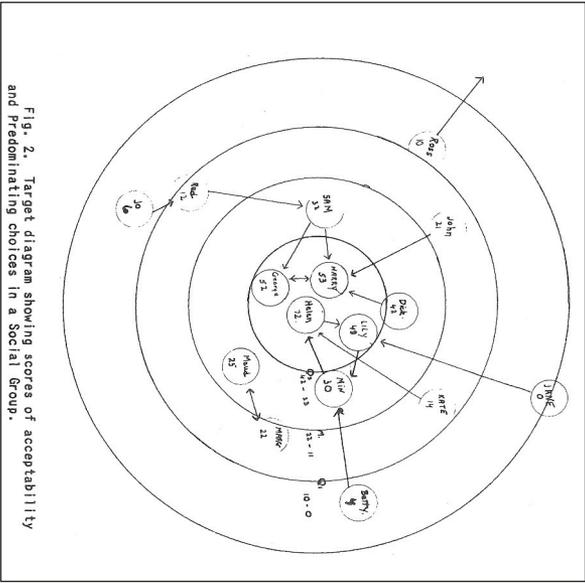
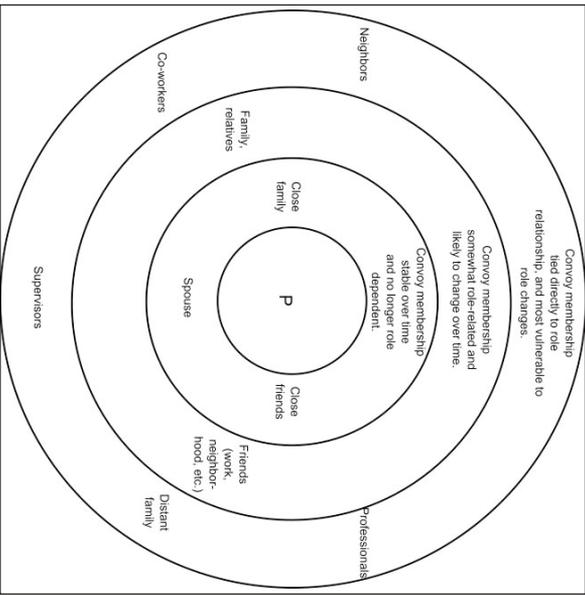


Fig. 2. Target diagram showing scores of acceptability and Predominating choices in a Social Group.

Source: M. L. Northway, 'A Method for Depicting Social Relationships Obtained by Sociometric Testing', *Sociometry*, 3 (1940), 144–50.

Figure 4: Social Convoys Model and Concentric Circles by Kahn and Antonucci.



Source: Robert L. Kahn and Toni C. Antonucci, 'Convoys over the Life Course: Attachment, Roles, and Social Support', in Paul B. Baltes and Olim G. Brim (eds.), *Life-Span Development and Behavior* (New York, 1980), i: 383–405.

implications.⁴⁵ The main feature here was the degree to which the actors were linked together, or which nodes could be reached via a certain number of edges.⁴⁶ Milgram now set about testing the legendary assertion, ‘My, it’s a small world!’ to see whether it was actually true.⁴⁷ To do so, he got people on the West coast of the USA to send a packet to an otherwise unknown person in Boston. The condition was that they had to get the packet to the selected recipient via contact people.⁴⁸ The result of the experiment was that on average 6.4 intermediaries were required to get the packet to the unknown addressee. However, the study was not without its critics. They pointed to the low success rate in sending the packets, since of 300 only about 30 per cent reached their destination. Milgram’s findings were therefore reminded as the Six Degrees of Separation thesis.⁴⁹

At almost the same time (1940s) as Bavelas, Leon Festinger, head of the Centre for Group Dynamics at the University of Michigan,⁵⁰ and his colleagues Duncan Luce and Albert Perry focused on the factor of clique formation within networks.⁵¹ Festinger established that:

The more cohesive the group, that is, the more friendship ties there are within the group, and the more active the process of communication which goes on within the group, the greater will be the effect of the process of communication in producing uniformity of attitudes, opinions, and behaviour, and the

⁴⁵ Even though they had been working on this phenomenon since the 1950s they did not publish a paper in this period because they thought they could not really describe it. Manfred Kochen (ed.), *The Small World* (Norwood, NJ, 1989).

⁴⁶ The article on this topic, however, was not published until the late 1970s. Ithiel de Sola Pool and Manfred Kochen, ‘Contacts and Influence’, *Social Networks*, 1/1 (1978), 5–51.

⁴⁷ Stanley Milgram, ‘The Small World Problem’, *Psychology Today*, 5 (1967), 60–7, at 61.

⁴⁸ Judith S. Kleinfeld, ‘The Small World Problem’, *Society*, 39/2 (2002), 61–66.

⁴⁹ Sebastian Schettler, ‘A Structured Overview of Fifty Years of Small-World Research’, *Social Networks*, 31 (2009), 165–78, at 166.

⁵⁰ Leon Festinger, ‘The Analysis of Sociograms Using Matrix Algebra’, *Human Relations*, 2 (1949), 153–8, at 153.

⁵¹ R. Duncan Luce and Albert Perry, ‘A Method of Matrix Analysis of Group Structure’, *Psychometrika*, 14 (1949), 95–116.

'Relational Science' and Social Network Analysis

stronger will be the resulting group standard, as indicated by the degree of uniformity among members of the group and the amount of deviation from group standard allowed in members.⁵²

So in a similar way to Fritz Heider (see above) the research group recognized a connection between friendship relations and matching attitudes and modes of behaviour within a group. Their findings were that the stronger the links between the members, the more they resemble one another and the more they are expected to adopt this group standard. The measured values taken into account here are thus network density and homophily.⁵³

III. Network Analysis in Anthropology and Organizational Sociology

In a related discipline, anthropology, a structural-functionalist scientific thread developed in the late 1930s in the USA and Britain that was independent of psychology and can be traced back to the British social anthropologist Alfred R. Radcliffe-Brown. This co-founder of the Functional School of Social Anthropology, which was carried on by Parsons, distances himself from abstractly formulated research objects. According to him it was not possible to observe objects such as 'culture' or 'norm'. But, he said, it was different with social relations: '[H]uman beings are connected by a complex network of social relations.'⁵⁴ These, he went on, are arranged according to a specific pattern so that the concept of social structure should include all social relations from person to person, within which the individuals are differentiated according to positions and social roles.⁵⁵ Even if he was

⁵² Leon Festinger, Stanley Schachter, and Kurt W. Back, *Social Pressures in Informal Groups: A Study of Human Factors in Housing* (Palo Alto, Calif., 1950), i. 175.

⁵³ Miller McPherson, Lynn Smith-Lovin, and James M. Cook, 'Homophily is the Principle that a Contact between Similar People Occurs at a Higher Rate than Among Dissimilar People', *Annual Review of Sociology*, 27/1 (2001), 415-44, at 416.

⁵⁴ Alfred R. Radcliffe-Brown, 'On Social Structure', *Journal of the Royal Anthropological Institute of Great Britain and Ireland*, 70/1 (1940), 1-12, at 3.

⁵⁵ *Ibid.*

not the first to talk of networks in the context of the links between social units, his ideas influenced the research of Warner and Mayo as well as the Manchester School. Both developmental strands will be presented in more detail in the following sections.

1. *Research on Organizations and Communities*

In the USA network-orientated research into industry, towns, and communities developed around the psychologist Elton Mayo and the anthropologist Lloyd Warner, who had studied with Radcliffe-Brown in England. Three studies in particular were of great importance in terms of methodology and content.

In the classical *Hawthorne Study* Elton Mayo, Lloyd Warner, and their colleagues not only traced the Hawthorne Effect, but also looked at group behaviour and dynamics within groups of industrial workers. Between 1924 and 1932 the researchers conducted participatory observations and semi-structured interviews with workers at the Hawthorne Electrical Works of the Western Electric Company near Chicago.⁵⁶ A room specially set up for the experiment has become well-known as the 'bank wiring room'. One of the most important findings of the experiment was that in the works it was mainly social relations that affected work efficiency.⁵⁷ Likewise the informal relations that were crucial here obviated the formal paths of the management organigram.⁵⁸ Roethlisberger and Dickson illustrated parts of their findings in a kind of sociogram. Just like in network analysis the workers were depicted as nodes and the various types of relations (for example, support or friendship relations) as columns (edges) in order to visualize the ways of communication observed (see Figure 5).

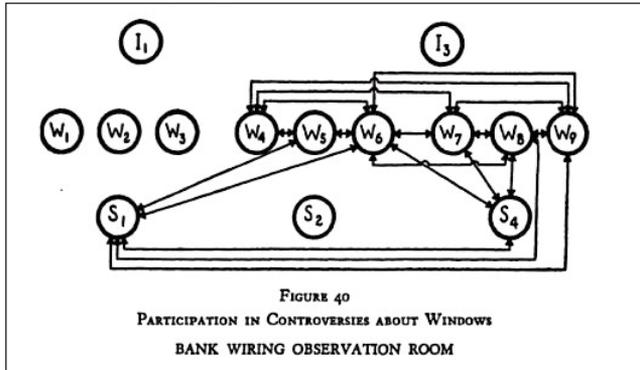
In the so-called Yankee City Study by Lloyd Warner and his colleagues, the research group examined, amongst other things, how the citizens of the small town of Newburyport (Massachusetts) lived together. The methods they used here were participatory observation, qualitative interviews, and document analysis. With reference to Simmel (see above), Warner posed the question of individuals'

⁵⁶ Fritz J. Roethlisberger and William J. Dickson, *Management and the Worker* (Cambridge, 1939).

⁵⁷ Elton Mayo, 'Hawthorne and the Western Electric Company: Some Further Comments on the Interview Experiment', in id. (ed.), *The Social Problems of an Industrial Civilisation* (London, 1975; 1st pub. 1949), 60-76.

⁵⁸ Roethlisberger and Dickson, *Management and the Worker*, ii. 500.

Figure 5: Participation of Workers in the Discussion on 'Window Open or Closed'.



The key to the actors is as follows: W is for *wireman*, I for *inspector*, and S for *solderman*.

Source: Fritz J. Roethlisberger and William J. Dickson, *Management and the Worker* (Cambridge, 1939), 503.

integration in the society (for example, in classes, families, friendships) and discovered that the community he examined, beyond family and formal structures, was strongly permeated by informal relations. The cliques that emerged as a result of this linkage could also overlap.⁵⁹ In another study Warner's colleagues examined the social structure and customs of Afro-Americans and white American citizens in the Deep South, in the town of Old City. As in the Yankee Study the focus was on the connection between clique formation and class membership.⁶⁰ Because of the large number of objects examined, they went back to simple matrixes for their analysis—unlike in the Hawthorne Study or in the case of Moreno—as had already been used by Delitsch (see above); here the participation of women in individual social events was depicted. In a two-mode matrix the name of the woman questioned was entered in the bar and the event in which

⁵⁹ W. Lloyd Warner and Paul S. Lunt, *The Social life of a Modern Community* (New Haven, 1941).

⁶⁰ Allison Davis, Burleigh B. Gardner, and Mary R. Gardner, *Deep South: A Social Anthropological Study of Caste and Class* (Chicago, 1941).

Figure 6: Frequency with which Women Take Part in Social Events and the Cliques they Belong to.

NAMES OF PARTICIPANTS OF GROUP I	CODE NUMBERS AND DATES OF SOCIAL EVENTS REPORTED IN <i>Old City Herald</i>													
	(1) 6/27	(2) 3/2	(3) 4/12	(4) 9/26	(5) 2/25	(6) 5/19	(7) 3/15	(8) 9/16	(9) 4/8	(10) 6/10	(11) 2/23	(12) 4/7	(13) 11/21	(14) 8/3
1. Mrs. Evelyn Jefferson.....	X	X	X	X	X	X	X	X	X					
2. Miss Laura Mandeville.....	X	X	X	X	X	X	X	X	X					
3. Miss Theresa Anderson.....	X	X	X	X	X	X	X	X	X					
4. Miss Brenda Rogers.....	X		X	X	X	X	X	X	X					
5. Miss Charlotte McDowd.....	X		X	X	X	X	X	X	X					
6. Miss Frances Anderson.....	X		X	X	X	X	X	X	X					
7. Miss Eleanor Nye.....	X		X	X	X	X	X	X	X					
8. Miss Pearl Ogleshorpe.....	X		X	X	X	X	X	X	X					
9. Miss Ruth DeSand.....	X		X	X	X	X	X	X	X					
10. Miss Verne Sanderson.....	X		X	X	X	X	X	X	X					
11. Miss Myra Liddell.....	X		X	X	X	X	X	X	X					
12. Miss Katherine Rogers.....	X		X	X	X	X	X	X	X				X	X
13. Mrs. Sylvia Avondale.....	X		X	X	X	X	X	X	X				X	X
14. Mrs. Nora Fayette.....	X		X	X	X	X	X	X	X				X	X
15. Mrs. Helen Lloyd.....	X		X	X	X	X	X	X	X				X	X
16. Mrs. Dorothy Murchison.....	X		X	X	X	X	X	X	X				X	X
17. Mrs. Olivia Carleton.....	X		X	X	X	X	X	X	X				X	X
18. Mrs. Flora Price.....	X		X	X	X	X	X	X	X				X	X

FIG. 3.—Frequency of interparticipation of a group of women in Old City, 1936—Group I.

Source: Allison Davis, Burleigh B. Gardner, and Mary R. Gardner, *Deep South: A Social Anthropological Study of Caste and Class* (Chicago, 1941), 148.

she took part in the column (see Figure 6). However, the interpretation did not yield a great deal. In the 1950s the sociologist Georg C. Homans re-assessed this data and rearranged the matrix, which later gave him a more meaningful structural image.

Homans tried to summarize the individual members of the community and the cliques they belonged to by changing the bars and columns into blocks, so that the structures could be more differentiated.⁶¹ Even if this procedure was carried out 'by hand', in other words, without recourse to mathematical methods, it led to a restructuring and paved the way for what is known today as block modeling, introduced by Harrison White in the 1970s.⁶²

2. The Manchester School

In the 1950s the so-called Manchester School emerged in England around the ethnologist Max Gluckman, whose work reflected the structural approach of Radcliffe-Brown. The Manchester School can be seen as a counter-movement to Parsons' social science theory of structural functionalism that was dominant in the 1950s and 1960s. According to Gluckmann behaviour cannot be explained by the internalization of pan-social values, but by the location of the individual in a structure.⁶³ So what is of interest here are concrete behaviour, concrete relations, and the power gaps and conflicts realized in them. Accordingly an approach based distinctively on field research was characteristic of the Manchester School. Apart from Gluckman the most well-known representatives of this network research are John Barnes, Elisabeth Bott, Siegfried Nadel, and Clyde Mitchell.

In his community study Barnes examined the linkages between the circa 4,600 inhabitants of the Norwegian island of Bremnes. Here he discovered three categories of social field:⁶⁴ relatively stable regional and formal organizations (for example, church congregations);

⁶¹ George C. Homans, *The Human Group* (New York, 1950).

⁶² John Scott, *Social Network Analysis: A Handbook* (London, 1997), i. 24.

⁶³ *Ibid.* ii. 27.

⁶⁴ The concept of the 'social field' is not understood in Bourdieu's sense here since it is not about pre-structured social fields which only permit certain behaviours to which the actors must subject themselves and which therefore actively influence the habitus, and with it, behaviour.

unstable fishing associations; and inter-personal relations that formed into a social network. Even if everyday-life relations seem the most open here, the study also points to class effects, since the relations here were mostly between social units from the same class. In this context Barnes talks explicitly of networks: 'I find it convenient to talk of a social field of this kind as a network. The image I have is of a set of points some of which are joined by lines. The points of the image are people, or sometimes groups, and the lines indicate which people interact with each other.'⁶⁵

While Barnes looked at whole communities, the psychologist and ethnologist Elisabeth Bott focused on egocentric family networks. She examined the extent to which social relations affected the division of roles and work within a household. She established that: 'The degree of segregation in the role-relationship of husband and wife varies directly with the connectedness of the family's social network. The more connected the network, the greater the degree of segregation between the roles of husband and wife. The less connected the network, the smaller the degree of segregation between the roles of husband and wife.'⁶⁶ She examined the individuals' view of their subjective network (egocentric network), for which she used a very complicated qualitative approach.

In his theoretical procedure the psychologist and social anthropologist Siegfried Nadel concretizes the concepts of role, relation, and social structure and separates them from one another. Nadel assumes that although relations have a general character, they consist of different visible ways of acting. He illustrates this using the example of friendship: 'Thus we take "friendship" to be evidenced by a variety of mutual ways of acting, perhaps visible on different occasions, such as help in economic or emotional re-responses.' And he goes on: 'Thus, in identifying any relationship we already abstract from the qualitatively varying modes of behaviour an invariant relation aspect—the linkage between people they signify.'⁶⁷ Thus relationships link people who play different roles relative to one another

⁶⁵ John A. Barnes, 'Class and Committees in a Norwegian Island Parish', *Human Relations*, 39 (1954), 39–58, at 43.

⁶⁶ Elisabeth Bott, *Family and Social Network: Roles, Norms and External Relationships in Ordinary Urban Families* (London, 1957), i. 60.

⁶⁷ Siegfried F. Nadel, *The Theory of Social Structure* (Glencoe, 1957), i. 9.

(for example, father and son). However, these role structures only become recognizable through the abstraction of relational behaviour that can actually be observed. And this does not just happen by chance. There is an overall structure that is reflected in the regularities of these relationships within society. 'The definition of social structure which we made our starting point stipulated the ordered arrangement, system or network of social relationships obtaining between individuals, in their capacity of playing roles relative to one another. We therefore regarded the role system of any society, with its given coherence, as the matrix of social structure.'⁶⁸ Along these lines Nadel came to a relational concept of social structure.

In the late 1960s Mitchell, an ethnologist, continued with the ideas of Barnes and Bott (see above), and included in his analysis structural coefficients in particular. Like the psychological movement of the 1940s in America he has recourse to sociometry and graph theory to illustrate, for instance, the density, accessibility, reciprocity, and intensity.⁶⁹ As far as Mitchell is concerned, it is communication processes (for example, passing on information) and instrumental behaviour (for example, exchange of goods, providing a service) that create social networks. So Mitchell's definition of networks diverges from pure metaphor and focuses on networks as whole structures. Thus a network is: 'A specific set of linkages among a defined set of persons, with the additional property that the characteristics of these linkages *as a whole* [author's emphasis] may be used to interpret the social behavior of the persons involved.'⁷⁰

As has already been shown, the roots of network analysis can be distinguished according to the following aspects. First, it is, above all, disciplines such as sociology, psychology, and anthropology that look to relations as an explanation for social processes. Secondly, in the Anglo-American scientific world great interest in the method of network analysis is apparent. German literature, on the other hand – be it theoretical or methodological approaches – attracted hardly any international attention. Thirdly, it was initially a visually orientated approach that characterized network analysis and made it well known, until in the 1950s, especially in psychology, mathematical

⁶⁸ Ibid. 97.

⁶⁹ Mitchell, *Social Networks in Urban Situations*, iii. 16.

⁷⁰ Ibid. 2.

types of analysis started to emerge. To sum up: different ideas and approaches existed that were separated not only by geographical spaces but also by scientific disciplines.

IV. *From a Fragmentary Scientific Approach to a Network Science with Many Weak Ties*

Network analysis did not become established, thereby ending the 'Dark Age',⁷¹ until the 1970s and there are various reasons for this. First, the Harvard structuralists around the physicist Harrison C. White returned to the sociologists' approaches and combined these with mathematical methods that had started in the 1940s. This process, secondly, was underpinned by nascent networking amongst scientists themselves, the institutionalization of this research branch by scientific periodicals, and the rapid development of computer programmes. Thirdly, network analysis became of interest to survey research as well, and thus came to the attention of a broader public.

1. *Structure and Identity: The Merging of Theory and Mathematics*

White criticized the fact that the concept of social structure within the social science analysis of society lacked theoretical grounding: '[L]argely categorical descriptions of social structure have no solid theoretical grounding; furthermore, network concepts may provide the only way to construct a theory of social structure.'⁷² Here he adopts Nadel's (see above) notion of social structure as regular relational patterns which, in aggregate, can be presented as a network. In this context the group around the Harvard structuralists developed a mathematical procedure, block model analysis, which allows analysis of these aggregates in the form of role or position patterns in networks.⁷³ By processes of matrix permutation structurally similar positions are added together, that is, actors that demonstrate equiva-

⁷¹ Freeman, *Development of Social Network Analysis*.

⁷² Harrison C. White, Scott A. Boorman, and Ronald L. Breiger, 'Social Structure from Multiple Networks: I. Blockmodels of Roles and Positions', *American Journal of Sociology*, 81/4 (1976), 730-80, at 732.

⁷³ Ibid.; John F. Padgett and Christopher K. Ansell, 'Robust Action and the Rise of the Medici, 1400-1434', *American Journal of Sociology* (1993), 1259-319.

lent relationships are brought together in blocks. It is completely irrelevant here whether or not the actors themselves are linked to one another. The block model produced in this way is thus an image of the social structure.⁷⁴

White's theoretical concept of actors, however, does not derive from people, but from visible identities that come into relation to one another via stories (subjective descriptions of the relationships). Their motive for this is a certain insecurity (contingency) which the identities have to control and overcome. But they never manage to do this completely.⁷⁵ 'Identity is produced by contingency to which it responds as intervention in possible processes to come. The rush and jars of daily living are contingencies, as are ill health and contentions of other identities. Control is both anticipation of and response to eruptions in environing process. Seeking control is not some option of choice, it comes out of the way identities get triggered and keep going.'⁷⁶ So striving for stability and control permanently accompanies identities and plays a crucial role in the construction of social realities. Through stories relationships are created between identities—permanently—through them life becomes more predictable and insecurity is minimized. White ultimately describes such relations as networks: 'Stories express perceptions of social process and structure, but stories also can conceal projects of control.'⁷⁷ Here the social construction of personal identity is just as dependent on the actors' internal processes of considering and deciding as it is on the positional structures within the networks that emerge in this way.⁷⁸

2. *Social Networking, Institutionalization, and Software Programmes*

Even though White's work gave network research new impetus, Freeman has shown that at the time the research landscape was still

⁷⁴ Katherine Faust and Stanley Wasserman, 'Blockmodels: Interpretation and Evaluation', *Social Networks*, 14 (1992), 5–61.

⁷⁵ White, *Identity and Control*, 102.

⁷⁶ *Ibid.* i. 9.

⁷⁷ *Ibid.* 13.

⁷⁸ Boris Holzer, 'Vom Graphen zur Gesellschaft: Analyse und Theorie Sozialer Netzwerke', in Markus Gamper and Linda Reschke (eds.), *Knoten und Kante: Soziale Netzwerkanalyse in Wirtschafts- und Migrationsforschung* (Bielefeld, 2010), 77–94.

very fragmented, and that there was virtually no exchange between researchers. This he attributed to the widespread use of mathematical methods in research since the 1950s.⁷⁹ From the 1970s, however, some sort of networking, however tentative, began to develop amongst network researchers in the various disciplines and research strands. Over time, from the 'fragments' of network research a network developed with many weak ties whose members were able to establish Social Network Research as an independent research paradigm in American sociology and to carry it beyond the boundaries of the Anglo-American world.

The main reason for the increasing mutual recognition that led to the sharing and exchange of ideas and concepts, and thus to the further development of network analysis, was the growing mobility within the scientific community. Not only did researchers change universities more often than before, they also showed greater interest in inter-disciplinary exchange. Harrison White himself can serve as a prominent example of this. He did a Ph.D. in theoretical physics at MIT, where Alexander Bavelas was working, and in sociology at Princeton, and while working on his thesis was already teaching sociology at the Carnegie Institute of Technology, Chicago. In addition, his research was greatly influenced by the time he spent at the Center for Advanced Study in the Behavioral Sciences of Stanford University, California. Eventually, from 1963 to 1988 he was Professor of Sociology at Harvard University. As he moved around these various posts he was not only interested in the work of his colleagues and other branches of science such as anthropology and economics. During this time what characterized him above all was the successful combination of his disciplinary competences.⁸⁰

This new openness manifested itself increasingly in interdisciplinary conferences where there was a lively exchange about the various areas of the discipline and the 'schools' that already existed. At first these were still quite small events, accessible only to a small number of scientists from a few universities, but this changed in the mid 1970s. The first major conference that was both interdisciplinary

⁷⁹ Freeman, *Development of Social Network Analysis*, i. 131.

⁸⁰ Alair MacLean and Andy Olds, Interview with Harrison White, 16 Apr. 2001, online at <<http://www.ssc.wisc.edu/theoryatmadison/papers/ivwWhite.pdf>>.

and international took place at Dartmouth University in summer 1975.⁸¹ And eventually, with the Sunbelt Social Networks Conference in 1981, a forum was created that quickly developed into an international platform and led to the establishment of a research community. This conference initiated by Russ Bernard and Al Wolfe takes place every year, alternating between Europe and Central/North America. Not only do network researchers from all over the world meet here, but they exchange research results from different disciplines.

Another reason for the growing links between researchers was the computer-based communication system Electronic Information Exchange System (EIES) that was tested in 1979 and was an early form of today's Newsgroup. The project financed by the US National Science Foundation was to examine the effects of computer-based communication on a group of scientists from various disciplines who shared common research interests. Apart from individual results on inter-personal linkages, for instance, between Barry Wellman, one of White's pupils and Linton C. Freeman, the analysis brought to light, first, the structural problems within the community of network researchers. Before the introduction of EIES sociologists, anthropologists, mathematicians, statisticians, and psychologists were all relatively unconnected to one another.⁸² Secondly, however, it indicated a way in which this situation could be overcome: electronic communication, which made contact possible between places a long way apart, led not only to the disintegration of the former stratification in the community, but also to better connections between the participating scientists.⁸³

Above all, the founding of the International Network for Social Network Analysis (INSNA) by Barry Wellman in 1977 marked a significant step in linking up the network researchers. The aim of this sociologist was to create a loose organization that would form a platform for transatlantic dialogue between European and North American network researchers:

⁸¹ Freeman, *Development of Social Network Analysis*, ii. 144.

⁸² Linton C. Freeman and Sue C. Freeman, 'A Semi-visible College: Structural Effects on a Social Networks Group', in Madeline M. Henderson and Marcia J. MacNaughton (eds.), *Electronic Communication: Technology and Impacts* (Boulder, Col., 1980), 77-85.

⁸³ Wasserman and Faust, *Social Network Analysis*, iii. 63.

I decided the best way to start something was to actually start something. I asked many of my North American and European connections to form a legitimating, recruiting Advisory Board, with a balance between American and non-American scholars and between disciplines. . . . I tried to keep things loose and informal: I called it a 'Network' (instead of a 'Society' or 'Association'), I styled myself 'Coordinator' rather than 'President' or 'Chairman'.⁸⁴

Today the INSNA is an organization with more than 1,000 members from all over the world.

Wellman, however, did not simply coordinate the INSNA. With his students he founded *Connections*, an expert periodical for network research which, along with *Social Networks*, became one of the leading periodicals for Social Network Research in North America. Since then, *Connections* has been published two or three times a year and to this day retains the character of a newsletter.⁸⁵ Instigated by Linton C. Freeman *Social Networks* was published for the first time in August 1978 and is today certainly the most renowned periodical in the whole field of network analysis. It contains articles from various disciplines and constantly helps to make the net of network researchers denser. Publications in this field are drawn together in four volumes per year, each devoted to a specific theme. The scientists take the opportunity to present their research results to a specific broad public and to exchange ideas with one another. It should be noted however that in *Social Networks* mainly methodological-empirical articles are published, almost exclusively quantitative studies and less often theoretical or qualitative pieces. By 1990 the periodical had already become one of the most influential in the field of sociology.⁸⁶

Apart from methodological developments, the growing links between scientists, as well as the founding of periodicals and regular conferences, advances in computer technology, and the concomitant

⁸⁴ Barry Wellman, 'Networking Network Analysts: How INSNA (the International Network for Social Network Analysis) Came to Be', *Connections*, 23/1 (2000), 20-31, at 21.

⁸⁵ *Ibid.* 24; Freeman, *Development of Social Network Analysis*, i. 149.

⁸⁶ *Ibid.* ii. 149.

development of computer programmes for analysing social networks certainly did much to make network analysis more professional. We can assume that otherwise Social Network Analysis certainly would not have spread so quickly.

In the 1960s these were still quite simple programmes that could only calculate individual measured values, but this changed in the 1980s. Henceforth programmes such as SONIS and UCINET were developed that were capable of calculating various network measured values and analysing large case statistics.⁸⁷ Ultimately, differentiation of the programmes means that a whole range of software solutions is available to the community, from which the researcher can select the programme most appropriate to his interests. The main differences in application are in the sphere of data retrieval, the techniques of visualization, and the analysis routines used to calculate network values. Huisman and Van Duijn distinguish here between (1) the descriptive method that calculates network values such as centrality or transitivity; (2) analysis on the basis of complex, iterative algorithms (for example, for cluster analysis); and (3) stochastic models based on the distribution of probability.⁸⁸

Apart from these quantitative aspects, programmes for network analysis increasingly take account of qualitative issues as well (for example, stories about relationships, dynamics or subjective experiences). Since software development is constantly moving forward, however, any overview of what is available can only be cursory and incomplete. Here is just as a selection of the current programmes: Gephi, VISIONE, UCINET, EGONET, PAJEK, VennMaker, and SIENA, by which innumerable measured values and endless amounts of data, both qualitative and quantitative, can be assessed and visualized quickly and precisely.

Finally, one more step towards establishing network analysis can be traced back to James S. Coleman.⁸⁹ In 1958 this sociologist was

⁸⁷ Linton C. Freeman, 'Computer Programs in Social Network Analysis', *Connections*, 11 (1988), 26–31.

⁸⁸ Mark Huisman and Marijtje A. J. Van Duijn, 'Software for Social Network Analysis', in Peter J. Carrington, John Scott, and Stanley Wasserman (eds.), *Models and Methods in Social Network Analysis* (New York, 2005), 270–316, at 275.

⁸⁹ Rainer Diaz-Bone, *Ego-zentrierte Netzwerkanalyse und Familiäre Beziehungssysteme* (Wiesbaden, 1997), i. 20.

already criticizing the fact that survey research focused on the individual and on largely psychological issues.⁹⁰ This approach, he maintained, required an atomistic understanding of the respondent. Because the answers in the interview were self-referential and could only be analysed in the context of the given interview, the individual appeared to be independent of his social environment. An important factor in explaining social phenomena, namely networks of friends, colleagues, and relatives—ultimately, the social embeddedness—was thus phased out. In order to remedy this Coleman called for relational aspects to be included in survey research because he assumed the existence of a ‘larger (overall) structure’:

The break from the atomistic concerns of ordinary survey analysis requires taking a different perspective toward the individual interview. In usual survey research and statistical analysis, this interview is regarded as independent of others, as an entity in itself. All cross-tabulations and analyses relate one item in that questionnaire to another item in the same questionnaire. But, in this different approach an individual interview is seen as a part of some larger structure in which the respondent finds himself: his network of friends, the shop or office where he works, the bowling team he belongs to, and so on. Thus, as a part of a larger structure, the individual is not treated independently. The analysis must somehow tie together and interrelate the attributes of these different parts of the structure.⁹¹

One of the first large questionnaires with several hundred respondents which asked about relations between people, the characteristics of these relations, and the attributes of people originated in the 1970s or 1980s. The best-known studies are the Detroit Area Study by

⁹⁰ It is not possible here to examine the extent to which survey research deals with relational data as understood by Emirbayer. Emirbayer, ‘Manifesto for a Relational Sociology’.

⁹¹ James S. Coleman, ‘Relational Analysis: The Study of Social Organizations with Survey Methods’, in Norman Denzin (ed.), *Sociological Methods: A Sourcebook. Methodological Perspectives* (New Jersey, 2006; 1st pub. 1958), 115–26, at 117.

'Relational Science' and Social Network Analysis

Edward Laumann (1973),⁹² the East York Study by Wellman (1979),⁹³ the Northern California Community Study by Claude S. Fischer (1982),⁹⁴ and the General Social Survey.⁹⁵

3. Relational Science and Social Network Analysis Today

To sum up, it can be said that for the development of Social Network Analysis until today four mutually determining processes have been crucial, some of which were initiated by the personal engagement of individual scientists.⁹⁶ These are:

- (1) the increasing mobility and accessibility of scientists because of digital means of communication; these allowed communication and networking over long distances, and led to greater awareness of neighbouring and other disciplines and the founding of interdisciplinary forums,
- (2) the founding of expert periodicals dealing explicitly with the theory and methodology of network analysis,
- (3) advances in computer technology and the development of special programmes capable for the first time of analysing and visually representing large amounts of data, and
- (4) the further development of survey research including aspects of network analysis.

Another factor was that network research offered new access to research on social phenomena previously not available in this form. This meant that network research was recognized beyond the Anglo-American scientific world and spread worldwide. It largely became established in research paradigms that ranged over several disciplines, from which various research fields emerged. First, the theoretical approaches of network analysis should be mentioned, where

⁹² Edward O. Laumann, *Bonds of Pluralism: The Form and Substance of Urban Social Networks* (New York, 1973).

⁹³ Barry Wellman, 'The Community Question: The Intimate Networks of East Yorkers', *American Journal of Sociology*, 84 (1979), 1201-31.

⁹⁴ Claude S. Fischer, *To Dwell among Friends: Personal Networks in Town and City* (Chicago, 1982).

⁹⁵ Ronald S. Burt, 'Network Items and the General Social Survey', *Social Networks*, 6 (1984), 293-339.

⁹⁶ e.g. Freeman, *Development of Social Network Analysis*, i. 136.

a distinction can be made between mid-range theories,⁹⁷ and a more comprehensive relational social theory.⁹⁸ A second developmental strand was the advance of mathematical methods. On the one hand, it had hitherto been mainly quantitative procedures and measured values that were at the heart of network analysis.⁹⁹ They help, firstly, to answer ‘classical’ questions, for instance, about centrality and its significance within social networks,¹⁰⁰ but also to develop procedures for modelling networks as well as dynamic concepts,¹⁰¹ In recent years Exponential Random Graph Models (ERGMs) have been developed. This relatively new approach allows hypotheses to be tested and proves statistics models.¹⁰² On the other hand, there is also a discernible trend towards qualitative, actor-orientated approaches.¹⁰³ As was the case with White in 1992, the focus of research here

⁹⁷ e.g. Mark S. Granovetter, ‘The Strength of Weak Ties’, *American Journal of Sociology*, 78/6 (1973), 1360–80; R. S. Burt, ‘Structural Holes: The Social Structure of Competition’ (Cambridge, Mass., 1992); Brian Uzzi, ‘Embeddedness and the Economic Performance of Organizations: The Network Effect’, *American Sociological Review*, 61 (1996), 674–98.

⁹⁸ Nadel, *Theory of Social Structure*; White, *Identity and Control*; id., *Identity and Control: How Social Formations Emerge* (Princeton, 2008); Holzer, ‘Vom Graphen zur Gesellschaft’; Emirbayer, ‘Manifesto for a Relational Sociology’.

⁹⁹ Wasserman and Faust, *Social Network Analysis*; Scott, *Social Network Analysis*; Stephen P. Borgatti, Martin G. Everett, and Jeffrey C. Johnson, *Analyzing Social Networks* (London, 2013); Marina Hennig, Ulrik Brandes, Jürgen Pfeffer, and Ines Mergel, *Studying Social Networks: A Guide to Empirical Research* (Frankfurt, 2012).

¹⁰⁰ Stephen P. Borgatti, ‘Centrality and Network Flow’, *Social Networks*, 27/1 (2005), 55–71. Ulrik Brandes, ‘A Faster Algorithm for Betweenness Centrality’, *Journal of Mathematical Sociology*, 25/2 (2001), 163–77.

¹⁰¹ Tom A. B. Snijders, ‘Stochastic Actor-Oriented Models for Network Change’, *Journal of Mathematical Sociology*, 21 (1996), 149–72; and id., ‘The Statistical Evaluation of Social Network Dynamics’, *Sociological Methodology*, 30 (2001), 361–95.

¹⁰² Carolyn J. Anderson, Stanley Wasserman, and Bradley Crouch, ‘A P* Primer: Logit Models for Social Networks’, *Social Networks*, 21/1 (1999), 37–66; G. Robins, P. Pattison, Y. Kalish, and D. Lusher, ‘An Introduction to Exponential Random Graph P* Models for Social Networks’, *Social Networks*, 29 (2007), 173–91.

¹⁰³ Florian Straus, *Netzwerkanalysen: Gemeindepsychologische Perspektiven für Forschung und Praxis* (Wiesbaden, 2002); Bettina Hollstein and Florian Straus,

is on the actors' stories and the networks that emerge from them. What is striking is that the two approaches generally tend to oppose one another and are apparently irreconcilable. The third point, closely linked to the mathematical procedure, relates to attempts to create a clear visualization of networks. The main endeavours here are to do justice to the relational data and, indeed, the attributes of the knots by developing algorithms that make it possible to integrate this information into the presentation.¹⁰⁴

Since the 1990s physicists in particular have discovered network analysis, above all Watts,¹⁰⁵ and Barabási and Albert.¹⁰⁶ Physicists examine the structure of very large social, biological, and technical networks using simulation processes. In the early days the social scientists and natural scientists ignored one another, but for some time now there have been signs of that they are coming together: 'All that is required now is that the social network analysts relax their claim of ownership of the field. The physicists are making important contributions to what could easily end up as a collective effort.'¹⁰⁷

Summing up, it can be said that since the late nineteenth century a relational science has developed that is composed of various disciplines. It does not deal exclusively with the actors, but rather with the structure of the relationships that form between them. The question is posed as to how networks emerge and what effects these have on the social units. In the process network analysis has evolved as a

Qualitative Netzwerkanalyse: Konzepte, Methoden, Anwendungen (Wiesbaden, 2006); Gamper, Schönhuth, and Kronenwett, 'Bringing Qualitative and Quantitative Data Together'.

¹⁰⁴ Linton C. Freeman, 'Visualizing Social Networks', *Journal of Social Structure*, 1 (2000), Online at <<http://www.cmu.edu/joss/content/articles/volume1/Freeman.html>>, accessed 20 Apr. 2015; Ulrik Brandes, 'Social Network Analysis and Visualization', *IEEE Signal Processing Magazine*, 25/6 (2008), 147–51; Lothar Krempel, *Visualisierung komplexer Strukturen: Grundlagen der Darstellung Mehrdimensionaler Netzwerke* (Frankfurt, 2005).

¹⁰⁵ Duncan J. Watts, 'Networks, Dynamics, and the Small-World Phenomenon 1', *American Journal of Sociology*, 105/2 (1999), 493–527.

¹⁰⁶ Albert-László Barabási and Albert Réka, 'Emergence of Scaling in Random Networks', *Science*, 286/5439 (1999), 509–12.

¹⁰⁷ Linton C. Freeman, 'The Development of Social Network Analysis: With an Emphasis on Recent Events', in J. Scott and P. J. Carrington (eds.), *The Sage Handbook of Social Network Analysis* (London, 2011), i. 36.

method and theory. With the aid of egocentric analysis or analysis of entire networks, both quantitative and qualitative, attempts are being made to trace the structures and, where appropriate, to visualize them.

Historical Network Research: Taking Stock

MATTHIAS BIXLER

I. Introduction

During the last decade social network analysis (SNA) has developed from a rather marginal feature in the social sciences into an interdisciplinary phenomenon. If in the beginning it was primarily sociology and anthropology that operated with network concepts, for a few years now SNA has started to forge a path into a wide range of academic disciplines.¹ Nor has history remained untouched by this trend. In recent years, in fact, historians have shown a particular and growing interest in network research in the broadest sense.² Yet it is not only historians, but also social, political and communications scientists who have already attempted to apply SNA to objects of historical research. Actually, compared to other disciplines it was taken up by historical research at an early stage.

By the end of the 1970s, when the modern network paradigm had not yet been fully formulated even in the social sciences, first attempts were already being made, under the umbrella concept of *Verflechtungsanalyse* to transfer SNA to historical research.³ Some of the best-

¹ The various forms of usage outside natural science are described e.g. in Heiner Fangerau and Thorsten Halling (eds.), *Netzwerke: Allgemeine Theorie oder Universalmetapher in den Wissenschaften? Ein transdisziplinärer Überblick* (Bielefeld, 2009); and Christian Stegbauer and Roger Häußling (eds.), *Handbuch Netzwerkforschung* (Wiesbaden, 2010), 571-770.

² Cf. Marten Düring and Linda von Keyserlingk, 'Netzwerkanalyse in den Geschichtswissenschaften: Historische Netzwerkanalyse als Methode für die Erforschung von Historischen Prozessen', in Rainer Schützeichel and Stefan Jordan (eds.), *Prozesse: Formen, Dynamiken, Erklärungen* (forthcoming).

³ The much-quoted pioneering work is by Wolfgang Reinhard, *Freunde und Kreaturen: 'Verflechtung' als Konzept zur Erforschung historischer Führungsgruppen. Römische Oligarchie um 1600* (Munich, 1979).

known social network analyses came from Historical Sociology in the mid 1990s.⁴ Since then it has been more a case of individual voices stressing the great potential of network research in historical research,⁵ without any consistent research programme being followed. It is only recently that this has changed.

In the last few years in many places, independent of one another, the idea of historical networks has become very popular.⁶ Various research projects and also individual researchers of all epochs suddenly seem to have recognized the benefits that can go along with network approaches and have applied them to their own field of research. There is no discernible common motivation for this. In fact, it seems to be more a case of re-importing the analytical instrumentarium from various neighbouring disciplines, above all sociology, but also ethnology and others. This is resulting in a heterogeneous

⁴ Cf. e.g. Bonnie H. Erickson, 'Social Networks and History: A Review Essay', *Historical Methods*, 30 (1997), 149–57; and Roger V. Gould, 'Uses of Network Tools in Comparative Historical Research', in James Mahoney and Dietrich Rueschemeyer (eds.), *Comparative Historical Analysis in the Social Sciences* (Cambridge, 2003), 241–69.

⁵ Cf. Michael L. White, 'Social Networks: Theoretical Orientation and Historical Applications', *Semeia: An Experimental Journal for Biblical Criticism*, 56 (1992), 23–38; Barry Wellman and Charles Wetherell, 'Social Network Analysis of Historical Communities: Some Questions from the Present for the Past', *History of the Family*, 1 (1996), 97–121.

⁶ Cf. e.g. Christoph Boyer, 'Netzwerke und Geschichte: Netzwerktheorien und Geschichtswissenschaften', in Berthold Unfried (ed.), *Transnationale Netzwerke im 20. Jahrhundert: Historische Erkundungen zu Ideen und Praktiken, Individuen und Organisationen* (Leipzig, 2008), 47–58; Wolfgang Neurath and Lothar Krempel, 'Geschichtswissenschaft und Netzwerkanalyse: Potentiale und Beispiele', in Berthold Unfried (ed.), *Transnationale Netzwerke im 20. Jahrhundert: Historische Erkundungen zu Ideen und Praktiken, Individuen und Organisationen* (Leipzig, 2008), 59–79; Wolfgang Neurath, 'Neue Perspektiven für die Geschichtswissenschaft durch Soziale Netzwerkanalyse (SNA)', *Österreichische Zeitschrift für Geschichtswissenschaft*, 19 (2008), 140–53; Morten Reitmayer and Christian Marx, 'Netzwerkansätze in der Geschichtswissenschaft', in Christian Stegbauer and Roger Häußling (eds.), *Handbuch Netzwerkforschung* (Wiesbaden, 2010), 869–80; Marten Düring and Martin Stark, 'Historical Network Analysis', in George A. Barnett (ed.), *Encyclopedia of Social Networks* (London, 2011), 593–5; Düring and Keyserlingk, 'Netzwerkanalyse in den Geschichtswissenschaften' (forthcoming); see also <<http://historicalnetworkresearch.org/>>, accessed 8 May 2015.

and fragmented research landscape that is almost impossible to keep track of completely. What is more, for a long time almost no exchange took place between those historians interested in networks, and this only served to reinforce these tendencies.⁷

Quite recently discernible attempts have been made to counteract this situation. Small but constantly growing groups of historians are making successful attempts at co-ordination. At international conferences and workshops they are taking the opportunity to exchange ideas about problems and results and to discuss most recent developments on a regular basis.⁸ The participants come from various research contexts. Thus they have different levels of empirical training and in practice each of them has to deal with slightly different problems. Their common basis is the attempt to transfer network approaches to historical research and, by applying them successfully, to add something of value to their work. The still small, but very promising field of research that seems to be emerging from these efforts has achieved some initial success, which coincides with some nascent external effect. This is evidenced by the fact that specialist periodicals are already devoting special issues to the new topic.⁹

For all these efforts, the study of historical networks is still in its infancy, so there is still some uncertainty about the limits, the internal composition, and, above all, the direction in which this field is moving. For historians in particular combining their own heuristics with a procedure essentially quantitative like SNA presents special

⁷ Michel Bertrand and Claire Lemerrier, 'Introduction: Où en est l'analyse de réseaux en histoire?', *Redes: Revista Hispana para el Análisis de Redes Sociales*, 21 (2011), 12–23, at 14.

⁸ Cf. the workshop series 'Historische Netzwerkforschung' that has taken place twice a year since 2009 <<http://historicalnetworkresearch.org/index.php/workshop-series>>, accessed 8 May 2015; 'Tagungsbericht Netzwerk-analyse und Geschichte: Ansätze, Instrumente, Probleme. 25.02.2010–27.02.2010, Lausanne', *H-Soz-u-Kult*, 27 May 2010 <<http://hsozkult.geschichte.hu-berlin.de/tagungsberichte/id=3114>>, accessed 8 May 2015; and, of course, the conference 'Networks of Paupers and Debtors', on which this volume is based.

⁹ Claire Lemerrier, Sandro Guzzi-Heeb, and Michel Bertrand (eds.), *Análisis de Redes e Historia: Herramientas, Aproximaciones, Problemas* (Barcelona, 2011); and Albert Müller and Wolfgang Neurath (eds.), *Historische Netzwerkanalysen* (Innsbruck, 2012).

problems, which will have to be solved step by step. So far there is neither consensus about a methodological canon that can be transferred without difficulties nor any up-to-date introduction designed to meet the needs of historians interested in the subject.¹⁰ Apart from historical research, Historical Sociology is the only discipline that regularly applies network analysis to historical material. Studies from other disciplines are generally case studies, which stand for themselves.

For some years now this has also been apparent in the increasing number of articles which have made it their aim to present the current state of research.¹¹ Practically all of them draw different boundaries to define the field and use different categories to systematize it internally. So far most have proceeded from content-categories, whereby a wide range of methodological approaches have been mixed together. It is very rare that a clear and consistent division is made between social science studies using historical data, historical studies with a metaphorical reference to networks, and historical studies that import and actually apply theoretical concepts and methods from SNA.¹² At the same time research is hardly bound at all to spatial, chronological, or thematic focal points.

So far studies from various disciplines and diverse analytical approaches have been pulled together under generic terms such as 'Historical Network Analysis' and 'Historical Network Research' (HNR). In the German-speaking area at least the latter is becoming dominant. Given the present state of methodological development it still seems virtually impossible to define its boundaries precisely.¹³

¹⁰ In the German-speaking area at least, Reinhard, *Freunde und Kreaturen* (1979) is still the only work that deals in detail with methodological questions from the perspective of historical science. Given the technical and methodological progress made in the last three decades it can now be regarded as outdated. A modern introduction to the analysis of historical networks will soon be provided by Marten Düring, Ulrich Eumann, and Martin Stark (eds.), *Historische Netzwerkforschung* (forthcoming).

¹¹ See above, n. 6.

¹² Particularly marked in Reitmayer and Marx, 'Netzwerkanalyse', e.g. 869.

¹³ Daniel Reupke and Claudia Volk, 'Von der Akte zum Netzwerk: Erfahrungsberichte aus der Werkstatt des Historikers', in Michael Schönhuth, Markus Gamper, Michael Kronenwett, et al. (eds.), *Visuelle Netzwerkforschung* (Bielefeld, 2013), 297–316, at 297.

The transitions between what are basically purely heuristic and quantitative studies and diverse degrees in the level of adapting formal methods are fluid and often difficult to distinguish from one another. It is questionable whether any sort of occupation with historical networks also provides a real contribution to *network* research by deepening our understanding of form and functioning of social networks. Given the high degree of fragmentation and the still relatively low degree of interdisciplinary communication in particular, it even seems justified to ask whether we can talk of one research field at all, or whether these are not in fact different trends, independent of one another, the only thing they have in common being that they deal with historical data.

This essay will address the question of whether there is a common basis for HNR. First the thesis will be presented that in its present form occupation with historical networks is characterized by a trans-disciplinary and overarching interest in knowledge (section two). Then approaches used thus far will be identified and compared with one another. The question here will be about the type of additional benefit to be derived from import of network theoretical concepts (section three) and quantitative methods (section four). In this way an attempt shall be made to ring-fence HNR as an up-and-coming field of research, yet without aiming at a general overview of research. In the light of all this, the studies referred to should be regarded as representative of their type. There is no claim to completeness as regards the literature cited.

II. *Potential and Interest of SNA for Historical Research*

In most articles providing summaries of HNR, advantages or potentials are mentioned that can be derived from adapting SNA for historical research. What are generally subsumed under these concepts are those of its characteristics that are distinguished from traditional historical approaches by providing extra knowledge. This results from a change to a relational point of view without which it would be impossible or inordinately more difficult to achieve. Despite opinions about historical networks diverging on other aspects, on this point there seems to be a greater degree of consensus. Some of the arguments put forward by historians overlap to a large extent with

those by social network analysts in the early phase of SNA against structural functionalism that was dominant at the time.¹⁴

Anyone seeking to analyse the structure of populations effectively should concentrate on the relationships between their members instead of treating them as atomistic individuals. Network research has shown that the behaviour of social actors is geared towards the social environment in which they are embedded.¹⁵ In this respect SNA makes it possible to tackle a different kind of research question than classical statistical methods, because the latter categorize structures based on the attributes of their members, not according to their actual organization.¹⁶ For a long time now historians were able to study their actors' social relations, without applying empirical methods at all. This, however, can only be achieved exhaustively for relatively small groups.

SNA is able to reveal and analyse entire networks as structures on a sort of meso-level between the micro-level of individual behaviour and a highly aggregated macro-level in which individuals disappear completely.¹⁷ As regards the type of actors and relations, or the size and form of the structure, it is not subject to any a-priori restrictions, and can therefore be applied very broadly. By linking actors to one another instead of merging them, it is possible to analyse structures as a whole, but also to observe individual actors and their actions against the background of their social environment, which makes it most valuable for historical research.¹⁸

¹⁴ Cf. Barry Wellman, 'Structural Analysis: From Method and Metaphor to Theory and Substance', in id. and Stephen D. Berkowitz (eds.), *Social Structures: A Network Approach* (Cambridge, 1988), 19–61.

¹⁵ For the concept of embeddedness see Mark Granovetter, 'Economic Action and the Problem of Embeddedness', *American Journal of Sociology*, 91 (1985), 481–510.

¹⁶ Reinhard, *Freunde und Kreaturen*, 19.

¹⁷ Düring und Keyserlingk talk here of a dualism between intentional behaviour and surrounding structure. See Düring and Keyserlingk, 'Netzwerk-analyse in den Geschichtswissenschaften' (forthcoming).

¹⁸ In this context social network research talks of 'agency'. See Mustafa Emirbayer and Jeff Goodwin, 'Network Analysis, Culture, and the Problem of Agency', *American Journal of Sociology*, 99 (1994), 1411–54; Mustafa Emirbayer and Ann Mische, 'What is Agency?', *American Journal of Sociology*, 103 (1998), 962–1023.

For historians it is particularly important to be able to include qualitative methods in structural analysis. This makes it possible to include ideas about structural characteristics already worked out when interpreting sources, or to integrate the historical context into the structural analysis of a network. A combination of this sort produces findings suitable for contrasting established historical theses, that is, calling them into question, to enrich them by adding new facets, or, indeed, to substantiate them. A historical controversy that has come to a standstill can be given new impetus by empirical findings.¹⁹

SNA draws the researcher's attention away from acting individuals, who since its very beginning have taken up a very large space in historical research, and shifts it to the relations that link them together and the structures that derive from this. It is the real-life equivalents of these structures in which political, economic, and social reality was created and passed on in action, communication, and symbolism. Looking at behaviour embedded in these interwoven relations from a relational point of view is a means of implementing the history of events into social history thereby giving it a significance that goes beyond merely establishing the fact.

The combination of quantitative and qualitative methods just described is not, as is sometimes suggested, a genuine characteristic of SNA, but applies to every form of quantitative analysis in historical research. Numerical indicators of whatever sort do not stand alone but always require interpretation against a background (in this case historical) if they are to state anything meaningful. In this respect structural measures are no exception. This also applies to visualizations of networks insofar as their elements are ordered by mathematical algorithms according to structural aspects, that is, are the results of complex calculations and thus graphic representations of relational data and the numerical values attributed to them.²⁰

A series of characteristics of HNR, or advantages that could be derived from it, was often formulated, though even from the historical side there has so far been a reluctance to make clear statements about what can be discovered from historical networks. The positions expressed are diverse, even though not diametrically opposed.

¹⁹ Gould, 'Uses of Network Tools', 252.

²⁰ Stanley Wasserman and Katherine Faust, *Social Network Analysis: Methods and Applications* (Cambridge, 1994), 93.

Wolfgang Reinhard's understanding of network analysis in historical research was still closely related to traditional heuristics. According to him, anyone dealing with rule as an association of individuals was often doing nothing other than SNA, but without using clearly distinguishable concepts.²¹ Christoph Boyer's main concern is to explain where and how networks emerged historically, developed, and ended. He regards social networks, as in economics, as a form of social organization on a scale between market and hierarchy, which emerge when they are able to reduce transaction costs for those involved.²² Wolfgang Neurath and Lothar Krempel focus on flows of information and resources within networks, by means of which structural dynamics can be reconstructed.²³ Morten Reitmayer and Christian Marx identify two overlapping research interests in instrumentalization and strategic implementation of network relations on the one hand, and the embedding of historical actors and their resultant ability to mobilize resources on the other.²⁴ Daniel Reupke and Claudia Volk see the main purpose of SNA in historical research as the visual ordering of the source material and historical circumstances.²⁵ Marten Düring and Linda von Keyserlingk describe it as a tool that should be integrated into the research process. In their view, it can provide hints and possible approaches as part of source criticism, which have to be interpreted along with the findings of traditional heuristics.²⁶

All these assessments are certainly appropriate aspects of the ways in which network approaches have been applied so far in historical research, yet none of them is sufficient in itself to form the basis of an overall HNR. The network paradigm in general and its historical applications in particular are so manifold that it seems necessary to formulate its purpose in more general terms.

There are two respects above all in which looking at historical networks may enhance traditional historical research. Firstly, hitherto

²¹ Reinhard, *Freunde und Kreaturen*, 32.

²² Boyer, 'Netzwerke und Geschichte', 52-3.

²³ Neurath, 'Neue Perspektiven'; Neurath and Krempel, 'Geschichtswissenschaft und Netzwerkanalyse', 68-9.

²⁴ Reitmayer and Marx, 'Netzwerkansätze', 870.

²⁵ Reupke and Volk, 'Von der Akte zum Netzwerk', 310.

²⁶ Düring and Keyserlingk, 'Netzwerkanalyse in den Geschichtswissenschaften' (forthcoming).

unrecognized structures and structural characteristics can be revealed, which are amenable to purely qualitative approaches due to their size and complexity. Networks raised by historians are not images of social realities that can be experienced directly. This becomes particularly clear where it is not people who are connected with people, but people with events or even places with other places or things. Thus under certain circumstances networks can be raised and analysed which neither historical research nor the (social) actors they contain were fully aware of, yet which had very real repercussions. So the learning process of researchers can be facilitated, if they initially distance themselves from sources and modern historical theses and observe a structure in itself, in order to avoid predispositions that might distort the relational perspective acquired. In this way structural characteristics that do not correspond intuitively to what the sources say or to modern theses become even more evident.²⁷

Secondly, historical network analysis is a search for network effects, which at the moment primarily means interdependences between network, structure, and behaviour. However illuminating analysis and description of a structure previously unknown might be, the greatest potential for historians lies in re-thinking actual processes and events from a structural perspective. This does not necessarily have to happen through an analytical leap onto the behavioural level of individual actors. Internal or external influences and their effect on the network structure can just as easily be the focus of attention. Likewise, on a higher level of abstraction it is possible to look at the behavioural level in aggregate, to tease out hidden social logics.

Attempts to make structures visible and to demonstrate network effects in the broadest sense seem to be the over-riding interest of those studies that operate at present with SNA as a theoretical concept or formal method in historiography. This is where the potential benefit of a relational perspective in historical research is to be found, as it directs historians to new findings and makes it possible to check established theses. In this respect historical network studies do not differ fundamentally from network analyses in Historical Sociology.²⁸

²⁷ Cf. also Düring and Keyserlingk, 'Netzwerkanalyse in den Geschichtswissenschaften' (forthcoming).

²⁸ The distinction mentioned is also addressed explicitly by Boyer, 'Netzwerke und Geschichte', 51; it is also the implicit basis of the remarks in Claire

III. *Import of Theoretical Network Concepts as an Aid to Analysis in Historical Research*

So far the various ways of dealing with historical networks cover the whole spectrum from arbitrary use of network terms via reception of social network theory, right up to adoption of its formal methods. Since the field is still extremely heterogeneous and those researchers applying network concepts on historical material are still rather isolated from one another, the transitions are often fluid and not every study can be allocated a clear position in the field. So at the moment when historians talk about HNR, what they generally mean is something still extremely unspecific, whose boundaries are drawn differently depending on the perspective taken.

The overwhelming majority of historical studies relating to networks do so without explicitly referring to SNA methodology. Although more and more historians have been operating with network concepts since its discovery for historical research, formal analyses of historical provenance are still a marginal phenomenon.²⁹ Quite a few articles that in recent years have called for formal network analysis to be applied to historical material did so in distinction from those generally subsumed under the heading 'metaphorical use of network terms'.³⁰ Indeed a purely arbitrary use of network terms without substantial reference to SNA produces nothing of extra value from a relational point of view. Pointing out that social networks are important organizational forms of human life is no contribution to our understanding of how they work.

What is to be distinguished from purely metaphorical studies are those informal ones that take network theoretical concepts as their inspiration. This gives them the opportunity to operate deliberately with its meta-theories (for example, Small World, Brokerage and Closure, and so on) and to use these as the main thrust of their studies.³¹

Lemercier, 'Formale Methoden der Netzwerkanalyse in den Geschichtswissenschaften: Warum und Wie?', *Österreichische Zeitschrift für Geschichtswissenschaften*, 23 (2012), 16–41.

²⁹ Bertrand and Lemercier, 'Introduction', 12.

³⁰ Lemercier, 'Formale Methoden', 16–41.

³¹ This is seldom pointed out as explicitly as in John K. Chow, *Patronage and Power: Studies on Social Networks in Corinth* (Sheffield, 1992).

It is the particular conditions of historical research and its differences from those of the social sciences that make this way of dealing with historical networks possible at all. In most cases historians have to cope with sources that are fragmented to a greater or lesser degree. Above all when it is a question of raising relational data this results in sketchy information or at least a high degree of uncertainty regarding the level of completeness of the data.³² The further we go back in time, the less often we come across closed bodies of sources from which network data can be systematically acquired. It is not until the nineteenth century that process-produced serial sources (for example, church books, tax lists, and so on), that provide sufficient relational information to take them for an approximately complete representation of a closed system (for example, a kinship network) are to be found in considerable numbers.³³ In antiquity, the Middle Ages, and even in the early modern period, such things are a complete exception.³⁴

The network paradigm can be separated into two components that largely developed parallel to one another just as it was starting to be formed in sociology, in other words, even before the Harvard Breakthrough of the 1970s. These two strands are, on the one hand, the methodology of formal analysis and visualization of structures in network graphs, and on the other the sociological theories that seek to explain the interplay between the structural and behavioural levels. Even today these two spheres can be uncoupled from one another relatively easily, more so than in other branches of research. This fact makes it easy for historians to adopt network theory detached from its methodology and may also do much to explain why the network paradigm has been able to spread so quickly in general.³⁵

³² The fragmentary state of the sources is often discussed in HNR, but there is no patent solution for dealing with this. See e.g. Düring and Keyserlingk, 'Netzwerkanalyse in den Geschichtswissenschaften' (forthcoming). Lemerrier, 'Formale Methoden', 31 does not regard their fragmentary nature as a general restriction on the use of historical sources for network analysis.

³³ This is particularly useful in researching rural areas. See e.g. Christine Fertig, *Familie, Verwandtschaftliche Netzwerke und Klassenbildung im Ländlichen Westfalen (1750–1874)* (Stuttgart, 2012).

³⁴ For instance, the data in Giovanni Ruffini, *Social Networks in Byzantine Egypt* (Cambridge, 2008) is based on an administrative archive from late antiquity that is still largely extant.

³⁵ Rainer Diaz-Bone, 'Gibt es eine Qualitative Netzwerkanalyse?', *Historical Social Research*, 33 (2008), 311–43, at 313–14; generally on the development of

In order to be able to talk about networks at all without extensive data acquisition, studies that follow an informal approach tend to postulate either implicitly or explicitly the existence of a network structure. On this basis information which in the sources indicates form and performance of a network is usually examined narratively. Thus, for example, indicators of both formal and informal relations can be linked to those concerning the flow of resources or the grant of social support, in order to draw conclusions about the function of certain types of relations. Proceeding in this way often results in a deep qualitative analysis of individual relations or interconnections within manageable small groups which serve as examples for larger contexts. Via this diversion social dynamics and processes are basically worked out by means of traditional heuristics.

Where systematic data acquisition is not possible, the use of formal methods does not make sense, and neither do visualizations except for illustrative purposes. Even though the exact form of a network is unknown, a theory-led procedure gives the researcher the opportunity to form an idea of certain general characteristics of a structure, its function, and even some consequences for individual behaviour. The results of such studies can quite well give the impression of reflecting the network described fairly exactly. Theory-led studies are searching, in their own way, for network effects, but on an analytical level different from quantitative ones. To some extent they manage to convey a reasonably accurate impression of the function and form of a network, at least of those parts of it contained in the sources, but they are unable to back up their results empirically by means of visualizations and structural measures.

Most of the studies that derive from Wolfgang Reinhard's *Verflechtungsanalyse* mentioned above follow such an informal approach. Although the original intention was to make SNA fruitful for historical research by analysing structures, very soon they returned to traditional historical heuristics.³⁶ Relational data was systematically ac-

social network analysis see Linton C. Freeman, *The Development of Social Network Analysis: A Study in the Sociology of Science* (Vancouver, 2004).

³⁶ Wolfgang Reinhard, 'Oligarchische Verflechtung und Konfession in Oberdeutschen Städten', in Antoni Maczak (ed.), *Klientelsysteme in Europa der Frühen Neuzeit* (Munich, 1988), 47–62, at 61 already remarks that the findings were based far more on suggested evidence than he had originally assumed; Mark Häberlein, 'Netzwerkanalyse und Historische Elitenforschung: Proble-

quired for a series of studies; ultimately it was examined selectively without making use of structural measures, and rarely with the aid of visualizations. Nonetheless, by including a relational perspective, important contributions were made to understanding the functionality of rule in early modern towns or the early modern Papal States.³⁷

There is no unanimous opinion as to how the sole use of network theory should be assessed. Very often it is subsumed indiscriminately under network approaches in historical research. Historian Claire Lemerrier, however, makes a passionate call for network concepts to be taken seriously, for which, she says, formal methods are to be applied.³⁸ Roger Gould, a sociologist well known for his analyses of social upheavals in the nineteenth century,³⁹ did not categorically reject historical network studies of an informal character. He emphasized, however, that compared to empirical studies it is much more difficult for them to generate added value for research.⁴⁰

Even in the social sciences there were those who, during the development phase of the network paradigm, stressed the structural aspect of network analysis with varying degrees of intensity. Since the early 1990s the form of structural analysis dominant in the 1970s and 1980s has been accused of an inappropriately strong structural determinism. Since then numerous attempts have been made to

me, Erfahrungen und Ergebnisse am Beispiel der Reichsstadt Augsburg', in Regina Dauser, Stefan Hächler, Michael Kempe, et al. (eds.), *Wissen im Netz: Botanik und Pflanzentransfer in europäischen Korrespondenznetzen des 18. Jahrhunderts* (Berlin, 2008), 315–28, at 324 confirmed that due to a lack of computers *Verflechtungsanalyse* still had to use prosopographical methods.

³⁷ Looking back, Nicole Reinhardt, "'Verflechtung": Ein Blick Zurück nach Vorn', in Peter Burschel, Mark Häberlein, Volker Reinhardt, et al. (eds.), *Historische Anstöße: Festschrift für Wolfgang Reinhard zum 65. Geburtstag am 10. April 2002* (Berlin, 2002), 235–62; and Häberlein, 'Netzwerkanalyse und Historische Elitenforschung', with bibliography.

³⁸ Lemerrier, 'Formale Methoden', 32.

³⁹ Cf. Roger V. Gould, 'Multiple Networks and Mobilization in the Paris Commune 1871', *American Sociological Review*, 56 (1991), 716–29; Roger V. Gould, *Insurgent Identities: Class Commune and Protest in Paris from 1848 to the Commune* (Chicago, 1995); id., 'Patron-Client Ties, State Centralization, and the Whiskey Rebellion', *American Journal of Sociology*, 102 (1996), 400–29.

⁴⁰ Gould, 'Uses of Network Tools', 242.

expand SNA by giving it a cultural turn.⁴¹ In the meantime, particularly as regards agency, network research has been opened up to qualitative means of access to such a degree that the possible existence of a qualitative network analysis can now be discussed.⁴² In the context of historical research questions there was also talk of a strong and a weak version of the network-structural position.⁴³

If, taking a strong structural position, we want to assume that networks are more than the sum of their individual relations and also that every relation, according to form and content, must be regarded as dependent on its network environment, then a purely qualitative description and analysis of relations and parts of networks is no satisfactory solution. However, given the particular circumstances of historical research, what must be taken into account is that historical studies have actually managed to recognize network effects and to describe networks at least in part without detailed knowledge of whole networks. Thus by means of source analysis conclusions could be drawn about the existence and activity of brokers, the way in which patronage systems worked,⁴⁴ and the grant of social support could be revealed.⁴⁵ Likewise it is possible, to a limited degree, to

⁴¹ Harrison C. White himself provided the impetus with his *Identity and Control: A Structural Theory of Social Action* (Princeton, 1992); see also the texts by Emirbayer and Goodwin which have now become classics: 'Network Analysis, Culture, and the Problem of Agency', and 'What is Agency?'; a good overview of further developments with bibliography is given by Ann Mische, 'Relational Sociology, Culture, and Agency', in John Scott and Peter J. Carrington (eds.), *SAGE Handbook of Social Network Analysis* (Los Angeles, 2011), 80-97; and Sophie Mützel and Jan Fuhse, 'Einleitung: Zur Relationalen Soziologie: Grundgedanken, Entwicklungslinien und Transatlantische Brückenschläge', in Jan A. Fuhse (ed.), *Relationale Soziologie: Zur Kulturellen Wende der Netzwerkforschung*, (Wiesbaden, 2010), 7-35.

⁴² See the extensive discussion in Diaz-Bone, 'Gibt es eine qualitative Netzwerkanalyse?'

⁴³ Gould, 'Uses of Network Tools', 244.

⁴⁴ Sharon Kettering, *Patrons, Brokers, and Clients in Seventeenth-Century France* (New York, 1986); Andrew Wallace-Hadrill, 'Patronage in Roman Society: From Republic to Empire', in Andrew Wallace-Hadrill (ed.), *Patronage in Ancient Society* (London, 1989), 63-87; Nicole Reinhardt, *Macht und Ohnmacht der Verflechtung: Rom und Bologna unter Paul V.* (Tübingen, 2000).

⁴⁵ See e.g. the remarks on the role played by foreign noblemen during the Augsburg calendar dispute in Peter Steuer, *Die Außenverflechtung der Augs-*

assess the behaviour of individual and collective actors as embedded in their social environment. In so doing, conclusions were drawn about phenomena such as the formation of rural class structures,⁴⁶ or the role of various types of relations for the success or failure of enterprises during industrialization.⁴⁷

The possibility of generalizing these findings, and thus also their comparability, is restricted since they are not anchored in an empirical basis. If source analysis is to produce indicators of network effects, then reasons of plausibility must be used in the argumentation, as is the case with historical research in general. If a network position like that of a broker is identified, this points more to the activity of an actor as contained in the sources than to his actual position in a network structure. Although it is possible to suggest the latter quite plausibly, it cannot be underpinned by data. The possibility of relying on network theory is a peculiarity of HNR. It is possible and advisable where the sources do not contain sufficient data to create an interpretable structure but do contain, both qualitatively and quantitatively, sufficient information about the effect of one or more types of social relations, or the effect of external factors on social relations. It was and is used also by historians who, though they have adequate source material, do not have the necessary methodological and technical means to carry out a quantitative analysis.

Social networks are omnipresent and their discernible phenomena are some of the elementary organizational forms of living together. For this reason the terminology of social network analysis relating to them also has its equivalents in everyday language. Historical network studies that clearly attribute themselves to network theory are rare compared to those that make implicit use of its concepts. But their social competence permits historians who are not trained in SNA to describe certain phenomena in detail. The added value that social history can acquire from informal descriptions of social networks varies widely. It is worthwhile examining it critically, in order to increase one's own awareness as well. As regards identifying network effects more can generally be expected from a deliberately the-

burger Oligarchie von 1500–1620: Studien zur Sozialen Verflechtung der Politischen Führungsschicht der Reichsstadt Augsburg (Augsburg, 1988), 147–85.

⁴⁶ David W. Sabeau, *Kinship in Neckarhausen, 1700–1870* (Cambridge, 1998).

⁴⁷ Adelheid von Saldern, *Netzwerkökonomie im Frühen 19. Jahrhundert: Das Beispiel der Schoeller-Häuser* (Stuttgart, 2009).

ory-led procedure. Yet it is not necessarily out of the question for intuitively-led studies.

IV. Structural Measures and Visualizations in Historical Research

If historians' interest in social networks was initially rather informal in nature, in recent years the number of studies in which formal network analysis is applied has increased massively. SNA offers a broad spectrum of methods for quantitative structural analysis, and even in social science studies only some of these are used, depending on approach and research questions.⁴⁸ So here, too, there are gradations and transitions in the intensity with which this methodological instrumentarium is transferred to historical research. Nonetheless allocation of the approaches used has become easier, particularly because in more recent historical works on social networks there is far more discussion of methods and their application.

The diversity of analytical methods potentially available, varying in complexity, offers the historian the opportunity to make a selection that seems appropriate to the object of his research and not least his level of empirical training. Just as not every issue in the social sciences is suitable for a structural approach, so in historical research the amount of information and the quality of the sources must also be taken into account. Most network analyses of historical provenance restrict themselves to parts of SNA methodology which, compared to those generally used in current sociological analyses, are characterized by rather low-level mathematics.⁴⁹ Network visualizations occupy a prominent place here.⁵⁰ They are extraordinarily pop-

⁴⁸ Methodological approaches and further developments in Wasserman and Faust, *Social Network Analysis*; Peter J. Carrington, John Scott, and Stanley Wasserman (eds.), *Models and Methods in Social Network Analysis* (Cambridge, 2005); Scott and Carrington (eds.), *SAGE Handbook of Social Network Analysis*.

⁴⁹ Reinhard, *Freunde und Kreaturen*, 23 was already convinced that the structure of whole networks can be characterized with modest mathematical effort.

⁵⁰ On network visualizations see in detail Lothar Krempel, *Visualisierung Komplexer Strukturen: Grundlagen der Darstellung Mehrdimensionaler Netzwerke* (Frankfurt am Main, 2005); for the use of network visualizations in historical research see e.g. Düring and Keyserlingk, 'Netzwerkanalyse in den Ge-

ular with historians interested in social networks so that there is hardly any historical network analysis that does not use them. What is more, a not inconsiderable number of historians use the visual examination of network graphs as their only analytical approach.⁵¹ For HNR it can be regarded as the minimum standard for applying formal methods.

Network graphs seem to be predestined for use in historical research since in themselves they do not make any great demands on the data base. Even when little information is available in the sources a visualization provides a quick and effective overview of the data.⁵² Nowadays the software needed for this is user-friendly to anyone of average experience.⁵³ Likewise the choice of possible representational forms is constantly growing. There is, for instance, special software for producing Venn diagrams.⁵⁴ First bridges are also starting to be

schichtswissenschaften' (forthcoming); Katja Mayer, 'Netzwerkvisualisierungen: Anmerkungen zur Visuellen Kultur der Historischen Netzwerkforschung', in Marten Düring, Ulrich Eumann, Linda von Keyserlingk, et al. (eds.), *Historische Netzwerkforschung* (forthcoming).

⁵¹ Martin Stuber, Stefan Hächler, Lothar Krempel, and Marion Maria Ruisinger, 'Exploration von Netzwerken durch Visualisierung: Die Korrespondenznetze von Banks, Haller, Heister, Linné, Rousseau, Trew und der Oekonomischen Gesellschaft Bern', in Regina Dauser et al. (eds.), *Wissen im Netz: Botanik und Pflanzentransfer in Europäischen Korrespondenznetzen des 18. Jahrhunderts* (Berlin, 2008), 347–74; Carola Lipp and Lothar Krempel, 'Petitions and the Social Context of Political Mobilization in the Revolution of 1848/49: A Microhistorical Actor Centered Network Analysis', *International Review for Social History*, 46 (2001), 151–69; Gerald Grommes, 'Netzwerke und Geschäftsstrukturen Kastilischer Messebankiers im 16. Jahrhundert', in Gabriele B. Clemens (ed.), *Schuldenlast und Schuldenwert: Kreditnetzwerke in der Europäischen Geschichte, 1300–1900* (Trier, 2008), 85–107.

⁵² Both Düring and Keyserlingk, 'Netzwerkanalyse in den Geschichtswissenschaften' (forthcoming), and Reupke and Volk, 'Von der Akte zum Netzwerk', at 310 stress this aspect.

⁵³ See e.g. Netdraw contained in UCINET, cf. <<https://sites.google.com/site/ucinetsoftware/home>>, accessed 1 May 2015, and the freely accessible programme Pajek cf. <<http://pajek.imfm.si/doku.php>>, accessed 1 May 2015 and Visone, cf. <<http://visone.info/>>, accessed 1 May 2015.

⁵⁴ <<http://www.vennmaker.com/en/>>. Examples of historical application in Marten Düring, Matthias Bixler, Michael Kronenwett, and Martin Stark, 'Vennmaker for Historians: Sources, Social Networks and Software', *Revista*

built towards other disciplines, so that some new software can also, for example, process geospatial data.⁵⁵ Thus, even where the level of empirical and mathematical understanding is low it can, in many respects, be used for assessing structures.

Visualizations provide a way of conveying information that is different from narrative descriptions or structural measures. Structures, in particular, become much clearer when their specific characteristics are made visible. Visualized they lose some of the abstract model character that is inherent in relational data by apparently becoming accessible to the observer at first glance. This applies equally to both the recipients of a study and its author. So visual exploration is a method much favoured by historians and provides a good point of entry into analysis in that, depending on the type of visualization, concentrations of actors, attributes, and relations, or lack of them in certain regions of a network graph can be recognized with little effort. Historians, who generally already have concrete ideas about their object of research, quickly find initial points of orientation and can make actors and connections they already know the starting point of their exploration and check their conceptions from a relational perspective.

Network graphs do not only offer opportunities to structuralists, but also permit access to the network environment of both individual and collective actors in terms of the effect of social embeddedness on their scope for action in certain situations.⁵⁶ In this way network graphs, up to a certain level of structural complexity, allow a complete explorative analysis, directly linking up with qualitative information from sources or expert literature. Empirically testable assumptions and working hypotheses, essential to numerical indicators, are, under such conditions, not essential and can be substituted for the general formula that networks do matter. This gives historians the opportunity to combine work on source material and SNA – in other words, qualitative and quantitative methods – without lim-

Hispana para el Analisis de Redes Sociales, 21 (2011), 421–52; and Reupke and Volk, 'Von der Akte zum Netzwerk'.

⁵⁵ Also the likewise freely accessible programme Gephi, cf. <<https://gephi.org/>>, accessed 11 May 2015.

⁵⁶ See e.g. thoughts on the embeddedness of Iullus Antonius in the Augustan kinship network in Düring et al., 'Vennmaker for Historians', 425–35.

iting the interpretative freedom they are used to from working with sources.

Many studies whose line of investigation is based on visualizations completely forego structural measures. In this way, points of connection with historical research can be created more easily than in the case of excessive formalization. In historical research it is absolutely legitimate to use network graphs only descriptively, or to use them to clarify historical contexts. However, both researchers and recipients should always bear in mind that networks are not reified by illustrations. Network graphs are nothing more than graphic representations of relational data, which at best represent parts of the social reality in question but can never capture it in its entirety. They should not under any circumstances be regarded as entities.

Starting with visual exploration, historical network analyses can draw from the great pool of structural measures that SNA has to offer. At the other end of the formal scale are studies that focus on quantitative methods, which often forego visualization altogether. They were, and still are, mainly produced by social scientists. The proportion of historians who have approached the new matter with great curiosity has shot up in leaps and bounds in recent years. But there still seems to be a long way to go until at least some historians have bridged the gap between them and specifically trained social network analysts.⁵⁷

Just recently historical sociologists once again stressed the factual unity of historical and social research. The reasons for differences between the two, it was maintained, are not essential, but a matter of the history of science itself.⁵⁸ In the case of HNR the fact that they make use of the same methodology means that they have a considerable amount in common; this forms the basis for fruitful exchange. Certainly sociology approaches historical data with genuinely sociological research interests. Unlike historical research sociology is far more interested in forming theories than in understanding individual historical phenomena. The focus is often on social dynamics such

⁵⁷ Meanwhile, however, in individual cases multivariate statistical procedures are also being applied, as in Fertig, *Familie, verwandtschaftliche Netzwerke*.

⁵⁸ Rainer Schützeichel, 'Neue Historische Soziologie', in Georg Kneer and Markus Schroer (eds.), *Handbuch Soziologische Theorien* (Wiesbaden, 2009), 277–98, at 277.

as social upheavals and power struggles, or based on other present-day research issues. Here, too, comparison that goes beyond epochs and cultural boundaries, common in Historical Sociology, is used.⁵⁹

High-quality quantitative analyses are generally characterized by a high degree of complexity and abstraction. Explanatory models are formed from relational data, which presents great challenges to both the quality of the data and the methodological competence of the researcher. Block-modelling as a mathematically highly complex, multivariate method, was used relatively often in network studies of Historical Sociology.⁶⁰ Block-modelling groups actors in structurally equivalent positions to so-called blocks. By systematically reducing complexity in this way, underlying structures of social roles and positions can be revealed, which otherwise could not be discovered. In order to be able to apply a procedure like this effectively and to interpret the findings correctly the researcher, for his part, must have the necessary methodological competence and also exact knowledge of the nature of his data and the historical background against which they emerged.

In general, great caution is advisable when dealing with mathematical network models. With computer assistance information once quantified can be processed over and over again without great effort. Without considerable reflection on methodology and corresponding theory, mathematical transformations of whatever sort run the risk of forming empirical artefacts. In this respect warning voices have been raised even amongst sociologists. Thus Roberto Franzosi made a passionate plea for deep thought when dealing with historical information in general. The question as to the 'why' of a quantitative method

⁵⁹ Cf. Naomi Rosenthal, Meryl Fingrutd, Michele Ethier, Roberta Karant, and David McDonald, 'Social Movements and Network Analysis: A Case Study of Nineteenth-Century Women's Reform in New York State', *American Journal of Sociology*, 90 (1985), 1022-54; Wellman and Wetherell, 'Social Network Analysis of Historical Communities', 97-121.

⁶⁰ Peter S. Bearman, *Relations into Rhetorics: Local Elite Social Structure in Norfolk, England 1540-1640* (New Brunswick, NJ, 1993); John F. Padgett and Christopher K. Ansell, 'Robust Action and the Rise of the Medici, 1400-1434', *American Journal of Sociology*, 98 (1993), 1259-319; Karen Barkey and Ronan Van Rossem, 'Networks of Contention: Villages and Regional Structure in the Seventeenth-Century Ottoman Empire', *American Journal of Sociology*, 102 (1997), 1345-82.

was more important, he maintained, than the question of how it can be implemented. History, he said, should not be used by sociologists simply as a warehouse for data.⁶¹

Roger Gould followed much the same line when he called for training in structural thinking for researchers of both disciplines, specifically when carrying out network analyses on historical data. Both sociologists and historians should be highly sensitive to the underlying theories to which they were implicitly committing themselves when applying SNA methods to historical data. The more abstract the mathematical modelling, the more one should be aware of theoretical presumptions going along with it, in order not to force data into a model that leads to misinterpretation.⁶²

So, in a similar way to Wolfgang Reinhard in the late 1970s,⁶³ Franzosi and Gould are also calling for mathematical methods to be restricted to a level that does not over-tax historical data. Even if methodologically skilled researchers are tempted to work on them with the full range of statistical methods, it is often more suitable to restrict themselves to more simple mathematical procedures, in order to avoid, right from the start, the danger of distorting historical reality by analysis.

Social network analyses using historical data are more than just the simple descriptive statistics applied in quantitative historiography, abstract models of a past social reality whose structural conditions we cannot any longer exactly reproduce. However enlightening some studies might be, their findings cannot be validated. Even network effects cannot be found as causalities; regardless of whether findings are sought on the micro-level of individual behaviour or else in terms of the repercussions of external or internal circumstances on the structure as a whole. By analytical combination of qualitative information with analysis of a network structure, only correlations can be established whose plausibility can at best be confirmed by the sources. With the right amount of reflection social history can benefit greatly from both the expertise of Historical Sociology and also applications of SNA in present-day social sciences. The studies already produced provide ample evidence of the useful insights that can be

⁶¹ Roberto Franzosi, 'A Sociologist Meets History: Critical Reflections upon Practice', *Journal of Historical Sociology*, 9 (1996), 354–92, at 384.

⁶² Gould, 'Uses of Network Tools', 266.

⁶³ See n. 48.

gained by looking at known objects of research from a relational point of view.

The on-going discussion about a sensible way of transferring methods from SNA makes it clear that they cannot be adopted by the historical research process just like that.⁶⁴ On the contrary: in practice, huge difficulties sometimes arise resulting from the nature of historical records. So if SNA must be 'adapted' in the full sense of the word for historical research, then the question arises as to the relationship of HNR to current social network research. Linton Freeman sees the latter as having four fundamental characteristics: 'Social network analysis is motivated by a structural intuition based on ties linking social actors, it is grounded in systematic empirical data, it draws heavily on graphic imagery, and it relies on the use of mathematical and/or computational models.'⁶⁵

Superficially Freeman's definition seems to lean heavily on structural analysis. Many historical network analyses do not fulfil all of these categories. But all in all far greater weight is given to combining quantitative and qualitative aspects. In this respect HNR goes far beyond a structural analysis in two ways. The acquisition of relational data from historical sources requires paying greater attention to source criticism. In social sciences qualitative aspects are often taken to include the actor's perspective to draw conclusions about his capacity for action and interpretation, as well as analysis of cultural formations in networks. These should not be seen as an alternative to structural analysis, but as a means of enhancing it.⁶⁶ This could be a future way to link historical research to relational sociology.

Historical research still deals in a very unspecific way with SNA and its distinctive features as a method. For this reason the question about the way in which a relational perspective should be integrated into one's own research is particularly important. Do we want to subordinate it to the historical research process by perceiving it only as a means of source criticism or do we mainly conduct SNA with historical data? Both extremes leave valuable potential untapped. The answer to the question whether and to what extent we should regard

⁶⁴ Düring and Keyserlingk, 'Netzwerkanalyse in den Geschichtswissenschaften' (forthcoming).

⁶⁵ Freeman, *Development of Social Network Analysis*, 3.

⁶⁶ Diaz-Bone, 'Gibt es eine Qualitative Netzwerkanalyse?', 336-7.

SNA as an auxiliary to historical research, or how much we accept it as an independent paradigm worthy of consideration, has far-reaching consequences for the direction in which HNR develops further regarding methodology. From this point of view dealing with historical networks can be regarded as a further opening of SNA which, by source criticism and contextualization raises the qualitative aspects of its analysis to a new level.

V. Conclusion

It has become clear that the way in which SNA has so far been transferred to historical research is difficult to determine from a methodological point of view. From the purely arbitrary metaphorical use of network terms right up to highly quantitative analyses, historians, social scientists, and individual representatives of various neighbouring disciplines made many efforts to examine historical social networks. What historical research has to gain from dealing with social networks generally lies in shifting its view to a relational perspective which allows network structures to be revealed and permits conclusions to be drawn about network effects.

Various approaches to tackling HNR questions contain diverse possibilities for drawing conclusions about network structures and effects. An arbitrary metaphorical use of the network concept does not facilitate any added value by importing the network paradigm, yet merely recognizes the premise that human beings are socially embedded. Under these circumstances no real contribution can be made to an understanding of past social networks. The boundary to deliberate use of social network theory seems to be fluid. Because of the preconditions of their field of research, historical studies are able to describe parts of networks and discover network effects, without being necessarily dependent on acquiring data systematically and comprehensively. Due to the limits of historical records and the lack of quantitative methods in historical training, the use of network theoretical concepts as the main thrust of a study very often is the only reasonable way to talk about historical social networks at all. Obviously quantitative studies come along with a higher degree of explanatory power than theory-led ones. Nonetheless they have already delivered important insights and made major contributions

to the qualitative understanding of the functioning of social relations. They will continue to play an important role, not least by helping further to sensitize historians to the potential that goes along with the concept of historical networks. Quantitative studies, from visualizations right up to complex mathematical models, have the potential not only to visualize network structures, but also to reveal network effects.

Given the plurality of approaches, the number of disciplines that have been involved so far, and the fact that links with the historical mainstream are still weak, some people may doubt whether it is appropriate at all to talk of HNR as an up-and-coming research field, that it might, in fact, just be an artificial construct. It is more than debatable whether all historians, and particularly representatives of the neighbouring disciplines working with network approaches, regard themselves as part of a programmatic HNR.⁶⁷ Yet there are signs of a coming together, which coincide with growing mutual recognition. The most recent advances of historians interested in network analysis are making the research landscape converge more and more. In the last couple of years sessions on historical network analyses have been run as part of conferences on social networks, and social scientists and historians are starting to publish their papers in special issues on historical network analysis.⁶⁸

If HNR is to be established in the long run, then this interdisciplinary cooperation has to be continued. The merging of historical research and SNA has to go along with a mutual exchange of ideas. For this it is just as necessary for historians to engage with social scientific explanatory models as it is for social scientists to take the manifold problems of historical records seriously. One-sided assimilation is at the cost of validity and applicability of findings. Without critical reflection on each other's methods it is hardly possible to fully exploit the potential of historical network data.

Despite all progress, HNR is still in its infancy and there are still various obstacles to be overcome. However, the effort is also justified because of the contribution it can make to the network paradigm. History offers access to network dynamics over long periods of time.

⁶⁷ While this may be true for large parts of European HNR, especially those much cited studies conducted by historical sociologists are genuinely social science studies based on historical data.

⁶⁸ Lemerrier et al. (eds.), *Análisis de Redes e Historia*.

The structure and function of historical networks form a contrast to research on the present, a contrast that can help to complete our understanding of social networks and their development, to name just two. It is advantageous for both sides to focus on interdisciplinary collaboration, so that HNR can really be established between the disciplines.

PART II

Social Networks and Mortgage Lending

Credit, Trust, and Social Networks: Mortgage Credit in
the Industrializing Town of Esslingen
(Württemberg, Germany)

ANNA-CAROLINA VOGEL

I. *Credit as Social Practice*

Credit is not just an economic instrument but also a very complex social phenomenon.¹ This finding owes a great deal to the intensified dialogue between cultural history, economic history, New Institutional Economics, and New Economic Sociology.² While the history

¹ See e.g. Carola Lipp, 'Aspekte der mikrohistorischen und kulturanthropologischen Kreditforschung', in Jürgen Schlumbohm (ed.), *Soziale Praxis des Kredits: 16.–20. Jahrhundert* (Hanover, 2007), 15–36; Mark Häberlein, 'Kreditbeziehungen und Kapitalmärkte vom 16. bis zum 19. Jahrhundert', *ibid.* 37–52; Herman van der Wee, 'Forschungen zur Geschichte des privaten Kredits: Ein methodologischer Überblick', in Michael North (ed.), *Kredit im spätmittelalterlichen und frühneuzeitlichen Europa* (Cologne, 1991), 215–19; Beverly Lemire, 'Introduction: Women, Credit and the Creation of Opportunity: A Historical Overview', in ead., Ruth Parsons, and Gail Campbell (eds.), *Women and Credit: Researching the Past, Refiguring the Future* (Oxford, 2002); Gabriele Clemens, 'Einleitung: Die Omnipräsenz von westeuropäischen Kreditbeziehungen in Mittelalter und Neuzeit', in ead. (ed.), *Schuldenlast und Schuldenwert: Kreditnetzwerke in der europäischen Geschichte 1300–1900* (Trier, 2008).

² See Hartmut Bergthoff and Jakob Vogel, 'Wirtschaftsgeschichte als Kulturgeschichte: Ansätze zur Bergung transdisziplinärer Synergiepotentiale', in eid. (eds.), *Wirtschaftsgeschichte als Kulturgeschichte: Dimensionen eines Perspektivenwechsels* (Frankfurt am Main, 2004), 9–42; Susanne Hilger and Achim Landwehr, 'Zur Einführung: Wirtschaft – Kultur – Geschichte. Stationen einer Annäherung', in eid. (eds.), *Wirtschaft – Kultur – Geschichte: Positionen und Perspektiven* (Stuttgart, 2011), 7–26; Mark Granovetter, 'A Theoretical Agenda for Economic Sociology', in Mauro F. Guillen et al. (eds.), *The New Economic Sociology: Developments in an Emerging Field* (New York, 2001), 35–60; Jakob Tanner, '“Kultur” in den Wirtschaftswissenschaften und kulturwissen-

of credit previously tended to mean bank history, and concentrated on explaining economic growth, nowadays it operates with a plurality of credit sources and is understood as part of a larger 'history of economic behaviour'.³ Formalistic or neo-classical approaches that argue within the frame of an under-socialized *homo oeconomicus* are largely being revised. Financial behaviour does not take place in the 'vacuums' of universally valid economic theories, but in the context of discourses, institutions, and social practices which have to be regarded as dynamic and in relation to one another. Above all here the fact that economic action is socially embedded⁴ has come to the attention of credit research. Questions are asked about the influences of social relationships on granting credit, about credit itself as a social relation, and indeed about the cultural codes that are negotiated in these interactions. Consequently the functions and significance of market relations cannot be reduced to the logic of financially efficient behaviour but have to be seen in their social and cultural multiplicity.

For my dissertation, on which this essay is based, I am examining the construction of a private credit market in transition to the so-called 'modern age'.⁵ This study is part of a project, funded by the DFG,⁶ that is concerned with the social and political implications of credit relations.⁷ The main subject is the granting of mortgage credits

schaftliche Interpretationen ökonomischen Handelns', in Friedrich Jaeger and Jörn Rüsen (eds.), *Handbuch der Kulturwissenschaften: Themen und Tendenzen*, 3 vols. (Stuttgart, 2004), iii. 195–224; Clemens Wischermann, 'Von der "Natur" zur "Kultur": Die Neue Institutionen Ökonomik in der geschichts- und kulturwissenschaftlichen Erweiterung', in Karl-Peter Ellerbrock and Clemens Wischermann (eds.), *Die Wirtschaftsgeschichte vor der Herausforderung durch die New Institutional Economics* (Dortmund, 2004), 17–30.

³ Häberlein, 'Kreditbeziehungen', 48.

⁴ Mark Granovetter, 'Economic Action and Social Structure: The Problem of Embeddedness', *American Journal of Sociology*, 91 (1985), 481–510. See also id., 'The Nature of Economic Relationships', in Richard Swedberg (ed.), *Explorations in Economic Sociology* (New York, 1993), 3–42.

⁵ This is my on-going dissertation project, 'Kredit als soziale Praxis' (Credit as Social Practice).

⁶ Research funding by the Deutsche Forschungsgemeinschaft (DFG) is gratefully acknowledged.

⁷ The research project 'Civil Society zwischen Patronage, primordial(er) familiärer) Verpflichtung und ökonomischer Rationalität' is based at the University of Göttingen and led by Prof. Dr. Carola Lipp.

in the Württemberg town of Esslingen at the time of industrialization. During the nineteenth century Esslingen underwent a phase of rapid change, involving the formation of capitalist production modes, the transformation of social structures, and the emergence of civil society associations. Developments in product and factor markets brought about reforms and innovations (for example, financial institutions) that were designed to make credit available and secure. In historiography these processes are linked to key caesuras and it is against this background that I want to examine the embeddedness of transactions down to the micro-level of social configurations.

It seems to be essential here that the focus is not restricted to the credit relations themselves but also includes the conditions of credit and how credit was used. To analyse these interdependent factors an approach was chosen that draws upon theories of networks,⁸ and practice.⁹ These emphasize a dialectic between *structure* and human *agency* by concentrating on the structured as well as structuring practices and interactions of the actors. According to this, *condition* is everything that shapes structured behavioural options,¹⁰ but which only gains meaning and generates effects through the actors, through being appropriated by them. Such a concept also takes into account the entanglement of relational networks and objective relations (for example, social inequality). So in this essay I am assuming that the

⁸ Seen from the perspective of a social network the actors' scope for action is crucially influenced by their level of social involvement and their roles in social networks. Relations here have equal potential either to restrict or facilitate. Cf. Mustafa Emirbayer and Jeff Goodwin, 'Network Analysis, Culture, and the Problem of Agency', *American Journal of Sociology*, 99/6 (1994), 1411–54; Carola Lipp, 'Struktur, Interaktion, räumliche Muster: Netzwerkanalyse als analytische Methode und Darstellungsmittel sozialer Komplexität', in Silke Göttsch and Christel Köhle-Hezinger (eds.), *Komplexe Welt: Kulturelle Ordnungssysteme als Orientierung* (Münster, 2003), 49–63.

⁹ See e.g. Andreas Reckwitz, 'Toward a Theory of Social Practices: A Development in Culturalist Theorizing', *European Journal of Social Theory*, 5/2 (2002), 243–63; Sven Reichardt, 'Praxeologische Geschichtswissenschaft: Eine Diskussionsanregung', *Sozial.Geschichte*, 22/3 (2007), 43–65; Bettina Fley, 'Wirtschaft und wirtschaftliches Handeln als Ökonomie der Praxis', in Andrea Maurer (ed.), *Handbuch Wirtschaftssoziologie* (Wiesbaden, 2008), 161–84.

¹⁰ Cf. also Gadi Algazi, 'Kulturkult und die Rekonstruktion von Handlungsrepertoires', *L'Homme: Zeitschrift für feministische Geschichtswissenschaft*, 11/1 (2000), 105–19, at 114.

credit relations I can observe in my sources reflect patterns of knowledge and behaviour that are specific to certain groups and are based on shared dispositions and a field-specific practical logic.¹¹

II. *Conditions of Credit and Social Embeddedness*

If conditions shape areas of possibility related to practice, then as regards credit they contain three levels, all of which overlap with one another.

- (a) The availability of suitable credit instruments and the degree to which they are institutionally anchored.
- (b) The motivations for taking or granting credit, including alternative courses of action. *Why* credit transactions arise is determined by structural constraints as well as individual or collective interests. *How* they are attained is also influenced by the experience and practical know-how of the actors.
- (c) The pool of suitable credit partners. This is defined by the quantity and quality of social relations that are both already available and are still aspired to. Here the behavioural expectations of the actors become relevant.

In particular the third level illustrates how complex the significance of personal networks is for credit: they are, indeed, both the context for action and themselves the result of it. So the granting of credit can build upon relations that already exist, but can also, for its part, generate relations. As a result many of the credit relations are multiplex, in other words, for the actors they have several functions and meanings. Moreover, what they achieve is bound to subjective ascriptions or institutional guarantees,¹² and they can develop their own unpredictable dynamics either through external influences or of themselves. This characteristic of contingency makes credit relations

¹¹ With reference to Pierre Bourdieu, *Sozialer Sinn: Kritik der theoretischen Vernunft* (Frankfurt am Main, 1993), esp. 97–121.

¹² Cf. Pierre Bourdieu, 'Ökonomisches Kapital, kulturelles Kapital, soziales Kapital', in Reinhard Kreckel (ed.), *Soziale Ungleichheiten* (Göttingen, 1983), 183–98, at 192.

potentially liable to conflict and thus risky in a dual sense,¹³ for the time that stretches between delivery (of money, goods, work, and so on) and repayment represents not only a social risk but also a financial one. It therefore seems obvious that the existence of trust should be regarded as an essential precondition for credit.

Its key importance is also demonstrated by the way in which the word *credit* is used in discourse and its origin. *Credit* derives from the Latin verb *credere*, which can be translated as *to trust in* or *to believe*. This meaning has largely been retained in the English-speaking world. In German-speaking areas the synonymous use of credit and trust is generally only present in historical sources. Thus, for example, economic literature of the nineteenth century describes credit not primarily as a technique, but as a quality. As such it expresses 'the trust or belief that permeates a person as soon as he gives someone else goods or money without immediate or cash payment'.¹⁴ So while one person gave credit and *was* trustful, the other person *had* it. This relationship was, however, based on reciprocity since the credit-giver was also expected to behave in a certain way, according to which he should stick to agreements and not behave inconsiderately, greedily, let alone dishonestly.¹⁵ Trust was placed not only in the other person's ability to deliver, but also in his good will or moral character,¹⁶ while willingness to trust could be considerably increased by 'good laws' and a stable currency.¹⁷ If one or other of the parties did nonetheless not live up to expectations the relationship was threatened. In the worst case legal proceedings were possible and (no less significant) loss of public credit in the form of public opinion.¹⁸

¹³ In detail also Carola Lipp, 'Aspekte', 17–24.

¹⁴ J. R. MacCulloch, *Handbuch für Kaufleute oder Übersicht der wichtigsten Gegenstände des Handels- und Manufakturwesens, der Schifffahrt und der Bankgeschäfte, mit steter Beziehung auf Nationalökonomie und Finanzen*, 2 vols. (Stuttgart, 1834), i. 429.

¹⁵ Cf. Beate Sturm, 'Wat ich schuldich war': *Privatkredit im Frühneuzeitlichen Hannover (1550–1759)*, 218–49; Jonathan Sperber, *Property and Civil Society in South-Western Germany, 1820–1914* (Oxford, 2005), 107–17.

¹⁶ Samuel Oppenheimer, *Die Natur des Capitals und des Credits*, 2 vols. (Mainz, 1868), i. 66.

¹⁷ *Ibid.* 66.

¹⁸ See *ibid.* 65, where a metaphor by James Steuart is cited in this context: 'The cause of Confidence has had nothing in it but opinion, and when this is

Hence, there was a subtle interplay between economic and moral credit, which needed to be carefully protected as honour, or good reputation.

III. A Theoretical Perspective on Trust

The (historical) semantics of credit already illustrate quite clearly how trust, relations, and credit are connected to one another. So credit is always linked to trust, and trust relates to meeting reciprocal expectations. Trust here fulfils quite specific functions by generating relations, bridging risks, and opening up opportunities. Thus it is not surprising that following New Institutional Economics and New Economic Sociology, economic history has recently (re)discovered trust as a key influence on economic behaviour too.¹⁹ It is regarded as a culturally formed medium of economic exchange processes that

the case, credit is nothing but a shadow which may be dissipated by the smallest breath of wind.' Cf. Sir James Steuart, *An Inquiry into the Principles of Political Economy: Being an Essay on the Science of Domestic Policy in Free Nations*, 2 vols. (Dublin, 1770), ii. 312. Loss of creditworthiness could seriously restrict the individual's scope for action. In the case of over-indebtedness where the individual was to blame, Württemberg legislation even foresaw withdrawal of marriage and suffrage rights.

¹⁹ Richard Tilly, 'Introduction', *Jahrbuch für Wirtschaftsgeschichte/Economic History Yearbook* (2005/1), 9–14. See also, however, Clemens Wischermann, 'Vom Gedächtnis und den Institutionen: Ein Plädoyer für die Einheit von Kultur und Wirtschaft', in Eckart Schremmer (ed.), *Wirtschafts- und Sozialgeschichte: Gegenstand und Methode* (Stuttgart, 1998), 21–33, at 29; Sheilagh Ogilvie, 'The Use and Abuse of Trust: Social Capital and its Deployment by Early Modern Guilds', *Jahrbuch für Wirtschaftsgeschichte/Economic History Yearbook* (2005/1), 15–52; Hartmut Berghoff, 'Vertrauen als ökonomische Schlüsselvariable: Zur Theorie des Vertrauens und der Geschichte seiner privatwirtschaftlichen Produktion', in Karl-Peter Ellerbrock and Clemens Wischermann (eds.), *Die Wirtschaftsgeschichte vor der Herausforderung durch die New Institutional Economics* (Dortmund, 2004), 58–74. Nevertheless, its popularity in economic and social theory, the explanatory power of trust regarding economic behaviour, has not been undisputed, see e.g. Timothy W. Guinnane, 'Trust: A Concept Too Many', *Jahrbuch für Wirtschaftsgeschichte* (2005/1), 77–92; Oliver E. Williamson, 'Calculativeness, Trust, and Economic Organization', *Journal of Law and Economics*, 36/1 (1993), 453–86.

fosters cooperation by reducing complexity and minimizing transaction costs.²⁰ Yet, whom one is prepared to trust, and what the basis of mutual trust is, can vary widely.²¹

- a) In the case of cooperation between parties unknown to one another a generalized trust is important that is not based on people but on institutions such as impartial norms, mechanisms, and instruments, often legitimized by a legal system.²²
- b) If the transaction partners know one another, even indirectly, then their social and symbolic capital comes into play.²³

²⁰ New Institutional Economics understands transaction costs as the effort that has to be made in a transaction *ex ante* (information, bargaining, and decision costs) but also *ex post* (policing and enforcement costs) to minimize the risk of opportunist behaviour. For a good introduction see Eirik G. Furubotn and Rudolf Richter, *Institutions and Economic Theory: The Contribution of The New Institutional Economics* (Ann Arbor, 2000).

²¹ Cf. also Bruce G. Carruthers, 'Trust and Credit', in Karen S. Cook, Margaret Levi, and Russel Hardin (eds.), *Whom Can We Trust? How Groups, Networks and Institutions Make Trust Possible* (New York, 2009), 219–48; Stefan Gorißen, 'Der Preis des Vertrauens: Unsicherheit, Institutionen und Rationalität im vorindustriellen Fernhandel', in Ute Frevert (ed.), *Vertrauen: Historische Annäherungen* (Göttingen, 2003), 90–118.

²² Niklas Luhmann defines this type of trust as 'trust in systems'. Cf. Niklas Luhmann, *Vertrauen: Ein Mechanismus der Reduktion sozialer Komplexität* (Stuttgart, 2000), 92. Anthony Giddens also distinguishes between 'trust in systems' as 'a form of faceless commitment' and 'trust in persons' that involves 'facework commitments, in which indicators of the integrity of others (within given arenas of action) are sought'. See Anthony Giddens, *The Consequences of Modernity* (Stanford, Calif., 1990), 88.

²³ Use of the terms 'social' and 'symbolic' capital is based on theoretical outlines by Bourdieu. He stresses the (individual) symbolic and material profits that derive from belonging to a group, or from mutual recognition and derecognition. See Bourdieu, 'Ökonomisches Kapital', 192. On the other hand, James Coleman's related concept of social capital largely leaves out attributions arising from the representation of a group. In this case social capital is based on exchange processes within the group (for instance, network relations that lead to the acquisition of information). Cf. James Coleman, 'Social Capital in the Creation of Human Capital', *American Journal of Sociology*, 94 (1988), 95–121. For an overview of the concepts along with their spheres of application and further development see Alejandro Portes, *Economic Socio-*

c) In the case of close relationships (like family members, love, friendship) the trust is more likely to be based on personal commitment (e.g. in the sense of *familiarity* or *being familiar with*).²⁴

The difference between these types of trust lies in the assumptions made about the behavioural orientations of the actors involved. From the perspective of practice theory they can be read as different, socially conventionalized complexes of motives and emotions that follow a practical logic of *knowing how*.²⁵ Consequently, their behaviour is above all orientated towards what the actors, based on their knowledge and habitual dispositions, conceive to be appropriate or justifiable in the context.

IV. *Credit, Trust and Social Networks: A Story of 'Modernization'*

Many of the classical modernization theories posit a dichotomy between a 'pre-industrial' or 'pre-capitalist' mode of economic behaviour based on communal needs and values, and a 'modern' profit-orientated and self-interested mode of market behaviour.²⁶ For the time of the so-called industrial revolution they state the emergence of a free market for money, land, and work that no longer fol-

logy: A Systematic Inquiry (Princeton, 2010), 27–47; Nan Lin, 'Building a Network Theory of Social Capital', *Connections*, 22/1 (1999), 28–51.

²⁴ Cf. Ute Frevert, 'Vertrauen: Eine historische Spurensuche', in ead. (ed.), *Vertrauen: Historische Annäherungen* (Göttingen, 2003), 7–66, at 48 ff.; ead., 'Vertrauen: Historische Annäherung an eine Gefühlshaltung', in Claudia Benthien, Anne Fleig, and Ingrid Kasten (eds.), *Emotionalität: Zur Geschichte der Gefühle* (Cologne, 2000), 178–97.

²⁵ With reference to Andreas Reckwitz, 'Grundelemente einer Theorie sozialer Praktiken: Eine sozialtheoretische Perspektive', *Zeitschrift für Soziologie*, 32/4 (2003), 282–301 at 293.

²⁶ Among them (though with very different implications) Emile Durkheim, *De la division de travail social* (Paris, 1893); Max Weber, *Die Protestantische Ethik und der Geist des Kapitalismus* (Tübingen, 1904); Georg Simmel, *Über soziale Differenzierung: Soziologische und psychologische Untersuchungen* (Leipzig, 1890); Georg Simmel, *Philosophie des Geldes* (Berlin, 1900), 297–386; Karl Polanyi, *The Great Transformation: The Political and Economic Origins of Our Time* (Boston, 1944).

lowed obligations arising from social relations but regulated itself via market mechanisms. Even though the radicality of such shifts has meanwhile been seriously challenged, more recent versions of social theory still associate the transition to a capitalist market economy with a decline in the forces of social cohesion. Personal trust is considered to have been largely replaced by institutional trust,²⁷ while the importance of primordial ties for forms of social organization,²⁸ and economic transactions,²⁹ diminished. Similarly, credit historians also see the expansion of the *cash nexus* as correlating with growing impersonality between credit partners.³⁰ As they have shown, practices of borrowing and lending were already widespread in pre-industrial Europe, but credit remained tied to intensive social relations or was brokered by (semi-)professionals.³¹ In eighteenth-century Paris, for instance, notaries, due to their profession, could acquire an expert knowledge that allowed them to operate very efficiently as brokers.³² From a new institutionalist point of view, these personalization strategies prove that the deficient administrative,

²⁷ Cf. Luhmann, *Vertrauen*, 85–92; Giddens, *Consequences*, 79–150.

²⁸ E.g. James S. Coleman, 'The Rational Reconstruction of Society: 1992 Presidential Address', *American Sociological Review*, 58/1 (1993), 1–15.

²⁹ Martin Fiedler, 'Vertrauen ist gut Kontrolle ist teuer: Vertrauen als Schlüsselkategorie wirtschaftlichen Handelns', *Geschichte und Gesellschaft*, 27 (2001), 576–92; Geoffrey Ingham, 'Money is a Social Relation', *Review of Social Economy*, 54/4 (1996), 507–29; Sven Reichardt, 'Soziales Kapital im "Zeitalter materieller Interessen": Konzeptionelle Überlegungen zum Vertrauen in der Zivil- und Marktgesellschaft des langen 19. Jahrhunderts (1780–1914)', WZB Discussion Paper no. SP IV 03–503, pp. 1–20.

³⁰ Craig Muldrew, '"Hard Food for Midas": Cash and its Social Value in Early Modern England', *Past and Present*, 170 (2001), 78–120.

³¹ Cf. id., 'Interpreting the Market: The Ethics of Credit and Community Relations in Early Modern England', *Social History*, 18 (1993), 163–83; Gorißen, 'Der Preis des Vertrauens'.

³² Cf. Philip T. Hoffman, Gilles Postel-Vinay, and Jean Laurent-Rosenthal, *Priceless Markets: The Political Economy of Credit in Paris, 1660–1870* (Chicago, 2000). For the importance of notaries as lenders and brokers in the Saar region in the nineteenth century see Gabriele B. Clemens and Daniel Reupke, 'Der Notar als Broker: Das Management des privaten Kreditmarkts', *Zeitschrift für Verbraucher- und Privatinsolvenzrecht*, 8 (2009), 16–22. Apart from notaries, however, writers, lawyers, and bankers were also active as brokers. Cf. Larry Neal, 'The Finance of Business during the Industrial Revolution', in

legal, and financial system of the *ancien régime* was not yet capable of giving the credit market adequate support and that it was only in the context of industrialization that this changed. The key driver is seen as the formation of liberal ‘institutional arrangements’, under which property rights were redefined and contract enforcement facilitated.³³ Along with this went the emergence of new financial instruments and institutions. Both developments created financial incentives and at the same time reduced problems of trust, which is why they are deemed to have played a crucial part in consolidating the competitive capitalist economy. Subsequently, transactions are supposed to have been mediated through legal and market frameworks, commercial guardians of trust (for example, banks, rating agencies) and credit unions,³⁴ whereby the dense mesh of economic and social relations that had a firm place in the pre-industrial ‘economy of obligation’,³⁵ disappeared in favour of new individualistic strategies.

As regards the claim to general relevance of such narratives of transition written from the macro-perspective, one key task of micro-studies may be seen as checking them against rich empirical evidence and expanding them by adding local perspectives of inequalities or

Roderick Floud and Deirdre McCloskey, *The Economic History of Britain since 1700*, 2 vols. (Cambridge, 1994), i. 151–81.

³³ Clemens Wischermann and Anne Nieberding, *Die institutionelle Revolution: Eine Einführung in die deutsche Wirtschaftsgeschichte des 19. und 20. Jahrhunderts* (Stuttgart, 2004), 283. See also, however, Douglass C. North, *Institutions, Institutional Change and Economic Performance* (Cambridge, 1990).

³⁴ Reichardt, ‘Soziales Kapital’; Hartmut Berghoff, ‘Die Zähmung des entfesselten Prometheus? Die Generierung von Vertrauenskapital und die Konstruktion des Marktes im Industrialisierungs- und Globalisierungsprozess des 19. Jahrhunderts’, in id. and Jakob Vogel, *Wirtschaftsgeschichte als Kulturgeschichte: Dimensionen eines Perspektivenwechsels* (Frankfurt am Main, 2004), 143–68; Hartmut Berghoff, ‘Markterschließung und Risikomanagement: Die Rolle der Kreditauskunfteien und Rating-Agenturen im Industrialisierungs- und Globalisierungsprozess des 19. Jahrhunderts’, *Vierteljahresschrift für Sozial- und Wirtschaftsgeschichte*, 92 (2005), 141–62; id., ‘Vertrauen als ökonomische Schlüsselvariable: Zur Theorie des Vertrauens und der Geschichte seiner privatwirtschaftlichen Produktion’, in Karl-Peter Ellerbrock and Clemens Wischermann (eds.), *Die Wirtschaftsgeschichte vor der Herausforderung durch die New Institutional Economics* (Dortmund, 2004), 58–74.

³⁵ Craig Muldrew, *The Economy of Obligation: The Culture of Credit and Social Relations in Early Modern England* (New York, 1998).

inherent dynamism. Accordingly various studies have already evidenced an ongoing inter-relation of private networks and market institutions for the nineteenth century.³⁶ For the German area, however, most of them are restricted to agrarian societies,³⁷ or to particular trading firms and family enterprises.³⁸ For this reason my dissertation addresses a current research gap. The question is what effects the economic, institutional, and socio-cultural structures of an industrializing town had on the credit market and how they contributed to a diversification of interests and options for various actors. Using *Unterpfandsbücher* (mortgage registers) which cover hypothecations for a large part of the nineteenth century (1828–90), the credit behaviour of the Esslingen population is to be systematically reconstructed. So far twenty-eight volumes of mortgage registers from Esslingen town itself (without outlying villages) have been fed into a source-orientated database. Furthermore, additional data is available from earlier projects,³⁹ which provides a wide contextualization of credit

³⁶ E.g. Pat Hudson, 'Capital and Credit in the West Riding Wool Textile Industry c. 1750–1850', in ead. (ed.), *Regions and Industries: A Perspective on the Industrial Revolution in Britain* (Cambridge, 1989), 69–99; Margot C. Finn, *The Character of Credit: Personal Debt in English Culture, 1740–1914* (Cambridge, 2003).

³⁷ E.g. Christine Fertig, 'Kreditmärkte und Kreditbeziehungen im ländlichen Westfalen (19. Jh): Soziale Netzwerke und städtisches Kapital', in Gabriele B. Clemens (ed.), *Schuldenlast und Schuldenwert: Kreditnetzwerke in der europäischen Geschichte* (Trier, 2008), 161–76; Gabriele B. Clemens and Daniel Reupke, 'Kreditvergabe im 19. Jahrhundert zwischen privaten Netzwerken und institutioneller Geldleihe', in eid. (ed.), *Schuldenlast und Schuldenwert: Kreditnetzwerke in der europäischen Geschichte* (Trier, 2008), 211–38; Werner K. Blessing, 'Ökonom und Geld: Zum bäuerlichen Kredit im Bayern des 19. Jahrhunderts', *Zeitschrift für Bayerische Landesgeschichte*, 60 (1997), 861–88; Reinhard Johler, 'Bäuerliches Kreditwesen im Alpenraum: Vorbemerkungen zu einer "economic anthropology"', *Historische Anthropologie*, 7 (1999), 146–53. Specifically on Württemberg: David Sabeau, *Property, Production, and Family in Neckarhausen, 1700–1870* (Cambridge, 1990); Andreas Gestrich and Martin Stark, 'Überschuldung im ländlichen Kreditwesen im 18. und 19. Jahrhundert', *Zeitschrift für Verbraucher- und Privatinsolvenzrecht*, 8 (2009), 23–6; Sperber, *Property*.

³⁸ E.g. Adelheid von Saldern, *Netzwerkökonomie im frühen 19. Jahrhundert: Das Beispiel der Schoeller-Häuser* (Stuttgart, 2009).

³⁹ The database complex used integrates more than 300 databases from various historical sources on the town of Esslingen via actor-centred Nominal

activity. By linking up personal data we so far have retrievable information for two-thirds of the credit actors, on their kinship ties, their occupations and social status, their places of residence (including their actual address), their activities in clubs, their engagement in communal boards, and much more.

V. *Private Credit in the Town of Esslingen*

In this section an attempt will be made to turn the ideas already presented into empirically useful evidence for the credit study of Esslingen.⁴⁰ The main focus is on working out typical behavioural patterns and the significance here of social relations and the actors' trust. The role of administrative and legal means will be examined, of personal reputation, but also that of social networks such as civic associations or family. By describing how the market was constructed I should first like to explain its setting and institutional organization before returning, finally, to the motives and relations of the actors.

Record Linkage, also including a complete family reconstruction. For information on data linkage and sources see e.g. Carola Lipp, 'Symbolic Dimensions of Serial Sources: Hermeneutical Problems of Reconstructing Political Biographies Based on Computerized Record Linkage', *Historical Social Research*, 15 (1990), 30–40; Jürgen Nemitz, 'Datenvernetzung in einem historischen Forschungsprojekt', in *EDV-Tage Theuern: Tagungsband* (Kümmersbrück, 2001), 38–47. For details of where this database complex has been applied see also the numerous publications arising from previously completed research projects, including (in English) Carola Lipp and Lothar Krempel, 'Petitions and the Social Context of Political Mobilization in the Revolution of 1848/49: A Microhistorical Actor Centered Network Analysis', *International Review of Social History*, 46 (2001), 151–69; Carola Lipp, 'Kinship Networks, Local Government, and Elections in a Town in Southwest Germany, 1800–1850', *Journal of Family History*, 30/4 (2005), 347–65; eid., 'Corporate Birthmarks of Civil Society: Kinship and Kinship Networks in Voluntary Associations, 1800–1848', in Jürgen Nautz, Paul Ginsborg, and Ton Nijhuis (eds.), *The Golden Chain: Family, Civil Society and the State* (New York, 2013).

⁴⁰ My grateful thanks to the enthusiastic and competent project team who took crucial steps with me in raising and processing the data.

The Market and its Local Context

In 1802 the former imperial city of Esslingen was annexed by Württemberg and became the seat of an *Oberamt* (district) as well as the *Kreisgericht* (regional court). Up until the middle of the century Esslingen developed into one of the most progressive industrial and trading centres in the kingdom.⁴¹ Industrialization brought with it an enormous growth in population, which took the number of inhabitants from 7,000 around the turn of the century to almost 13,000 in 1849. The state of Württemberg, a constitutional monarchy, pursued an intensive policy of promoting business. By 1828 compulsory membership of guilds had been relaxed (yet not suspended) so that the only remaining restriction on local competition was the *Bürger- und Niederlassungsrecht* (Citizenship and Settlement Law).⁴² In the same year Württemberg joined the South German Customs Union, which in 1834 became the German Customs Union. Initially the textile industry expanded in Esslingen, and once it was linked to the Stuttgart–Ulm railway line in 1845 the machine industry also became established. The *Maschinenfabrik Esslingen* (Esslingen machine factory), founded in 1846, a technically very modern outfit that produced locomotives and railway wagons, prepared the way for the town to become highly industrialized. By 1850, 21 per cent of households already lived from industry, 40 per cent from crafts and almost 5 per cent from trade. A further 12 per cent of household heads were

⁴¹ The economic and social history of Esslingen is well researched. From the wealth of publications a few selected monographs: Sylvia Schraut, *Sozialer Wandel im Industrialisierungsprozess: Esslingen 1800–1870* (Esslingen, 1989); Wolfgang Kaschuba and Carola Lipp, *1848 – Provinz und Revolution: Kultureller Wandel und soziale Bewegung im Königreich Württemberg* (Tübingen, 1979); Otto Borst, *Geschichte der Stadt Esslingen am Neckar* (Esslingen, 1977); Peter Borscheid, *Textilarbeiterschaft in der Industrialisierung: soziale Lage und Mobilität in Württemberg, 19. Jahrhundert* (Stuttgart, 1978); Heilwig Schomerus, *die Arbeiter der Maschinenfabrik Esslingen: Forschungen zur Lage der Arbeiterschaft im 19. Jahrhundert* (Stuttgart, 1977).

⁴² The *Gewerbeordnung* (trade regulations) of 1828 sought to mediate between industrial production and the guilds' constitution. Thirteen guilds were completely abolished, but on the other hand forty-four were retained with more relaxed admittance requirements. Henceforth the founding of wholesale and industrial companies was only dependent on state concession. Cf. Manfred Hettling, *Reform ohne Revolution: Bürgertum, Bürokratie und kommunale Selbstverwaltung in Württemberg von 1800–1850* (Göttingen, 1990), 88–9.

municipal employees or worked for the courts situated in the town and nearly 9 per cent were vintagers and small landholders.⁴³ Along with the growing number of Esslingen industrial workers there was a broad urban middle class consisting of craftsmen, vintagers, and tradesmen. The city's bourgeois elite drew more and more from wealthy entrepreneurs and artisans instead of the old academically and legally trained patrician families. Like the growing number of immigrant Württembergian academics, these upper-class groups had substantial funds at their disposal. At the same time the local population was also characterized by people of mixed occupation who lived on or around subsistence level.

As a former imperial city, in the nineteenth century Esslingen had a long tradition of communal legal and financial administration, even though the state of the official book-keeping was found to be chaotic when Württemberg took over, and gave rise to a forced clean-up imposed by the state. Mortgage registers were already included in imperial directives. However, along with the rights of lien entered there, these directives also foresaw so-called 'silent' rights of creditors preferred by law, which were considered as valid without being entered. To start with, little changed under Württemberg rule. It was only from the 1810s onwards, when many debtors declared themselves bankrupt and caused the private creditors and communes enormous losses, that legislation on securities became the focus of political debate.⁴⁴ During the years that followed wide-ranging revisions of the law of pledging, mortgage, and bankruptcy took place. In 1825,⁴⁵ debt documentation was heavily regulated and formalized; every transaction was monitored by the *Unterpfandsbehörde* (securities authority), a sub-division of the city council. For the first time

⁴³ Calculated from data in the Esslingen residents' register and expanded from other sources. Cf. also Carola Lipp, 'Zum Zusammenhang von lokaler Politik, Vereinswesen und Petitionsbewegung in der Revolution 1848/49: Eine Mikrostudie zu politischen Netzwerken und Formen der Massenmobilisierung in der politischen Netzwerke', *Esslinger Studien*, 36 (1997), 211–69, at 249.

⁴⁴ For legal history cf. Arndt Kiehle, *Der Erwerb kraft öffentlichen Glaubens in der württembergischen Pfandgesetzgebung 1825/1828 und im Bürgerlichen Gesetzbuch* (Berlin, 2004), 26–67.

⁴⁵ The relevant laws are of 15 Apr. 1825 and are printed in *Regierungs-Blatt für das Königreich Württemberg*, 17 (1825), 193–364.

legislation offered comprehensive protection for creditors. It did away with the co-existence of rights of lien that were both recorded and not recorded in the books—a practice so impenetrable it had encouraged private over-indebtedness. Now that an entry in public registers was obligatory, the real security value of a property was clearly visible and taking out a mortgage before the official public clerk relatively uncomplicated. The new arrangements were, however, very costly for the communities and were therefore not readily implemented in Esslingen until the end of 1827.⁴⁶ The fact that henceforth a mortgage could only be taken out if entered in the book, and also that from 1828 wives' property was potentially liable as well,⁴⁷ considerably increased the population's willingness to grant credit.

Apart from mortgages, there were, of course, other instruments of credit that were made very good use of in Esslingen.⁴⁸ For instance, a loan could be taken out using movables as security, or personal credit could be attained by making a certified obligation or guarantee. In the case of consumer or business credits, permitted within a fixed circle of clients, even purely verbal agreements were common, which allowed for deferment of payment or mutual payment in kind.⁴⁹

⁴⁶ Hauptstaatsarchiv Stuttgart (HStAS), E 305/2 Nr. 10.

⁴⁷ 'Gesetz, die vollständige Entwicklung des neuen Pfand-Systems betreffend', *Regierungs-Blatt für das Königreich Württemberg*, 34 (1828), 361–92. This law included the abolition of the gender tutela and was strategically aimed at mobilizing female property and assets for the growing credit markets. See Sabean, *Property*, 208–22; id., 'Allianzen und Listen: Die Geschlechtsvormundschaft im 18. und 19. Jahrhundert', in Ute Gerhard (ed.), *Frauen in der Geschichte des Rechts: Von der Frühen Neuzeit bis zur Gegenwart* (Munich, 1997), 460–79.

⁴⁸ The relative importance of these types of credit is evidenced by a sample of inventories left by Esslingen town councillors that was assessed for this purpose.

⁴⁹ For the practice of informal small loans see Lipp, 'Aspekte'; Maria Manuela Rocha, 'Credit Networks in an Urban Context: Lisbon 1775–1830', in Laurence Fontaine et al. (eds.), *Des personnes aux institutions: Réseaux et culture du crédit du XVIe au XXe siècle en Europe* (Louvain-la-Neuve, 1997), 227–44; Ira Spieker, *Ein Dorf und sein Laden: Warenangebot, Konsumgewohnheiten und soziale Beziehungen um die Jahrhundertwende* (Münster, 2000); Daniel Vickers, 'Errors Expected: The Culture of Credit in Rural New England, 1750–1800', *Economic History Review*, 63/4 (2010), 1032–57. That a clear distinction was made between strangers and people known personally is

Even so, because mortgage creditors had priority under bankruptcy and inheritance laws, for longer-term credits and for larger sums mortgages were preferred. Such agreements, apart from contractual enforceability, also had the advantage of not having to rely solely on the debtor's *credit*; above all repayment was assured in material form, namely the real estate offered as collateral that had been officially valued by the authorities.⁵⁰ Accordingly, the contemporary *Finanzreferendär* (financial clerk) E. Ch. Dinkel, in his treatise 'on the credit situation of peasants in Württemberg', no longer defined the creditworthiness of the rural population by their 'moral character', but by their ownership of land that could be used as security.⁵¹ Since Württembergian credit law prohibited interest rates over 5 per cent, collateral was even more important.⁵² Due to this ceiling, interest rates could not be adjusted to risks of lending and risky borrowers tended to be barred or forced to seek loans on the black market.⁵³

Given these preconditions, credit should in theory largely be granted regardless of the differential immaterial resources or personalities of the credit partners. In today's financial system banks are supposed to create similar conditions. Until the second half of the nineteenth century, however, the banking sector in Württemberg developed very slowly.⁵⁴ Although there was already an announce-

demonstrated by Michaela Fenske, *Marktkultur in der Frühen Neuzeit: Wirtschaft, Macht und Unterhaltung auf einem städtischen Jahr- und Viehmarkt* (Cologne, 2006), 184–243.

⁵⁰ So here it was not so much knowledge about the borrower that was of key importance, but rather the collateral object as knowledge object. Cf. also Mischa Suter, 'Jenseits des "cash nexus": Sozialgeschichte des Kredits zwischen kulturanthropologischen und informationsökonomischen Zugängen', *Werkstatt Geschichte*, 53 (2009), 89–99, at 97–8.

⁵¹ E. Ch. Dinkel, 'Über die bäuerlichen Credit-Verhältnisse in Württemberg', *Zeitschrift für die gesamte Staatswissenschaft*, 12 (1856), 536–636, at 589.

⁵² After 1836 it was only permitted by law to take 6 per cent in individual cases of merchant credit. On legislation see August Ludwig Reyscher, *Das gesamte württembergische Privatrecht* (Tübingen, 1843), ii. 225–9.

⁵³ Cf. Sheilagh Ogilvie, Markus Küpker, and Janine Maegraith, 'Household Debt in Early Modern Germany: Evidence from Personal Inventories', *Journal of Economic History*, 72/1 (2012), 134–67, at 138; Lipp, 'Aspekte', 32.

⁵⁴ For the history of the Württemberg banking sector see Matthias Bergner, *Das württembergische Bankenwesen: Entstehung, Ausbau und struktureller Wandel des regionalen Bankenwesens bis 1923* (St Katharinen, 1993).

ment in 1824 requiring the *Oberämter* (districts) and communities to establish loan funds,⁵⁵ this had little effect.⁵⁶ If the Esslingen residents did turn to establishments for credit, then it was generally to the Stuttgart loan institutions (for example, the *Württembergischer Kreditverein* already founded in 1826) or to traditional community lenders such as the *Esslinger Stadt- und Stiftungspflege*, which felt obliged to offer loans not only for financial reasons but also as a means of providing economic relief. It was not until the 1840s that two industrial and private lending banks were founded in the town itself, which, supported partly by capital from the municipal funds, gave bridging loans to less well-off craftspeople.⁵⁷ Finally, in 1849, the *Esslinger Oberamtsparkasse* (Esslingen Savings Bank) started business and granted, along with smaller loans, larger mortgage credits. Yet even in the last third of the nineteenth century, when commercial lending institutions and credit cooperatives were already relatively well established, the practice of inter-personal lending declined only slowly (see Figure 1).

As opposed to banks private sources of credit had the crucial advantage that they offered far more room for negotiation as regards repayment terms, security value, and interest arrangements.⁵⁸ For loans only a mutual cancellation period was stipulated. Yet, the debtor rarely had to fear that the money would be called in unseasonably because, if necessary, the creditor could as well sell his promissory note instead of possibly causing conflict. At the same time the secondary market offered the opportunity of deliberately buying into contracts with profitable conditions or with selected debtors. Besides being tradable the rights under a mortgage could also devolve due to death, bankruptcy, or the disposition of property. Accordingly, 30 per cent of all transferable claims⁵⁹ were passed on at least once and

⁵⁵ Cf. Rudolf Kaulla, *Die Organisation des Bankwesens im Königreich Württemberg in ihrer geschichtlichen Entwicklung* (Stuttgart 1908), 7–8.

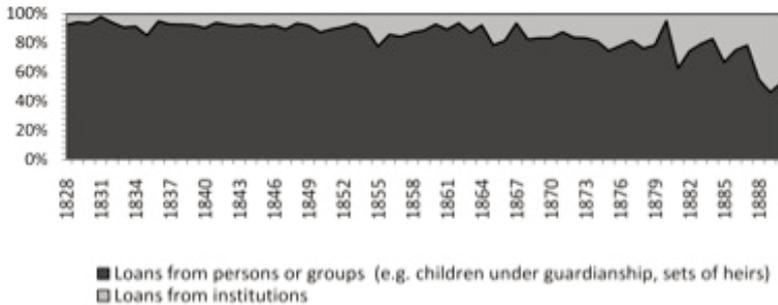
⁵⁶ In the 1820s and 1830s public lending and savings banks emerged in only six Württemberg towns and Esslingen was not one of them.

⁵⁷ Stadtarchiv Esslingen (StAE), Bestand Stadtschultheissenamt X 3 Bü 3 and VIII 3 Bü 3.

⁵⁸ Banks and credit institutions generally required fixed repayment plans, usually in the form of annual annuities. They also required higher levels of security.

⁵⁹ Not every secured claim was transferable. Some exceptions, for instance, were prior claims within the family to inheritance or property.

Figure 1: Proportion of Institutions in Property-Based Loans (in %).



Source: Stadtarchiv Esslingen (StAE), *Unterpfandsbücher*.

usually to several new creditors (see Table 1).⁶⁰ Flexibility in terms of transfers, thus, made each credit relationship in itself less fragile and the credit partners more independent of one another.

Circumstances of Credit

Credit was connected with financial decision-making processes that are difficult to reconstruct from the sources. Only the type of usage gives a clue as to the motivation or need that gave rise to a credit relationship. As listed in the sources, hypothecation was required for quite different reasons (see Figure 2). Almost half of all hypothecations did, in fact, involve cash lending while a further 39 per cent resulted from buying land, buildings, or housings on credit (*Kaufschillinge*).⁶¹ The small proportion left consisted of inheritance-related claims between family members, accounts payable or debts incurred by others, and security deposits for holding a public office or having communal property on lease. But in the following I will only address the two predominant types of credit activity, namely, cash loans and credit purchases of real estate.

The amount owed was usually between 300 and 2000 Gulden and was paid back at standard rates of interest from 4 to 5 per cent. While

⁶⁰ Thus almost 40 per cent of creditors cited in the mortgage registers were third party creditors.

⁶¹ See Hauptstaatsarchiv Stuttgart (HStAS), E150 Bü 1722.

Credit, Trust, and Social Networks

Table 1: Transfers of Claims per Mortgage Recorded.

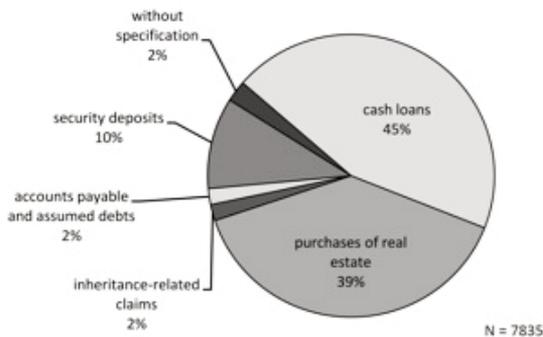
All Claims	Transferable Claims	Number of Transfers											
		0	1	2	3	4	5	6	7	8	9	10	
N	7835	6873	4750	1571	340	142	45	14	6	2	2	0	1
%		100.0	69.1	22.9	4.9	2.1	0.7	0.2	0.1	<0.1	<0.1	0	<0.1

Source: Stadtarchiv Esslingen (StAE), *Unterpfandsbücher*.

the acquisition of property was in itself a powerful motor of indebtedness, borrowing happened most often to refinance other debts. Of all the cash loans where the purpose is stated more than two-thirds cite the payment of existing liabilities as the motive. The remaining loans were obtained to invest again in real estate, in building works, or the business.

From the lender's point of view the interest profit was crucial. Certainly a personal loan on Esslingen's informal credit market could attract two or three times more interest than the legally approved maximum of 5 per cent,⁶² but the risks involved were far greater.

Figure 2: Reasons for Requiring Collateral.



Source: Stadtarchiv Esslingen (StAE), *Unterpfandsbücher*.

⁶² Carola Lipp, 'Dunkle Andeutungen, anonyme Anschuldigungen, persönliche Beleidigungen: Die Erzeugung von Alterität in einem publizistischen

Other access to financial decision-making factors is offered by analyses of life and family cycles.⁶³ Thus, for instance, the debt career of the Esslingers often began shortly after their first marriage. Because the partible inheritance system led to the fragmentation of holdings and because intergenerational transmission took place in stages, a great deal of money had to be invested in additional purchases.⁶⁴ This wealth-creating strategy was particularly vital for the families of vintagers and artisans, since in their case buildings and arable lands played a decisive part for economic subsistence.⁶⁵ With very little start-up capital, taking on debts and buying property could be unavoidable. In any case investing in real estate was a good option because ultimately owning it gave option to being granted further credit. Thus people did not stop buying and borrowing until quite late in life. As they eventually grew older more and more people changed from being a debtor to being a creditor. Depending on their social position, lending money, selling property, or transmitting assets became their main activities.

So via credit property, money and debts flowed relatively systematically from old to young because the life and family cycles brought forth typical constellations that made credit seem necessary

Konflikt über Wucherzinsen', in Brigitta Schmidt-Lauber and Gudrun Schwibbe (eds.), *Alterität: Erzählen vom Anderssein* (Göttingen, 2010), 63–84, at 69.

⁶³ See also Johannes Bracht and Georg Fertig, 'Wann sich verschulden, wann sparen? Vermögensstrategien und Lebenslauf im ländlichen Westfalen des 19. Jahrhunderts', in Gabriele B. Clemens (ed.), *Schuldenlast und Schuldenwert: Kreditnetzwerke in der europäischen Geschichte* (Trier, 2008), 177–91; Johannes Bracht and Georg Fertig, 'Lebenszyklus, Alterssparen und Familie in der liberalen Marktgesellschaft des 19. Jahrhunderts: Ein ländliches Beispiel', in Thomas Sokoll (ed.), *Soziale Sicherungssysteme und demographische Wechselagen: Historisch-vergleichende Perspektiven, 1500–2000* (Berlin, 2011), 198–220; Philip T. Hoffman, Gilles Postel-Vinay, and Jean Laurent Rosenthal, 'Private Credit Markets (1690–1840)', *Journal of Economic History*, 52 (1992), 293–306, at 300 ff.

⁶⁴ David Sabean, 'Devolution of Property in Southwest Germany around 1800', in Hannes Grandits and Patrick Heady (eds.), *Distinct Inheritances: Property Family and Community in a Changing Europe* (Münster, 2003), 115–24.

⁶⁵ Dennis A. Frey, Jr., 'Industrious Households: Survival Strategies of Artisans in a Southwest German Town during the Eighteenth and Early Nineteenth Centuries', *International Review of Social History*, 45 (2000), 115–35.

or profitable. Thus, seen from this perspective a person's own financial interests were almost always expressions of family interests as well.⁶⁶

The Creation of Credit Relations

But how did borrower and lender interrelate? And who was it, in fact, who *engaged in mortgage credit*? Given the lack of institutional intermediaries, the credit market needed the Esslingers themselves to coordinate supply and demand. For one thing the newspapers regularly advertised credit facilities. In the *Esslinger Wochenblatt* or the *Esslinger Schnellpost* loans were offered publicly by means of which foundations, guardianships, or private persons could invest their money to gain interest. Apart from that, those seeking credit could obtain a certificate from the securities authority which confirmed the availability of property for use as collateral, and thus creditworthiness, in *black and white*. Despite these measures that promoted contact and trust, personal acquaintance continued to play a significant role. This is confirmed by the remarkable number of credit relations that were repeated, around 14 per cent. Compared to the Paris credit market where virtually no credit relations are repeated, this is quite a significant percentage.⁶⁷ Further indicators emerge from the fact that the credit partners lived in spatial proximity. Not only did 90 per cent of creditors come from the town itself, going by the Esslingen address books for 1848 and 1850 at least 12 per cent actually lived in the same street as their debtors.

Besides spatial proximity, however, activities in associations also favoured the granting of credit. This was particularly true of large associations such as the Esslingen *Bürgergesellschaft* and the choral

⁶⁶ A seminal piece on that topic is Peter Laslett, 'Familiale Unabhängigkeit im Spannungsfeld zwischen Familien- und Einzelinteressen', in Peter Borscheid (ed.), *Liebe, Ehe, Tod: Zum Wandel der Familie, der Geschlechts- und Generationenbeziehungen in der Neuzeit* (Münster, 1983), 151–69.

⁶⁷ In Paris, on the other hand, certain notaries were preferred as intermediaries. There trust was not so much focused on the person of the borrower or on legal means, but on the person of the notary. Cf. Philip T. Hoffman, Gilles Postel-Vinay, and Jean Laurent Rosenthal, 'Information and Economic History: How the Credit Market in Old Regime Paris Forces us to Rethink the Transition to Capitalism', *American Historical Review*, 104/1 (1999), 69–94, at 84.

association *Liederkrantz*. After petit-bourgeois members had broken away the *Liederkrantz* became a much-frequented contact zone for the liberal economic and educated bourgeoisie. Here many of the richest and most well-connected inhabitants of the town entertained themselves by singing,⁶⁸ a quarter of whom were linked by credit. Another of the larger associations was the liberal *Bürgergesellschaft* (civic society), in which as many as almost half the members had some sort of credit relationship. Apart from being a gathering-place for socializing the Esslingen *Bürgergesellschaft* was also a framework for politics. In this semi-official setting questions about general local welfare were raised and the clients represented, especially as regards the interests of the middle and upper class business people.⁶⁹ Associations such as the *Bürgergesellschaft* and the *Liederkrantz* could mobilize credit in two ways simultaneously. For one thing they generated a new horizontal trust between citizens, bringing together people from different social milieux in a self-organized way.⁷⁰ For some of the members they were actually the main institutions of their sociability, for instance, for the self-employed and jurists, who were only in the town temporarily and consequently had few kin there.⁷¹ So associations meant first and foremost social capital which could make it easier to initiate credit relations. For another thing, they were also the bourgeois society's central arenas for getting oneself known. Proving oneself here, by showing common spirit, establishing contacts, and making a good name, were all extremely important for getting on in life.⁷²

But who, in general, engaged as debtors and who as creditors? In Esslingen the overwhelming majority of debtors were either artisans

⁶⁸ Carola Lipp, 'Eine Mikroanalyse sozialpolitischer Differenzierungen und verwandtschaftlicher Substrukturen in württembergischen Gesangsvereinen des Vormärz und der Revolution 1848/49', in Hans Erich Bödeker and Patrice Veit (eds.), *Les sociétés de musique en Europe 1700–1920: Structures, pratiques musicales, sociabilités* (Berlin, 2007), 431–54.

⁶⁹ Cf. Lipp, 'Zum Zusammenhang'; ead., 'Kinship Networks'.

⁷⁰ Frevert (ed.), *Vertrauen: Historische Annäherungen*.

⁷¹ Carola Lipp, 'Verwandtschaft: Ein negiertes Element in der politischen Kultur des 19. Jahrhunderts', *Historische Zeitschrift*, 283 (2006), 31–77, at 71.

⁷² Cf. ead., 'Zur sozialen Reproduktion des Honoratiorensystems in den offenen Wahlen des Vormärz: Warum Jakob Levi seine Stimme Gotthilf Schumann gab', *Österreichische Zeitschrift für Geschichte*, 9/4 (1998), 496–524.

(61.5 per cent) or vintagers (21.5 per cent). This is not particularly surprising since these were central economic groups in the town, who at the same time had a comparatively great need for credit. Yet, with respect to the configuration of debtors and their creditors an astonishing structural pattern emerges: the interlocked markets for cash lending and real estate implied separate allocation practices.

Property sales were more and most frequently made to people of the same social status. This symmetry can largely be explained by the fact that in terms of suitability the object of the sale had to fulfil certain preconditions (for example, concerning facilities, location, or owner's rights). Thus, artisans preferred buying from colleagues working in the same branch, and vintagers, for instance, who lived on the edge of the town, were generally not interested in the same sort of properties as the Esslingen industrialists or merchants.

With respect to cash loans, however, different criteria mattered. They were usually granted according to the extent of the need and the availability of material securities. So in these relations the social composition of debtors and creditors was basically more heterogeneous. An extreme example of this is the credit behaviour of the Esslingen vintagers. While they largely arranged purchases and sales between themselves, they took on loans exclusively outside their social group. The workers in town, on the other hand, despite their growing number and economic hardships, were clearly underrepresented (7.4 per cent), because only a few of them could put up the necessary security. If they did, nonetheless, take on loans they over proportionally did so amongst themselves, which also highlights the hindering fact that as a social group they were not well integrated into the urban society.⁷³

The main lenders in Esslingen were artisans, restaurant owners and merchants, many of them part of the urban upper class. It was precisely the top third of tax-payers and thus the most well-to-do people in the town who acted as multiple lenders and generated high volumes of credit. However, it is not enough to explain the disposition to lend money simply by the availability of surplus capital. Economic potency was certainly important. But what was likewise crucial was having a certain presence or having a high social profile. This combination of attributes applied particularly to people promi-

⁷³ See Schraut, *Sozialer Wandel*, 305–35; Lipp, 'Provinzgesellschaft', 101–17.

ment in the city's public life as their status was based on being omnipresent in social networks such as associations, city boards, committees, or citizens' initiatives.⁷⁴ Consequently Esslingen notables, who occupied offices of trust in the community, were active as creditors more than most other people. Among these were town councillors or *Oberamtsgeschworene* (district jurors) who had been elected by the citizens to represent them in political and legal matters.

Another criterion was how well the lender was informed about the borrowers' credit behaviour and about the availability and effect of legal means. This sort of expert knowledge was held, for instance, by administrative and legal officers who were extensively involved in the credit business. Just like the town councillors, who as members of the securities authority were directly involved in supervising mortgages, they were well able to assess who needed a loan and who was likely to be able to pay it back.

Between these circles of creditors many of them belonged to more than one, which meant that competences and opportunities were augmented. The people most likely to lend money were those who embodied representative function, wealth, and knowledge all at once. So the logic behind making loans largely followed specific opportunities to convert social, economic, and cultural capitals.⁷⁵ In their recognized form as symbolic capital they created a reputation for competence and respectability, and were therefore highly effective in the fields of economy and politics.⁷⁶

This also had useful *side-effects* for borrowers. Taking credit formed links with local elites who were regarded as trustworthy and were not interested in endangering their reputation by opportunism. In this way advantageous relations were created on both sides, which at

⁷⁴ Carola Lipp, 'Die Erzeugung männlicher Bedeutsamkeit als interaktiver und strukturbildender Prozeß: Einige ethnomethodologische Beobachtungen und historische Beispiele', in Christel Köhle-Hezinger, Martin Scharfe, and Rolf Wilhelm Brednich (eds.), *Männlich-Weiblich: Zur Bedeutung der Kategorie Geschlecht in der Kultur* (Münster, 1999), 147–59, at 158.

⁷⁵ Bourdieu, 'Ökonomisches Kapital'.

⁷⁶ Just how closely these two levels had become intertwined is illustrated by the voting behaviour of the vintagers. In elections to the town council they did not nominate from within their own group but rather those from whom they also took loans. Cf. Lipp, 'Zur sozialen Reproduktion', 512.

the same time also underpinned power positions and (re)produced social order.

It is important not to forget here, however, that many loans were not made along the lines of the social hierarchy, but in a socially homologous way. In this regard the importance of family networks, cited in research as the paragon of support relationships based on moral obligation, is particularly interesting.⁷⁷ In early theories of modern society these are generally systematically faded out. The bourgeois thinkers of the nineteenth century already regarded the intertwining of kinship and economic organization as a regrettable relic of pre-modern times. Such primordial attachments were seen as incompatible with capitalist principles and those of the civil society which focused on a sphere between (bourgeois) family and state.⁷⁸ In the liberal discourse they were stylized into cliques (*Seilschaften*) who represented the negative of progressive, that is, more voluntary and egalitarian forms of cooperation. Nonetheless, and microstudies have proved this convincingly, family connections certainly did retain a powerful effect on financial behaviour. They catalysed material interests and channelled property and wealth by adapting flexibly to institutional changes.⁷⁹ Furthermore, family and kin provided a certain

⁷⁷ Cf. e.g. Laurence Fontaine, 'Die Bauern und die Mechanismen der Kreditvergabe', in Gabriele B. Clemens (ed.), *Schuldenlast und Schuldenwert: Kreditnetzwerke in der europäischen Geschichte 1300–1900* (Trier, 2008), 109–30, at 112.

⁷⁸ Carola Lipp, 'Verwandtschaft: Ein negiertes Element in der politischen Kultur des 19. Jahrhunderts', *Historische Zeitschrift*, 283 (2006), 31–77; Sven Reichardt, 'Civil Society: A Concept for Comparative Historical Research', in Anette Zimmer and Eckhard Priller (eds.), *Future of Civil Society: Making Central European Nonprofit-Organizations Work* (Wiesbaden, 2004), 36–55, at 37 ff.

⁷⁹ E.g. David Sabeau, *Property and Kinship in Neckarhausen, 1700–1870* (Cambridge, 1998); Giovanni Levi, *Das immaterielle Erbe: Eine bäuerliche Welt an der Schwelle zur Moderne* (Berlin, 1985); Hans Medick and Jürgen Schlumbohm (eds.), *Emotionen und materielle Interessen: Sozialanthropologische und historische Beiträge zur Familienforschung* (Göttingen, 1984). For an initial overview: Heidi Rosenbaum, 'Verwandtschaft in historischer Perspektive', in Michael Wagner and Yvonne Schütze (eds.), *Verwandtschaft: Sozialwissenschaftliche Beiträge zu einem vernachlässigten Thema* (Stuttgart, 1998), 17–33; David Sabeau and Simon Teuscher, 'Kinship in Europe: A New Approach to Long Term Development', in eid. and Jon Mathieu (eds.), *Kinship in Europe: A New Approach to Long Term Development, 1300–1900* (New York, 2007), 1–32.

‘reputation’, which could either help or hinder financial opportunities.⁸⁰

Notwithstanding the above, only few investigations on credit markets involve systematic kinship analysis so far. Studies on rural Westphalia, for instance, show that kinship networks were used complementary to relations based on impersonal markets.⁸¹ On the other hand Hoffman, Postel, and Vinay found hardly any credit transactions between family members or relatives in early modern and nineteenth-century Paris (3.1 per cent).⁸² It is also possible, however, that as regards inner-familial credit there is a bias in the sources since agreements were possibly less often formalized or because debts were taken into account retroactively as part of sales contracts or the distribution of inheritance.⁸³

As far as we can tell so far, in Esslingen only about 5 per cent of loans were made amongst relatives. Of these the majority went to close blood relatives, but some were also related by marriage or by more distant kinship. Moreover, these contracts did not involve lower interest rates or even none at all, as has been shown for the North German Krempermarsch or the villages of the French Dauphiné.⁸⁴ If we consider that on average Esslingen vintagers had forty-seven relatives in the town, and artisans at least nineteen, then the number of loans between relatives actually seems quite small.⁸⁵ Although what we have here is only a mere genealogical category the

⁸⁰ See e.g. Saldern, ‘Netzwerkökonomie’, 209–44.

⁸¹ Georg Fertig, ‘Zwischen Xenophobie und Freundschaftspreis: Landmarkt und familiäre Beziehungen in Westfalen, 1830–1866’, *Jahrbuch für Wirtschaftsgeschichte* (2005/1), 53–76; id., *Äcker, Wirte, Gaben: Ländlicher Bodenmarkt und liberale Eigentumsordnung im Westfalen des 19. Jahrhunderts* (Berlin, 2007), 141–56; Fertig, ‘Kreditmärkte’, 172–3.

⁸² Hoffman, Postel-Vinay, and Rosenthal, ‘Private Credit Markets’, 300.

⁸³ Levi, ‘Das immaterielle Erbe’, 100–1; Margareth Lanzinger, *Das gesicherte Erbe: Heirat in lokalen und familialen Kontexten* (Vienna, 2003), 295 ff.; Sabeau, *Property*, 285–7; Fontaine, ‘Die Bauern’, 112–13.

⁸⁴ Klaus-Joachim Lorenzen-Schmidt, ‘Bäuerliches Kreditverhalten in der Krempermarsch im 19. Jahrhundert’, in id. (ed.), *Geld und Kredit in der Geschichte Norddeutschlands* (Neumünster, 2006), 261–76; Laurence Fontaine, ‘Antonio and Shylock: Credit and Trust in France, c.1680–c.1780’, *Economic History Review*, 54/1 (2001), 39–57.

⁸⁵ Calculated on the basis of the family reconstitution for Esslingen.

impression emerges that for and via credit relations Esslingers deliberately sought other partners. One major advantage of behaving in this way would be to obviate prominent fields of conflict since the commitment sustained by strong ties is also directly proportional to the consequences of possible disappointment.

While as regards giving loans, relatives hardly played any role, they certainly did for the purchase transactions. However, it was not so much norms of reciprocity that came into play here, but forms of inner-familial (re)allocation and redistribution. So first and foremost dozens of contracts exist in which wives and children buy back land from the estate of their bankrupt or deceased relatives.

Conclusion

Esslingen, in the mid nineteenth century already a thriving industrial town, had a credit market that was in lively use, strictly administered, and formalized; it linked an ensemble of actors who in social terms were comparatively heterogeneous.⁸⁶ Here they moved around in numerous social conventions that integrated family interests, and behavioural orientations governed by status and financial needs. As regards credit relations personal acquaintance was undoubtedly essential though it did not entail any real personal commitment or moral obligation. For the creditors' part, it was trust in the effectiveness of legal means and in the validity of information entered into the public registers that mattered most. In the case of the borrowers, trust was placed above all in the financial and political reputation of the lender, which promised the advantage of a stable and mutually beneficial relationship. For loans were not just a medium for financial exchange (sought to yield liquidity or profit) but also for social contact, and the opportunity of contact was, in turn, crucial for granting loans. Here the proliferation of public life within the town facilitated a new form of social capital that went beyond groups and status and was used as a supplement to traditional network resources such as guilds, neighbours, family, and kin.

⁸⁶ Thus e.g. on the Paris credit market well-situated elites were mainly linked together. Cf. Hoffman, Postel-Vinay, and Rosenthal, 'Private Credit Markets', 298.

Networks of Lenders and Borrowers: A Rural Credit Market in the Nineteenth Century

MARTIN STARK

I. Introduction

This essay will look at the rural credit market in the Württemberg village of Ohmenhausen as a social network of lenders and borrowers.¹ This relatively poor community, near the former Imperial City of Reutlingen, was chosen as an example because its development in the nineteenth and early twentieth centuries can be regarded as typical of a Swabian village that has already been well researched in several social-historical studies.² Ohmenhausen was a relatively small and poor village of farmers and artisans. It was part of the territory of the Free Imperial City of Reutlingen, and thus had various administrative, economic, and social connections with the neighbouring city. When the city was transferred to the Kingdom of Württemberg in 1803, the village became part of the newly founded District of Reutlingen. The examination of the Ohmenhausen credit market that follows takes a predominantly visual, explorative, and comparative

¹ Martin Stark, *Soziale Einbettung eines ländlichen Kreditmarktes im 19. Jahrhundert* (Trier, 2014), online at <<http://ubt.opus.hbz-nrw.de/volltexte/2014/839/>>, accessed 11 June 2015.

² Paul Schwarz, *Ortsgeschichte des Reutlinger Stadtbezirks Ohmenhausen* (Reutlingen, 1975); Ulrich Herrmann, Andreas Gestrich, and Susanne Mutschler, 'Kindheit, Jugendalter und Familienleben in einem schwäbischen Dorf im 19. Jahrhundert und 20. Jahrhundert (bis zum Ersten Weltkrieg)', in Peter Borscheid and Hans J. Teuteberg (eds.), *Ehe, Liebe, Tod: Zum Wandel der Familie, der Geschlechts- und Generationsbeziehungen in der Neuzeit* (Münster, 1983), 66–79; Andreas Gestrich, *Traditionelle Jugendkultur und Industrialisierung: Sozialgeschichte der Jugend in einer ländlichen Arbeitergemeinde Württembergs, 1800–1920* (Göttingen, 1986); Susanne Mutschler, *Ländliche Kindheit in Lebenserinnerungen: Familien- und Kinderleben in einem württembergischen Arbeiterbauerndorf an der Wende vom 19. zum 20. Jahrhundert* (Tübingen, 1985).

network approach.³ It should demonstrate that the use of network visualization offers significant potential for historical research. This enables large quantities of statistical data to be made manageable and generates new questions in the research process.⁴ What should be ascertained specifically is whether structural changes to the rural credit market in Ohmenhausen occurred following the reform of the lending laws in 1825/28. In order to do so the regional market in the sample years 1825 and 1850 will be compared. For 1825 there are two types of mortgage: private loans that were not centrally registered and loans that were entered into the public securities book (*Unterpfandsbuch*) of the Ohmenhausen community. Compared to the secured loans the private loans consistently reveal less information here. In the case of private loans generally only the name of the lender and borrower, the lender's place of origin and possibly the professions of the contracting parties, and the amount of the loan are recorded. In some cases there are also details of the interest rate, the value of the land used as security, and the time the loan was taken out. In the case of the officially secured loans all this information is recorded systematically. By contrast there were no clear firm legal guidelines for documenting private loans. The general level of information therefore varied according to who the lender was, whereby institutional lenders with large loans generally provided more information than private persons making smaller loans. The reason for this may be the lenders' varying degrees of professionalization. In order to conduct the examination both types of mortgage loans will be analysed despite the disparity in information, since before the reform of the lending laws in 1825/28 they were equal in the eyes of the law. The network visualizations were produced by the software programme Netdraw,⁵ which

³ Lothar Krempel, *Visualisierung komplexer Strukturen: Grundlagen der Darstellung mehrdimensionaler Netzwerke* (Frankfurt am Main, 2005).

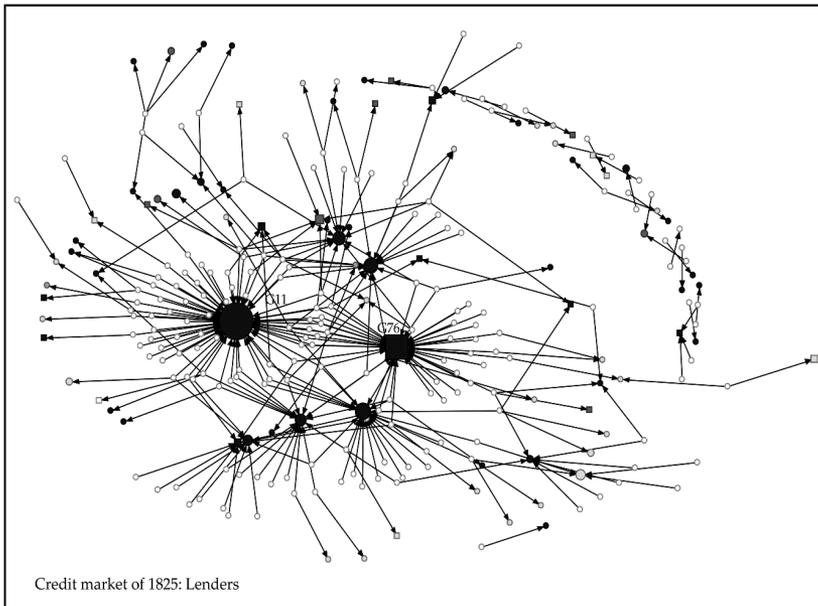
⁴ Martin Stuber, Stefan Hächler, Lothar Krempel, and Marion Maria Ruisinger, 'Exploration von Netzwerken durch Visualisierung: Die Korrespondenznetze von Banks, Haller, Heister, Linné, Rousseau, Trew und der Oekonomischen Gesellschaft Bern', in Regina Dauser, Stefan Hächler, Michael Kempe, and Frank Mauelshagen (eds.), *Wissen im Netz: Botanik und Pflanzentransfer in europäischen Korrespondenznetzen des 18. Jahrhunderts* (Berlin, 2008), 373.

⁵ S. P. Borgatti, M. G. Everett, and L. C. Freeman, *Ucinet for Windows: Software for Social Network Analysis* (Harvard, Mass., 2002).

Networks of Lenders and Borrowers

is integrated into Ucinet; the statistical assessments were carried out with the programme SPSS.⁶ Both these tools can be regarded as standard in their spheres of application, which is why they were chosen for this project. In the first section the lenders in the two sample years are examined, then the borrowers as actors in the rural credit market of Ohmenhausen. In conclusion the results of the examination will be drawn together.

Figure 1: Credit Market of 1825. Lenders.



II. Lenders

Figure 1 shows the network of the mortgage credit market in the Ohmenhausen community for the sample year 1825. Altogether 88 lenders could be identified. These made 354 mortgage loans to

⁶ Felix Brosius, *SPSS 16 für Dummies* (2nd updated edn. Weinheim, 2008); id., *SPSS 16* (Bonn, 2008).

Ohmenhausen, on average 4 per borrower; 236 (67.6 per cent) of these loans were registered private secured loans, 113 (32.4 per cent) were entered in the public securities book. On the other side, 184 Ohmenhausen citizens took out loans, on average 1.9 loans per borrower. The total volume of loans in the sample year was 56,928 guilders, the average size of loan around 161 guilders. The average interest rate was 5.02 per cent. This corresponded almost exactly to the usual interest rate of 5 per cent prescribed by regional law, which was only rarely undercut or exceeded.⁷ As a bimodal network the loan market contains two classes of actors (lenders and borrowers), who are connected to one another via loans.⁸ Aided by the inclusion of appropriate attributes this section will visualize the network from the perspective of the lender. Private persons as lenders are represented by circles, institutional lenders by squares. The size of each lender's symbol shows the lender's total volume of loans in the network in guilders. Colour coding illustrates the lender's geographical origin. Dark grey represents the village of Ohmenhausen, black the city of Reutlingen, grey the rest of the District of Reutlingen, and light grey the remainder of the Kingdom of Württemberg. In order to separate them visually from the lenders, the borrowers remain in white. At first glance a strong centre-periphery structure in the network is already clear. Just a few major lenders from Reutlingen dominate the network from the centre outwards, both as regards the number of loans made and the loan volumes. So there did not seem to be any point in adding a geographical map to the presentation of the network.

⁷ Andreas Maisch, *Notdürftiger Unterhalt und gehörige Schranken: Lebensbedingungen und Lebensstile in württembergischen Dörfern der frühen Neuzeit* (Stuttgart, 1992), 180; Gabriele B. Clemens and Daniel Reupke, 'Kreditvergabe im 19. Jahrhundert zwischen privaten Netzwerken und institutioneller Geldleihe', in Gabriele B. Clemens (ed.), *Schuldenwert und Schuldenlast: Kreditnetzwerke in der europäischen Geschichte 1300–1900* (Trier, 2008), 230; Anne Mauch, *Ländliches Darlehenswesen in wirtschaftlichen Krisenzeiten: Eine Untersuchung am Beispiel der Beurener Unterpfansbücher und -protokolle (1846–1854)* (Tübingen, 2009), 29–33.

⁸ Alexander Rausch, 'Bimodale Netzwerke', in Christian Stegbauer and Roger Häußling (eds.), *Handbuch Netzwerkforschung* (Wiesbaden, 2010), 421–32; Stephen P. Borgatti and Martin G. Everett, 'Network analysis of 2-mode data', *Social Networks*, 19 (1997), 243–69.

The most significant lender was Maria Elisabetha Ellwert (b. 1765), widow of the village pastor Phillip Eberhard Ellwert (G11) who died in 1816. She was the daughter of Phillip Karl Bitsche, the former pastor of the village of Wannweil, which was likewise part of Reutlingen. Her late husband came from an old and wealthy Reutlingen family. His father, Johann Gottfried Ellwert, had also been pastor of Wannweil and Ohmenhausen. After her husband's death she moved back to Reutlingen, where she died in 1830. In 1825 widow Ellwert had made 87 loans altogether, amounting in all to 12,954 guilders. She predominantly made private secured loans. It is possible that since she had lived in the place for a long time due to her husband's profession she had better knowledge of the borrowers' creditworthiness than other lenders, and therefore needed no further formal security. Given her already advanced age in this sample year it should not be assumed that she was still actively involved in making loans, but rather that she was administering what remained of her husband's former credit network.

The local power of the *Schultheiß* (head of a village) or the influence of pastor on his congregation depended, among other things, on his financial ability to make loans. Other citizens could also give loans in order to make their fellow citizens indebted to them. The sums involved here, however, were mainly small or medium-sized loans.⁹ Other studies on credit history or micro-history explicitly point to the lack of a village king of this sort.¹⁰ Even these studies, however, seem at least to have expected such a dominant person as an essential characteristic of a local rural credit market in the pre-modern period. By contrast the central structural position of the village pastor or his widow within the credit network of Ohmenhausen in this sample year is indisputable. What is also striking is that where credit was concerned there was hardly any overlapping of personnel with lenders from the other three villages that originally belonged to the Free

⁹ Maisch, *Notdürftiger Unterhalt*, 185–6.

¹⁰ See Anke Sczesny, *Zwischen Kontinuität und Wandel: Ländliches Gewerbe und ländliche Gesellschaft im Ostschwaben des 17. und 18. Jahrhunderts* (Tübingen, 2002), 313; Andreas Ineichen, 'Bäuerliche Verschuldung im Ancien Regime: Das Beispiel Ebikon (bei Luzern) um 1990', *Schweizerische Zeitschrift für Geschichte*, 4 (1992), 81; Reinhard Johler, 'Bäuerliches Kreditwesen im Alpenraum: Vorbemerkungen zu einer "economic anthropology"', *Historische Anthropologie*, 7 (1999), 151.

Imperial City. Due to the state of the sources, however, the question must remain unanswered as to whether local patrons retained geographically separate spheres of influence that were mutually respected, or whether it was simply that the Ohmenhausen citizens had no need to seek loans outside their own area because of the dominant lending activity of their village pastor.

The next biggest lender was the Reutlingen Hospital (G76). This institution made 45 loans to Ohmenhausen, amounting to 7,702 guilders. As was the case with the pastor's widow, special factors came into play in terms of the significance of the hospital for the local credit market. The Reutlingen Hospital owned considerable amounts of land locally; the hospital's proportion of all the village's agricultural land was around 85 per cent in 1750. As a consequence many Ohmenhausen citizens were tenants of the hospital. The ownership structure created by the hospital since the late Middle Ages with ten large farms, which were then split up in the course of time in line with inheritance cases and the constantly growing population, continued to characterize landownership in the village into the nineteenth century.¹¹ Here, too, it can be assumed that many and various mutual relations of dependence and information existed between the hospital and the Ohmenhausen citizens, more than can be represented by the formal model of the credit networks. After all, the city was only an hour's walk away and any creditor from Reutlingen could easily have come to Ohmenhausen in person to see his debtor's good behaviour for himself.

Table 1 shows the whole volumes of mortgage credit given according to region of origin and type of lenders in guilders for the sample year 1825. What is striking here above all is the marked significance of the city of Reutlingen, 5 km from Ohmenhausen, for giving credit. Of a total amount of 56,389 guilders given in credit, 44,758 guilders (79.42 per cent) was from Reutlingen. Within Ohmenhausen loans of 3,536 Gulden (6.26 per cent) were made. Lenders from the rest of the District of Reutlingen played hardly any role; only 328 came from them. Creditors from the rest of the Kingdom of Württemberg were responsible for loans amounting to 7,767 guilders. Of par-

¹¹ Markus Bauer, 'Ohmenhausen', in Landesarchivdirektion Baden-Württemberg/Landkreis Reutlingen (ed.), *Der Landkreis Reutlingen* (Sigmaringen, 1997), ii. 429–36.

Networks of Lenders and Borrowers

Table 1: Mortgage volume according to region of origin and type of Lender 1825 (in Guilders)^a

Mortgages in Guilders	Lenders		
	Private Person	Institution	Total
Origin Lender			
Ohmenhausen	1,550	1,986	3,536
Reutlingen	34,806	9,952	44,758
District of Reutlingen	328	—	328
Kingdom of Württemberg	6,331	1,436	7,767
Total	43,015	13,374	56,389

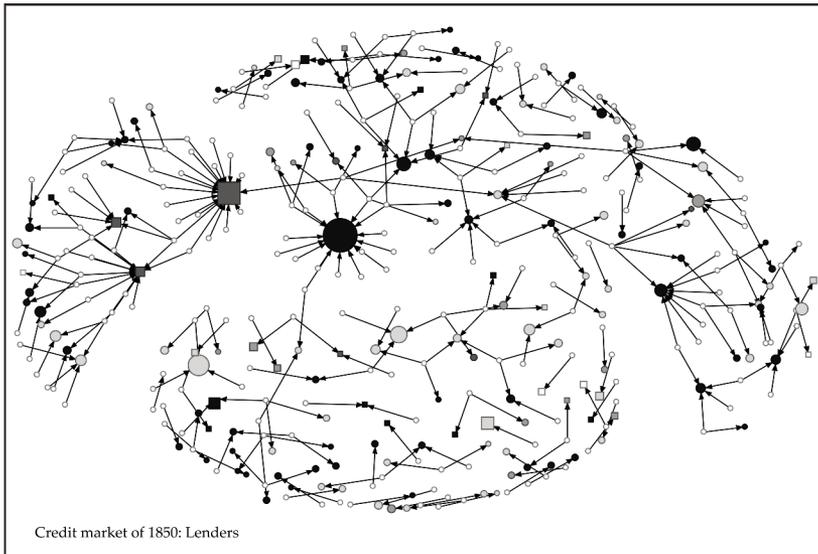
^a Five unidentified cases (539 guilders).

ticular importance here was the city of Tübingen, 13 km from Reutlingen. Tübingen alone provided the village with loans amounting to 5,801 guilders (10.27 per cent). So almost 96 per cent of the total loans came from these three places in the sample year 1825. What is also interesting is the relative dominance of private persons as creditors as opposed to institutions. It was only within Ohmenhausen that loans from institutions prevailed over those from private persons. It appears that in a poor village like Ohmenhausen it was only the local institutions that could accumulate sufficient funds to function as creditors to any significant degree. As historical credit research has already established, it was precisely this regional restriction of lending and the dominance of lenders from the neighbouring towns that constituted the dominant structural characteristics of the rural credit market in the pre-modern period.¹²

Figure 2 presents the mortgage credit market network of the Ohmenhausen community for the sample year 1850. The same graphical

¹² See Sczesny, *Zwischen Kontinuität und Wandel*, 326–7; Mauch, *Ländliches Darlehenswesen*, 86–8.

Figure 2: Credit Market of 1850. Lenders.



notations are used here as for 1825. For 1850, 166 lenders could be identified. They made a total of 325 mortgage loans, on average almost 2 loans per lender. Compared to the average of almost 4 loans per lender in 1825, this was clearly fewer and points to the fact that the market power of just a few dominant lenders was declining. Even if we ignore the two major lenders in 1825, pastor Ellwert's widow and the Reutlingen Hospital, the average was still 2.6 loans per lender, so the decline in the average number of loans is clear. Conversely, the 201 borrowers identified in Ohmenhausen for this year took out an average of 1.6 loans, which is not substantially fewer than the 1.9 average for the first sample year. In the second sample year the total volume of the Ohmenhausen credit market was 98,634 guilders. Compared to 56,298 guilders in the first sample year this represents what can only be called a dramatic increase. The average size of loan in 1850 was 331 guilders, more than double the 161 guilders in 1825. It appears that the greater legal security brought about by the change to the lending laws made it worthwhile for lenders to make fewer loans, but of larger amounts. It was only the average interest rate that did not appear to change very much: it was

Networks of Lenders and Borrowers

4.85 per cent and thus continued to be around the 5 per cent generally regarded as normal. The main difference in the network structure compared to 1825 was that prominent major lenders similar to pastor Ellwert's widow or the Reutlingen Hospital, who had previously connected up the credit market network, no longer existed. They were replaced by numerous smaller and medium-sized lenders. The

Table 2: Mortgage Volume According to Region of Origin and Type of Lender, 1850 (in guilders)^a

Mortgages in Guilders	Lenders		
	Private Person	Institution	Total
Origin Lenders			
Ohmenhausen	800	7,171	7,971
Reutlingen	38,187	3,185	41,372
District of Reutlingen	6,190	2,025	8,215
Kingdom of Württemberg	33,602	3,925	37,527
Total	78,779	16,306	95,085

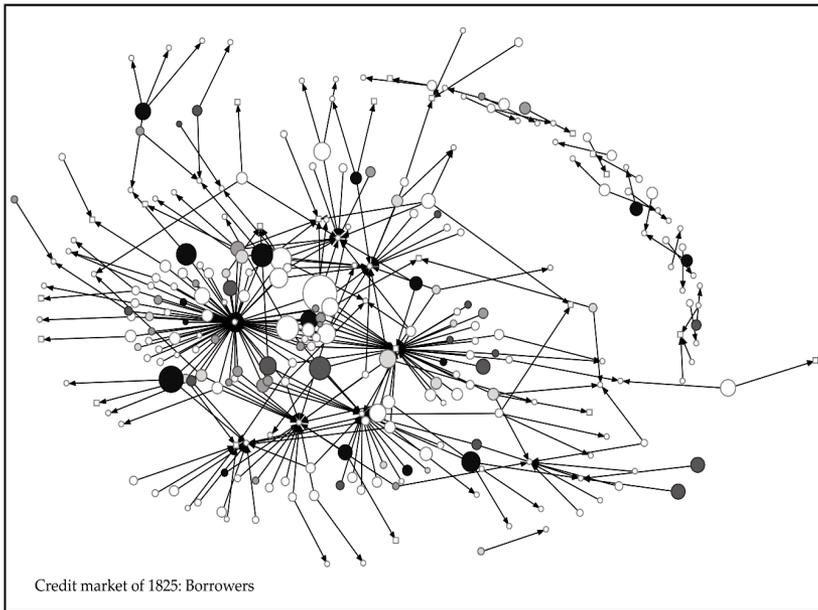
^a Seven unidentified cases (1,769 guilders).

credit market network gives the impression of being far more balanced, with far less empowerment. There are only very few major lenders with high volumes of loans. The disintegration of the key centre-periphery structure and the general trend towards greater equality on the part of the lenders in the capital market network meant that in 1850 institutional lenders from Ohmenhausen assumed a far more prominent role than in 1825.

Table 2 shows the volume of mortgage credit given according to region of origin and type of lender for the sample year 1850. The total for this year was 95,085 Guilders. Of this, 41,372 guilders (43.51 per cent) is attributable to lenders from the town of Reutlingen; in 1825 this had been 44,798 guilders (79.42 per cent). So in absolute terms the

city's (administrative town's) credit volume had not decreased very much. But since the overall market volume had increased rapidly, the significance of Reutlingen as a source of money had declined in relative terms. It almost seems as if, having compensated for the disappearance of pastor Ellwert's widow and the Reutlingen Hospital, the means available to the former Imperial City for servicing Ohmenhausen's credit needs had been exhausted. Lenders from other places now had to step into the breach. Lenders from the Reutlingen region gave mortgages to the value of 8,215 guilders to the village, whereas in the first sample year it was only 328 guilders. So it seems to be particularly plausible here that the shifting pattern in loans made from the rest of the Reutlingen district is directly related to the lack of a dominant local lender such as Pastor Ellwert or his widow. As a result either potential lenders who had previously been excluded pushed their way into the local credit market, or else, due to the general socio-economic misery, including failed harvests between 1846 and 1848, villagers in need of loans had to look for new lenders because their traditional sources of credit had dried up. The dramatic increase in loans from the rest of the Kingdom of Württemberg can also be seen in this context: if a mere 7,767 guilders were lent to Ohmenhausen in 1825, this figure had already risen to 37,527 Guilders by 1850. The importance of Tübingen as a source of loans also increased considerably; loans amounting to 19,653 guilders (20.28 per cent) came from there. In the first sample year the amount had been 5,801 guilders (10.2 per cent). From nearby Eningen came loans of 4,200 guilders, and even 7,715 (8.11 per cent) from far-off Stuttgart. The relative dominance of private persons as lenders over institutions increased even more compared to 1825: private persons from Reutlingen gave loans of 38,187 guilders, institutions of only 3,185 guilders. In the first sample year this relationship had been 34,806 guilders to 9,952 guilders. In the District of Reutlingen the relationship was 6,190 guilders to 2,025 guilders. Private persons from the rest of the Kingdom of Württemberg made loans to Ohmenhausen of 33,602 guilders, but institutions only 3,925 guilders; in 1825 it had been 6,331 guilders to 1,436 guilders. It was only inside Ohmenhausen that institutional lenders not only continued to dominate, from 800 to 7,171 guilders compared to 1,550 to 1,986 guilders in the first sample year, but were actually able to extend their position even further. But this was hardly surprising in a poor farming village

Figure 3: Credit Market of 1825. Borrowers.



whose inhabitants had hardly any cash to lend and which had been in a quasi-permanent economic crisis for more than 30 years.

III. *Borrowers*

Figure 3 shows the mortgage credit market network of the Ohmenhausen community for the first sample year 1825 from the perspective of the borrowers. A total of 184 borrowers could be identified. The circles represent the borrowers. Using the tax records of the Ohmenhausen community for the years 1825/26 the borrowers were divided into four classes.¹³ Of the 184 borrowers from Ohmenhausen 78 (42.39 per cent) could be identified in the tax list. Those borrowers put into the first class were those who paid 11 guilders or more in

¹³ Gestrich, *Traditionelle Jugendkultur*, 183–9.

land tax. This corresponded to owning land of at least six hectares or an entire farm. These borrowers were able to live from agriculture alone and thus constituted the economic elite in Ohmenhausen, which tended to be poor. Those put into the second class were borrowers who paid land tax of 5.5 guilders or more. This tax class owned at least three hectares of land and were also largely involved in agriculture. The third tax class paid two and a half or more guilders in land tax. They owned between one and three hectares of land. These borrowers were generally better-off artisans. Here agriculture represented more of a sideline or subsistence economy. The fourth and final tax class contained borrowers who paid up to two and a half guilders in tax. This was less than the taxable value of a hectare of normal land. So these borrowers, poor artisans or day-labourers, were largely dependent on acquisition labour. The colour coding shows which of the four tax classes the borrowers were in. Black is for the first class, dark grey for the second, grey for the third and light grey for the fourth. White colouring indicates that the borrower could not be clearly identified on the tax list. The lenders are also all in white. The size of the borrower's symbol represents the sum total of their debt in guilders, with several loans added together where appropriate. Based on the data a clear visual correlation emerges between the amount paid in ground tax and the average amount of debt; those who owned more land could take out higher loans, and did so. Visually the loans taken out by Ohmenhausen borrowers in the highest tax class (dark green) stand out. Almost all of them borrowed larger amounts, though they took loans from various lenders, even from several major lenders at the same time. If we accept the thesis that the lenders were attempting to create a network of clients, then the behaviour of the borrowers in the highest tax class looks like an attempt to avoid financial dependence on one single patron, and to some extent to play off the major Reutlingen lenders against one another.¹⁴ Fifteen borrowers from the highest tax class could be identified from the tax list. That is 19.23 per cent of all identified borrowers. The average amount they borrowed was c.654 guilders per person, clearly more than the general average of 310 guilders. Some 2.67 loans per person were taken out. However, since these persons clearly owned more land, their mortgage potential was

¹⁴ Sczesny, *Zwischen Kontinuität und Wandel*, 326–7.

Networks of Lenders and Borrowers

obviously greater than that of those in other tax classes. The 23 borrowers in the second-highest tax class, again largely involved in agriculture, had average debts of 287 guilders. This is considerably less than in the first tax class and is somewhat surprising since there is not much difference between the average size of the mortgages in the two tax classes. The reason, however, is that with 1.35 loans they only took out half as many as the borrowers in the first tax class. On the other hand the 17 (21.8 per cent) borrowers in the third tax class, predominantly artisans who did not own much land, generally took on larger debts, around 330 guilders, and clearly took out more loans, 2.3 per person. It could be that because they largely lived from trade and had far less of their own agricultural activities than those in the first two classes they suffered more in times of economic crisis and therefore had to take on greater debts. Again, the 23 borrowers from the lowest tax class generally took out fewer loans, around 1.8 per person. Their average amount of debt was about 185 guilders per person, but because they only owned a minimal amount of land their mortgage potential was also very small.

Table 3 shows the distribution of mortgage loans in the sample year 1825 classed according to the amount of land tax paid by the

Table 3: Distribution of Mortgage Loans Classed According to Paid Land Taxes by Borrowers, 1825.^a

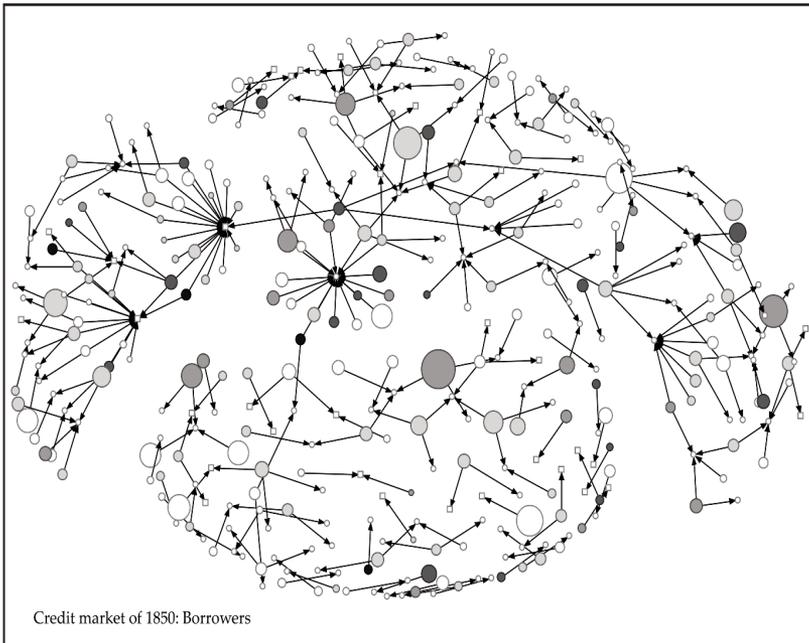
Classed land taxes	Number of mortgages		Amount of land taxes	Loan amount	
	absolute	in %	in %	absolute	in %
1	40	26.5	52.7	9,186	36.4
2	31	20.5	26.3	6,597	26.2
3	39	25.8	15.7	5,168	20.5
4	41	27.2	5.3	4,257	16.9
Total	151	100.0	100.0	25,208	100.0

^a Not identified: 202 mortgages (31,272 guilders), 49.16 per cent of land taxes.

borrowers. An additional source of data here was the Ohmenhausen community's tax receipt book for 1825/26. Loans that could not be clearly allocated were marked accordingly in the table. Even though only some of the mortgages could be allocated there is no reason to assume that this caused any systematic distortion of the data. The distribution presented in the table should therefore be regarded as capable of sensible interpretation. All this shows are the general difficulties that can arise when systematically linking up different serial sources available in their entirety. In the case of the private secured loans in particular all that is recorded is the name of the borrower. This is generally not sufficient without additional information such as occupation or wife's name to identify each borrower on the tax list. Successful linkage of data that is in itself complete, in this case allocating the loans to the various land tax classes, therefore remains incomplete. However, we should still work with this data because it is by linking different sources that new information can often be generated. In the highest tax class 49 loans (26.5 per cent) were taken out, amounting to 9,186 guilders in all (36.4 per cent). So the average amount of debt in this class was around 230 guilders. In the second tax class 31 loans (20.5 per cent) loans were taken out, amounting to 6,597 guilders, an average of 213 guilders per loan. The third tax group took out 39 loans (25.8 per cent), amounting to 5,168 guilders in all. The average loan was around 133 guilders. In the fourth and last tax class 41 loans (27.2 per cent) were taken out, amounting to 4,257 guilders in all; the average loan was around 104 guilders. Thus a picture emerges of a social cascade as regards the indebtedness of the Ohmenhausen citizens; although the difference in size of loans between the 'major land owners' of little Ohmenhausen in the first tax class and those in the second class, likewise involved in agriculture, was not very big: 230 to 213 guilders.

Figure 4 shows the mortgage credit market network of the Ohmenhausen Municipality for the sample year 1850 from the perspective of the borrowers. Here, too, the same graphic notations are used as for 1825. For the second sample year 145 of the 201 Ohmenhausen borrowers (72.14 per cent) could be identified on the tax list. For 1825 the percentage was 42.39. So the quality of the data has clearly improved compared to the first sample year. Figure 4 makes it immediately apparent that the relatively clear correlation between size of debt and amount of land tax paid has disintegrated. It was the indebtedness of

Figure 4: Credit Market of 1850. Borrowers.



persons in the third and fourth tax classes that increased rapidly. Only two persons (some 1.4 per cent of all identified borrowers) were now in the highest tax class. In the first sample year there were 15. These two persons both had debts of 700 guilders. Although this was well above the general average of 419 guilders, compared to the indebtedness of borrowers in this tax class in 1825, 654 guilders, this was not a very great increase. Likewise the average number of loans, 2.5 per borrower, remained constant compared to 1825. The 17 borrowers (11.74 per cent) in the second-highest tax class—compared to 23 in the first sample year—had average debts of 534 guilders. Thus the level of debt in this tax class had clearly increased compared to 287 guilders in 1825. Although the number of loans rose, 1.824 compared to the original 1.35 per borrower, it still remained below the number of loans in the first tax class. The 26 borrowers (17.93 per cent) in the third tax class, largely artisans who did not own much land—in 1825 there were only 17 of them—generally had debts of

about 616 guilders compared to 330 guilders in 1825, clearly a drastic increase, while the percentage increase in debt in the second and third tax classes remained almost the same (86.1 per cent to 86.54 per cent). With 1.46 loans per person they took out fewer loans, but for much higher amounts. For 1850, 100 borrowers (69 per cent) could be allocated to the lowest tax class. Compared to the 23 borrowers in this class in 1825 this is a massive increase. Borrowers in this tax class took out 1.33 loans per person compared to 1.8 in 1825, but the size of these loans was much greater. Members of this tax class borrowed an average of 354 guilders per person. Compared to 185 guilders per person in 1825 this was an extreme increase of 91.26 per cent.

Table 4: Distribution of Mortgage Loans Classed According to Paid Land Taxes by Borrowers, 1850.^a

Classed land taxes	Number of mortgages		Amount of land taxes	Loan amount	
	absolute	in %	in %	absolute	in %
1	5	2.4	15.1	1,400	2.3
2	31	15.0	40.6	9,075	14.7
3	38	18.4	20.1	16,028	25.9
4	133	64.3	24.2	35,396	57.2
Total	207	100.0	100.0	61,899	100.0

^a Not identified: 110 mortgages (34,955 guilders), 44.95 per cent of land taxes.

Table 4 shows the distribution of mortgage loans for 1850 classed according to the amount of land tax paid by the borrower. An additional source of data here was the tax receipt book of the Ohmenhausen Municipality for 1850/51. In the highest tax class there were now only five loans (2.4 per cent), amounting to 1,400 guilders (2.3 per cent). In the first sample year borrowers in this first tax class took

out 40 loans amounting to 9,186 guilders. The average size of loan taken out by borrowers in this tax class was 280 guilders, clearly below the general average size of loan, around 331 guilders. In 1825 the average size of loan in this tax class was 230 guilders, still much more than the general average at that time, 161 guilders. In the second sample year 41 loans (15 per cent) were taken out in the second tax class, amounting to 9,075 guilders, on average 293 guilders per loan. So the number of loans was just as high as in the first sample year, but the total volume, compared to 6,597 in 1825, increased considerably. Thus compared to 213 guilders in 1825 the average size of loan in this year was much higher. In 1850 the third tax class took out 38 loans (18.4 per cent), compared to 39 loans in 1825. The volume of loans, 16,028 guilders (25.9 per cent), rose more than threefold compared to 5,168 guilders in the first sample year. The average size of loan was around 422 guilders; in 1825 it was 133 guilders. In the fourth and lowest tax class 133 loans (63.4 per cent) were taken out, amounting to 35,396 guilders, with an average loan of 266 guilders. In the first sample year there were 41 loans amounting to 4,257 guilders in the lowest tax class, an average of 104 guilders per loan. So compared to the first sample year there was a shift in the number of loans per tax class. Here too there was a dramatic increase in indebtedness compared to the first sample year. A strong imbalance emerges in the distribution of loans. In the highest tax class there were now only 5 loans, but in the lowest there were 133. So a relatively equal distribution of loans no longer exists. Borrowers from the second and third tax classes did not take out a particularly larger number of loans; it remained much the same as in 1825. But at the same time the average size of loans taken out in the third tax class increased massively. Conversely the average size of loan in the first and second tax groups hardly changed, 280 to 293 guilders. So it was mainly members of the third and fourth tax classes who had to take out loans. This caused the increase in the volume of loans in this sample year, thus reversing, to some extent, the loans cascade. This development towards increased indebtedness, however, was certainly facilitated by the fact that borrowers' ability to take out more and higher loans was considerably improved by the reform of the lending laws of 1825/28. The average security for loans in the form of land ownership was reduced from three times the value to twice the value between the two sample years and this gave borrowers greater

scope for taking out further loans.¹⁵ In addition, the abolition of the so-called *Kriegsvogt* (the legal guardian of a wife and her fortune whose job was to prevent its embezzlement by the husband), in the 1820s meant that borrowers could more easily use the land brought to the marriage by their wives as security for loans.¹⁶ So what was the borrowed money used for?

Due to the state of the sources little can be said directly about the motives for taking out loans. In the securities books nothing is usually said about what the loans were to be used for.¹⁷ However, based on the size of the individual loans it can be assumed that this was not a question of consumer credit to cover daily needs. These were always smaller sums, as can be seen by going through the inventories of the Ohmenhausen Municipality, which were used to supplement the current study. Thus in the crisis year of 1848 farmer Johann Georg Kemmler owed his son-in-law 1.5 guilders for salt. In the same year the day-labourer Johannes Weber owed *Schultheiß* Walz 3 guilders for fruit. Slightly higher sums, but still far below the mortgage loans, were taken out as business credit. In 1845 coach-maker Jacob Walz owed merchant Kümmerlin from Reutlingen 10 guilders for iron or the master cobbler Georg Renz almost 6 guilders for wood. So the assumption is that, along with the re-financing of possible older debts, these were primarily investment loans. In her study on Langen-neufnach, Anke Sczesny demonstrates that there almost three-quarters of debt was attributable to acquiring and maintaining possessions and to loan rescheduling.¹⁸ In this study the concept of investment includes maintaining or extending house and grounds, as well as acquiring land useful for agriculture such as pastures and the cattle to go with them. Acquiring and working land could have been a strategy for the poorer artisans and day-labourers in the third and fourth tax classes to secure their own subsistence in times of economic crises after the failed harvests of 1815–16 and 1846–8. These attempts at investments, driven by the crisis, substantially increased

¹⁵ Karl Georg von Wächter, *Geschichte, Quellen und Literatur des Württembergischen Privatrechts* (Frankfurt am Main, 1985; reprint of Stuttgart 1842 edn.), ii, 988.

¹⁶ David Sabeau, 'Allianzen und Listen: Die Geschlechtvormundschaft im 18. und 19. Jahrhundert', in Ute Gerhard (ed.), *Frauen in der Geschichte des Rechts von der Frühen Neuzeit bis zur Gegenwart* (Munich, 1997), 460–79.

¹⁷ Mauch, *Ländliches Darlehenswesen*, 39.

¹⁸ Sczesny, *Zwischen Kontinuität und Wandel*, 316–20.

Networks of Lenders and Borrowers

indebtedness of the less well-off villagers in the lower tax classes when comparing the two sample years. Another possible interpretation of the growing indebtedness of the less well-off citizens of Ohmenhausen could be connected to the wave of emigration after the failed harvests of 1846–8 and the economic crises connected with them. It is possible that family members of the emigrants, largely belonging to the poorer classes, acquired their property so that it could be kept in the family. But they could only do this by taking out more loans. There can, however, be no definitive answer to this because the question cannot be satisfactorily answered by means of the sources employed for this research project.

IV. Conclusion

In conclusion, the essential developments should be summed up once again. Taken as a whole the comparison of credit volumes between the two sample years reveals clear tendencies towards geographical differentiation as regards the origin of the lenders and, connected with this, the disempowerment of rural lending. While almost 96 per cent of loans were made by lenders from Ohmenhausen, Reutlingen, and Tübingen in 1825, by 1850 this had fallen to around 72.6 per cent. If loans from Tübingen had not increased sharply in the second sample year the relative decline of these three places would have been even more marked. At the same time another trend was the decreased significance of institutional lenders; more private individuals were clearly willing and able to provide capital and to become active lenders on the rural credit market. After the reform of the lending laws of 1825/28 there was a certain geographical expansion in terms of lenders' origin. It was institutional lenders here that lost significance compared to private lenders. In essence, however, the standard geographical model whereby lending was restricted to a radius of about 20 km remained intact. The relative geographical expansion of rural lending went hand in hand with a dramatic increase in the total volume of credit, though the total number of loans decreased slightly. Comparing the two sample years the number of lenders almost doubled, and the average size of loan more than doubled. More lenders made on average fewer loans per person, but each loan was for a higher sum. It seems plausible here to see a con-

nection with the improved legal transparency brought about by the reform of the lending laws and the greater degree of protection for lenders this entailed. For potential lenders making loans became more worthwhile because the inconvenience of checking out borrowers, sometimes living some distance away, was reduced by the improved legal security. So lenders from further away and from other administrative districts now came forward offering loans on the Ohmenhausen credit market. Comparing the two sample years a huge expansion of indebtedness amongst Ohmenhausen households becomes clear as a result. Above all the poorer artisans and day-labourers living in Ohmenhausen took out more loans and for obviously higher amounts. Most of the loans taken out by Ohmenhausen borrowers were probably investment loans for the acquisition of land. In the crisis years buying land was possibly an emergency strategy, particularly amongst these poorer groups, for securing their subsistence. Or it was a question of keeping in the family land belonging to relatives who were emigrating because of the economic crisis, though this was only possible if the family members who stayed behind took on more debts. This is precisely what the reform of the lending laws facilitated in both cases.

Credit Markets in the Nineteenth-Century Countryside: A Comparative Study in a Rural Border Region

DANIEL REUPKE

I. *State of Research*

Historical research on the development of credit markets has become an interesting field for the application of approaches based on network theory and analysis. The methodologically most advanced studies¹ on credit markets in recent years have been conducted in France by social and economic historians Gilles Postel-Vinay and Laurence Fontaine.² By gathering and evaluating random samples of notarial documents from all over France, Postel-Vinay has shown in his microhistorical pilot study *La terre et l'argent* how local credit markets were organized and how important the reputation of the debtor and the creditor as well as the transparency of creditworthiness were.

¹ For the current state of research see Carola Lipp, 'Aspekte der mikrohistorischen und kulturanthropologischen Kreditforschung', in Jürgen Schlumbohm (ed.), *Soziale Praxis des Kredits 16.-20. Jahrhundert* (Hanover, 2007), 15-36; Mark Häberlein, 'Kreditbeziehungen und Kapitalmärkte vom 16. bis zum 19. Jahrhundert', *ibid.* 37-53. Up-to-date trends are shown in Gabriele B. Clemens (ed.), *Schuldenwert und Schuldenlast: Kreditnetzwerke in der europäischen Geschichte 1300-1900* (Trier, 2008); Phillipp R. Schofield and Thijs Lambrecht (eds.), *Credit and the Rural Economy in North-Western Europe, c.1200-c.1850* (Turnhout, 2009).

² Philip T. Hoffman, Gilles Postel-Vinay, and Jean-Laurent Rosenthal (eds.), *Priceless Markets: The Political Economy of Credit in Paris, 1660-1870* (Chicago, 2000); Gilles Postel-Vinay, *La terre et l'argent: l'agriculture et le crédit en France du XVIIIe au début du XXe siècle* (Paris, 1998); Laurence Fontaine et al. (eds.), *Des personnes aux institutions: réseaux et culture du crédit du XVIe au XXe siècle en Europe* (Louvain-la-Neuve, 1997); Laurence Fontaine, 'Antonio and Shylock: Credit and Trust in France, c.1680-c.1780', *Economic History Review*, 54/1 (2001), 39-57.

He was able to demonstrate the significance of so-called strong ties, which refer to relations between relatives or clients, but he also considered weak ties, such as those between neighbours. Postel-Vinay also noticed that large sums were granted in transregional market places through intermediaries. His colleague Laurence Fontaine maintained in *Des personnes aux institutions* that the credit market was organized as a network system in which network relations were essential for debtors to gain the creditors' trust. For England, Craig Muldrew has identified a serial socialization of credit relations that generated trust.³ In Germany, the research group Ländliches Westfalen, represented by scholars such as Pfister, Bracht, and Fertig is examining, amongst other things, cash flows and resources.⁴ Questions concerning credit and migration are also a current focal point of Italian research.⁵

In the nineteenth century in particular, when there were no banks in rural areas,⁶ money was borrowed and lent between private individuals.⁷ Networks coordinated the actions of the people involved by

³ Craig Muldrew, *The Economy of Obligation: The Culture of Credit and Social Relations in Early Modern England* (Basingstoke, 1998).

⁴ e.g. Christine Fertig and Georg Fertig, '“Wenn zwey Menschen eine Stelle sehen”: Heirat, Besitztransfer und Lebenslauf im ländlichen Westfalen des 19. Jahrhunderts', in Christophe Duhamelle and Jürgen Schlumbohm (eds.), *Eheschließungen im Europa des 18. und 19. Jahrhunderts: Muster und Strategien* (Göttingen, 2003), 93–124; Ulrich Pfister, 'Le petit crédit rural en Suisse aux XVIe-XVIIIe siècles', *Annales HSS*, 49 (1994), 1339–57. See also the Ph.D. thesis by Johannes Bracht, *Geldlose Zeiten und überfüllte Kassen: Sparen, Leihen und Vererben in der ländlichen Gesellschaft Westfalens (1830–1866)* (Stuttgart, 2013), ch. 4.

⁵ Angelina Arru, 'Networks and Logics of Migration: The Circulation of Credit among Immigrants in Nineteenth-Century Italy', in Annemarie Steidl et al. (eds.), *European Mobility: Internal, International, and Transatlantic Moves in the Nineteenth and Early Twentieth Centuries* (Göttingen, 2009), 19–38.

⁶ Concerning banks in the nineteenth century see Karl Erich Born, *Geld und Banken im 19. und 20. Jahrhundert* (Stuttgart, 1977); Paul Thomes, *Die Kreis-sparkasse Saarbrücken: Ein Beitrag zur Geschichte der öffentlichen Sparkassen Preußens* (Frankfurt am Main, 1985); Clemens Zimmermann, *150 Jahre Sparkasse Merzig-Wadern* (Merzig, 2007).

⁷ Gabriele B. Clemens and Daniel Reupke, 'Kreditvergabe im 19. Jahrhundert zwischen privaten Netzwerken und institutioneller Geldleihe', in Clemens (ed.), *Schuldenwert und Schuldenlast*, 193–220.

regulating the capital and resource flows (including information and money) between a central *ego* and peripheral *alteri*.⁸ Mutual relations can take the form of strong ties, meaning close relations, or weak ties, meaning loose relations. According to Pierre Bourdieu, they generate social capital,⁹ which, in turn, generates trust. Belonging to a network means more security with respect to other members and reduces the complexity of the loan-granting process. According to Niklas Luhmann,¹⁰ trust is the *conditio sine qua non* for financial transactions.

II. Research Design

Against this background historians can develop interesting questions, but sources are not always adequate to provide answers. Fortunately, however, research in the Sarre-Moselle region is not affected by this problem. Our research focuses on a geographic quadrangle with Luxembourg, Trier, Saarbrücken, and Metz as its corner points.¹¹ As a consequence of the French Revolution and the Revolutionary Wars, the *Loi Ventôse* came into force in the Departements

⁸ As an introduction see Bettina Höllstein and Florian Strauss (eds.), *Qualitative Netzwerkanalyse: Konzepte, Methoden, Anwendungen* (Wiesbaden, 2006); Dorothea Jansen, *Eine Einführung in die Netzwerkanalyse: Grundlagen, Methoden, Anwendungen*, (3rd edn. Wiesbaden, 2006).

⁹ Pierre Bourdieu, 'Ökonomisches Kapital-Kulturelles Kapital-Soziales Kapital', in Reinhard Kreckel (ed.), *Soziale Ungleichheiten* (Göttingen, 1983), 183–98.

¹⁰ As an introduction see Niklas Luhmann, *Vertrauen: Ein Mechanismus der Reduktion sozialer Komplexität* (Stuttgart, 1989); as regards a historical point of view see Stefan Gorissen, 'Der Preis des Vertrauens: Unsicherheit, Institutionen und Rationalität im vorindustriellen Fernhandel', in Ute Frevert (ed.), *Vertrauen, Historische Annäherungen* (Göttingen, 2003), 90–118.

¹¹ This paper is part of a broader research project entitled 'Kreditvergabe im 19. Jahrhundert: Geldleihe in privaten Netzwerken' that was launched at Saarland University in 2005 under the direction of Gabriele B. Clemens and later funded by the Deutsche Forschungsgemeinschaft (German Research Foundation). It investigates the mechanisms of lending in rural areas during the nineteenth century. See <http://us.aachtec.de/index.cgi?index=4&view=kreditvergabe_im_19_jahrhundert_geldleihe_in_privaten_netzwerken>, accessed 22 Apr. 2015.

of Moselle, Forêts, and Sarre in 1803.¹² Thanks to this regulation, we have a virtually complete account of loan agreements certified by notaries, which were necessary for mortgage registration, dating back to the early nineteenth century. Our research project analyses them for selected cities in a comparative perspective.¹³ The three places selected are canton capitals, each with a local court and hence at least one public notary: the former *Amtsstadt* of Merzig, Remich in Luxembourg, and the French town of Sierck-les-Bains. All three are roughly 20 kilometres from one another, the distance postulated by Postel-Vinay as the radius of a credit market.

Merzig¹⁴ was the centre of a mainly rural region that was increasingly industrialized during the nineteenth century. One of the most prominent examples of industrialisation was the china and stoneware manufacturer Villeroy & Boch,¹⁵ whose founder was of Franco-Luxembourgian origin. This will be compared with Sierck,¹⁶ with its agriculture-based economy and Remich,¹⁷ that was strongly influenced by viticulture. While in the case of Remich it is especially interesting to see the extent to which the wine boom at the end of the nineteenth century influenced the credit sector, Sierck, because of its location, can give us some idea of networking in the border area.

¹² Cf. Alain Moreau, *Le notariat français à partir de sa codification: Essai sur la nature et l'évolution de la fonction notariale 1788-1980* (Paris, 1984); Wilhelm Weisweiler, *Geschichte des rheinpreussischen Notariates*, 2 vols. (Essen, 1916–25).

¹³ Heinz-Gerhard Haupt and Jürgen Kocka, 'Historischer Vergleich: Methoden, Aufgaben, Probleme, eine Einleitung', in eid. (eds.), *Geschichte und Vergleich* (Frankfurt am Main, 1996), 9–45.

¹⁴ Johann Heinrich Kell, *Geschichte der Stadt Merzig und des Merziger Landes* (Merzig, 1958). The city of Merzig had 4,000 inhabitants in 1864; the district had 42,000 inhabitants in 1843.

¹⁵ Cf. Thérèse Thomas, *Die Rolle der beiden Familien Boch und Villeroy im 18. und 19. Jahrhundert: Die Entstehung des Unternehmens Villeroy & Boch* (Saarbrücken, 1974).

¹⁶ *Images du patrimoine*, vol. xxvi: Lorraine: Canton de Sierck-les-Bains, Moselle (Metz, 1987). The city of Sierck had 800 inhabitants in 1850, the district nearly 14,000 inhabitants in 1868. *Dictionnaire topographique*, vol. xxiii: Moselle (Paris, 1868).

¹⁷ Gustav Schmit, *Onst Land*, vol. i: *Der Kanton Remich: ein Heimatbuch und touristischer Führer für luxemburger Volks-, Kunst- und Kulturkunde* (n.p., 1937). The city of Remich had 2,242 inhabitants in 1864, the district 15,000. Henri Sivering, *Statistique du Grand-Duché de Luxembourg* (Luxembourg, 1865).

The loan agreements certified by notaries¹⁸ will be analysed manually and the data entered on standardized forms. The next step will be to evaluate them using KLEIO,¹⁹ a computer programme that was especially developed for historical computer science. With this data, the networks of each city will be reconstructed and illustrated using the software VennMaker.²⁰

To measure the degree of interdependence social network analysis will be applied in a way that is partly sociological. However, this novel approach in historiography, used for the first time by John F. Padgett and Christopher Ansell in their study of the Medici bankers,²¹ is not without its difficulties. In contrast to sociologists, most historians analyse sources which are fragmentary and in need of interpretation. Our quantitative network research will therefore be supplemented by qualitative data.²² This consists, on the one hand, of family reconstructions using local family registers,²³ and on the other

¹⁸ Concerning Merzig: Landesarchiv des Saarlandes (hereafter LAS) Notariat Merzig 587-28; concerning Remich: Archives Nationales Grand Ducal (hereafter ANGD) MCN Remich; concerning Sierck: Archives Départemental de la Moselle (hereafter AD57) E38. In the case of Merzig we have to count 7,300 loan agreements out of an overall volume of 36,500 passed certificates. The complete database consists of 12,500 heterogeneous sources.

¹⁹ Matthew Woollard and Peter Denley, *Source-Oriented Data Processing for Historians: a Tutorial for Κλειω* (St Katharinen, 1993).

²⁰ VennMaker was recently developed by a group of expert sociologists and historians at Trier University and was specially designed to answer these sorts of questions. See <http://www.netzwerk-exzellenz.uni-trier.de/?site_id=108&proj_id=b7464e29d0da7fa229dbcecd6d7622a&sitename=Starseite>, accessed 22 Apr. 2015. Furthermore cf. Matthias Bixler et al., 'VennMaker for Historians: Sources, Social Networks and Software', *REDES-Revista hispana para el análisis de redes sociales*, 21/8 (2011), 421-52, online at <http://revista-redes.rediris.es/pdf-vol21/vol21_8e.pdf>, accessed 22 Apr. 2015.

²¹ John F. Padgett and Christopher Ansell, 'Robust Action and the Rise of the Medici', *American Journal of Sociology*, 98/6 (1993), 1259-319.

²² Cf. Karola Franke and Andreas Wald, 'Möglichkeiten der Triangulation quantitativer und qualitativer Methoden in der Netzwerkanalyse', in Höllstein and Strauss (eds.), *Qualitative Netzwerkanalyse*, 153-75.

²³ Werner Verburg, *Die Einwohner von Merzig 1670-1870* (Saarlouis, 2001). There is a CD-Rom on which the data is navigated via a browser window. In the following marginal figures (Rz.) are used, which can also be found in the

of materials from the respective city archives. This means that Historical Network Research, though it covers more aspects than the analysis of social networks, answers fewer sociological questions. Historical Network Research can and must adapt itself to the historian's particular ways and conditions of working, in order to make what it offers more fruitful for historiography; this is why there is so far no ultimate definition.²⁴

Furthermore, there is a lack of research on credit networks from the perspective of cultural anthropology.²⁵ We will analyse what role factors such as social reputation, trust, and legal securities played in the particular networks. Embedded in a market structure,²⁶ participants in the market can be influenced by cultural norms and psychological factors such as trust or mistrust.²⁷ These are the categories used in the theory of New Institutional Economics.²⁸ Eventually we hope to

two-volume printed version of the work. Prosper Kayser and Roger Kayser, *Familienchronik Stadt Remich* (Luxembourg, 2000). There is no family register for Sierck.

²⁴ Cf. the first approaches by Marten Düring and Martin Stark, 'Historical Network Analysis', in Georg A. Barnett and J. Geoffrey Golson (eds.), *Encyclopedia of Social Networks* (London, 2011), 593–5; Marten Düring and Linda Keyserlingk, 'Netzwerkanalyse in den Geschichtswissenschaften: Historische Netzwerkanalyse als Methode für die Erforschung von historischen Prozessen', in Rainer Schützeichel and Stefan Jordan (eds.), *Prozesse: Formen, Dynamiken, Erklärungen* (Wiesbaden, 2015); Morten Reitmayer and Christian Marx, 'Netzwerkansätze in der Geschichtswissenschaft', in Christian Stegbauer and Roger Häußling (eds.), *Handbuch Netzwerkforschung* (Wiesbaden, 2010), 869–80.

²⁵ In terms of a sociocultural historiography, cf. Richard van Dülmen, 'Historische Anthropologie in der deutschen Geschichtsschreibung', *Geschichte in Wissenschaft und Unterricht*, 42 (1991), 692–709.

²⁶ Marc Granovetter, 'Economic Action and Social Structure: The Problem of Embeddedness', *American Journal of Sociology*, 91/3 (1985), 481–510.

²⁷ Cf. the approaches of Hartmut Berghoff and Jakob Vogel (eds.), *Wirtschaftsgeschichte als Kulturgeschichte: Dimensionen eines Perspektivenwechsels* (Frankfurt am Main, 2004) and the miscellaneous essays by Margrit Grabas, Hartmut Berghoff, Mark Spoerer, and Christoph Boyer on 'Kultur in der Wirtschaftsgeschichte', in *Vierteljahrschrift für Sozial- und Wirtschaftsgeschichte*, 94 (2007), 173–88.

²⁸ As an introduction to New Institutional Economics on the basis of examples from economic history see Clemens Wischermann and Anne Nieber-

understand which mechanisms, including the networks, facilitated loan agreements. I shall now present some initial findings in order to illustrate my theoretical ideas with some concrete examples.

III. Results

Conditions

The results for Merzig, as shown in Figure 1, should be similar to the ones estimated for the other research sites. Between 1800 and 1900, 7,320 loan agreements were executed with an overall volume of 3,884,807 thalers,²⁹ averaging 531 thalers per certificate and 72,500 thalers per year. On average, 39 agreements were certified per year with heavy fluctuations. The century itself is split into two halves. Until the late 1850s the amounts certified per year increased slowly and never exceeded 10,000 thalers. The number of loan agreements oscillated around 45. Dips in the table indicate crises such as the years of war and revolution, for example 1809, 1814–15 and 1847–8. They also reflect famines caused by severe climate changes and subsequent crop failures in the 1840s, and especially in the 1820s with the coldest winter on record in 1829.³⁰

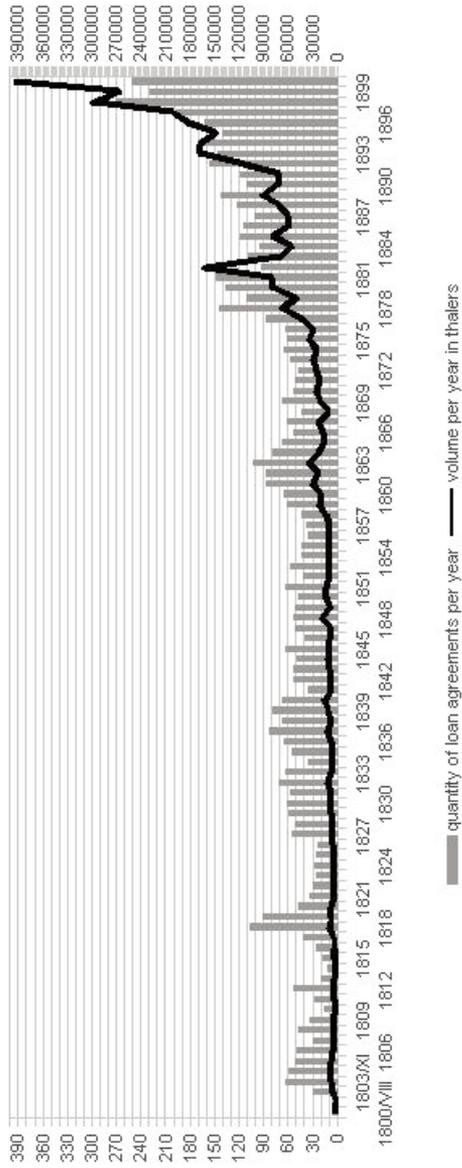
Industrialization took off in Merzig when the city was connected to the railway system in 1856. Simultaneously the number of loan agreements tripled. According to Reinhard Spree, railway construction, industrial revolution, and economic cycles were strongly inter-

ding, *Die institutionelle Revolution: Eine Einführung in die Wirtschaftsgeschichte des 19. und frühen 20. Jahrhunderts* (Stuttgart, 2004).

²⁹ The exchange rate of franken, thaler, mark etc. follows Johann Christian Nelkenbrecher, *Taschenbuch der Münz-, Maaß- und Gewichtskunde für Kaufleute* (8th edn. Berlin, 1803); L. von Lünen, *Reductions-Tabellen der deutschen Reichsmark in die Währungen von Preussen resp. Norddeutschland, Süddeutschland und der Franken, sowie aus jeder dieser Währungen in die drei anderen von einem Pfennig (Kreuzer, Centime) bis 100.000 Mark, Thaler, Gulden und Franken, nebst einem Anhang, enthaltend die Reduction der deutschen Reichsmark in die Feingehalt-Währung der Franken* (Metz, 1874); exchange rate according to our sources: 3.75 franken = 1 thaler = 3 mark. For greater clarity in the graphs all amounts have been converted into thaler.

³⁰ Cf. Rüdiger Glaser, *Klimageschichte Mitteleuropas: 1000 Jahre Wetter, Klima, Katastrophen, mit Prognosen für das 21. Jahrhundert* (2nd edn. Darmstadt, 2008).

Figure 1: Loan Agreements Merzig 1800–1900; quantity and volume per year.



connected.³¹ Following stagnation after the Franco-Prussian War the credit market emerged in the *Gründerzeit* (Gilded Age), especially after 1890. In this period the economic revival led to many companies being founded,³² and a construction boom.³³ The number of certificates rose to 250 per year with an annual volume of 250,000 thalers. This trend lasted until 1914.

In the nineteenth century the main loan type was the annuity-credit. Its specifics were that creditors lent money without a term of payment. The credit was reimbursed several days or months after redemption. Accordingly, three-quarters of loan agreements were drawn up for an indefinite period. Interest was to be paid once a year, generally on 1 January or 11 November (St Martin's Day). As regards credits without terms of payment, repayment was due 'auf erste Anfrage' (upon first request) or 'binnen dreier Monate nach Aufkündigung' (within three months of termination). Time-limited credit had to be paid by monthly or annual instalments within a few years. The duration of loans was below ten years in 90 per cent of the cases, and below five years in 45 per cent; 156 loan agreements stipulated a precise pay-back date. These findings contrast with the results that Postel-Vinay produced for France. Here credit was regularly granted for a period of less than five years, though high amounts could easily exceed ten years.³⁴

As regards the development of interest rates I established an average of 4.94 per cent throughout the 100 years analysed. In 80 per cent of the cases the usual interest rate was 'fünf von Hundert' (5 per cent), known as the *Ländlicher Zins*. Applied since the Renaissance it remained unchanged until the new German Civil Code came into force in 1900. In combination with the interest policy of the local sav-

³¹ Reinhard Spree, *Die Wachstumszyklen der deutschen Wirtschaft von 1840 bis 1880: Mit einem konjunkturstatistischen Anhang* (Berlin, 1978), ch. 4.

³² Magrit Grabas, 'Der vergessene Mittelstand: Entwicklung und Bedeutung kleiner und mittelgroßer Unternehmen an der Saar in der Zeit des krisenhaften Strukturwandels 1873 bis 1894/95', *Vierteljahrschrift für Sozial- und Wirtschaftsgeschichte*, 89/1 (2002), 41-71.

³³ Zimmermann, *Sparkasse*, 19-21.

³⁴ Hoffman, Postel-Vinay, and Rosenthal (eds.), *Priceless Markets*, ch. 1.2.3 B, esp. 156-60.

ings bank the interest rate decreased to 4.5 per cent. However, Postel-Vinay revealed an interest level of 5 per cent in general.³⁵

Looking at collateral securities it seems that only land-owners had access to credit and, vice versa, people without property never had a chance to obtain a loan. The usual collateral was one of the small fields that surrounded Merzig and the other villages. Farmsteads were also used as collateral, though less often forges and mills. In the second half of the century guarantors appeared. So far there has been no study on loan security in the nineteenth century. However, our study revealed a high quota of family-members such as parents, siblings, and in-laws as well as a high percentage of close neighbours playing this role. As regards the new industrial workers, co-workers and foremen also served as guarantors. The sensitive business of standing as guarantor occurred only in relationships marked by *strong ties* that were reinforced by mutual trust.

Creditor-Debtor Relations

There are two phenomena within the network that deserve closer attention. As far as professional classification of debtors and creditors were concerned, the results remain insignificant. It can be assumed, however, that the wealthy people lent to the deprived ones. The main group of creditors consisted of merchants (one-third) followed by landowners living on an annuity derived from their property. Some of them were former merchants, others wealthy widows. In addition, two more groups are noticeable: artisans (hatters, bakers, tanners) and, around 1900, some *Bildungsbürger* (priests, doctors, notaries).

The main groups of debtors, on the other hand, were farmers (1,955), workers (1,538), and day-labourers (538). There were also simple craftsmen and the unemployed ('ohne Gewerbe'). In the lower segment some merchants and people living on annuities also appeared, which shows that indebtedness could occur more or less anywhere.

At the same time institutional creditors emerged: in the first half of the century monasteries (market share of overall volume 7.25 per cent) and in the second half regional savings banks (market share of overall volume 30 per cent) as well as the pension fund of Villeroy &

³⁵ Hoffman, Postel-Vinay, and Rosenthal (eds.), *Priceless Markets*, 15–19.

Boch (market share of overall volume 10 per cent). However, they did not enter the marketplace until the 1880s, by which time they accounted for nearly two-thirds of all loan agreements. In particular, the pension funds of the regional industry lent to their workers. The company could be sure that the loans would be repaid and it helped to improve employer–employee relations. Such a patriarchal social policy is characteristic of the Saar region.³⁶ In the late nineteenth century debtors required fixed repayment terms which the *Kreissparkasse* provided. According to Niklas Luhmann this was when the concept of trust changed:³⁷ trust in individuals decreased, to be replaced by trust in institutions.

This now leads to the question as to whether this institutionalization made the credit networks into robust structures. We also need to establish whether these new structures should be regarded as an institution in themselves. However, research on institutional evolution, especially in the credit market, is still in its early stages.³⁸ If we extend the concept of the institution in line with the New Economics of Institutions, then private persons acting in a professional capacity should also be included here. Alfred Bauer, for example, presents a farmer–banker in the Hunsrück in the nineteenth century, whose main business was money-lending.³⁹ In Merzig there were merchants who increasingly became bankers. An excellent example of this follows.

Mechanisms

The network of Georg Jacob Bernasco (1776–1843),⁴⁰ a descendent of Italian immigrants living in Trier, shows the mechanisms of lending. Bernasco’s wealth amounted to more than 17,460 thalers and he was also politically very influential. As an ironmonger he had achieved

³⁶ Ralf Banken, ‘Saarabien und Königreich Stumm: Die Saarregion als Musterland einer patriarchalischen betrieblichen Sozialpolitik?’, *Zeitschrift für die Geschichte der Saargegend*, 49 (2001), 111–47.

³⁷ Luhmann, *Vertrauen*, ch. 9.

³⁸ Georg Fertig (ed.), *Social Networks, Political Institutions, and Rural Societies* (Turnhout, forthcoming).

³⁹ Alfred Bauer, *Ländliche Gesellschaft und Agrarwirtschaft im Hunsrück zwischen Tradition und Innovation (1870–1914)* (Trier, 2009).

⁴⁰ Verburg, *Merzig*, Rz. 475.

middle-class affluence ('*médiocre*'),⁴¹ and as City Council and Mayor he held important public offices. He was also the treasurer of the parish church in Merzig, in whose name he lent 140 thalers to the tailor Johann Kiefer,⁴² in 1808.⁴³ Obviously, the creditor did not want to bear the risk for such a large sum of money lent to an average tailor (a day-labourer earned only one franc a day), so Bernasco arranged a loan through the church. Correspondingly, these two men were linked by *weak ties*. By contrast, in 1818 Bernasco lent 1,500 thalers to his brother-in-law, Mathias Emmerich, at his own risk.⁴⁴ While this transaction within the family was probably influenced by *strong ties*, in the following case *weak ties* were crucial: as a representative of his late uncle's community of heirs, the debtor in the process mentioned before, Mathias Emmerich, lent 303 francs to the proprietor Jacob Jacobs in 1809.⁴⁵ Once again his brother-in-law, Georg Jacob Bernasco, appeared in the contract, this time as a witness, which in turn implies that he brokered the loan to his well-situated relative.

In the early nineteenth century, Bernasco was also the central figure in the credit market of his town, shown by the visualization of his ego-network (see Figure 2). This finding can be demonstrated through analysis of his inventory:⁴⁶ on his death in 1843 he left his family 31,000 thalers. Apart from that, the document shows that the bonds certified by notaries so far included in this project do not suffice to reveal the real dimensions of the credit market. When Bernasco died, he left 265 claims. Only six were within his own family, visualized by the inner circle. According to his inventory, local notaries had, by means of mortgage loans, issued bond contracts worth 8,500 thalers. Another 180 certificates of debt were issued informally. In half of these cases Bernasco was the creditor; he favoured farmers (black circles) and craftsmen (dark grey circles). In the white sector 144 thalers are recorded, which he was entitled to as a result of eight court verdicts, and the round sum of 2,100 thalers referring to outstanding debts as a consequence of notary acts of pur-

⁴¹ LAS, Stadt Merzig, 100 I, chart dated 20 July 1807.

⁴² Verburg, *Merzig*, Rz. 2740.

⁴³ LAS, 587-28-312-76.

⁴⁴ LAS, 587-28-21-89.

⁴⁵ LAS, 587-28-313-40.

⁴⁶ LAS, 587-28-443-450-354.

chase and auctions; this means that properties or commodities he sold had not been paid for. In 43 cases Bernasco himself was a debtor. These small amounts resulted from his business and from the funeral costs.

Quantitative and qualitative data emphasizes Bernasco's central position again; it also sheds light on the mechanisms of personal loans. The sociologist Mark Granovetter has put forward the thesis of the *strength of weak ties*.⁴⁷ According to him, networks of people who do not know each other that well are clearly more effective in providing financial support or a better job because they do not involve much private resentment, unlike in the family, which spends so much time together. At the same time they facilitate a far higher number of contacts, and thus a far quicker acquisition of resources that are further away, such as information. Consequently, while *strong ties* were at work within Bernasco's family, *weak ties* were predominant beyond it. In both cases, however, intermediaries were involved. Were they necessary?

Intermediaries

In order to bridge the lack of information between creditor and debtor intermediaries were needed.⁴⁸ Laurence Fontaine and Gilles Postel-Vinay have identified public notary as such intermediaries.⁴⁹ Throughout their professional life they acquired information, and coming from the regional *Notabeln*, they enjoyed publicity, reputation, and trust.⁵⁰ The following case is one of the rare examples that help us to understand the mechanisms of lending in detail (see Figure 3).⁵¹ In 1895, the day-labourer Peter Barbier asked the Mayor of Merzig, Ernst Thiel, if he would grant him a loan of 2,000 marks through the capi-

⁴⁷ Mark Granovetter, 'The Strength of Weak Ties', *American Journal of Sociology*, 78/6 (1973), 1360-80.

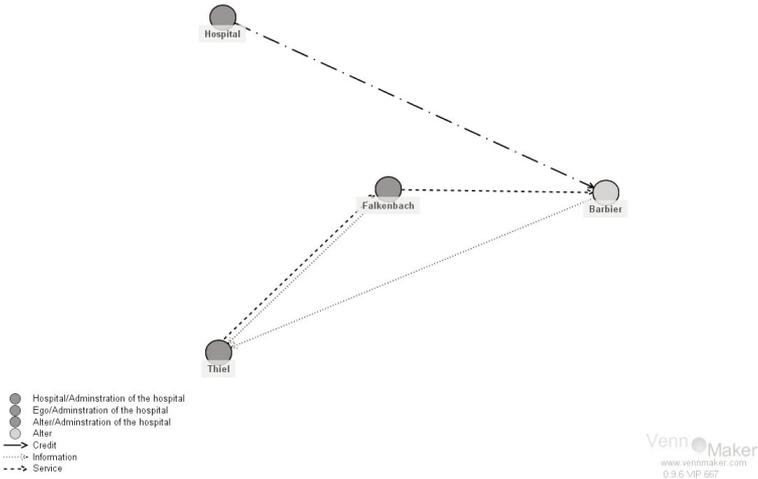
⁴⁸ Luhmann, *Vertrauen*, 30, 32, 38, 40.

⁴⁹ Hoffman, Postel-Vinay and Rosenthal (eds.), *Priceless Markets*, ch. 6, esp. 117-26; Postel-Vinay, *La terre*, ch. 1.2.2.

⁵⁰ Cf. Gabriele B. Clemens and Daniel Reupke, 'Der Notar als Broker: Das Management des privaten Kreditmarktes', *Zeitschrift für Verbraucher- und Privat-Insolvenzrecht* 8/12 (2009), 16-22.

⁵¹ LAS, Stadt Merzig, 176, letters dated 22 Jan., 24 Jan., 30 Jan., 12 Feb., and 13 Feb. 1895.

Figure 3: Network of the Peter Barbier Case.



tal funds of a communal hospital over which Thiel presided.⁵² He then asked the public notary Falkenbach,⁵³ who was also a member of the hospital’s administrative board, how Mr Barbier was situated financially. Two days later, Falkenbach answered that Barbier had a house bought at auction which was worth 6,450 marks, half of which could be borrowed against. Apart from that, Barbier owned land worth 585 marks. Two weeks later, Thiel asked the public notary to issue the debt contract in the name of the administrative board; it was signed one day later. It must have been easy for the notary to inspect the land register and to find the auction, which he had probably conducted himself. Without giving the details of network parameters such as density, centrality, as well as in- and outdegree, it can be said that Mayor Thiel was the network’s centre, while notary Falkenbach was responsible for the resource flows at its periphery. This also shows the triangulation of quantitative data (network calculation) and of qualitative data (from the archive).

⁵² Verburg, *Merzig*, Rz. 233.

⁵³ Verburg, *Merzig*, Rz. 1244; he lived from 1831 to 1916.

Geographical Dimension

Another example, now crossing state boundaries, is that of a French merchant from Metz, Jean Pierre Braun, who lent money to Merzig by selling two bonds. In 1812 the trader Johannes Herber and the proprietor Theobald Schamboni were lent, in total, 642 francs; the repayment dates had been fixed.⁵⁴ In 1817 the tradesman Pese was granted 1,200 francs that had to be paid back within one year.⁵⁵ Pierre Braun was never present at certification; he was represented by the notary. At the moment, nothing more can be said about the creditor. However, it seems clear that notary Artois (1771–1852),⁵⁶ was charged with Braun's transactions. It seems natural then that Braun called on Artois in order to lend these considerable sums to financially well-off customers. He might have even done this through a notary from Metz, who in turn knew his colleague and approached him. This sort of collaboration between notaries was quite common in France at that time, as Postel-Vinay explains in *Des marches sans prix*.⁵⁷ It remains unclear, however, whether the debtor asked notary Artois if he would broker the loans, or whether he was so familiar with the local situation that he already knew that the gentlemen needed money and would definitely pay it back. A proper social network analysis also shows by outdegree and high centrality that notary Artois was the organizational centre of this little network. It now seems clear that Braun did not know the parties he was to contract with. Hence, this case is very interesting, because it illustrates how business relationships were maintained in the Napoleonic Empire even after the geographical separation that occurred because of the new Franco-Prussian border.

Paul Thomes⁵⁸ has stated for the research area of Saarland, Lorraine, and Luxembourg that various forms of economic ties existed.

⁵⁴ LAS, 587-28-14-19.

⁵⁵ LAS, 587-28-21-24.

⁵⁶ Verburg, *Merzig*, Rz. 96.

⁵⁷ Hoffman, Postel-Vinay, and Rosenthal (eds.), *Priceless Markets*, ch. 6, esp. 145–6.

⁵⁸ Paul Thomes, 'Der begehrlliche Blick: eine wirtschaftsräumliche Analyse', in Lieselotte Kugler (ed.), *grenzenLos: Lebenswelten in der deutsch-französischen Region an Saar und Mosel seit 1840* (Saarbrücken, 1998), 184–208; Paul Thomes, 'Wirtschaftliche Verflechtungen in einer Grenzregion: Die Industrieland-

Cross-border financial participation between companies did not only exist in the region's leading industrial sectors. Within the region, money circulated without any restrictions. Up to the mid century, the French franc was accepted as a means of payment in the Prussian Saar region. The same positive aspects applied to the merchandise trade in the region. In such an open space for commerce and communication trust became a necessity for mutual transactions. Social interdependency is a dimension which defines an area. According to Ralph Banken social networks and economic ties were constitutive for the entire region.⁵⁹

Despite some cross-border relations, the main area of lending was within a radius of 20 kilometres around a central place; this distance corresponded to a three-hour carriage journey.⁶⁰ This is fully in line with international research results. Analysis of the documents of the public notary Peter Joseph Marx (1765–1831)⁶¹ from the first half of the century (see Figure 4),⁶² shows a credit market extending to Trier in the north and to the villages of the Schwarzwälder Hochwald in the east, not including the next canton city Wadern. Furthermore, to the south it reached the area around Saarlouis and in the west it crossed the Saar River and the state border, reaching the French town of Waldwisse. This is worth mentioning since it had a large Jewish community, one of the main lenders in that region.⁶³ The hypothesis

schaft Saar-Lor-Lux im 19. Jahrhundert', *Jahrbuch für westdeutsche Landesgeschichte* 14 (1988), 181–98.

⁵⁹ Ralf Banken, 'Die Industriezweige der Saarregion im 19. Jahrhundert: Wirtschaftliche Interdependenzen verschiedener Branchen während der Industrialisierung', in René Leboutte and Jean-Paul Lehnens (eds.), *Passé et Avenir des Bassins Industriel en Europe* (Luxembourg, 1995), 39–60, at 58.

⁶⁰ Kell, *Stadt*, 18–23; Maria Croon, 'Die letzte Postkutschenfahrt Merzig-Losheim-Wadern vor 80 Jahren', *Jahrbuch für Heimatkunde im Kreis Merzig-Wadern*, 12 (1983), 100–2. The journey of 26 kilometres took 3 hours and 48 minutes.

⁶¹ Verburg, *Merzig*, Rz. 3660.

⁶² LAS 587-28-301 to 587-28-365.

⁶³ Cf. Frank Hirsch, 'Netzwerke in der neueren Geschichte', in Curt Wolfgang Hergenröder (ed.), *Gläubiger, Schuldner, Arme: Netzwerke und die Rolle des Vertrauens* (Wiesbaden, 2010), 133–42. In the context of the DFG project 'Kreditvergabe im 19. Jahrhundert', Frank Hirsch focuses on the topic of Jews in the countryside.

Figure 4: Range of the Credit Market, First Half of the Nineteenth Century. Edited detail from the map 'Charte des Königlich Preuss. Regierungsbezirk Trier', 1826, *Das Werden des Saarlandes*, 169.



Credit Markets

that cities lent money to rural areas,⁶⁴ especially advocated by the research group *Ländliches Westfalen* and already proven to be true, also applies to the city of Merzig. Debtors and creditors regularly came from the same rural towns. It was mostly monasteries that gave credit (for example, in St Gangolph), though Merzig and the small town of Losheim were the centre of the region's credit market. In comparison, an analysis of the documents of the public notary Heinrich Falkenbach⁶⁵ from the second half of the century (see Figure 5), shows that Losheim had lost its importance. While debtors still came from the rural areas, the creditors mainly came from places close to the travel route along the Saar River, where industrialization had expanded. In Mettlach and Beckingen the workers of Villeroy & Boch or of the machine factory Karcher mainly obtained credit from their business's pension fund. Nevertheless, some workers from the steel and coal industry around Saarbrücken and Völklingen appeared as debtors, former farmers now working in the emerging industries.

Crisis

I have assumed that the institutionalization of the credit market, and the reinforcement of the network structures around people or institutions, led to robust structures that supplied the market place with resources. These structures needed to be both flexible, and at the same time solid enough to function even in times of crisis. Hence, the mechanisms of lending in the rural border region became particularly obvious when a crisis occurred. In the nineteenth century a rural community was less affected by an economic crisis than by natural disasters or belligerent incidents.⁶⁶ Two examples follow.

⁶⁴ e.g. Johannes Bracht, 'Reform auf Kredit: Grundlastenablösungen in Westfalen und ihre Finanzierung, durch Rentenbank, Sparkassen und privaten Kredit (1830-1866)', *Zeitschrift für Agrargeschichte und Agrarsoziologie*, 1 (2006), 55-76, at 63.

⁶⁵ LAS 587-28-Falkenbach 1873 to 587-28-Falkenbach 1900.

⁶⁶ Cf. Daniel Reupke, 'Finanzkrise historisch: Kreditnetzwerke in der Saar-LorLux-Region während der Krisenszenarien des 19. Jahrhunderts', in Curt Wolfgang Hergenröder (ed.), *Krisen und Schulden: Historische Analysen und gegenwärtige Herausforderungen* (Wiesbaden, 2011), 165-89.

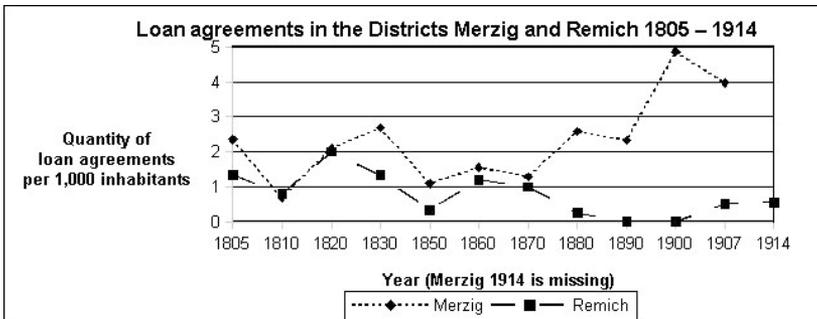
Figure 5: Range of the Credit Market, Second Half of the Nineteenth Century. Edited detail from the map 'Elsass-Lothringen und Bayerische Pfalz', 1891, *Andrees Weltatlas*, 24.



Credit Markets

How did the credit market in Remich react to a natural disaster like the famous vine pest?⁶⁷ Postel-Vinay has demonstrated this for Languedoc, where the credit market crashed as a result of the phylloxera plague. It was only when acquisition of new vine stocks became necessary that the market stabilized again.⁶⁸ A comparison of the number of loan contracts per 1,000 inhabitants in the cantons of Merzig and Remich reveals interesting facts (see Figure 6). For three-quarters of the nineteenth century the curves run more or less parallel. From about 1875 onwards, they drift apart and Remich approaches zero while in Merzig capital demand was booming. A wine-growing town like Remich in the nineteenth century is worth particular attention. In the middle of the century, the vine pest had devastating consequences for such a monostructural region. Remich, however, escaped the infestation,⁶⁹ and profited from the wine price which had increased due to the scarcity of grapes. This fact alone shows that the mechanisms of loan-granting in Remich were different from those in other places.

Figure 6: Loan Agreements in the Districts Merzig and Remich 1805–1914 in Comparison. Quantity per thousand inhabitants and per year.



⁶⁷ Gilbert Garrier, *Le phylloxéra: une guerre de trente ans; 1870–1900* (Paris, 1989).

⁶⁸ Postel-Vinay, *La terre*, 318–38.

⁶⁹ For the vine pest in Luxembourg see Joseph A. Massard, 'Vor hundert Jahren: Die Reblaus ist da! Ein ungebetener Gast aus Amerika bringt den Luxemburger Weinbau in Gefahr', *Lëtzebuurger Journal*, 143 (2007), 19–21.

How did the credit market in Sierck-les-Bains react to the consequences of war? After Franco-Prussian tensions over the succession to the Spanish throne in 1870 and Bismarck's notorious Ems Telegram, France declared war on Prussia and also on its German allies on 19 July 1870. On 2 August the Dauphin of France started an artillery attack on Saarbrücken and on 6 August Prussian troops expelled the French from the heights above the Saar River; both sides suffered severe casualties. On 2 September the French main army surrendered at Sedan, where Emperor Napoleon III was captured. With the occupation of Paris, the uprising of the *commune* and the French defeat in the Battle of St Quentin, the Germans had virtually won the war. After the establishment of the German Empire in the Hall of Mirrors in the Palace of Versailles on 14 January 1871, the victory was sealed by the Treaty of Frankfurt on 10 May.⁷⁰ In accordance with the terms of the peace treaty, Alsace and Lorraine became part of the German Empire. Sierck went from being the main town in a French canton to the equivalent in a German district. The years following 1871 brought considerable modernization to the place (railway connection, post office), but also a sizeable drop in population as sections of the French-speaking population emigrated and were not fully replaced by immigrants from the rest of the empire. The iron and coal boom in the region around Thionville led to internal migration towards workplaces, while the area around Sierck remained agricultural as before.⁷¹

In 1870 and 1871 the region's credit market collapsed from a very high level.⁷² Table 1, which illustrates the number of loan agreements for the sample years 1867 and 1885, shows how, under the changed

⁷⁰ Cf. Jan Ganschow, Olaf Haselhorst, and Maik Ohnezeit, *Der Deutsch-Französische Krieg 1870/71: Vorgeschichte, Verlauf, Folgen* (Graz, 2009); François Roth, *La guerre de 1870* (Paris, 1990); David Wetzel, *A Duel of Giants: Bismarck, Napoleon III, and the Origins of the Franco-Prussian War* (Madison Wis., 2001); very interesting, particularly for Saarbrücken, is Albert Ruppertsberg, *Saarbrücker Kriegschronik: Ereignisse in und bei Saarbrücken und St. Johann sowie am Spicherer Berg 1870* (Saarbrücken, 1895), though it does have a national slant.

⁷¹ *Elsass-Lothringischer Atlas* (Frankfurt am Main, 1931), 14, 27, 39.

⁷² Assessment of notarial obligations from the incomplete holding AD57 38E36.

Credit Markets

Table 1: Loan Agreements in Sierck-les-Bains, 1867 and 1885, according to the *Registre des Recettes*.

Year		1867	1885			1867	1885
Quantity		151	17			151	17
<i>Debtors</i>	Farmers	45	10	Sierck City	31	3	
	Craftsmen	40	3	Sierck District	80	14	
	Merchants	6	2	outside SP	10	0	
	Officers	0	1	Outside F	30	0	
	Others	50	1				
<i>Creditors</i>	Farmers	5	0	Sierck City	10	1	
	Craftsmen	11	1	Sierck District	120	11	
	Merchants	15	2	outside SP	21	2	
	Officers	54	4	Outside F	0	3	
	Others	66	9				

conditions, the market only partially recovered.⁷³ It was not only the number of people involved that had changed. Although the credit market was still dominated by local notables such as merchants, civil servants, well-situated pensioners, and large landowners (grouped

⁷³ Unusually, this comparison is not based on notarial records, which for this period are largely incomplete or lost, but on the *Registre des Recettes*. These

together here under 'others'), far fewer people now belonged to this group than before the war, and these were no longer predominantly civil servants and merchants, but also, and primarily, wealthy artisans and farmers. These now came in equal proportions from France or the Prussian Saarregion, and no longer predominantly from France. While some of the Prussians had already had economic relations with Sierck before the war, some of the French were migrants who were leaving the districts that had become German. The networks seem to have been extremely flexible and in the medium term, even under changed conditions, were able to generate trust in the credit market.

IV. *Conclusions*

I can concur with the results provided by David Warren Sabean from his research on Neckarhausen.⁷⁴ He hypothesized that social relations probably existed and facilitated mutual lending. In the following years, French researchers presented microstudies documenting the history of lending in the nineteenth century. Now we have shown the first trends for Germany: access to credit was provided by various forms of familial, neighbourly, or economic networks. I can assume an omnipresence of credit-relationships, which did not only involve paupers. In addition we can also see a trend towards the institutionalization of the credit market by professional lenders, or indeed savings banks. It has to be said that robust structures in credit markets, such as networks, do much to improve rural society. They help to overcome crises, but this institutional evolution has not yet been adequately researched. Furthermore, not only personal networks but also the importance of outstanding creditors and questions of religion and migration arise. These findings have implications for

lists, preserved in their entirety, show every contract concluded before a notary or other state authority, in order to calculate the fees payable and to control their payment. They were introduced following the French Revolution and were retained after the German annexation. The lists for 1867 and 1885 can be found in AD57, 3Q28 166 to 169 and 3Q28 214 to 217.

⁷⁴ David Warren Sabean, *Property, Production, and Family in Neckarhausen, 1700–1870* (Cambridge, 1990), 370; id., *Kinship in Neckarhausen 1700–1870* (Cambridge, 1997), 298.

our present-day situation: if we understand how historical loan networks were organized, we will be able to explain some of the present-day mechanisms as well as future trends. In this context, the global financial crisis of credit markets, which are globally interconnected, can serve as a striking example.

To be sure, as Postel-Vinay wrote: 'No single historian recounts this story in its entirety',⁷⁵ but with our research we hope to contribute an important theme that can lead to a better understanding of the broader picture. Microhistorical research offers the only way of reconstructing the networks and thus the mechanisms of credit markets. The main desideratum is therefore to encourage microhistorical comparisons for other regions of Europe. Attempting to identify the Gordian structures of credit markets leads us to a broader combination of methods. It seems that social network analysis might be a viable approach, if it is adapted to the historical methods. This might meet the challenge of analysing socio-cultural interdependency and its embeddedness in superordinated relations.

⁷⁵ Philip T. Hoffman, Gilles Postel-Vinay, and Jean-Laurent Rosenthal, 'Information and Economic History: How the Credit Market in Old Regime Paris Forces Us to Rethink the Transformation to Capitalism', *American Historical Review*, 104 (1999), 69–94, at 69.

PART III

The Role of Agents, Trust, and Knowledge in Networks of Credit and Support

The Emperor as Debtor: The Prague Coinage Consortium 1622–3. Monetary and Social Dependence in Financing the Early Thirty Years War

STEFFEN LEINS

At the beginning of the Thirty Years War Emperor Ferdinand II was facing a financial crisis. In 1620 he had defeated the rebellious Protestant nobles of the *Confœderatio Bohemica* in the Battle of White Mountain before the gates of Prague. This had required significant financial, and partly also military support from Bavaria, Saxony, Spain, and the Pope. Now mercenaries had to be discharged in order to prevent them from mutinying. But the emperor's coffers were empty and the usual means of financing seemed to have been exhausted. So Ferdinand felt compelled to resort to a network of intelligent financiers. As a result, a remarkable secret contract was signed in January 1622, which in many respects was an innovation in terms of financing war.

So far this process and its wider implications have not been adequately researched. Almost three decades ago an expert on the material stated that: 'It was a dramatic and ruthless profit-making scheme, of which neither the details nor the economic consequences have been explained.'¹ In 2001 a dissertation concluded that 'in historical research the Bohemian coinage consortium has gained the reputation of being a slightly dubious and somewhat secretive business'.² The aim of this essay is to close the gap just mentioned and, above all, to

¹ Volker Press, 'Das Haus Liechtenstein in der europäischen Geschichte', in id. and Dietmar Willoweit (eds.), *Liechtenstein: Fürstliches Haus und staatliche Ordnung. Geschichtliche Grundlagen und moderne Perspektiven* (Vaduz, 1987), 15–86, at 47.

² Ulrich Rosseaux, *Die Kipper und Wipper als publizistisches Ereignis (1620–1626): Eine Studie zu den Strukturen öffentlicher Kommunikation im Zeitalter des Dreißigjährigen Krieges* (Berlin, 2001), 400.

present as concisely as possible new findings on the basis of archival research.³ The main question here will be whether, and to what extent, Ferdinand II succeeded in resolving his financial crisis within the confines of the monetary dependencies by which even he, as emperor, was constrained. So to start with, the network that formed the consortium will be revealed, then its way of functioning explained, and, finally, its powerful effects portrayed.

I

From the emperor's point of view, after his victory in the Battle of White Mountain the main objectives were to be seen to punish the rebellion, to subjugate Bohemia, and at the same time to acquire money to discharge mercenaries. In June 1621 the leaders of the rebellion were publicly decapitated on the Altstädter Ring in Prague, an act of great symbolic significance. This gruesome event was overseen by Prince Karl von Liechtenstein as Ferdinand II's representative.⁴ However, in order to implement the planned anti-reformatory policy, what was needed above all was enormous amounts of money which neither the emperor himself nor his treasury (*Hofkammer*) had

³ The following remarks are based on my Master's thesis, now published as a monograph: Steffen Leins, *Das Prager Münzkonsortium 1622/23: Ein Kapitalgeschäft im Dreißigjährigen Krieg am Rand der Katastrophe* (Münster, 2012). A recently published dissertation by a senior Austrian economist, written independently of this work, comes to different conclusions. The coinage consortium is dealt with correctly, but not incorporated into the broader context of the Thirty Years War, the Bohemian uprising, or pre-modern financing of war. Although the far-reaching consequences of the consortium are touched upon, the network of nobles and loans that stood behind it is not described in any detail. Peter Trawnicek, *Münzjuden unter Ferdinand II. nach den Akten des Hofkammerarchivs in Wien* (Kiel, 2010).

⁴ For the pre-history and Karl von Liechtenstein's role see his correspondence with the emperor, in Christian Ritter d'Elvert, *Weitere Beiträge zur Geschichte der böhmischen Länder im siebzehnten Jahrhundert*, i: *Die Bestrafung der böhmischen Rebellion, insbesondere die Correspondenz Ferdinand II. mit dem Fürsten Liechtenstein* (Brno, 1868), 1–89. For the phase after the Battle of White Mountain in general see Robert J. Evans, 'The Habsburg Monarchy and Bohemia, 1526–1848', in Mark Greengrass (ed.), *Conquest and Coalescence: The Shaping of the State in Early Modern Europe* (London, 1991), 134–54, at 142.

at their disposal. Furthermore, some attempt at least had to be made to pay off a very high war debt.⁵ The territories won back from the Habsburg perspective paid hardly any taxes; and the rebels' estates, which were to be confiscated, were encumbered with high mortgages because of the war. The credit facilities otherwise available from Jews who dealt with the court or potent aristocrats, or indeed raising taxes and customs duties were out of the question for the Bohemian lands that were already plagued by war. Spanish subsidies often failed to materialize and even the Pope's contributions did not help much.⁶ In addition, the emperor was in a fairly unfavourable geopolitical position, encircled by arch-enemies such as France and the Ottoman Empire,⁷ and more recently by the Protestant imperial princes as well. At the end of 1621 he did at least manage to conclude peace with Prince Gábor Bethlen; but even after this Bethlen never gave up his claim to the Hungarian throne and maintained contact with his Calvinist fellow-believer, the defeated Bohemian *Winter King* Friedrich von der Pfalz.⁸

⁵ By the end of June 1619 this was already more than 4.3 million guilders. In 1623 the Bohemian treasury alone had more than 8 million guilders of debt. Cf. Karl Oberleitner, 'Beiträge zur Geschichte des Dreißigjährigen Krieges mit besonderer Berücksichtigung des österreichischen Finanz- und Kriegswesens nach den Quellen des k. k. Finanz-Ministerial-Archivs vom Jahre 1618-1634', *Archiv für Kunde österreichischer Geschichts-Quellen*, 19 (1858), 1-48, at 6 and 15.

⁶ For details see Dieter Albrecht, 'Zur Finanzierung des Dreißigjährigen Krieges: Die Subsidien der Kurie für Kaiser und Liga 1618-1635', *Zeitschrift für bayerische Landesgeschichte*, 19 (1956), 534-67. According to Johannes Kunisch, from 1621 to 1623 the papal subsidies only amounted to 1.9 million guilders, of which around one-third was inflationary money. Johannes Kunisch, 'Wallenstein als Kriegsunternehmer: Auf dem Wege zum absolutistischen Steuerstaat', in Uwe Schultz (ed.), *Mit dem Zehnten fing es an: Eine Kulturgeschichte der Steuer* (Munich, 1986), 153-61, at 156.

⁷ For the threat from the Turks see Johann Philipp Abelin, *Theatrum Europaeum*, vol. i (Frankfurt am Main, 1635; 3rd edn. 1662), 682-6, 715; Franz Christoph von Khevenhiller, *Annales Ferdinandeae*, vol. ix (Leipzig, 1724), cols. 1584, 1843-8; and Josef Matuz, *Das Osmanische Reich: Grundlinien seiner Geschichte* (Darmstadt, 1985), 167.

⁸ Maja Depner, *Das Fürstentum Siebenbürgen im Kampf gegen Habsburg: Untersuchungen über die Politik Siebenbürgens während des Dreißigjährigen Krieges* (Stuttgart, 1938), 90-4; Katalin Péter, 'Die Blütezeit des Fürstentums

Barely two weeks after the peace treaty with Gábor Bethlen had been ratified, on 17 and 18 January 1622, Ferdinand II reorganized the political system in Bohemia. Karl von Liechtenstein was appointed as his unrestricted civilian governor, Wallenstein as the military equivalent. Both set about confiscating the estates of the rebellious aristocrats in order to get hold of the money so urgently needed as quickly as possible. And the contract was signed which founded the coinage consortium. This was formed out of a network of aristocrats who had already been involved in financing the war for the emperor, and who demonstrated remarkable similarities as regards background, education, religion, and relatives.

Most of the aristocratic members of the coinage consortium were born in the early 1570s in Lower Austria and had studied law in Italy. Around the turn of the century they had converted to the old faith, and had then risen in the service of the Habsburg Empire under the conditions of the Counter-Reformation.⁹ For them the change of faith was largely a pragmatic decision. Catholicism was the emperor's faith and in the meantime had again become that of the court. Let me give a few examples: Johann Ulrich von Eggenberg converted in 1598, entered court service, and in the same year received a baronet-

(1606–1660)', in Gábor Bata and István Bóna (eds.), *Kurze Geschichte Siebenbürgens* (Budapest, 1990), 302–404, at 320–4; Márta Fata, *Ungarn, das Reich der Stephanskronen, im Zeitalter der Reformation und Konfessionalisierung: Multiethnizität, Land und Konfession 1500 bis 1700* (Münster, 2000), 189–91; Andrea Schmidt-Rösler, 'Princeps Transilvaniae – Rex Hungariae? Gabriel Bethlens Außenpolitik zwischen Krieg und Frieden', in Heinz Duchhardt and Martin Peters (eds.), *Kalkül – Transfer – Symbol: Europäische Friedensverträge der Moderne* (Mainz, 2006), 80–98.

⁹ Thomas Winkelbauer, 'Karrieristen oder fromme Männer? Adelige Konvertiten in den böhmischen und österreichischen Ländern um 1600', in Bronislav Chocholáč (ed.), *Nový Mars Moravicus: Aneb Sborník příspěvků, jež veňovali Prof. Dr. Josefu Válkovi jeho žáci a přátelé k sedmdesátinám* (Brno, 1999), 431–52, at 432. Thus they fitted the image of the typical war entrepreneur in the seventeenth-century empire: they were mostly brought up as Protestants but later converted to Catholicism. See Fritz Redlich, *The German Military Enterpriser and His Work Force: A Study in European Economic and Social History*, vol. i (Wiesbaden, 1964), 166. So, too, Volker Press, who identifies an 'increased attraction of a renewed Catholicism'. Volker Press, 'Patronat und Klientel im Heiligen Römischen Reich', in Antoni Mańczak (ed.), *Klientelsysteme im Europa der Frühen Neuzeit* (Munich, 1988), 17–46, at 43.

cy.¹⁰ Wolf Siegmund von Losenstein converted and thereafter performed duties at the court in Vienna. Likewise Leonhard Helfried von Meggau entered the service of Habsburg courts after his conversion.¹¹ Wallenstein grew up with the Bohemian Brothers, converted to Catholicism, and entered imperial service.¹² Karl von Liechtenstein was born into a Protestant baronial family,¹³ and converted in 1599.¹⁴ All the biographical parallels are striking, but in particular the aristocrats reinforced their network through marriage. In 1622 a nephew of Wallenstein took to the altar a woman whose father, Duke Karl von Harrach, later belonged to the consortium.¹⁵ Wallenstein's second wife Katharina Isabella was also one of Harrach's daughters. She gave him indirect access to the emperor's Privy Council.¹⁶ Meggau's mother was Karl von Harrach's sister. In 1620 one of Harrach's sons married Maria Franziska, Eggenberg's daughter.¹⁷ So for aspiring converts marriage with the old nobility, who were also old-Catholic, seemed attractive. The house of Harrach, positioned close to the emperor, seemed to combine these two advantages in the most excellent way. But other relational networks can also be discerned. Thus, for example, Liechtenstein's great-neice was married to Wolf Sieg-

¹⁰ Walther Ernst Heydendorff, *Die Fürsten und Freiherren zu Eggenberg und ihre Vorfahren* (Graz, 1965), 145.

¹¹ Ingrid Matschinegg, *Österreicher als Universitätsbesucher in Italien (1500–1630): Regionale und soziale Herkunft – Karrieren – Prosopographie* (Graz, 1999), nos. 819, 1552, 1590, 1640.

¹² Hermann Hallwich, *Fünf Bücher Geschichte Wallensteins*, vol. i (Leipzig, 1910), 10; Hellmut Diwald, *Wallenstein: Biographie* (Esslingen, 1969), 38–40; Klaus Malettke, 'Wallenstein: général, prince d'Empire et homme politique dans la guerre de Trente Ans', *Francia*, 20/2 (1993), 21–33, at 23–4.

¹³ An older American historian was quite right when he said: 'Of all the statesmen who served the House of Habsburg in the first quarter of the seventeenth century, the career of none is more interesting nor . . . more important than that of Karl von Liechtenstein . . . It is, therefore, unfortunate that Liechtenstein has never been made the subject of an adequate biographical study.' Henry F. Schwarz, *The Imperial Privy Council in the Seventeenth Century* (Cambridge, Mass., 1943), 281.

¹⁴ Thomas Winkelbauer, *Fürst und Fürstendiener: Gundaker von Liechtenstein, ein österreichischer Aristokrat des konfessionellen Zeitalters* (Vienna, 1999), 91.

¹⁵ Khevenhiller, *Annales Ferdinandei*, ix. col. 1598.

¹⁶ Malettke, *Wallenstein*, 26.

¹⁷ Franz Christoph von Khevenhiller, *Conterfet Kupferstich* (Leipzig, 1722), 60.

mund von Losenstein, who was also involved in the consortium.¹⁸ Even more examples of this complicated network of relations could be given; but what is most important is the fact that Wallenstein, Eggenberg, Harrach, Losenstein, and Meggau were closely related to one another. So these noblemen formed a career network, indeed a veritable faction, at the imperial court in Vienna. They were willing to advance together as favourites of the monarch and to create an oligarchic structure that occupied the most important offices at the court.

Furthermore, these gentlemen were experienced in financing wars, some of them even cooperated in it. For instance, Wallenstein and Liechtenstein both came to Emperor Matthias's mind immediately in 1618 when he was thinking about how to raise money to finance the army in the light of the Bohemian unrest.¹⁹ In 1622–3, when the coinage consortium was active, Wallenstein, Karl von Liechtenstein and his brothers Gundaker and Maximilian acted as the emperor's most important war financiers, in that between them they maintained and supplied eight regiments.²⁰ And Duke Karl von Harrach and von Polheim, resident of the court treasury, both of whom were later members of the coinage consortium, were involved in financing imperial troops in 1619.²¹ Due to his financial experience and merits Eggenberg—incidentally, closely related to the Fuggers, a business family of bourgeois origin—was appointed treasurer to Archduke Ferdinand von Steiermark, the future Emperor Ferdinand II to whom he advanced considerable sums. By 1619 he had already lent Wallenstein 40,000 guilders to set up a cavalry regiment.²²

¹⁸ For the genealogical connections in the coinage consortium see the tables in Schwarz, *The Imperial Privy Council*, 414–16; and Oswald von Gschiesser, *Der Reichshofrat: Bedeutung und Verfassung, Schicksal und Besetzung einer obersten Reichsbehörde von 1559 bis 1806* (Vienna, 1942; reprinted Nendeln, 1970), 199–200.

¹⁹ Josef Polišenský (ed.), *Der Beginn des Dreißigjährigen Krieges: Der Kampf um Böhmen. Quellen zur Geschichte des Dreißigjährigen Krieges 1618–1621* (Vienna, 1972), 54, no. 69.

²⁰ Redlich, *The German Military Enterpriser*, 224.

²¹ Polišenský, *Der Beginn des Dreißigjährigen Krieges*, 98, no. 228; 138, no. 382.

²² Karl Eder, 'Johann Ulrich von Eggenberg', *Neue Deutsche Biographie* 4 (1959), 331–2; Hans von Zwiedineck-Südenhorst, *Hans Ulrich Fürst von Eggenberg: Freund und Erster Minister Kaiser Ferdinand II.* (Vienna, 1880), 7, 27–8, 50–3, 84.

So the aristocrats mentioned founded a court party, with Eggenberg, as chairman of the Privy Council, as its leader. They found a common opponent in the fervent counter-reformer Cardinal Franz von Dietrichstein, who was a personal enemy of Liechtenstein and Wallenstein in particular. These gentlemen were the emperor's favourites, but in return for their advice and support they expected suitable remuneration, privileges, and social advancement. This was all about the circle of experts responsible for financing imperial wars, and thus for a project such as the coinage consortium.

A letter written by Liechtenstein to Eggenberg at the beginning of May 1621 suggests that it was Liechtenstein who had the idea of the coinage consortium.²³ Even before this he had already undertaken coinage manipulations with a Prague court Jew called Jakob Bassevi. In July 1621 Liechtenstein promised the emperor a profit of 50,000 guilders a week if he would lease him the monetary system in Austria, Moravia, and Bohemia.²⁴ A note accompanying the negotiations about the coinage consortium contract makes it evident that Liechtenstein was regarded as the most important conference partner of the emperor, who was personally present.²⁵ Although the court treasury expressed sound legal reservations about the project,²⁶ clearly the councillors were quickly convinced that they would have a share in the anticipated profit. So warnings from the Moravian coinage minister Balthasar Zwirner about the damage that might be done by almost certain inflation could be swept aside.²⁷ Business was concluded by signing the contract that we shall now discuss. But what was it actually like?

²³ Ibid. 159–60.

²⁴ Anton Gindely, *Waldstein während seines ersten Generalats im Lichte der gleichzeitigen Quellen 1625–1630*, vol. i (Prague, 1886), 25.

²⁵ Österreichisches Staatsarchiv Wien, Finanz- und Hofkammerarchiv, Niederösterreichisches Münz- und Bergwesen, Faszikel 15, 1622/23, Vienna, 13 Jan. 1623, fos. 8–13.

²⁶ Ibid. Vienna, 28 Jan. 1622, fos. 29–32.

²⁷ Ibid. Vienna, 11 Dec. 1621 [*sic!*].

II

The text of the contract,²⁸ which is formulated very coherently, survives intact and is full of information. On 18 January 1622 in Vienna the court treasury, representing the Emperor and King of Bohemia, Ferdinand II, and Hans de Witte, representing his unnamed accomplices, signed a written agreement that founded a consortium, that is, a society of people who freely joined together for the purposes of making monetary profit.²⁹ Not all members of the consortium signed the contract, just the said Hans de Witte and four treasury councillors, namely, Vinzenz Muschinger von Gumpendorf, Hans Unterholzer von Kranichberg, Hans Christoph Teuffel von Zeilberg, and treasury president Gundaker Freiherr von Polheim. But the fact that the other persons around Hans de Witte did not sign sheds significant light on the business, into which only a select group was initiated. The text, as is shown by the draft contracts mentioned, was read to the emperor and presented to him. He gave his explicit approval, even though he personally did not sign.

Essentially the contract had three main conditions. The participants were given a monopoly on minting coins, supplemented by a sole right to buy silver. In return for these prerogatives, which actually belonged to the king, those taking the contract had to make a large lease payment to the emperor or his treasury in Vienna. For one year the entire coinage system of Bohemia, Lower Austria, and Moravia was transferred to the consortium. However, although the consortium had an exclusive coinage privilege, it was by no means permitted to act as it liked, let alone in an arbitrary way, when it had coins minted. Silver had to be minted with an exact proportion of noble metal. Henceforth every mark of silver, a weight unit of between 250 and 280 grammes, was to be minted into 79 guilders. Thus the agreement expressly determined at least a threefold reduction in the usual fine weight,³⁰ in other words, demanded of the participants a dramatic reduction in the value of the coinage, even though it was per se limited and there could be no deceit or manipu-

²⁸ Ibid. Vienna, 18 Jan. 1622. The following remarks are based on this document. An edition of the text in Leins, *Das Prager Münzkonsortium*.

²⁹ Johann Ulrich Zedler, *Universallexicon*, vol. 21 (Halle, 1739), cols. 537–8; and vol. 53, (1747), cols. 1475–6.

³⁰ Cf. Gindely, *Waldstein während seines ersten Generalats*, 26.

lation. According to the documents regarding the contract conferences with Emperor Ferdinand II it nonetheless seems to have been implied to him that only 25 per cent of the coins were minted with the new, clearly lower percentage of fine metal.³¹ At this point the suspicion arises that the emperor was deceived.

The way in which the value of coins was to be reduced becomes clear when 400 centner of copper was made available to the consortium free of charge, in order to get started, so to speak. The silver guilder was supposed to be alloyed and thinned with this less costly metal. Along with this, the consortium was given a general monopoly on the silver trade: silver objects, silver coins, silver fragments and even gold coins were to be taken to the Bohemian, Moravian, and Lower Austrian mints. With the emperor's approval, all the silver to be found in the contract area was to be reminted, in a way that was not as good. In order to finance the war the emperor deliberately had recourse to the precious metal reserves of his subject people. His aim was to make his stash of coins financially profitable via inflation.

It is not surprising that in a business that promised the participants themselves such profit they were required to make an extremely large lease payment. For the contract period of one year, this was 6 million guilders. This was many times more than the budget of large territories. At the time, for instance, Bohemia yielded only about a million guilders per year, yet was still one of the Austrian Habsburgs' fiscally most profitable possessions.³² So this consortium had massive dimensions. How the coinage consortium actually functioned is now difficult to reconstruct since Hans de Witte's account books must be regarded as lost, and only a few fragments from them have been preserved via third parties.³³ Nonetheless it is possible to say something

³¹ Finanz- und Hofkammerarchiv, Niederösterreichisches Münz- und Bergwesen, Faszikel 15, 1622/23, Vienna, 13 Jan. 1622, fos. 11 r.-v.

³² Diwald, *Wallenstein*, 189; Fritz Redlich, *Die deutsche Inflation des frühen Siebzehnten Jahrhunderts in der zeitgenössischen Literatur: Die Kipper und Wipper* (Cologne, 1972), 10; Rosseaux, *Die Kipper und Wipper*, 399.

³³ Despite an intensive search making use of numerous contacts for years, de Witte's biographer was unable to find his account books: Anton Ernstberger, *Hans de Witte: Finanzmann Wallensteins* (Wiesbaden, 1954), 97, 118. What is more, all the Prague documents relating to the Bohemian treasury for this interesting period were lost in the Second World War. For more on the difficulty with sources see Leins, *Das Prager Münzconsortium*.

about the roles and tasks of the participants. The oldest member of the Prague Jewish community, Jakob Bassevi, and the said signatory to the coinage consortium contract, the Prague court merchant of Dutch origin, Hans de Witte, a Calvinist, were, so to speak, the managers or executive officers of the consortium. Both had already dealt with monetary affairs before and, given their marginal position in religious or confessional terms, were prepared to take on the sort of work that a class-conscious Catholic would never have been able to do openly without permanently endangering his prestige. What is more, they both brought with them the technical financial know-how necessary to conduct early capitalist speculative transactions of the magnitude of the Prague coinage consortium in a way that had a prospect of success.

Bassevi kept the business going largely in Bohemia itself. He bought up around 145,000 marks of silver and took it to the mints. This was the equivalent of 36 tons of pure silver. For this he received 6.7 million guilders from the consortium's coffers.³⁴ Furthermore, via other Jewish middlemen he purchased agrarian products so that the new, sub-standard coins could be put into circulation without difficulty.³⁵ He is also supposed to have directed silver confiscated from the Bohemian rebels to the mints.³⁶ In any case what must be stressed is that the contract for the coinage consortium, whatever it was like, was to remain a secret from the public in all the countries so that the consortium, via agents of Bassevi and de Witte, could buy as much silver as possible from the population in the form of silver fragments or good, old coins for sub-standard money.³⁷ After just two months of the contract 30 million guilders of new coins had already been minted. In the remaining ten months only about 12 million were

³⁴ Since Bassevi's and de Witte's commercial documents are lost, we have to resort to an *extract* by the privy secretary to the Bohemian treasury of the German expedition, Daniel Freißleben von Buschenhöfen. Freißleben was married to one of the sisters of de Witte's wife, and took excerpts from de Witte's account books around 1660. Ernstberger, *Hans de Witte*, 119–22.

³⁵ Josef Polišenský and Josef Kollmann, *Valdštejn: Ani císař, ani kral* (Prague, 1995), 68.

³⁶ Josef Janáček, *Valdštejn a jeho doba* (Prague, 1978), 244.

³⁷ Diwald, *Wallenstein*, 174 deceives himself when he claims that the coinage consortium 'was nothing like a secret society'. Trawnicek, *Münzjuden unter Ferdinand II.*, 189, makes a similar misjudgement.

pressed, so most of the business had already been carried out before the subject population in the Bohemian lands could learn anything about the way in which the consortium worked.³⁸

The only person who played an even greater part in the operations than Bassevi was de Witte.³⁹ He took the project well beyond Habsburg or imperial borders; it assumed grand European proportions as he called upon his network of business relations extending over the continent.⁴⁰ Being a Calvinist, he could appear without difficulty on the Dutch financial floors that were world-leaders. Apart from that he had links to other Flemish exiles. In this way he could extend his personal network even further for the consortium. His agents, at de Witte's insistence equipped with an imperial letter of passage, travelled across central Europe and bought up silver, preferably in Stettin, Nuremberg, Genoa, and Milan.⁴¹ His buyers and representatives thus formed a complex network.⁴² Newspaper announce-

³⁸ Gindely, *Waldstein während seines ersten Generalats*, 29; and id., *Geschichte der Gegenreformation in Böhmen* (Leipzig, 1894), 336.

³⁹ Not without reason is Wallenstein described in his most brilliant biography as 'Bohemia's richest financier'. Golo Mann, *Wallenstein: Sein Leben erzählt* (Frankfurt am Main, 1974; 7th edn. 2006), 197.

⁴⁰ On the other hand, Trawnicek thinks that the coinage consortium only bought up silver in the contract area. See Trawnicek, *Münzjuden unter Ferdinand II.*, 230.

⁴¹ Ernstberger, *Hans de Witte*, 103; Paul W. Roth, 'Die Kipper- und Wipperzeit in den Habsburgischen Ländern 1620 bis 1623', in Eckart Schremmer (ed.), *Geld und Währung vom 16. Jahrhundert bis zur Gegenwart* (Stuttgart, 1993), 85–103, at 92; Günther Probszt, *Österreichische Münz- und Geldgeschichte: Von den Anfängen bis 1918* (3rd edn. Vienna, 1994), 432. A Latin *Paß- und Geleitbrief* (letter of safe conduct) made out for Hans de Witte and his fellow members by treasurer Teuffel, also a member, for purchasing silver in Hungary can be found in Finanz- und Hofkammerarchiv, Niederösterreichisches Münz- und Bergwesen, Faszikel 15, 1622/23, Vienna, 4 Mar. 1622. For Italy and Hungary see *ibid.* Hoffinanz, Faszikel 184, July–Sept. 1622, n.p., July 1622. There are more details here on the problems of buying broken silver.

⁴² Ernstberger, *Hans de Witte*, 216–24. Via de Witte, Wallenstein soon financed imperial armies of over 100,000 men. Since the days of the coinage consortium, de Witte had also been involved in the armaments business. See the dissertation by Julia Zunckel, *Rüstungsgeschäfte im Dreißigjährigen Krieg: Unternehmerkräfte, Militärgüter und Marktstrategien im Handel zwischen Genua, Amsterdam und Hamburg* (Berlin, 1997).

ments demonstrate that de Witte had agents whose secondary silver dealers bought circulating money from the population, and then had it reminted at a lower value in Lower Austria, Moravia, and Bohemia.⁴³ In this way de Witte funnelled into the mints more than three quarters of the melted silver, and thus of the raw material for the consortium's business, 403,000 marks – this was over a hundred tons of fine silver. For his brilliant skill, and his excellent competence in dealing with capital he received as recompense 31.3 million guilders from the consortium's coffers, a virtually unimaginable sum at that time.⁴⁴

Aristocratic representatives made the undertaking untouchable from the outside. It had, after all, been instigated by that court faction of war financiers. Liechtenstein issued patents which forbade the export of coins so that the old, good money could be melted down and replaced by new, bad coins – while soaking up the profits. Apart from that, in accordance with the contract, he forbade the circulation of any foreign coins. He forced uncooperative coin masters out of office,⁴⁵ implemented the monopoly on the silver trade, and fixed the prices for silver.⁴⁶ The export of old coins, and hoarding them, were punishable by death.⁴⁷ When the inflation caused by this massive juggling with money eventually had a full impact on the population, and the subjects started to run their businesses using only the old coins, a patent of Liechtenstein's in early January 1623 ordered that all the old coins be handed in immediately, failure to do so incurring severe punishment.⁴⁸ The councillors in the court treasury also gave the consortium their full backing. Committed to making weekly lease payments to pay off the imperial mercenaries, they kept complaints about the nascent inflation away from the emperor. In any case, in February 1622 the imperial treasury naively advised that larger quan-

⁴³ Rosseaux, *Die Kipper und Wipper*, 401.

⁴⁴ Ernstberger, *Hans de Witte*, 120.

⁴⁵ Johann Newald, 'Die lange Münze in Oesterreich. Ein Beitrag zur österreichischen Münz- und Finanzgeschichte', *Numismatische Zeitschrift*, 13 (1881), 88–132, at 107.

⁴⁶ Antonín Kostlán, 'Dlouhá mince v Čechách', *Acta Universitatis Carolinae: Studia historica*, 34 (1989), 101–27, at 116.

⁴⁷ Richard Gaettens, *Inflationen: Das Drama der Geldentwertungen vom Altertum bis zur Gegenwart* (Munich, 1955), 86.

⁴⁸ Gindely, *Geschichte der Gegenreformation*, 335.

tities of small coins with a higher proportion of copper should be minted in order to prevent further complaints from the population.⁴⁹

The participants were recompensed in a hierarchical way, in other words, according to their status. While de Witte and Bassevi acquired enormous quantities of silver, higher aristocrats such as Liechtenstein only brought a few hundred marks of silver into the mints. The latter, however, received over 450,000 guilders, in fact, a healthy 569 guilders per mark. Wallenstein, at that time still a simple baron, bought the most silver after de Witte and Bassevi, namely, 5,000 marks, and was given 123 guilders per mark.⁵⁰ There is no way that the the members of the consortium can have acted according to the terms of the contract here. Not only did they fail to adhere to the prescribed proportion of fine metal, that is to say, they manipulated the coins, they also, quite unscrupulously, drove their own profit to unimaginable heights and were running around with enormous amounts of capital. How could the higher-ranking members of the consortium receive several hundred guilders per mark when, according to the contract, only 79 guilders per mark were supposed to be minted? How could de Witte, the participant with the greatest turnover, receive 78 guilders per mark when the mark was minted for only one guilder more? Given the running costs involved, this was certainly not in line with the contract. What is also striking is that Bassevi and de Witte ultimately paid 85 guilders per mark and more to private silver-sellers.⁵¹

A note by de Witte of July 1622, dealing mainly with the ever-increasing difficulties of buying silver—even in Italy and Hungary, where silver was being bought up on a massive scale, the population appeared to have seen through the wheeling and dealing—records minting of an unbelievable 180 to 200 guilders per mark. That this completely contravened the contract de Witte wrote down with his own hand.⁵² So it is hardly surprising that in 1622 the court treasury,

⁴⁹ Finanz- und Hofkammerarchiv, Niederösterreichisches Münz- und Bergwesen, Faszikel 15, 1622/23, Vienna, 11 Feb. 1622, fo. 47.

⁵⁰ Figures taken from Ernstberger, *Hans de Witte*, 119–22.

⁵¹ Gindely, *Waldstein während seines ersten Generalats*, 29; and id., *Geschichte der Gegenreformation in Böhmen*, 337–8.

⁵² Finanz- und Hofkammerarchiv, Hoffinanz, Faszikel 187, July–Sept. 1622, n.p., July 1622.

some members of which were personally participating, accused the consortium of illegally minting 117 to 163 guilders per mark.⁵³ It may well be that the consortium went so far as to mint coins containing only one-tenth of silver and the rest completely of copper.⁵⁴ What they could not do, however, is mint coins made purely of copper.⁵⁵

By November 1622 de Witte was denounced to the emperor because of the consortium's manipulations. Afraid and agitated he wrote to Liechtenstein asking for protection.⁵⁶ Everything, he said, was correct and in accordance with the contract. If anyone were guilty, apparently it was unreliable coin masters. Yet by the end of April 1622 Cardinal Franz von Dietrichstein had already complained to the emperor, saying that there had been uproar and looting because of the sub-standard coins. Apart from that, he pointed out the economic damage and starvation that threatened if the coinage consortium carried on with its activities.⁵⁷ But even then nothing happened. So it is no surprise that the consequences of the consortium could eventually become really catastrophic.

III

Initially the members of the consortium profited from the fact that Prince Karl von Liechtenstein, as unrestricted governor of Bohemia on the day the contract was signed, 18 January 1622, was also appointed chairman of the committee that was to confiscate the estates of the rebellious aristocrats in Bohemia.⁵⁸ As head of the committee Liechtenstein was entitled to take hold of two-thirds of Bohemia's territory. He ultimately decided before the emperor which Bohemian aristocrats should be punished by having their estates con-

⁵³ Ibid. Niederösterreichisches Münz- und Bergwesen, Faszikel 15, 1622-3, n.p., n.d.

⁵⁴ Josef O. Opel, 'Deutsche Finanznot beim Beginn des dreißigjährigen Krieges', *Historische Zeitschrift*, 16 (1866), 212-68, at 223.

⁵⁵ This is wrongly asserted by Redlich, *Die deutsche Inflation*, 11.

⁵⁶ Finanz- und Hofkammerarchiv, Niederösterreichisches Münz- und Bergwesen, Faszikel 15, 1622-3, n.p., 17 Nov. 1622.

⁵⁷ Ibid. Nikolsburg, 29 Apr. 1622.

⁵⁸ Jacob von Falke, *Geschichte des fürstlichen Hauses Liechtenstein*, vol. ii (Vienna, 1877), 217.

fiscated. Furthermore, he also decided at what price and to whom this property should be sold on. Liechtenstein not only used this surfeit of power to the advantage of his business partners, but also profited from it himself. In addition, the crown's financial crisis and the inflation caused by the coinage consortium meant that the rebels' estates were offered for sale at favourable prices. Liechtenstein and Wallenstein worked hand in hand: the latter announced interest in a certain object, while the former conveyed this purchase request to the emperor. He then consulted with his advisers as to how much security Wallenstein should raise. Liechtenstein raised these loans and assigned the estates to Wallenstein. In this way Wallenstein gained security on many estates. He managed to acquire a closed complex in north-east Bohemia, which in 1624 the emperor elevated to the Duchy of Friedland. In two years he spent nearly 7 million guilders on it.⁵⁹ Significantly, at the meetings of the Privy Council which approved this, Eggenberg, Meggau, and Liechtenstein as well as two of the four treasury councillors who had signed the consortium contract were always present, namely Teuffel von Zeilberg and Unterholzer von Kranichberg.⁶⁰ This is further strong evidence that the consortium and the sale of confiscated estates were mutually dependent, insofar as the same people were always involved. So, in grand style, the members of the consortium provided one another with valuable land.

In November 1622 Prince Karl von Liechtenstein bought from Wallenstein the former Smiřický estates near Prague, for 600,000 'Schock meißnisch' and parts of his profit from the coinage consortium: Černý Kostelec, Auřinoves, and Škvorec. In the summer he acquired Lanškroun, Lanšperk, and Trnava. In addition, Emperor Ferdinand II rewarded him with the northern Moravian estates of Třebová, Šumperk, and Zábřeh as well as the cities of Nové Město, Metují, and Šumperk, and also the estates of Kolštejn and Jezeří.⁶¹ In

⁵⁹ Thomas Bílek, *Beiträge zur Geschichte Waldstein's* (Prague, 1886), 124.

⁶⁰ Reports by the Privy Council contain the following interesting marginal notes: '*praesentibus D[omino] ab Eggenberg, D. a Meggau, Trautm, D. Lichtenstein, D. Teuffl, D. Vnderholzer.*' Cited from Hallwich, *Geschichte Wallensteins*, 64 n. 131.

⁶¹ Josef Polišenský (ed.), *Der Kampf des Hauses Habsburg gegen die Niederlande und ihre Verbündeten: Quellen zur Geschichte des Pfälzisch-Niederländisch-Ungarischen Krieges 1621-1625* (Vienna, 1976), 111 no. 317.

1623 he also bought the Rostok estate,⁶² after the emperor had enfeoffed him with the Silesian duchy Opavské knížectví in March 1622. In 1624 he acquired Petrovec from Wallenstein, and also Spamberg and Lipava. Liechtenstein managed to put together a mass of estates which, in 1719, was ultimately to see his house elevated to the status of the imperial princes with seat and vote in the Imperial Diet.⁶³

All in all, the members of the coinage consortium gained the most from the confiscation of estates and their redistribution in Bohemia after the battle of White Mountain. Yet not only men of the rank just below them, but even Bassevi and de Witte started acquiring prestigious land and invested their profits from the consortium in property. After all, accumulating property and land, which had to be entered in the Bohemian land register, was the most important precondition for elevation to the nobility, that is, for social advancement. Acquisition of estates did, indeed, go hand in hand with massive social climbing. At Liechtenstein's suggestion Jakob Bessevi was the first Jew in the empire to be made a baron – precisely at the time when the consortium contract was agreed.⁶⁴ And de Witte, too, the Calvinist merchant and 'richest banker in central Europe',⁶⁵ was ennobled – again at Liechtenstein's request to the emperor. The fact that de Witte and Bassevi could experience such social advancement instead of having to emigrate like others of different faiths owes a great deal to their work as the coinage consortium's business organizers. Basically, because of their services as war financiers to the emperor who was dependent on them, they had become indispensable.

⁶² Ritter d'Elvert, *Correspondenz Ferdinand II. mit dem Fürsten Liechtenstein*, 231–59.

⁶³ Volker Press, 'Die Entstehung des Fürstentums Liechtenstein', in Wolfgang Müller (ed.), *Das Fürstentum Liechtenstein: Ein landeskundliches Portrait* (Bühl, 1981), 63–91, at 79; and Thomas Klein, 'Die Erhebungen in den Reichsfürstenstand 1550–1806', *Blätter für deutsche Landesgeschichte*, 122 (1986), 137–92, at 140–3.

⁶⁴ M. Popper, 'Les Juifs de Prague pendant la guerre de Trente Ans', *Revue des études juives*, 29 (1894), 127–41, at 138; Heinrich Schnee, 'Bassevi von Treuenberg', *Neue Deutsche Biographie*, 1 (1953), 625; Barbara Staudinger, 'Auß sonderbaren khayserlichen Gnaden. Die Privilegien der Wiener Hofjuden im 16. und 17. Jahrhundert', *Frühneuzeit-Info*, 12/1 (2001), 21–39, at 26 n. 61.

⁶⁵ Regina Schulte, 'Rüstung, Zins und Frömmigkeit: Niederländische Calvinisten als Finanziere des Dreißigjährigen Krieges', *Bohemia*, 35 (1994), 45–62, at 49. Cf. Ernstberger, *Hans de Witte*, 146–8.

Even those who were already aristocrats advanced further. For instance, in 1624 *Oberhofmeister* Losenstein (head of the emperor's household) was promoted to Ferdinand II's *Hofmarschall* (the administrative official in charge of the emperor's court).⁶⁶ In September 1622 Freiherr von Wallenstein received the honour of a *Comes Palatinus*, with numerous rights and privileges.⁶⁷ In September 1623 he became imperial Prince of Friedland and Reichenberg,⁶⁸ thereby advancing socially with extraordinary speed. Even the rank of the high aristocrats in the consortium was raised. For example, like Liechtenstein, Eggenberg was accepted into the Order of the Golden Fleece, the exclusive Habsburg house order. This made his proximity to the court clearly visible to the outside as well. In 1623 the emperor personally elevated him again and made him an imperial prince.⁶⁹

By the conferment of such titles and the sale of confiscated estates that was tied up with the consortium's business the Bohemian nobility was fundamentally restructured in the second half of the 1620s.⁷⁰ Henceforth relations with the emperor's court were crucial, and these the members of the coinage consortium cultivated these with particular intensity. Foreign Catholic members of the high nobility who were loyal to the emperor, like Liechtenstein and Eggenberg, or indeed Bucquoy and Schwarzenberg, formed the new elite, while many of the indigenous, non-Catholic nobles were forced to leave the country.⁷¹ The fact that it could come to such a pass had much to do with the coinage consortium and its consequences.

On the other hand, the subject population in the affected areas had to put up with galloping inflation; it became so severe that the

⁶⁶ Matschinegg, *Österreicher als Universitätsbesucher in Italien*, no. 1590.

⁶⁷ Hallwich, *Geschichte Wallensteins*, 66.

⁶⁸ Gottfried Lorenz (ed.), *Quellen zur Geschichte Wallensteins* (Darmstadt, 1987), 57–61.

⁶⁹ Zwiedineck-Südenhorst, *Hans Ulrich Fürst von Eggenberg*, 70; and Heydendorff, *Die Fürsten und Freiherren zu Eggenberg*, 91.

⁷⁰ For Moravia and beyond see the *Habilitation* by Tomáš Knoz, *Pobělohorské konfiskace: Moravský průběh, středoevropské souvislosti, obecné aspekty* (Brno, 2006).

⁷¹ Petr Matá, 'Der Adel aus den böhmischen Ländern am Kaiserhof 1620–1740: Versuch, eine falsche Frage richtig zu lösen', in Vaclav Bůžek and Pavel Král (eds.), *Šlechta v habsburské monarchii a císařský dvůr (1526–1740)* (Budweis, 2003), 191–223, at 191–6.

emperor was forced to declare the state bankrupt. The mechanisms of the market could not be avoided; the population, who were bearing the brunt of all this, refused to accept the worthless money and went over to an exchange economy. Liechtenstein reacted nervously with patents threatening the subjects with harsh penalties if they did not use the new coins.⁷² Yet he himself did not learn a lesson. In fact, he refused to admit that the secret coinage consortium was the main cause of these negative developments. In mid December 1622 he was still urgently advising the emperor to continue the consortium's business despite the adverse circumstances, so that the the soldiers could be paid.⁷³ In spring 1623, when the consortium contract expired, Liechtenstein negotiated with the emperor at a conference of the Electors and Princes in Regensburg, summoned because of the the inflation that was also rampant in the empire. First of all the members of the coinage consortium discussed amongst themselves, without consulting the imperial princes, whether their business should perhaps continue. However, the emperor no longer relied solely on the judgement of his closest advisers on matters of war finance, the members of the consortium, but asked the imperial princes for help. In response the princes outlined to the emperor the path that he was later to take: that of devaluation.⁷⁴ They even suggested that he should think about implementing such a devaluation in his hereditary lands, thus indirectly recommending that he disband the coinage consortium.⁷⁵ In mid 1622 the emperor had already tried in vain, via the Elector of Mainz, to make the inflationary coins valid in the empire as a whole, but, understandably, such a measure was rejected by the imperial treasurer.⁷⁶ Though with great hesitation, in 1623 Emperor Ferdinand II accepted the advice he had been given by the imperial princes. In August the resolution was passed for a return to the old imperial coinage. On 14 December, for Bohemia on 28 De-

⁷² Bílek, *Beiträge zur Geschichte Waldstein's*, 303–4.

⁷³ Finanz- und Hofkammerarchiv, Hofffinanz, Faszikel 187, July–Sept. 1622, n.p., 14 Dec. [sic!] 1622.

⁷⁴ Michael Caspar Luntorp, *Acta Publica* (Frankfurt am Main, 1627), 1067, 1080. Cf. similarly Abelin, *Theatrum Europaeum*, 715–16.

⁷⁵ *Ibid.* 723–4.

⁷⁶ Finanz- und Hofkammerarchiv, Niederösterreichisches Münz- und Bergwesen, Faszikel 15, 1622/23, 20 June 1622.

ember, Ferdinand II issued his imperial decrees which declared the state bankrupt and recommended a devaluation of the silver guilder to less than one-eighth of its face value.⁷⁷

With the coinage consortium, however, the emperor had contravened the Augsburg Imperial Coinage Order of 1559. In 1566 and 1570 at the Reichstag in Speyer this had been extended and reinforced virtually twofold.⁷⁸ Its regulations forbade the leasing of coinage as well as trade in coins and silver. According to this, the actual business principle of the Prague coinage consortium was illegal. However, there were many princes who did not adhere to the Imperial Coinage Order. As ever, notions from the Middle Ages were circulating, according to which the value of money should be fixed by the ruler, 'ad beneplacitum Principis'.⁷⁹ A prince could decide on the relation between the face value and fineness of his coins as he liked, without taking account of the economic situation—or so it was assumed. What they did not seem to be aware of was that this undermined the population's abstract faith in the valency of money. There were, nonetheless, some words of warning from contemporaries about the coinage consortium.

In mid 1624 its opponents clearly started to fight back. It is possible that Jesuits were behind this, conceivably Ferdinand II's confessor, Lamormaini, who was a firm adversary of Eggenberg and Wal-

⁷⁷ Emanuela Nohejlová-Prátová, 'Dlouhá mince v Čechách v letech 1621–1623, *Numismatické listy*, 1 (1946), 29–35, at 34; and Antonín Ruml, 'Moravské vládní mince za třicetileté války', *Numismatický sborník*, 6 (1960), 207–301, at 240.

⁷⁸ Josef Leeb (ed.), *Der Kurfürstentag zu Frankfurt 1558 und der Reichstag zu Augsburg 1559*, vol. iii (Göttingen, 1999), 1984; Maximilian Lanzinner and Dietmar Heil (eds.), *Der Reichstag zu Augsburg 1566*, vol. ii (Munich, 2002), 1156; Maximilian Lanzinner (ed.), *Der Reichstag zu Speyer 1570*, vol. ii (Göttingen, 1988), 1245.

⁷⁹ Cf. *Sigismundi Scacciae I. C. Romani Tractatus de Commerciis et Cambio, Cap. II, Glossa III*, para. 80–1: 'posset moneta cudi in materia et pondere pro valore et pretio ad beneplacitum Principis quia esset idem ac si cuderetur cum omnibus requisitis et qualitatibus . . . nam licet usus monetarum sit de jure gentium, tamen valor et materia monetae est de jure mere positivo.' Cited from Arnold Luschin von Ebenreuth, 'Das lange Geld oder die Kipperzeit in Steiermark', *Mittheilungen des historischen Vereines für Steiermark*, 38 (1890), 26–56, at 55.

lenstein.⁸⁰ It was probably people connected with Duke Maximilian of Bavaria, Cardinal Franz von Dietrichstein, and the *Societas Jesu*, Counter-Reformatory enemies of the converts in the consortium,⁸¹ the *theologi* not actually named, who attacked the coinage consortium, Liechtenstein, and the emperor in a long report written in Latin.⁸² It stated that with this project Ferdinand II had opened every door to numerous deceits, which had led to the collapse of trade: ‘aperitur via infinitis fraudibus, & commerciorum perturbationi.’ Although the profit as such was large ‘enorme est lucrum’, it was draining away in murky channels, ‘occultis modis fugitur’. And it went on to say that the business as such was highly criminal and should, therefore, be condemned: It was an ‘injustitia . . . quæ jure divino & naturali damnatur’. To exploit the poor on the one hand and for the consortium to profit from the war on the other, it was enough ‘per istum modum onerantur maxime pauperes’: ‘lucrum, quod . . . Ministri faciunt ex eo negotiatione’. The emperor, it said, had behaved like a tyrant, had acted ‘despotice’, but his subjects had seen through this: ‘populus intelligat.’ Behind this stood the terrible accusation that, ultimately, the emperor was even more ignorant than his people, and had let himself be deceived. There was no lack of references to his contravention of the Imperial Coinage Order, indeed this rhetorically brilliant report indirectly claimed that the emperor was incapable of governing in matters of currency. In October 1623 the Vienna court treasury (of all things), which had been involved both institutionally and with personnel in creating the contract, turned against Karl von Liechtenstein, who was held responsible for minting low-quality money.⁸³ A treasury report accused the members of the consortium of minting a mark of silver into 117, 163, and eventually 320 guil-

⁸⁰ Robert Bireley, *Religion and Politics in the Age of Counterreformation: Emperor Ferdinand II, William Lamormaini, S. J., and the Formation of Imperial Policy* (Chapel Hill, NC, 1981), 18, 23, 41, 47, 165.

⁸¹ Dieter Albrecht, *Maximilian I. von Bayern 1573–1651* (Munich, 1998), 676; and Holger Mannigel, *Wallenstein in Weimar, Wien und Berlin: Das Urteil über Albrecht von Wallenstein in der deutschen Historiographie von Schiller bis Leopold von Ranke* (Husum, 2003), 499 n. 263.

⁸² Khevenhiller, *Annales Ferdinandei*, vol. x, cols. 528–76. Here also all other direct citations.

⁸³ Newald, *Die lange Münze in Oesterreich*, 124.

ders.⁸⁴ The proceedings against the house of Liechtenstein continued under Emperor Ferdinand III. A commission demanded from Karl Eusebius, Karl von Liechtenstein's son, heir, and successor, a fantastic 10.8 million guilders compensation. In 1655 he reached a settlement with the court treasury by paying one million guilders; but even this was not enough. Emperor Leopold I initiated a proper case against Liechtenstein. It was not until May 1665 that the head of state, again in return for the payment of several hundred thousand guilders, granted the prince a *General-Absolutorium*, which brought an end to the legal process against Liechtenstein and the coinage consortium that had been going on for decades.⁸⁵

The house of Liechtenstein came out of it all better than the subject population. Inflation had been set in train, as the Moravian-Bohemian minor noble Mikuláš Dačický z Heslova could report in his chronicle.⁸⁶ As a result, the people in Bohemia must have been in dire straits until long after 1625. Pavel Skála ze Zhoře reports that because of the price rises the subjects could no longer afford even basic foodstuffs such as bread and beer, and were starving.⁸⁷ The inflation did, indeed, lead to considerable price increases, and a severe shortage of goods and food. The mass of the civilian population were left to their own devices in dealing with the consequences of the enterprise. They had to experience at first hand something that had initially been going on in secret.⁸⁸ What is more, quantitative research from the 1960s confirms the extremely unfavourable influence of the coinage consortium not only on the currencies of the empire, but also on those of large sections of the continent.⁸⁹

⁸⁴ Finanz- und Hofkammerarchiv, Niederösterreichisches Münz- und Bergwesen, Faszikel 15, 1622/23, n.p., n.d.

⁸⁵ Herbert Haupt, *Fürst Karl Eusebius von Liechtenstein, 1611–1684: Erbe und Bewahrer in schwerer Zeit* (Munich, 2007), 144.

⁸⁶ Janáček, *Valdštejn*, 245.

⁸⁷ Kostlán, *Dlouhá mince*, 118.

⁸⁸ Josef Polišínský, *The Thirty Years War* (London, 1971), 138, 142.

⁸⁹ See the statistics in Fernand Braudel and Frank C. Spooner, 'Prices in Europe from 1450 to 1750', in Edwin E. Rich and Charles H. Wilson (eds.), *The Cambridge Economic History of Europe*, iv: *The Economy of Expanding Europe in the Sixteenth and Seventeenth Centuries* (Cambridge, 1967), 374–486, at 460–84; cf. Ronald G. Asch, *The Thirty Years War: The Holy Roman Empire and Europe, 1618–48* (Basingstoke, 1997), 156; on the other hand, Peter H. Wilson, *Europe's Tragedy: A History of the Thirty Years War* (London, 2009), 797.

The consortium had far-reaching consequences for Bohemia. It did not even achieve its original objective, the orderly demobilization of troops. Mercenaries who were supposed to retire to the empire remained in place and mutinied, since they realized that their pay was hardly worth anything.⁹⁰ The coinage consortium had achieved nothing, while the demobilization and financial crisis had expanded into a social and starvation crisis. On the other hand, it is unlikely that the coinage consortium deliberately threw Bohemian financial life into chaos, in order to subjugate the country brutally.⁹¹ The members of the consortium were simply not aware of the full implications of their activities, even though it certainly was their aim to make themselves rich, and at the same time gain the emperor's favour. Nonetheless, the expropriation of the nobility, the change in the Bohemian elites, and the inflation caused by the consortium, all of which were linked together, did ultimately help to bring about the subjugation of the Bohemian lands.

In the long run, the *Verneuerte Landesordnung* (New Land Ordinance) of 1627,⁹² a constitutional document which the aging Prince Liechtenstein was still able to work on during his lifetime, subjected Bohemia to the early absolutism of the princely Habsburg state, and brought about a harsh implementation of the incipient Counter-Reformation. Ferdinand II passed this new law without any agreement from the estates. The old estates were no longer mentioned at all, the new order only recognized Catholic subjects—apart from the new lords who had sworn allegiance to the emperor—whom the king commanded. The regulations in the *Landesordnung* certainly did justice to the Austrian house of Habsburg's thoroughly repressive claim to power.⁹³

⁹⁰ Otto Oliva, 'Finanční následky kalady: Podle pramenů z archivu dvorské komory z r. 1624', *Numismatický časopis éceskoslovenský*, 4 (1928), 25–9.

⁹¹ Arnošt Klíma, 'Inflation in Bohemia in the Early Stage of the Seventeenth Century', in id., *Economy, Industry, and Society in Bohemia in the Seventeenth to Nineteenth Centuries* (Prague, 1991), 51–60; and Polišenský, *The Thirty Years War*, 137–42.

⁹² Hermenegild Jireček (ed.), *Die verneuerte Landes-Ordnung des Erb-Königreiches Böhmen: Constitutiones regni Bohemiae anno 1627 reformatae* (Prague, 1888).

⁹³ Lutz Rentzow, *Die Entstehungs- und Wirkungsgeschichte der Verneuertem Landesordnung für das Königreich Böhmen 1627* (Frankfurt am Main, 1998); Hans-

Conclusion

The Prague coinage consortium was a unique, early capitalist venture for financing the wars of the indebted Emperor Ferdinand II and his aristocratic favourites. The emperor appeared to be far more financially dependent on the consortium than its members were on the emperor in social terms, and this is what they profited from. The enterprise took on previously unknown dimensions and is an example of the far-reaching consequences that an intensive and short-term capitalization of war can have. At the same time it marked the high-point of the phase of inflation at the beginning of the Thirty Years War and had very far-reaching social, economic, and political consequences. Clearly not a success for the emperor, it paved the way for the rise of Wallenstein, Liechtenstein, and Eggenberg. Their social advance was essentially due to the fact that in the contract for the coinage consortium no concrete plans were laid down for paying its members. Since the members of the consortium were also the emperor's closest and only financial advisers it was easy for them to deceive him. So, in practice, the consortium could distance itself from its original clear objective of financing the war and become a source of huge personal wealth for a few war profiteers. Apart from that it can also be assumed that this enterprise cast large sections of the population in the Bohemian lands into poverty: first the subjects sold their valuable silver for worthless inflationary money, then they experienced a price explosion, and eventually had to bear the brunt of devaluation and, ultimately, also of the emperor's debts.

Wolfgang Bergerhausen, 'Die "Verneuerte Landesordnung" in Böhmen 1627: Ein Grunddokument des habsburgischen Absolutismus', *Historische Zeitschrift*, 272 (2001), 325–51; Marta Kadlecová, 'Verneuerte Landesordnungen in Böhmen und Mähren (1627/1628): Das prozessuale Vorverfahren', *Zeitschrift der Savigny-Stiftung für Rechtsgeschichte. Germanistische Abteilung*, 120 (2003), 150–79.

Social Support Strategies in the Family:
Women's Networks. German Families in the Baltic Area
(Late Nineteenth and Early Twentieth Centuries)

ANJA WILHELMI

'Support strategies in the family' could be understood to mean planned action within the social network of the family, between individual family or network members. But what brings about this collaboration between family members, what drives the family actors to behave as they do, and what sort of support are we talking about here?

The focal point of this essay are the 'support strategies' of female family members. Using the German upper class population of Estonia and Latvia, that is, the Baltic provinces of the Russian empire, as an example, family network structures will be filtered out and the questions raised at the beginning addressed. The time-span of the study is the late nineteenth and early twentieth centuries, because this is where ruptures in family structures can be discerned. In particular, economic hardship caused by political and social changes brought about restructuring during these decades, leading to re-installation of the female networks to be examined here.

Even though economic factors were the main reason why female networks intensified, the form of 'support' to be examined here is not so much economic; rather the support functions of the networks in question are based mainly on providing education for female family members.

A Brief Introduction to the Historical Background

For centuries the German population dominated the politics, culture, society, and economy of the Baltic provinces of the Russian empire, even though in numerical terms they were a minority: in Latvia c.11

per cent of the whole population in 1885, falling to 3 per cent by 1935; in Estonia c.5 per cent in 1881 and a mere 1.5 per cent by 1934. In the last third of the nineteenth century efforts at modernization and centralization by the central Russian government brought instability to this power structure. As had already happened earlier in large sections of Europe, a phase of upheaval set in, in which the demographic and social changes were not without consequences for the economically dominant upper class of the German population. Eventually, with the proclamation of the independent states of Estonia and Latvia in 1918, the Germans lost their leading position in the political power structure. Although statistically they had always been a minority, they now became a de facto and officially recognized minority.¹

The economic decline of the Germans towards the end of the nineteenth century is also apparent in the lives of this population group. The direct repercussions are most evident in family life. As a life-unit, and indeed in its function as a support-unit, the family could no longer continue in its traditional structure. Along with financial provision for all family members, already mentioned, by accessing the resource 'education' it is possible to verify how closely this was linked to the economic situation.

In times of financial uncertainty providing education (school or university) for sons so that they could gain a professional qualification became a key element for maintaining the family, and an absolute must in family policy. On the other hand, school education, let alone professional training for daughters was secondary to that of sons.² In order to give girls access to school education as well, in times of economic need a solution was sought amongst close family and other relations, and found by building or activating social networks. Single female family members were included in this process.³ In the sphere of education they took on a key role as actors in the

¹ For the history of the Germans in the Baltic see e.g. Georg Rauch, *Geschichte der baltischen Staaten* (Hanover, 1977), still regarded as a standard work.

² Cf. Monika Kubrova, *Vom guten Leben: Adelige Frauen im 19. Jahrhundert* (Berlin, 2011), 101–8.

³ The approach follows Karl Kaser, 'Familie und Verwandtschaft in Bulgarien', in Ulf Brunnbauer and Karl Kaser (eds.), *Vom Nutzen der Verwandten: Soziale Netzwerke in Bulgarien (19. und 20. Jahrhundert)* (Vienna, 2001), 14, who examines the activation of complex and invisible networks of relatives and friends in times of economic crisis.

Social Support Strategies in the Family

female support networks. Now is perhaps the time for a short excursus on network theory to introduce the methodology of this study.

Methodological Considerations, in Particular, the Use of Social Network Theory

The definition of networks used here is based on the approach of Karl Kaser who sees them as 'connected sets of exchange relations', by which relations between people and interactions should be understood.⁴ Searching for traces of these specific relations is a key aspect of this essay, in which networks are examined above all as regards female family members. Apart from the main question as to why networks emerge, the structures of networks and how they function will be analysed, and beyond that a closer look taken at the women who sustained these networks, the network people.⁵

Assuming that family network connections are defined by generative as well as gender-related factors, this essay will focus on the interaction of family members from these points of view and assess their relevance for the family. What will be included here above all are aspects of social support,⁶ in other words, that form of support and interaction understood as an exchange relationship, and referring back to this, if possible, also aspects of 'intergenerational solidarity',⁷ the connection between the generations. In support research these are specifically the questions raised, the connections between network structures, the forms of social exchange, its reciprocity, and the forms of social integration,⁸ in other words, questions which are particularly relevant to the study of family support structures.

⁴ Cf. Rainer Diaz-Bone, *Ego-zentrierte Netzwerkanalyse und familiäre Beziehungssysteme* (Wiesbaden, 1997), 128; Frank Nestmann, 'Familie als soziales Netzwerk und Familie im sozialen Netzwerk', in Lothar Böhnisch and Karl Lenz (eds.), *Familien: Eine interdisziplinäre Einführung* (Weinheim, 1997), 213.

⁵ Following Baas, *Soziale Netzwerke*, 166.

⁶ For the concept of social support cf. Shumaker and Brownell, cited from Diaz-Bone, *Ego-zentrierte Netzwerkanalyse*, 1.

⁷ Johannes Huinink and Dirk Konietzka, *Familiensoziologie: Eine Einführung* (Frankfurt, 2007), 209.

⁸ *Ibid.* 129.

In trying to dissect network structures, autobiographical writing mostly by aristocratic German women in the region under examination is analysed.⁹ Due to the state of the sources, there is no point in looking at this matter from a quantifying point of view, since the autobiographical pieces still intact have no claim to be complete or representative of aristocratic network structures, and quantifying data would therefore only have a limited amount to say.

So the main focus is on qualifying network structures. Furthermore the choice of Qualitative Network Research proves to be extremely useful because it means that network structures and network people can be given equal attention. The family as a social system is understood as an economic and life unit and in this essay is regarded as a whole network. Within this frame of reference unmarried family members are included as part of the family, as people in the family network.¹⁰

Since the main characteristic of the network structures to be demonstrated here is the provision of education, the first step is to outline the most important stages in the education system for girls in the Baltic provinces of the Russian empire.

Essential Elements of the Girls' School System

The school system for girls started to develop in the 1830s when privately run schools emerged in the towns. At these schools, often small boarding schools, girls could take the 'small exam', the qualification as a private tutor. Over the years the size of these establishments increased, as did the number of classes (from two to seven), so that from the 1870s the 'major exam', the qualification as a teacher in a girls' school, could be taken.¹¹ Parallel to the growing supply and

⁹ Part of the sample used was compiled by Anja Wilhelmi, *Lebenswelten von Frauen der deutschen Oberschicht im Baltikum (1800–1939): Eine Untersuchung anhand von Autobiografien* (Wiesbaden, 2008). The vast majority of the autobiographies are by aristocratic women; just a few are attributable to 'bourgeois' women.

¹⁰ Cf. Friedrich K. Barabas and Michal Erler, *Die Familie: Lehr- und Arbeitsbuch für Familiensoziologie und Familienrecht* (2nd edn. Weinheim, 2001), 77.

¹¹ Mary von Haken, 'Sechs Briefe über Mädchenerziehung', *Rigasche Hausfrauen-Zeitung*, 1 July 1887, vol. 4, no. 30, p. 119.

simultaneous increase in demand for girls' schools, a state system of girls' schools developed.

According to the statute for private teaching institutions of 1868, in both the private and the state system of girls' schools a three-step process was envisaged: firstly the *Elementarschule* (elementary school), then the *Töchterschule* (school for daughters), and, finally, the *Höhere Töchterschule* (higher school for daughters). Building on basic knowledge acquired in the elementary school in reading, writing, counting, religion, and 'morals', teaching was extended in the *Töchterschule* to include history, geography, arithmetic, nature study, physics, German, Russian, French, singing, handwork, and drawing; then in the *Höhere Töchterschule* these subjects were studied more intensively.¹²

Parallel to the *Höhere Töchterschulen*, in the two large urban centres, Riga and Reval, two Russian-speaking state girls' grammar schools were founded on the initiative of the central Russian government. Even though they offered a direct path to the *Abitur*, these schools were boycotted by the German population due to social-ethical reservations about the Estonian, Latvian, and partly also Russian pupils and the fact that the teaching was in Russian.¹³

What was far more deep-rooted than the institutional education just mentioned was home tuition. This was widespread amongst the German population, who mainly lived in rural areas until the turn of the century, and only started to decline in the twentieth century. The new statute on private schools of 1868 not only standardized the subjects to be taught, but also made the school systems more equal. The inclusion of the home tuition system under the same control as the general school system can also be seen as part of these attempts to make things more egalitarian and centralized. The key innovations in this standardized school system were that the teachers had to register with the next authority, the local director of schools, and provide

¹² Cf. Allan Liim, 'Unterricht, Erziehung, Bildung: Über deutsche Schulen in Dorpat im 19. Jahrhundert', in Helmut Piirimäe and Klaus Sommerhage (eds.), *Zur Geschichte der Deutschen in Dorpat* (Tartu, 1998), 163–96, esp. 167–73.

¹³ Cf. Wilhelmi, *Lebenswelten von Frauen*, 83–105; and ead., 'Wissenserhalt und Minderheitenpolitik', in Burghart Schmidt (ed.), *Wissenstransfer und Innovationen rund um das Mare Balticum* (Hamburg, 2007), 86 ff.

activity reports, and that there were predefined qualifications required for employing female teachers.¹⁴

In all types of schools tuition had to be paid for, although the actual amounts payable varied from place to place. Thus home tuition also incurred considerable costs, since at least one, and often several teachers (for various subjects and ages) had to be integrated into the family household, catered for, and paid. In the case of school tuition, money had to be found, in some cases, for boarding fees and meals, as well as tuition fees.

Family Structures

'Family' is understood as an open concept that can be differentiated and changed according to time and region.¹⁵ The starting point is a constellation relating to people, in which personal relations acquire particular significance.¹⁶

In the complex of relations between generations the sphere of education is particularly important because it plays a crucial role in the family's economic security as well as the security of the family's identity. Again, education is largely defined by the intentions of the parent generation – and this is where the educational chain continues – who themselves look back to the educational traditions of their own parents.¹⁷ Apart from these family educational traditions, the plans for schooling are also determined by social and economic claims, which for their part can be disrupted by contemporary factors. What is more, they are linked to notions of educational content and form that are gender-specific, and are thus formed by contemporary trends. An essential basis of the family's educational requirements was to pass on its social position to the next generation, in

¹⁴ Cf. Schulwesen (as in n. 6), 433.

¹⁵ Robert G. Moeller, 'Unbenannt und allgegenwärtig: Die Familie in der Zeitgeschichtsschreibung', in Karen Hagemann and Jean H. Quataert (eds.), *Geschichte und Geschlechter: Revisionen der neueren deutschen Geschichte* (Frankfurt, 2008), 320.

¹⁶ Cf. François de Singly, *Die Familie der Moderne: Eine soziologische Einführung* (Constance, 1994), 29.

¹⁷ Böhnisch and Lenz (eds.), *Familien*, 28.

other words, its 'reproductive function'.¹⁸ For the German nobility, traditionally positioned in the upper class, this reproduction represented a key element in securing the family's roots, and, at the same time, created identity.

In seeking to classify 'the' German noble family schematically in the Baltic provinces, applying the model of the so-called nuclear family seems useful. Along with the nuclear family predefined by social science, consisting of mother, father and children, the family circle could be extended in the structure under examination here by the addition of other close relatives such as single women, the sisters of either the mother or the father, and, less frequently, unmarried brothers.¹⁹ Until well into the nineteenth century this 'extended' nuclear family was still the usual model for the German nobility in the Baltic provinces, in which unmarried women were included in the family household.²⁰ It was these single women in particular who performed social duties, but above all took on educational functions.

From the mid nineteenth century signs of the disintegration of the family as an economic and life unit become apparent. The close link between family or household structures and the family's economic security became clearly visible here. It is therefore no surprise that economic shifts had repercussions for family constellations. The structural change in the family inevitably also involved a 'change in the lived relations'.²¹

After 1870 the economic deterioration of large sections of the German population also clearly affected the German upper class, the nobility, as well; it also meant that the social security of the family members was reduced. The first to be directly hit were the single

¹⁸ de Singly, *Die Familie der Moderne*.

¹⁹ Cf. Hans J. Teuteberg, 'Zur Genese und Entwicklung historisch-sozialwissenschaftlicher Familienforschung in Deutschland', in Peter Barscheid and Hans J. Teuteberg (eds.), *Ehe, Liebe, Tod: Zum Wandel der Familie, der Geschlechts- und Generationsbeziehungen in der Neuzeit* (Münster, 1983), 18. No distinction is made here between 'extended' and 'multiple' households.

²⁰ So far no quantification has been done. For the basic problems in assessing household sizes, cf. Hans Bertram, 'Die verborgenen familiären Beziehungen in Deutschland: Die multilokale Mehrgenerationenfamilie', in Martin Kohli and Marc Szydlík (eds.), *Generationen in Familie und Gesellschaft* (Opladen, 2000), 96–7.

²¹ *Ibid.* 98.

family members, those on the periphery of the family, because they could no longer be accommodated under the roof of the 'extended' family. At the time single-person households or, as we would say today, 'flats for singles' were virtually non-existent on the housing market. In addition, the ability to finance single accommodation assumed financial autonomy, which single family members did not have. And quite apart from that, 'social' codes existed that did not envisage living arrangements such as these. So henceforth single women in a family, sisters and aunts, either single, widowed, or divorced, came together in households outside the family. These 'house-shares' were founded on the basis of financial independence that could be achieved through inheritance, personal financial means, or by earning a living.²²

One precondition for the transition from the previously fixed lifestyle model of the 'extended' nuclear family to different types of households and lifestyles was the expansion of educational opportunities for women that set in at the same time and allowed women to gain a professional qualification, leading to financial independence.

If we look back at the family with mother, father, children, however, we still cannot talk of a 'modern nuclear family' in the sense used by Talcott Parsons,²³ even though the family model certainly started to come close to this. For the characteristics of the nuclear family, such as less solidarity and economic independence as regards other relatives, cannot be established, as will be evidenced in what follows.²⁴ Then again, the 'multi-locational family of several generations', as described by Hans Bertem in 2000,²⁵ cannot be transferred to the late nineteenth century either.²⁶ In the last third of the nine-

²² Cf. Ingeborg von Buxhoeveden, *Sommer und Winter: Lebenserinnerungen 1920-1953* (Cologne, 1990), 34-5.

²³ Talcott Parsons, *Family, Socialization and Interaction Process* (New York, 1964); id., *The Social System* (New York, 1964).

²⁴ Cited from Diaz-Bone, *Netzwerkanalyse*, 90. Modern nuclear family: system of nuclear families connected to one another, not a system that is based on broader relational links.

²⁵ Bertram, 'Die verborgenen familiären Beziehungen in Deutschland', 97-121.

²⁶ Stephan Baas, 'Soziale Netzwerke verschiedene Lebensformen im Längsschnitt: Kontinuität oder Wandel?', in Walter Bien and Jan H. Marbach (eds.),

Social Support Strategies in the Family

teenth century the nobility found themselves – to oversimplify – in a transitional phase in which only a reduction in the size of households could set in train the process of shedding individual family members.

The single women who now got together in house-sharing and money-sharing communities are spoken of in autobiographies by the younger generation of nieces and nephews as ‘aunts’; and these women, who belonged to the older generation, accepted this appellation and applied it to themselves. So the designation ‘aunt’, used by the person herself and by others, should briefly be explored here.

Aunts as Network People

In the network ‘family’, the aunt took on a fixed position, and this was independent of the family structure which, as we have seen, was undergoing modifications during the period under examination.

In the widespread family model of the extended nuclear family of the early nineteenth century single women functioned as part of the family’s social and educational network within the family household. Their sphere of responsibilities included upbringing and education on the generative level of the parents’ generation, to which they themselves belonged. In the contemporary conception of ‘femininity’, as women, they were particularly suited to passing on ‘female’ educational content to the future generation of nieces. The symbiotic nature of the network envisaged that, in return, the woman would enjoy social protection and be taken care of financially.²⁷ So, for the educational sphere we can assume generative support, while social support on the horizontal level was given by the woman’s own generation, within her circle of sisters.

As the family as a support institution began to disintegrate at the end of the nineteenth century, and at the same time educational and even professional opportunities for women of all classes increased, the connection between single women and the family shifted from a

Familiale Beziehungen, Familienalltag und soziale Netzwerke: Ergebnisse der drei Wellen des Familiensurvey (Wiesbaden, 2008), 148.

²⁷ Cf. Sirje Kivimäe, ‘Deutsche Frauenbildung im Nordosten’, in Robert Schweitzer and Waltraud Bastman-Bühner (eds.), *Der finnische Meerbusen als Brennpunkt: Wandern und Wirken deutschsprachiger Menschen im europäischen Nordosten* (Helsinki, 1998), 119–215 esp. 200–4.

family household to a new, external, self-created household, that of the single women.

However, this physical separation from the family household did not mean that they became detached from the family. In the sphere of education in particular, the key sphere of influence for single women in the 'traditional' family household, the gender allocation and the division of tasks connected with it carried on. Upbringing and education by female relatives continued to be a field in which female family members were and should be allowed to remain active even outside the family framework. In this way the family network went through a purely spatial expansion or multi-locality.

This sort of support was regarded as part of the family's network tasks, designed to maintain the family. In this way single women managed to gain social recognition and economic autarchy in their new lifestyle, even without being directly tied into the family.

In the following, the development and modification of family structures and their repercussions for female family members will be illustrated by looking at autobiographical extracts. The relational structures between female family members, especially between aunt and niece, based on conveying education, will be examined here on the basis of a few case studies. The examples will be presented in chronological order which should make it possible to follow developments on the temporal level. This procedure should by no means imply, however, that all family structures were subject to linear and simultaneous changes.

In 1835, for reasons connected with her family's educational tradition, Sophie Strümpell,²⁸ in accordance with her mother's wishes, joined the household of her aunt who ran a small boarding school. Here she was following her mother's educational tradition; after a phase of home tuition she had been sent by her own mother to the same boarding school: 'Here, where my mother was one of the first boarders, I was to be the last.'²⁹ With Sophie the educational tradition of the female family members ended since small boarding schools were generally run as family businesses and their existence came to an end when their principal left to take up a profession.

²⁸ Sophie Strümpell, born 1823 in Mitau, Kurland, today Latvia, and died 1893 in Königsluther, daughter of pastor Gottfried Bielenstein and of the aristocratic Emilie von Klebeck, married to the teacher Albert Strümpell.

²⁹ Sophie Strümpell, *Jugenderinnerungen aus Kurland*, i. 46 (CSG-Archiv).

Social Support Strategies in the Family

Sophie's biography is a strong reflection of the expansion of the girls' school system that set in after the 1830s, which, in its turn, could only emerge due to a growing demand for girls' education. Another precondition was an adequate number of female teachers. Single women such as Sophie's aunt could, as teachers, pursue a socially recognized 'female' occupation and at the same time fulfil family obligations, even outside the family household. Thus the professionalization of the teaching profession for women made a substantial contribution to the multi-locality of female network relations in the family and meant that the task of education and upbringing by generative female family networks could continue.

From the perspective of the young girls, characterizing the aunt with the words: 'She was a woman just born to be a teacher',³⁰ was restricted to her professional and implicitly 'feminine' abilities. Along with her task of providing education the aunt was loved and respected by her niece because of her kindness and dedication, which were also manifested in the care she gave in cases of illness. All in all Sophie's affectionate description of her relationship with her aunt makes it sound like a mother-child relationship. A relationship of this sort, built on trust, is hardly surprising since the choice of the aunt already suggests a close, often sisterly relationship between mother and aunt. So this step did not involve building a relationship with a stranger but, in fact, underscored an already existing relational structure. As the following examples will show, mothers occupy an intermediary position in the family's female network. They initiate or activate networks by giving content to generative network structures. From the point of view of education we can even say that the mother's network position and function are transferred to the sister/aunt.

The next example also reveals a relational structure that already existed in the parent generation. Here, however, another component, an economic one, also comes into play. Like almost all her contemporaries, Isalie von Maydell³¹ had her first experience of teaching in the form of home tuition. Initially female home tutors were employed to teach her and her sisters. After her father's death, this expensive educational phase came to an end. The place of the home

³⁰ Ibid.

³¹ Isalie von Maydell: born after 1914, daughter of engineer Walter Baron von Maydell-Wiegandshof and the aristocratic Ellinor von Buddenbrock.

tutor was taken by one of Isalie's sisters. However, this did not turn out to be satisfactory and Isalie herself asked to be allowed to go to a school. She had imagined that she would be sent to a certain boarding school which her friends already attended, but in fact her mother sent her to live with her great-aunts, who lived near a girls' school. Aunt Julie and Aunt Louise were sisters. They shared a household with two other single women, though these do not appear to have been relatives.³² This move meant that Isalie found herself in an unknown household, an alternative to the family that consisted only of women. Because this household was near a girls' school Isalie could pursue her education at far less expense than if she had gone to a boarding school. Isalie gives only economic reasons for the choice of this 'aunts' household'. Another likely motive, however, and hardly suitable for Isalie's ears, is that here Isalie, as a young female family member, could pursue her further education under the protection of relatives while upholding the family tradition. This example from the early twentieth century shows that single relatives were particularly included in the family's plans if they had their own household. The network relationship became all the more relevant because of the spatial separation, even long distance, from the family home.

The educational ambitions of the Gabler family were somewhat different. They, too, were unable to provide their female children with education, though in this case because the father's job moved to a different location, and they also sought alternatives amongst their female relatives. A solution was found in the form of a single sister from the parent generation. At the end of the nineteenth century this woman, whom the niece called Aunt Elise, was running a small girls' school in Estonia. Elisabeth Gabler was sent there by her mother when her husband's job was transferred and the family had to move to southern Russia. Elisabeth, who was meant to remain in her German-speaking environment and receive a German education, stayed in the Baltic province. Elisabeth Gabler talked of her aunt, with whom she was to spend her school years, as her 'second mother'. Although the great-niece much appreciated the relationship, she lamented that her aunt could not pay her more attention, due to her financial worries.

³² Isalie von Maydell, *Der Geist jener Zeit* (Ottawa, 1991), unpublished typescript, pp. 90-2.

Social Support Strategies in the Family

The reforms to the girls' education system of the 1880, which made Russian-language teaching compulsory, led to strong rejection on the part of the German population. Private institutions only existed because German parents wanted German-language teaching for their daughters, and this was what was needed for a qualification as a teacher. One of the reasons why the Gabler family sent Elisabeth to her aunt, or educational establishment, was that lessons continued to be conducted in German there. And the aunt did, indeed, do everything possible to keep her German-speaking school going. On the one hand there was a cultural-national interest in maintaining German-speaking education for girls, since the continued existence of the school guaranteed Aunt Elise a living. Ultimately Aunt Elise's professional reputation and her connections with the school administration helped her to find legal exceptions for her school.

The relational structure between Aunt Elise and Elisabeth was not, as also in the case of the aunt-niece relationship described earlier, restricted simply to imparting education. All nieces also fulfilled other social functions of the relationship. Apart from the care already mentioned, Elisabeth stresses a further component in her aunt's educational canon, by which she acquired social competence in dealing with strangers or related people. Thus the aunt accompanied her niece on all excursions, social duties, and visits to relatives. In this way the aunt undertook essential elements of the 'female' educational programme of the parent generation, which would, in fact, have been part of the mother's responsibilities. Upholding the family tradition and bearing in mind its social position the girl was given insights into the social behaviour that was of great importance to a German population group keen to retain its values and traditions.

When Elisabeth's time at school was over the relationship between aunt and niece initially broke up because Elisabeth, against her will, returned to her parents' home in order to teach her sisters. After a while, however, Elisabeth, unhappy with her situation, asked her aunt for help, upon which she received the financial means necessary to return to her aunt's household.

Despite the distance between them the network between aunt and niece proved to be robust and strong.³³ Even though both parties

³³ Granovetter's strong/weak ties model is avoided here since various relational levels are assumed whose unique characteristic does not lie in their intensity. Cf. the discussion in Christian Stegbauer, 'Weak und Strong Ties:

regarded the 'educational contract' between them as finished, the network relationship continued as a social support network – even though inactive – and was re-activated by the call for help made by one of the network people. The mother, originally the intermediary between niece and aunt, had given up her function. Once the network based on education had come to an end, she was excluded from the new relationship.

Elisabeth Kersten³⁴ was ten years old when her mother, in the turmoil of the First World War, decided to entrust her oldest daughter into the care of her aunt, the mother's single sister who was working as a school teacher. Elisabeth was first taught in her aunt's home, then later went to school. The initiative for the new educational setting came, as in all the examples seen so far, from the mother. In Elisabeth's case the key reasons were straitened circumstances and her mother's view that she could neither educate her daughter adequately nor afford to pay for her tuition.³⁵ Her support was an advantage not only to the young girls but to the whole family. As someone providing support she acquired or adopted a function that gave her meaning and identity as a family member and as a woman. The aunt's reaction makes it clear that the relational network did not work exclusively in one direction, but was based on reciprocity between the network people: support and recognition can visibly be filtered out here as the pillars supporting family networks.

In the course of time the aunt took in more and more girls to give them an education: during the war, girls who were her relatives were joined by other children whom she knew. It can be assumed that this Aunt Anna had some savings and keen financial knowledge since some of the girls were orphans, others came from impoverished families where the father was at war and the mother, like Elisabeth's, was on the run with the youngest children. So there was unlikely to be any financial recompense for the support she provided.

Freundschaft aus netzwerktheoretischer Perspektive', in id. (ed.), *Netzwerk-analyse und Netzwerktheorie: Ein neues Paradigma in den Sozialwissenschaften* (2nd edn. Wiesbaden, 2010), 105–19.

³⁴ Elisabeth Kersten: born 1907 in Talsen, Kurland, today Latvia, daughter of the Latvian Karl Irbe and the German Milda Mengel.

³⁵ Elisabeth Kersten, *Rückblende: Erlebnisse zwischen Kurland und Kap* (Münster, 1997), 113–17.

Social Support Strategies in the Family

In Elisabeth's case the agreement between aunt and mother did not come to an end when the war was over or when she had finished school. Since the aunt's economic situation was far more stable than that of the parents, Elisabeth remained in her care. The network between Elisabeth and Aunt Anna is a good example of the potential interchangeability of functions or the multi-functionality of social networks.

So family networks between single relatives and members of the nuclear family by no means only emerged in the sphere of education transfer. The generative aspect of family networks was particularly favourable to the formation of networks not based primarily on people of the same gender. Amongst the relatives of Karola von Hoyningen-Huene,³⁶ born in 1911, there were also aunts, single sisters of her maternal grandfather: 'They were a centrepiece for all nieces, nephews, great-nieces, and great-nephews.' These were the three much-loved aunts whose only aim in life was to make their fellow human beings happy.³⁷ These 'beloved aunts', actually two great-aunts and a single cousin of the writer,³⁸ had joined together after the land reform in Estonia in 1919 and in Latvia in 1920 and ran the manor house of their now expropriated family estate. In this way, as members of the parent or grandparent generation, they brought all the generations together and created a communicative space in which the network 'family' could be maintained. Family membership could be secured here by anchoring family traditions, lifestyles, cultural definitions, and the family's social position.

Generative networks with single people as the key figures in the network emerged where family networks in 'closed' households were fragile, or where traditional network members such as grandparents were missing. The local nature and size of households could

³⁶ Karola von Hoyningen-Huene: born 1911 in Strutele, Kurland, today Latvia.

³⁷ Karola von Hoyningen-Huene, 'Mein Leben für meine Kinder niedergeschrieben, pt. 1: 1911-1945', unpublished manuscript, 1980, Archiv der Carl-Schirren-Gesellschaft, p. 32; cf. also Eva Kreissl, *Die Tante: Eine Frau mit Eigenschaften. Untersuchung eines Phänomens* (Vienna, 1996), 14, who perceives the 'aunt' as a concept that is 'feminine . . . and based on relations with an older generation'.

³⁸ Ina and Hilde Drachenfels and Emma Stromberg. Unfortunately there is no further information about them.

determine the knots in networks, especially when networks were geared towards continuity and communication in an internal space.

The functional significance of the aunt as a network person and her position within the family network was therefore primarily determined by her economic situation and her living arrangements. As central figures in the family network of three generations, aunts, if they wanted to be the 'control centre' for family communication, had to have the appropriate space and financial means.

Summary

Starting with Hans Bertram's theory that the change in household and family structures brought with it a change in the relational network of the family,³⁹ in the 'real relations', the example of single women has been used to examine the nature of this change.

Throughout the period in question, the nineteenth and early twentieth centuries, single women remained closely linked to the family. This link was based on a social network geared towards providing social support for younger female family members.

The task of those women who maintained the network was defined by their gender. The gender concept of the time meant that upbringing and education in particular were regarded as the woman's domain. Whether in the family home or in that of the single women, the network between 'aunt' and 'niece' was primarily designed to provide support in the sphere of education and upbringing.

An essential component in forming the network was to uphold the family and its traditions. Via the aunt, the conveyor of education, educational values, content, and forms were passed on to the younger female generation. One of these 'classical' educational aspects was how to conduct oneself socially, in other words, maintain the family's social position. The reciprocity of the network can be seen on various levels here: as regards the individual network people, in the case of the young woman she could acquire a relatively inexpensive education in a family environment; for the older woman it meant that she was directly involved with the family and, as a woman, could fulfil a

³⁹ Bertram, 'Die verborgenen familiären Beziehungen in Deutschland', 98.

Social Support Strategies in the Family

socially recognized function, thereby establishing her feminine identity beyond the socially idealized role of the mother. What is more, the emotional level of the network led to new experiences in the emotional life of both the young and the older woman, and to strong feelings such as love and trust on both sides.

The mother of the girl receiving education could, in her network position as mediator, have recourse to educational resources which she regarded as perpetuating family educational traditions.

If this network in the 'original family model' was always available to all those family members living in the same household, then the network in the family model living separately (bi-local) first had to be activated. This happened especially when the family found itself in some sort of emergency situation, as illustrated by the examples of war events, economic hardship, and changes of location.

The support function of networks could be varied and multi-functional. From the perspective of the younger woman it was not confined simply to education, but could, for a limited period of time, offer an alternative lifestyle outside the parental home.

The support services provided by single female family members underpin the assumption (based on present-day sociological studies) that 'responsibility towards other generations, willingness to provide support and a common shared family history as important preconditions for family solidarity' were also possible in separate households, and still are today.⁴⁰ In these cases family relations were and are tied to generations and based on family support services and solidarity within the family, despite and perhaps because of their multi-locality.

The multi-functionality of network structures (from emotions, upbringing, education, right up to financial support) has shown that structural changes in the sphere of structural density could also be demonstrated. The factors for these network changes are mainly to be found in political, economic, and social restructuring which had an implicit effect on the family as a social network.

Finally, looking as present-day social science studies the question arises to what extent an analysis of a historical society shows parallels with research findings on present-day social structures, or whether processes can be traced. One common finding is the 'durability' of trans-generational relations, in which periods of latency can

⁴⁰ Cf. *ibid.* 103.

be bridged. On both temporal levels, too, formalized family gatherings represent a constant major factor in the web of relations.⁴¹

Particularly in relation to current debates about single households, which the media like to characterize as a social danger and the result of increasing individualization, looking back at the history of the late nineteenth and early twentieth centuries can lead to new insights.⁴² Just like 100 years ago, families today are not to be regarded as fixed social units. Family concepts and structures are always subject to a process of change. Single women outside the family household were already securely anchored in the social structures of the nineteenth century. But unlike today, primarily due to a lack of financial autarchy, their path towards founding a single-person household was blocked.

⁴¹ Cf. Stegbauer, 'Weak und Strong Ties', 111.

⁴² Cf. the discussion in Bertram, 'Die verborgenen familiären Beziehungen in Deutschland', 98.

Relational Decision-Making:
Rural Society, Credit Markets, and the Nazi State in
German-Annexed Austria, 1938

ERNST LANGTHALER

Introduction: A Pathbreaking Decision

In the late winter of 1936 the mountain farm of Oberhofstatt in Frankenfels, 900 metres above sea level, burned down to its foundations. Since the property was not insured, the family, with its many children, was facing ‘the abyss’. By working laboriously the people of Oberhofstatt, with the help of relatives and neighbours, managed to rebuild the living quarters and the farm area. By autumn 1939 the family and its animals were able to move back in; but they were seriously in debt. Soon, however, a solution to the debt problem emerged:¹ the ‘debt relief and construction’ scheme introduced by the Nazi regime shortly after the *Anschluss* in 1938 and which, in a quasi-religious way, seemed to the Oberhofstatt family like a ‘blessing’, salvation from the heavy burden of debt. From the experience of past misfortune, the fire that was still oppressing them both physically and psychologically, hope for the future was suddenly opening up.

In the historical situation of 1938, what to this day is still regarded as a ‘blessing’ in the family’s memory first needed the decision to apply for the ‘debt relief and construction’ scheme; and the Oberhof-

This essay results from my *Habilitation* project funded by the APART prize of the Austrian Academy of Sciences 2005 to 2008: Ernst Langthaler, *Schlachtfelder: Alltägliches Wirtschaften in der nationalsozialistischen Agrargesellschaft* (Vienna, 2015). Preliminary versions have been presented at workshops at the University of Münster (2007), the University of Trier (2010), and the German Historical Institute London (2011); I would like to thank the discussants as well as Ulrich Schwarz for their valuable suggestions.

¹ See <<http://www.obere-hofstatt.at/feuer.html>> (accessed 6 July 2011).

statt farm owner was one of the first in his community to reach this decision. According to an order of 5 May 1938 owners of agricultural, forestry, and also gardening concerns, who were 'in need of debt relief', and were 'capable' and 'worthy' of it, could, up to 31 December 1938, apply for 'debt relief' and, if required, 'construction'.² Until the process was complete the applicants were protected by law.³ On a four-page form they had to give precise details about their holding and household, as well as the extent and nature of their debts.⁴ The forms were usually passed on to the appropriate authority, the *Landstelle*, by the local farmers' leaders, who often added a statement to the application. In German-annexed Austria in 1938 the *Landstellen* were specially created as offices of the Reich in order to carry out the 'debt relief and construction' scheme; the office responsible for the provinces of Niederdonau and Vienna was based in Vienna.⁵

The place and time of the farm-owner's decision to make an application are documented in the files; this gives us an insight into the otherwise hidden area of farm management: the way in which a decision was reached that set the points for future developmental paths. The starting point of this case study is recognition of the fact that crucial decisions of this sort are rarely an individual act of will; they are generally negotiated collectively and are embedded in relations that take effect pre-consciously.⁶ In short, decision-making is *relational*.

Taking the Nazi policy of 'debt relief' for farm owners in four different Austrian villages as examples, the essay explores the potential of Social Network Analysis (SNA) for the study of the diffusion of

² See 'Verordnung über die Entschuldung der Landwirtschaft im Lande Österreich (Österreichische Entschuldungsverordnung) vom 5.5.1938', *Reichsgesetzblatt* (hereafter *RGBl.*) I (1938), 502; August Lombar, *Entschuldung und Aufbau der österreichischen Landwirtschaft* (Klagenfurt, 1953), 33–34.

³ See 'Verordnung über den Vollstreckungsschutz während eines landwirtschaftlichen Entschuldungsverfahrens im Lande Österreich vom 27.6.1938', *RGBl.* I (1938), 783.

⁴ The application form is reproduced in Hans Heinrich, *Die landwirtschaftliche Entschuldung in der Ostmark nach der Österreichischen Entschuldungsverordnung vom 5. Mai 1938* (Berlin, 1939), Appendix.

⁵ See Lombar, *Entschuldung*, 13.

⁶ See Christian Etzrodt, *Sozialwissenschaftliche Handlungstheorien: Eine Einführung* (Constance, 2003).

Relational Decision-Making

innovations in rural communities in German-annexed Austria in 1938. Multi-functional networks between family farms affect the diffusion of the application for the state's 'debt relief and construction' scheme. The potential of SNA is enhanced by combination with methods deriving from field and discourse theory. Thereby, additional drivers are highlighted: first, diffusion-promoting milieux based upon material, social, and symbolic features of the farming families; and, second, diffusion-promoting subject positions of discourses mediated by the agrarian press and local functionaries. As a result, SNA turns out to be a valuable but limited method for studying the diffusion of innovations; epistemological added value can be gained by combination of SNA with other quantitative and qualitative methods, therefore meeting with the multi-relational character of everyday decision-making.

I. Relational Decision-Making in the Network

How new ways of thinking and acting become widespread in a society is the subject of social science diffusion theories.⁷ Since the mid twentieth century research on the *diffusion of innovations* has been carried out in sociological, ethnological, geographical, and communications contexts;⁸ its central theme, the dissemination of an innovation via inter-personal relations, comes from epidemiology.⁹ A pioneering study from the 1940s offered the diffusion theory an empirical basis; it showed that US farmers decided to use hybrid maize seeds not so much for economic or cultural reasons, but for social ones – the interaction between more or less 'innovative' actors.¹⁰ In the 1950s, 1960s, and 1970s a series of individual analyses orientated towards basis and application followed, which Everett M. Rogers synthesized in an

⁷ As an introduction see Veronika Karnowski, *Diffusionstheorien* (Baden-Baden, 2011).

⁸ See Everett M. Rogers, *Diffusion of Innovations* (5th edn. New York, 2003), 39–101; Karnowski, *Diffusionstheorien*, 33–48.

⁹ See M. Morris, 'Epidemiology and Social Networks: Modelling Structured Diffusion', *Sociological Methods and Research*, 22 (1993), 99–126.

¹⁰ See R. Ryan and N. Gross, 'The Diffusion of Hybrid Seed Corn in Two Iowa Communities', *Rural Sociology*, 8 (1943), 15–24.

exemplary way in various stages.¹¹ Since the 1980s approaches using network theory and analysis, based on earlier pioneering work,¹² are increasingly becoming part of research on the *diffusion of innovations*.¹³

From the point of view of network theory, the diffusion of an innovation is the business of brokerage, or, more precisely, a series of brokerages. The decision to adopt a new way of thinking or acting – buying a machine, applying for promotion, accepting a job, and so on – is conveyed step by step via the brokers' interpersonal relations; in this way it spreads 'like an epidemic' within the network of people.¹⁴ Dissemination takes a characteristic course: at first only a few 'innovative' actors who are prepared to take risks due to their above-average property and educational status accept the innovation (innovators, about 2.5 per cent); via the direct (early adopters, around 13.5 per cent) and indirect relations of the innovator (early majority, around 34 per cent) the number of adopters grows quickly; as a result of increased confidence in the innovation most of the remainder accept it (late majority, about 34 per cent); eventually the late adopters (laggards, about 16 per cent) bow to the growing pressure and accept it too. The diffusion curve, the illustration of how the number of adopters grows cumulatively over time, is S-shaped: slow growth and gentle increase at the beginning, accelerated growth and a marked increase around the middle, slower growth and levelling-off at the end.¹⁵ What can be used to measure the efficacy of the interpersonal relations in the network (exposure) is the proportion of adopters amongst all an actor's neighbours at a given point in time; this level at the time when the actor adopts is characterized as the

¹¹ See Rogers, *Diffusion*. The first edition was published in 1962; further editions followed in 1971, 1983, 1995, and 2003.

¹² See J. S. Coleman, E. Katz, and H. Menzel, 'The Diffusion of an Innovation among Physicians', *Sociometry*, 20 (1957), 253–70.

¹³ See R. Burt, 'Social Contagion and Innovation: Cohesion Versus Structural Equivalence', *American Journal of Sociology*, 92 (1987), 1287–335; Thomas W. Valente, *Network Models of the Diffusion of Innovations* (Cresskill, NJ, 1995); id., 'Network Models and Methods for Studying the Diffusion of Innovations', in Peter J. Carrington, John Scott, and Stanley Wasserman (eds.), *Models and Methods in Social Network Analysis* (Cambridge, 2005), 98–116.

¹⁴ See Valente, *Models*, 101–4.

¹⁵ See Rogers, *Diffusion*, 282–7.

threshold. Thresholds close to the minimum 0 manifest innovative behaviour; values near to the maximum 1 are regarded as signs of lacking innovativeness.¹⁶

Instead of theorizing about the strengths and weaknesses of this model,¹⁷ this essay will try to establish empirically whether it is viable. Using four focus communities in the former province of Niederdonau – Auersthal in the flat and hilly land to the east, Frankenfels on the slopes of the Alps, Heidenreichstein in the northern highlands, and St Leonhard am Forst in the hilly land south of the river Danube – the diffusion of the decision to apply for ‘debt relief and construction’ in the rural society of the second half of 1938 will be examined. The diffusion curve of all the 209 applicants diverges widely from the S-shaped model. This is hardly surprising; after all what is missing is a central presumption of the model: the interpersonal connectedness of *all* adopters. For this reason we will look at the diffusion curves for each community separately; a broad spectrum becomes apparent here, with Frankenfels and Heidenreichstein at each end (Figure 1). The S-shaped characteristic of network-driven diffusions is not perceptible for Auersthal, St Leonhard am Forst, and Heidenreichstein: the initial growth breaks off too quickly, the increases at the end seem too abrupt. The flat second half of the diffusion curve for Frankenfels also deviates from this model; it is actually the first half that is more like an S-shape, which could point to an ‘epidemic’ network effect – after all three-quarters of the applicants took part. Consequently the interpersonal relations of the applicants deserve more attention.

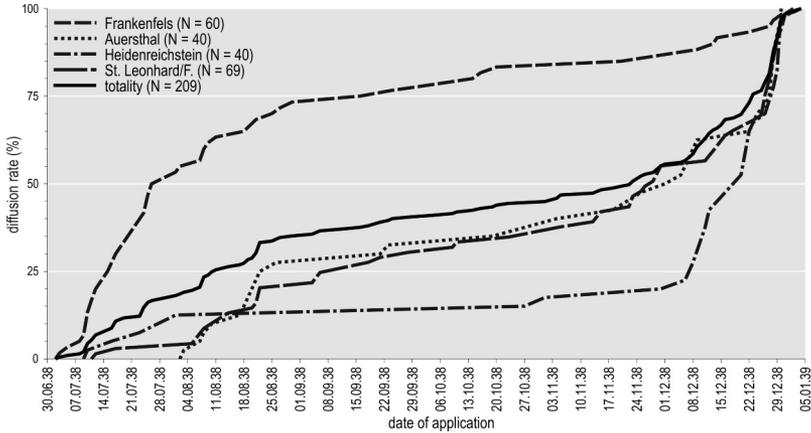
Comparison of the guarantor and private credit relations in the four focus communities reveals that formal and informal relations surrounding anything to do with money did not represent an opposition, but stood alongside one another – even determined one another.¹⁸ In the communities examined, generally speaking guarantees for personal credits at savings and loan associations, as well as private

¹⁶ See Wouter de Nooy, Andrej Mrvar, and Vladimir Batagelj, *Exploratory Social Network Analysis with Pajek* (Cambridge, 2005), 167–70.

¹⁷ As a criticism see Karnowski, *Diffusionstheorien*, 69–73.

¹⁸ See Bruce G. Carruthers, ‘The Sociology of Money and Credit’, in Neil J. Smelser and Richard Swedberg (eds.), *The Handbook of Economic Sociology* (2nd edn. Princeton, 2005), 355–78.

Figure 1: Diffusion of Applications for ‘Debt Relief’ by Community, 1938.



Source: own calculations (N=209) based on Provincial Archives of Lower Austria (Niederösterreichisches Landesarchiv, hereafter NÖLA), Amt NÖLReg, L.A. VI/12, Entschuldungsakten, AZ 263 (Auerthal), AZ 337 (Heidenreichstein), AZ 909 (St Leonhard am Forst, KG Aichbach), AZ (St Leonhard am Forst, KG Grimmegg), AZ (St Leonhard am Forst, KG Pöllendorf), AZ 928 (St Leonhard am Forst, KG Ritzengrub), AZ 931 (St Leonhard am Forst, KG Markt), AZ 1378 (Frankenfels).

loans, were largely arranged amongst relatives or near neighbours, especially in Frankenfels and Heidenreichstein.¹⁹ The exception is Auerthal: most of the guarantee arrangements there were indeed embedded in familial or neighbourhood relations; but the private creditors—some of them lawyers, traders, or businessmen from the region, others credit-providers from near-by Vienna—hardly ever had this sort of close relationship with their debtors (Table 1). Guaranteeing personal credit for another person or lending them money was, in the crisis years of the 1920s and 1930s, a risky business. However, the risk of taking on someone else’s debts or of having to write off the money lent, complete with interest, could be reduced by mutual *trust* between the two parties. Clearly being

¹⁹ See Walter Lechler, *Kreditgrundlagen der bäuerlichen Betriebe in der Ostmark* (Berlin, 1941), 57.

Relational Decision-Making

neighbours or relatives served as social capital that formed trust; and this was convertible into monetary values – guarantees for personal credit at regional savings and loan associations, as well as personal credit.

The diffusion network for the community of Frankenfels shows the neighbourhood and guarantor relations between the applicants with the corresponding thresholds at the time each application was

Table 1: Multifunctional Monetary Relations of the Applicants in Auersthal, Frankenfels, Heidenreichstein, and St Leonhard am Forst, 1938.

sort of relation	Auersthal (N=39)		Frankenfels (N=58)		Heidenreichstein (N=39)		St Leonhard/F. (N=69)	
	cases	%	cases	%	cases	%	cases	%
<i>guarantees for personal credits</i>	21	100.0	78	100.0	30	100.0	38	100.0
-kinship and neighbourhood	6	28.6	17	21.8	1	3.3	3	7.9
-neighbourhood only	6	28.6	26	33.3	12	40.0	17	44.7
-kinship only	5	23.8	10	12.8	3	10.0	-	-
-other relations	4	19.0	25	32.1	14	46.7	18	47.4
<i>private credits</i>	25	100.0	41	100.0	29	100.0	36	100.0
-kinship and neighbourhood	-	-	1	2.4	-	-	1	2.8
-neighbourhood only	-	-	8	19.5	10	34.5	4	11.1
-kinship only	4	16.0	16	39.0	8	27.6	11	30.6
-other relations	21	84.0	16	39.0	11	37.9	20	55.6

Source: see Figure 1 (N=205).

made (Figure 2). What can be seen immediately are the two sections of the diffusion curve: S-shaped and strong growth from the beginning of July to the end of August, linear and weak growth from the beginning of September to the end of December. Remarkably, the first two applicants at the beginning of July were not connected with those who followed. These were two farm owners beyond the norm of the farming milieu: an owner of a medium-sized farm who was regarded as an odd-ball because of his passion for reading (no. 7),²⁰ and a female farm-owner who dominated her husband (no. 10).²¹ It was the thirteen farm owners (nos. 3, 6, 8 etc.) in the following week who set off the 'epidemic' dissemination of making applications in the community. The large number of applications made simultaneously leads to the conclusion that the farm-owners, spurred on by the public announcement of 'debt relief and construction', had already been waiting for quite some time. Linked closely to one another, which we can see from the rising thresholds, in the following weeks other farm owners also decided to fill out the application form: five and then nine as early as July, three, four, three and finally another three in August. The local farmers' leader (no. 20) signed his own form at the end of August, at the turning point of the wave of applications with the maximum threshold; that means that all his network neighbours had already made their applications. Possibly he delayed his application so that he could wait and see how the local farm owners reacted to the scheme; now he jumped on the bandwagon.

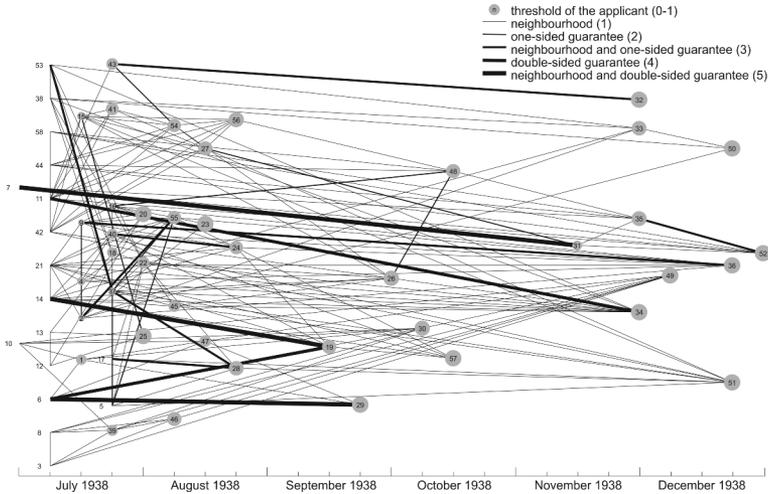
However crucial the guarantee network may have been for access to the credit market, it obviously did not play any great role in the decision to take part in the state 'debt relief and construction' scheme. It was precisely those farm owners who were connected with earlier applicants by one-sided or mutual guarantees (nos. 19, 29, 31, 34, 36, and 48) who made their decision at a very late stage. What proved to be far more important for the 'epidemic' dissemination of the decision to apply were neighbour relations. Thus, for example, in the fol-

²⁰ See Provincial Archives of Lower Austria (Niederösterreichisches Landesarchiv, hereafter NÖLA), Amt NÖLReg, L.A. VI/12, Entschuldungsakten, AZ 1378-12; as a case study see Ernst Langthaler, 'Die Erfindung des Gebirgsbauern: Identitätsdiskurse zwischen NS-System und voralpiner Lebenswelt', in id. and Reinhard Sieder (eds.), *Über die Dörfer: Ländliche Lebenswelten in der Moderne* (Vienna, 2000), 87-142.

²¹ See NÖLA, Amt NÖLReg, L.A. VI/12, Entschuldungsakten, AZ 1378-15.

Relational Decision-Making

Figure 2: Diffusion of the Applications in the Network of Neighbourhood and Guarantee Relations in Frankenfels, 1938.



Source: own calculations (Social Network Analysis with PAJEK, N=58) based on NÖLA, Amt NÖLReg, L.A. VI/12, Entschuldungsakten, AZ 1378 (Frankenfels).

lowing weeks, along with the Oberhofstatt farm owner no. 53 other neighbours (nos. 18, 22, 37, and 38), including one credit guarantor, decided to apply. Neighbour relations between farming families were extremely important in a region where there were hardly any smallholders as a flexible labour reserve and the far-flung individual farmsteads were far removed from the settlements where possible farm-workers lived. In the high season labourers were exchanged between neighbouring farms; individual visits and family celebrations underpinned these exchange relations in a ritual way.²² The ex-

²² See Ernst Langthaler, 'Agrarwende in den Bergen: Eine Region in den niederösterreichischen Voralpen (1880–2000)', in Ernst Bruckmüller, Ernst Hanisch, and Roman Sandgruber (eds.), *Geschichte der österreichischen Land- und Forstwirtschaft im 20. Jahrhundert*, vol. ii: *Regionen, Betriebe, Mensche* (Vienna, 2003), 563–650, at 621; Gertraud Seiser, "I woäß es nu guat, zwöif oda vierzehn Sengstn samma gwen." Soziale Stratifikation und höfeübergreifende Arbeitsorganisation im Unteren Mühlviertel (1920–1980)', in Rita Garstenauer, Erich Landsteiner, and Ernst Langthaler (eds.), *Land-Arbeit:*

change of labourers between cooperating farms made neighbour relations into the capillary network of village communication; during the high season in summer, when there was an abundance of work, these were able to channel the flow of information, opinion-forming, and the decision-making in favour of the 'debt relief and construction' scheme.

The multifunctional neighbourhood relations between the farming households, intensified during the high season, favoured the wave of applications in July and August 1938 in Frankenfels. So why was this network effect missing elsewhere, for instance, in Heidenreichstein, the polar opposite, where by the beginning of December 1938 no significant number of applications had been made (Figure 3)? Of course, neighbour relations existed here as well; but unlike in Frankenfels, here the applicants were divided into different zones: the small town itself, the village of Kleinpertholz, and two small far-flung settlements, Edelau and Wielandsberg. What happened at the end of July and beginning of August in Wielandsberg, where there were not many farms—the dissemination of the idea to make an application via neighbours (nos. 1, 4, and 5)—failed to materialize in the other communities. Even the two earlier applications in Kleinpertholz—the first from a poverty-stricken widow (no. 3),²³ the second from the wife of the local farmers' leader who had a medium-sized farm (no. 2)²⁴—got little response from the neighbours. The local farmers' leader and his wife were quick off the mark with their application in July, but the rest of the landowners were initially reserved. There was just as little effect when a craftsman from the town of Heidenreichstein made his application at the end of October; he owned several hectares of land and mistakenly imagined that he could set off his business debts via the 'debt relief' scheme (no. 6).²⁵ The reason why there was no 'epidemic' dissemination of applications in Heidenreichstein was obviously the lack of pioneers who could take the rest of the community with them. The smallholder's widow and the craftsman clearly did not have sufficient prestige in

Arbeitsbeziehungen in ländlichen Gesellschaften Europas (17. bis 20. Jahrhundert) (Innsbruck, 2010), 173–97.

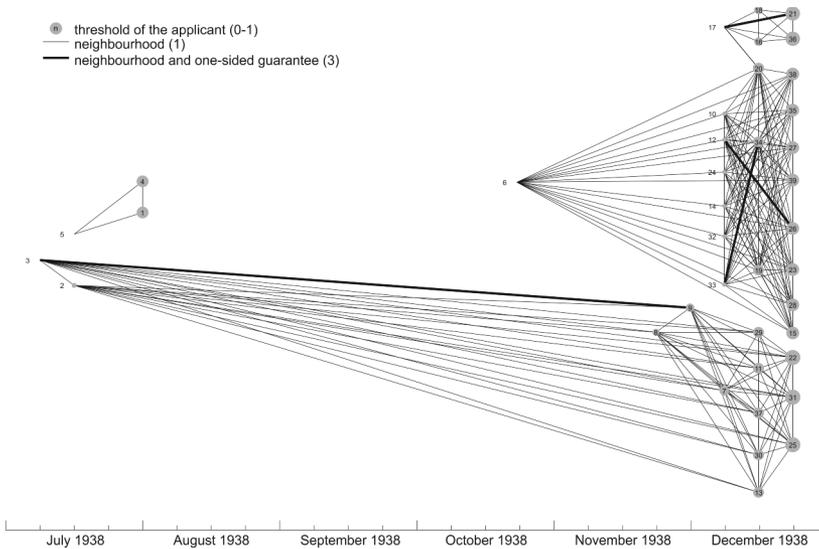
²³ See NÖLA, Amt NÖLReg, L.A. VI/12, Entschuldungsakten, AZ 337-3.

²⁴ *Ibid.* AZ 337-2.

²⁵ *Ibid.* AZ 337-6.

Relational Decision-Making

Figure 3: Diffusion of the Applications in the Network of Neighbourhood and Guarantee Relations in Heidenreichstein, 1938.



Source: own calculations (Social Network Analysis with PAJEK, N=39) based on NÖLA, Amt NÖLReg, L.A. VI/12, Entschuldungsakten, AZ 337 (Heidenreichstein).

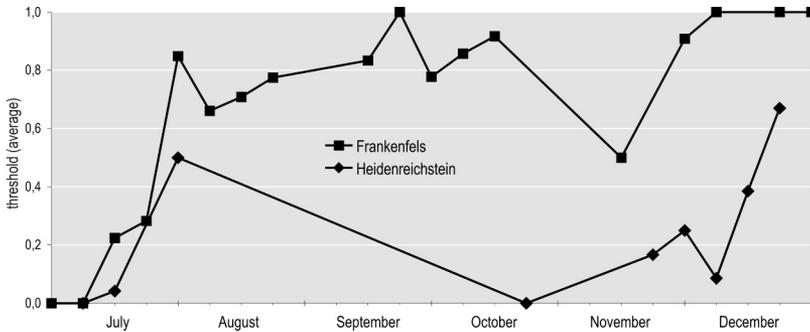
the farming community; even the local farmers' leader of Kleinpertholz, who did not even appear in the land register as a landowner and apart from that worked as a cash-in-hand labourer in the transport service, had little influence in this respect.²⁶ Furthermore, the exchange of labourers played a smaller role here than in Frankenfels; the largely closed village and small-town settlements in Heidenreichstein with numerous smallholder families had a more flexible reserve of labour – and thus the diffusion channel was less significant.

So let us sum up the findings of this empirical experiment conducted on the basis of network theory: the most significant 'epidemic' dissemination of the decision to make an application, as is characteristic of network-driven diffusion, took place in Frankenfels in the months of July and August. This network effect manifested itself in constantly rising threshold averages, which had already reached the

²⁶ See NÖLA, Amt NÖLReg, L.A. VI/12, Entschuldungsakten, AZ 337-2.

maximum 1 by the end of September; according to this, neighbours who had already made an application must, as a ‘critical mass’,²⁷ have exerted ever-increasing influence on the decision of the actors to make an application. The polar opposite, Heidenreichstein, shows no network effect—evident from average thresholds which did not exceed 0.5 before the end of December and in October sank back to the minimum value 0 (Figure 4). In short: networks of people, especially in neighbour relations so vital for the farming economy, had a provable influence on the decision of the farm-owners to make an application, but this influence was limited in both space and time. This interim conclusion provokes the question as to additional factors relevant to the decision, for instance, characteristics of the applicants making them more likely to be either for or against. In order to answer this, we need to go through it all again from a different perspective.

Figure 4: Adoption Thresholds of the Applicants in the Network of Neighbourhood and Guarantee Relations in Frankenfels and Heidenreichstein, 1938.



Source: see Figures 2 and 3 (N=97).

²⁷ On the importance of a ‘critical mass’ in a diffusion process see de Nooy, Mrvar, and Batagelj, *Network Analysis*, 173–6.

II: Relational Decision-Making in the Field

Like network theory, Pierre Bourdieu's field theory is based on a relational notion of society;²⁸ but it represents a different concept of relations. A field²⁹ comprises an area of relations—a 'net'³⁰—between positions that vary according to the composition and extent of the capital (economic, social, cultural, and so on) available to the actors involved.³¹ Unlike network theory, field theory does not conceive of relations as interpersonal, but as structural (dis-)similarities regarding the locations of the actors in the space. The actors only start to interact under certain conditions, and, in struggles for classification, form themselves from a theoretical or 'objective' (that is, structurally located in the social space) class into one that is practical or 'subjective' (that is, interactively networked in the symbolic space).³² The pre-reflexive dispositions in terms of perception, thought, and behaviour (that is, the internalized structures of the 'habitus') adapted to each position (that is, the external structures of the field) guide the actors' practical decisions without fully determining them.³³ As a method for raising the interrelations of the field positions correspondence analysis is very suitable;³⁴ it is able to arrange the cases (that is,

²⁸ As an introduction see Markus Schwingel, *Bourdieu zur Einführung* (Hamburg, 1995).

²⁹ See Pierre Bourdieu, *Soziologische Fragen* (Frankfurt am Main, 1993), 107–14; id. and Loïc J. D. Wacquant, *Reflexive Anthropologie* (Frankfurt am Main, 1996), 124–47; Pierre Bourdieu, *Praktische Vernunft: Zur Theorie des Handelns* (Frankfurt am Main, 1998), 13–27.

³⁰ Bourdieu and Wacquant, *Anthropologie*, 127.

³¹ See Pierre Bourdieu, 'Ökonomisches Kapital, soziales Kapital, kulturelles Kapital', in Reinhard Kreckel (ed.), *Soziale Ungleichheiten* (Göttingen, 1983), 183–98.

³² See Pierre Bourdieu, 'Sozialer Raum, symbolischer Raum', in Jörg Dünne and Stephan Günzel (eds.), *Raumtheorie: Grundlagentexte aus Philosophie und Kulturwissenschaften* (Frankfurt am Main, 2006), 354–68; Pierre Bourdieu, *Sozialer Raum und 'Klassen': Leçon sur la leçon. Zwei Vorlesungen* (Frankfurt am Main, 1995), 7–46.

³³ See Bourdieu and Wacquant, *Anthropologie*, 147–75.

³⁴ Correspondence Analysis is applied in *Distinction, Homo Academicus* and other studies; it is conceived as a 'Technik, die in Relationen "denkt", genau wie ich das mit dem Begriff Feld versuche'. However, Bourdieu rejects any

actors) according to the (dis)similarity of their characteristics (that is, the sorts of capital) geometrically in a multi-dimensional space (that is, field).³⁵

By means of correspondence analysis we can assign the 205 applicants from the four focus communities in terms of characteristics evidenced in the sources (geographical location, landownership, sex, age, type and size of the debt, as well as assessment by official referees) in a multi-dimensional space; for now, the time when the application was made is not taken into account. The first three dimensions, which together cover 53 per cent of the whole variation, indicate the essential factors of difference amongst the farm-owners as a whole. The first dimension (21 per cent of the whole variation) measures the level of land capital combined with the official evaluations of the landowners. The *proper (mountain) peasants* are characterized by owning medium-sized to large farmlands in the mountains, and are officially assessed as 'diligent', 'orderly', and 'progressive'. The *poor farms* are characterized by owning small properties in the foothills and are not acknowledged by official referees. The second dimension (20 per cent of the whole variation) measures the whole indebtedness of medium-sized farms. *Highly indebted medium-sized farms* have debts above 5,000 RM, between 5 and 20 hectares of land, are located in the foothills of the Alps, and pay few taxes. The designation *moderately indebted medium-sized farms* takes in debts of up to 2,000 RM, between 20 and 50 hectares, mountain location, and high taxes. On the third dimension (12 per cent of the whole variation) indebtedness per hectare and age are significant. The *old farmers with middling indebtedness per hectare* are characterized by 200 to 500 RM debts per hectare, large loans, five to 20 hectares of land, aged over 60, and located in the foothills of the Alps or the highlands. The *young farmers with extreme indebtedness per hectare* are characterized by low per hectare debts on properties between 20 and 50 hectares, or high per hectare debts on smallholdings of under two hectares, small loans, aged between 30 and 45, and mountain location. The three dimensions

methodological 'monotheism'. See Bourdieu and Wacquant, *Anthropologie*, 126, 260.

³⁵ See Michael J. Greenacre, *Theory and Applications of Correspondence Analysis* (London, 1989); Jörg Blasius, *Korrespondenzanalyse* (Munich, 2001); Brigitte Le Roux and Henry Rouhanet, *Geometric Data Analysis: From Correspondence Analysis to Structured Data Analysis* (Dordrecht, 2004).

designate firstly the volume of land capital (converted into symbolic capital), secondly the volume of ('negative') monetary capital, and thirdly the relationship of monetary to land capital (combined with the human capital of the owners). Clearly these types of capital are at stake in the field of the 'debt relief and construction' scheme.

If these dimensions are combined, a three-dimensional space emerges that represents the 'debt relief and construction' scheme (Figure 5). Here the applicants occupy certain positions. Their locational relations describe structural (dis)similarities in the field; the nearer they are, the more similar they are, and vice versa. For example, the Oberhofstatt farm owner from Frankenfels occupies position 0.25 on the first spatial dimension, 0.56 on the second, and 0.22 on the third. By means of cluster analysis three field-specific milieus of neighbouring, and therefore structurally similar, applicants can be ascertained.³⁶ The corners of the space can, with Max Weber, be interpreted as 'ideal types', the agglomeration of actors in the milieus as 'real types'.³⁷ Whether this field structure and the practice of making applications are connected can be determined by projecting the adoption categories into the three-dimensional space.³⁸ If there were no connection, then all adoption categories would lie close to the origin, the 'average position'; but this is not the case. The striking dissemination of the early adopters (the first 16 per cent), the early majority (the following 34 per cent), the late majority (the following 34 per cent), and the late adopters (the last 16 per cent) points to the fact that the decision-making practice (as *explanandum*) depends on the field structure (as *explanans*). To put it crudely, land wealth, low level of debt, and extreme debt per hectare accelerated the application; land poverty, high level of debt, and medium debt per hectare caused the applicants to hesitate. In order to refine these findings, let us compare the diffusion of the applications according to field-specific milieus

³⁶ Hierarchical Cluster Analysis deals with the main coordinates of the cases on the first, second, and third dimension, calculated with the aid of Multiple Correspondence Analysis. Accordingly, three classes are appropriate.

³⁷ See Uta Gerhardt, *Idealtypus: Zur methodischen Begründung der modernen Soziologie* (Frankfurt am Main, 2001), 223–76.

³⁸ The subsequent projection positions the variable values in the space of (dis)similarities while not including them in the spatial construction (which is based exclusively on the 'active' variables); thus, these variables are labeled 'passive'.

Figure 5: The Field of the 'Debt Relief and Construction' Scheme, 1938.

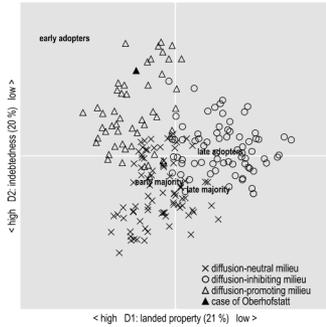


Figure 5a
a) Front view (D1 x D2)

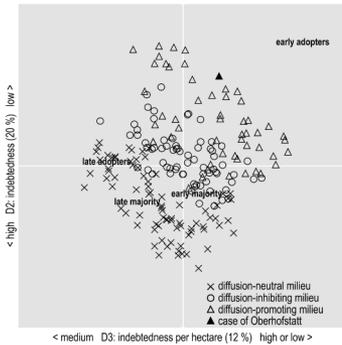


Figure 5b
b) Side view (D3 x D2)

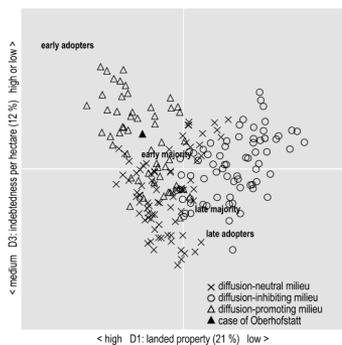


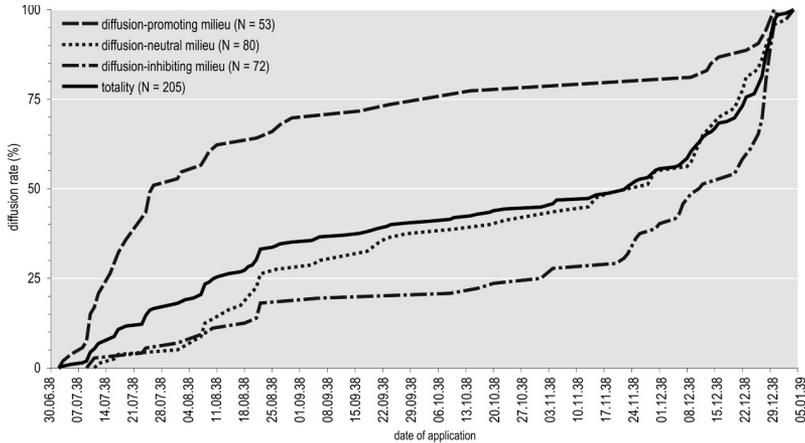
Figure 5c
c) Top view (D1 x D3)

Note: The adopter category has been projected subsequently as a passive variable; in contrast to the active variables, it does not affect the construction of the space.

Source: see Figure 1 (Multiple Correspondence Analysis and Hierarchical Cluster Analysis with XLSTAT, N=205).

Relational Decision-Making

Figure 6: Diffusion of the Applications by Field-Specific Milieux, 1938.



Source: see Figure 1 (N=205).

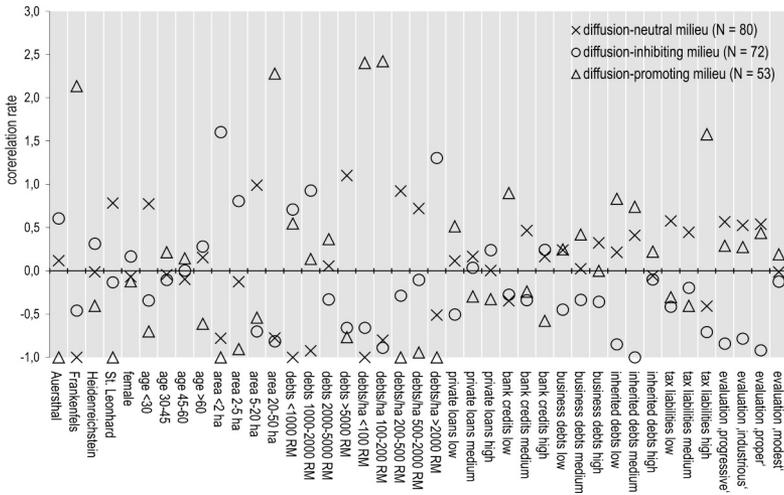
(Figure 6). Here there are clear differences: a *diffusion-inhibiting milieu* in which the proportion of applicants does not rise until shortly before the deadline; a *diffusion-neutral milieu*, whose diffusion curve is similar to that of the whole; and a *diffusion-promoting milieu*, in which applications spread 'like an epidemic' soon after the introduction of the 'debt relief and construction' scheme, following the pattern of the S-curve.

So far the three field-specific milieus have been regarded as black boxes; let us open these in order to reveal the connection between field structure and decision-making practice so that we can explain and understand it better. Comparison of the milieus' profiles composed by their features—location, gender, age, property ownership, level and type of debt, and official assessment—reveals the milieu-specific peculiarities (Figure 7).³⁹ In the diffusion-prohibiting milieu the locations of Auersthal and Heidenreichstein, female management, owners over 60, very small or small-holdings, small overall debt, high debt per hectare, and a high level of private and bank loans occur comparatively often. The diffusion-neutral milieu is char-

³⁹ Milieu-specific peculiarities refer to variable values with a correlation rate of more than 0.15.

acterized by the location St Leonhard am Forst, owners under 30 or over 60, medium-sized concerns, the highest overall debt, medium debt per hectare, medium proportion of private loans and medium to high bank loans, low or high proportions of business debts, low to medium inherited debts and tax liabilities, and assessment as 'progressive', 'diligent', or 'orderly'. In the diffusion-promoting milieu the emphasis is on the location of Frankenfels, an age between 30 and 45 years, medium to large farm property, small to medium overall debt, small debt per hectare, small private and bank loans, high tax liability, and an extremely positive assessment of the owners by the authorities.

Figure 7: Features of the Field-Specific Milieux, 1938.



Source: see Figure 1 (N=205).

Note: The correlation rate calculates the relative deviation of the measured from the expected frequency. Values less than zero indicate frequencies 'below-average', values more than zero indicate frequencies 'above-average'. Example: the value 1.5 shows that the measured frequency (e.g. ten cases) is 1.5 times higher than expected (e.g. four cases). Variable values with less than five cases in total were not considered.

If we compare the profile factors of the diffusion-inhibiting and diffusion-promoting milieus we can see a polarity whose extremes correspond in an opposite way to the Nazi politico-economic agrosystem. The factors accentuated in the diffusion-inhibiting milieu—female, over-age, highly indebted, smallholdings, and small farms—contradicted the Nazi ideal of the ‘peasant’ (*Bauer*) that propagated the medium to large ‘hereditary farm’ (*Erbhof*), run by one male owner.⁴⁰ By contrast, the diffusion-promoting milieu seems like a hot-bed of the species of ‘rural people’ (*Landvolk*) most ‘worthy of debt relief’ in the Nazi sense, and this was also expressed in the official assessments. In short, the diffusion-inhibiting milieu proves to be *heterologous*, the diffusion-promoting milieu as *homologous* to the Nazi moral economy⁴¹ of ‘debt relief and construction’. What is more, the *structural* proximity between the Nazi ideal and everyday farming reality in the diffusion-promoting milieu correlates to a high degree with the *spatial*, and thus also interpersonal, proximity of the actors belonging to that milieu: 47 of 53 applicants ran their farms in the location of Frankenfels. The favourable location, along with the network effect mentioned earlier, must have done much to promote the diffusion of the decision to make an application.

This (interim) answer leads us to another question. In structural terms the diffusion-promoting and the diffusion-neutral milieus did not constitute contrary worlds as far as the ‘debt relief and construction’ scheme was concerned; this is demonstrated, for instance, by that fact that in both cases there were medium-sized farms, and both received favourable official assessments. Why did identity with the Nazi agrarian project have such a strong effect in the first case, but hardly any in the second? One part of the answer to this question is provided by the effect of the neighbour-network in the location of

⁴⁰ See Ernst Langthaler, ‘Wer ist (k)ein “Bauer”? Inklusion und Exklusion durch Erbhofgerichtsverfahren (1938–1945)’, in Garstenauer, Landsteiner, and Langthaler (eds.), *Land-Arbeit*, 255–80.

⁴¹ My understanding of ‘moral economy’ is wider than Edward P. Thompson’s narrower pre-capitalist notion.: Edward P. Thompson, *Plebeische Kultur und moralische Ökonomie: Aufsätze zur englischen Sozialgeschichte des 18. und 19. Jahrhunderts* (Frankfurt am Main, 1980). On the contrary, each economy, be it capitalist or not, involves implicit and explicit moral orientations. See Andrew Sayer, *Moral Economy* <<http://www.comp.lancs.ac.uk/sociology/papers/sayer-moral-economy.pdf>>, accessed 6 July 2011.

Frankenfels; the other part will be revealed by looking at things from a different point of view – that of the communication via mass media between the Nazi regime and the farming community in the discourse of the agrarian press.

III: *Relational Decision-Making in the Discourse*

As Pierre Bourdieu does for the field concept, so Michael Foucault constantly looks for network metaphors for the concept of the discourse,⁴² for instance, the book as a ‘knot in a net’.⁴³ Consequently a discourse can be understood as a regulated, exclusive, and inclusive formation of statements – as a ‘space of expression’ in which a ‘net of differing positions unfolds’.⁴⁴ The knots in this net are formed by *subject positions* – standpoints for speakers, from which the discourse in question generates sense.⁴⁵ Like Bourdieu’s field, Foucault’s discourse seems to be a facilitating and restricting space of structural relations, though in this case not between social, but *symbolic* (‘discursive’) positions. The overlapping of discourse and society is manifested, amongst other things, in the way in which individual and collective actors make themselves the subjects of a discourse either by identifying with certain subject positions, or else by disagreeing with them, or being indifferent to them, for instance, because they have absolutely nothing to do with them. By taking these attitudes (either consciously or pre-consciously) they are not only determined by discourses, but present themselves as self-aware ‘individuals’ and ‘collectives’.⁴⁶ In discourse theory this corresponds to the step from being an ‘objective’ to a ‘subjective’ class in field theory. The *inter-discourse*,⁴⁷ as a hybrid of special and everyday discourses, as it can be

⁴² As an introduction see Achim Landwehr, *Historische Diskursanalyse* (Frankfurt am Main, 2008).

⁴³ Michel Foucault, *Archäologie des Wissens* (Frankfurt am Main, 1973), 36.

⁴⁴ *Ibid.* 82.

⁴⁵ See Michael Foucault, *Die Ordnung des Diskurses* (Munich, 1974).

⁴⁶ See Ernesto Laclau and Chantal Mouffe, *Hegemonie und radikale Demokratie: Zur Dekonstruktion des Marxismus* (Vienna, 2006), 152–61; Stuart Hall, ‘The Work of Representation’, in *id.* (ed.), *Representation: Cultural Representation and Signifying Practices* (London, 1997), 13–74.

⁴⁷ See Jürgen Link, *Versuch über den Normalismus: Wie Normalität produziert*

perceived, for instance, in mass media, school teaching, or celebratory rituals, is an arena for creating relations of identity and difference.

Looking at the *Wochenblatt der Landesbauernschaft Donauland*, the official paper of the Reich Food Estate (*Reichsnährstand*), several associational strands of the inter-discourse on 'debt relief and construction' can be identified. In the forefront the authors of the articles supported the view of the Reich Food Estate. But in the background of these statements were certain views of the 'rural people', to which the writing agrarian elite referred. The demand made of the *Wochenblatt* by the regional farmers' leader Anton Reinhaller, that it should be both the 'mouthpiece of the leaders' and also 'mediator' of the 'rural people',⁴⁸ arose from the notion of a levelling of interests in the 'people's community' (*Volksgemeinschaft*).⁴⁹ This view, geared towards social harmony, concealed the conflicts of interest between various social groups; but at the same time it pointed to a strategy by which such conflicts of interest, though not completely resolved, could at least be damped down: the acquisition of symbolic power.⁵⁰ Even in dictatorial regimes like National Socialism the 'leaders' could not impose their claim to hegemony in the long run simply by threatening and using violence; this required gentle force too, a certain degree of recognition on the part of the (rural) people, all the more so since in the months after the *Anschluss* the Nazi leaders were attempting to assert their own legitimacy against that of the Catholic-

wird (Opladen, 1997), 50; Siegfried Jäger, *Kritische Diskursanalyse: Eine Einführung* (Duisburg, 2004), 131-2.

⁴⁸ See *Wochenblatt der Bauernschaft für Niederösterreich, Wien und Burgenland*, 1 (1938), 2.

⁴⁹ See Peter Reichel, *Der schöne Schein des Dritten Reiches: Faszination und Gewalt des Faschismus* (Frankfurt am Main, 1993), 114; as a criticism of the overemphasis of the suggestive power of Nazi propaganda see Klaus-Michael Mallmann and Gerhard Paul, 'Alles nur "schöner Schein" im deutschen Faschismus? Propaganda, ästhetische Inszenierung und Sozialpolitik in der Perspektive regionaler NS-Forschung', *Sowi: Sozialwissenschaftliche Informationen*, 21 (1992), 125-31.

⁵⁰ In this context, Pierre Bourdieu refers to 'symbolic power'. See Gerhard Wayand, 'Pierre Bourdieu: Das Schweigen der Doxa aufbrechen', in Peter Imbusch (ed.), *Macht und Herrschaft: Sozialwissenschaftliche Konzeptionen und Theorien* (Opladen, 1988), 221-37.

conservative elites which was still particularly strong in Lower Austria.⁵¹

In a leader in the first edition of the *Wochenblatt* in May 1938 Anton Reinthaller already announced, along with other innovations, the 'debt relief of Austrian agriculture'.⁵² Here debts of various sorts are calculated: to start with it gives symbolic relief to the farms with material debts by making the 'system' of the Austrian governments before 1938 responsible for the farming families' misery. After that it liberates the farm holders from material dependence by 'debt relief', in fact, a re-allocation of debt from several individual creditors to the German Reich as the only guarantor. And then, as a quid pro quo for the material gift of 'debt relief and construction', it demands a symbolic counter-gift from the farm owners. In short, the farm holders were caught in a debt spiral, in which the Nazi state took the place of their former guarantors. From the indebtedness of the former 'system' and 'debt relief' for the farm holders the Nazi state accumulated symbolic capital, which, in turn, served to accumulate material capital in terms of the state-led production campaign.

In the months that followed, the discourse in the *Wochenblatt* about 'debt relief and construction' was characterized by a dual strategy. On the one hand Anton Reinthaller's announcement of May was repeated several times, underpinned and expanded upon, partly in sober legal jargon, partly in heated rhetoric. On the other hand various standpoints of the 'rural people' were expressed as either positive or negative subject positions.⁵³ Whatever the differences, what the articles between May and October had in common was that they pointed up a series of horizontal and vertical disagreements, both within the rural community and also between the 'rural people' and the 'leaders'. These debates partly centred on farm owners' economic strategies in terms of the 'debt relief and construction' scheme: the

⁵¹ See Ernst Hanisch, 'Bäuerliches Milieu und Arbeitermilieu in den Alpen- gauen: Ein historischer Vergleich', in Rudolf G. Ardelt and Hans Hautmann (eds.), *Arbeiterschaft und Nationalsozialismus in Österreich* (Vienna, 1990), 583–98.

⁵² See *Wochenblatt der Bauernschaft für Niederösterreich, Wien und Burgenland*, 1 (1938), 1.

⁵³ *Wochenblatt der Bauernschaft für Niederösterreich, Wien und Burgenland* 2/1938, p. 45; *Wochenblatt der Landesbauernschaft Donauland* 5/1938; *ibid.* 9/1938, 306; *ibid.* 22/1938, 770.

hope of being freed of debt with the help of the state; the concern that 'bad farm managers' could abuse state support; the temptation to abuse auction protection at the expense of the guarantors. Partly, however, the domination strategies of the policy-makers were also given expression: the complaint about subjects described negatively – the 'naive ignoramus', 'bad manager', 'unscrupulous egoist' – served to put off potential applicants, thereby restricting the number of applications actually made. Clearly the policy-makers in the agrarian apparatus were initially surprised by the flood of applications.⁵⁴

However, the strategy of restricting applications that went on for months took an unexpected turn just before the deadline for submission. In December 1938, a week before this deadline, a full-page illustrated article was published with the title 'Ridiculous Rumours about the Debt Relief'. With this the leaders of the Reich Food Estate were signalling a strategic change of direction: if, up until now, it had been a question of restricting the number of applications, this now became the duty of 'every farm owner whose situation required clearance of debts and whose business was in need of help'.⁵⁵ On the one hand, failure to fulfil this duty was linked to serious penalties. Farm owners were threatened with compulsory auction and those who were protected from this by the Reich Hereditary Farm law (*Reichserbhofgesetz*) were threatened with compulsory control by the Reich Food Estate. On the other hand the authors showed understanding for the applicants' hesitation:

The application must be made by 31 December 1938. Now many think that they should not make it because there is something humiliating, perhaps dishonourable, about it, especially since, when the process starts, it is made publicly known. Does a factory owner whose business had ceased production when the new regime took over need to feel ashamed if he can be helped by state means in the form of by contracts and job-creation measures? Does a peasant or farmer who has been driven to the abyss by an alien system need to feel ashamed if he is given help? It is quite understandable that some people are reluctant to make the application, since the peasant's greatest

⁵⁴ See Lechler, *Kreditgrundlagen*, 14.

⁵⁵ *Wochenblatt des Landesbauernschaft Donauland* 33/1938, 1167.

source of pride has always been that he can help himself and overcome all fate's blows on his own. But at the moment in many cases, despite all the individual's efforts, this self-help is not possible and that is why the debt-regulation law was created.⁵⁶

This opposition between subject positions designated positively and negatively leads us to one of the contradictions in the 'colonization'⁵⁷ of the farming world by the Nazi system. The 'peasant's pride', especially that of the medium-sized and large farm owner, was, on the one hand, enhanced by the Nazi 'blood and soil' (*Blut-und-Boden*) ideology; on the other hand the peasant families' claim to autonomy in their daily lives collided with the incentives and impositions of the Nazi regime that were aimed at subordination.⁵⁸ In the case being discussed here the peasants' concept of honour was directed against regulation by the Nazi state of the rural credit markets embedded in multi-functional relational nets. When a farm-owner decided for or against making an application, economic and moral factors, calculation and emotion, were all involved. Paternalistic 'farm lords', as were characteristic of the Alpine foothills with their striking quadrangular farmyards, saw themselves, in the logic of their own moral economy, as givers, to whom the takers—servants, smallholders, day-labourers—owed something in return.⁵⁹ The logic of the Nazi moral economy now demoted them to the status of clients, of takers, who, by means of the 'debt relief and construction' application, put themselves into a debt relationship with the giver,

⁵⁶ *Wochenblatt der Landesbauernschaft Donauland* 33/1938, 1167.

⁵⁷ See Jürgen Habermas, *Theorie des kommunikativen Handelns* (Frankfurt am Main, 1981), ii, 522.

⁵⁸ On the dialectic of peasant autonomy and subordination see Jan Douwe van der Ploeg, 'The peasantries of the twenty-first century: the commoditisation debate revisited', *The Journal of Peasant Studies* 37 (2010), 1–30.

⁵⁹ See Norbert Ortmayr, 'Ländliches Gesinde in Oberösterreich 1918-1938', in Josef Ehmer and Michael Mitterauer (eds.), *Familienstruktur und Arbeitsorganisation in ländlichen Gesellschaften* (Vienna, Cologne, and Graz, 1986), 325–416; Karl Stocker, 'Landwirtschaft zwischen "Rückständigkeit" und "Fortschritt"'. Notizen zur Industrialisierung des Agrarbereichs in der NS-Zeit am Beispiel der Oststeiermark', *Zeitschrift für Agrargeschichte und Agrarsoziologie* 38 (1990), 62–86.

Relational Decision-Making

the paternalistic Nazi state and its Führer, thereby also putting their honour at stake. The threatened reversal of the hierarchical patron-client relationship, the shift from farming autonomy to politico-economic subordination, pushed at the mental boundaries of the legendary 'peasant's pride'.

At the last minute, so to speak, the press campaign tried to discredit the 'peasant's pride', in order to generate acceptance of state aid for over-indebted farming concerns. Even before the article appeared, this discourse had certainly found its way verbally into every last village, and had become a subject of dispute between the 'old' Catholic-conservative and the 'new' Nazi elites. To what extent these mass media and interpersonal discourses were likely to influence farm-owners who were hesitant about applying is suggested by the milieu-specific diffusion curves. In the diffusion-promoting milieu, where the potential for mobilization had already been largely exhausted and the farm holders already had a strong client mentality,⁶⁰ the effect remained small. But in the other milieu, including the diffusion-neutral milieu of the Alpine foothills with its marked paternalism, the campaign, designed specifically for the discourse subject of the 'farm lord', still had considerable influence shortly before the end of 1938. It was only the discourse effect of the Reich Food Estate's mass media campaign combined with the network and field effects that was able to provide sufficient grounds for the decision to take part in the 'debt relief and construction' scheme.

Conclusion: Interconnecting Field, Network, and Discourse

This empirical case study, unfolded in several stages, on the farm holders' decision to take part in the 'debt relief and construction' scheme in the four communities of the former province of Niederdonau in 1938, aimed to explore the viability of the diffusion model inspired by network theory. The first stage, orientated to network theory, discovered multi-functional neighbour networks, intensified in the high season, in a settlement of individual mountain farms as catalysts for the diffusion of applications; by contrast, the other communities do not show network effects of this sort. The second stage,

⁶⁰ See Langthaler, *Erfindung*.

orientated to field theory, recognized that the diffusion-promoting milieu largely matched the ideal of the Nazi moral economy, that is, medium-sized and large farms, and also that this was a factor that promoted diffusion. The third stage, orientated to discourse theory, proved that the negotiations, conducted in the mass media and person-to-person, about the subject position of the 'peasant's pride' was a driver for making applications shortly before the deadline, especially in those communities barely touched by network or field effects. To sum up, we can say that in this case the network-theory approach has proved to be only partially viable; here it needs to be supplemented by field-theory and discourse-theory approaches in order to explain and understand adequately the empirical findings, as decisions that are relational in *various* ways.

In this way the case study offers an empirical argument for considering field, network, and discourse not as alternative theoretical approaches, but as *complementary* ones (Table 2).⁶¹ What these approaches have in common is that they have a relational concept of their sphere of objects—attributes, social relations, and statements; yet they differ from one another in the nature of the relations: fields and discourses are linked by structural relations between social positions ('locations') in the first case, and between symbolic (dis-)positions ('standpoints') in the other. How the elements are positioned in each relational space depends on resources (natural, economic, cultural, etc. capital) in the field, and on how they are assessed (symbolic capital) in the discourse. By contrast, social networks consist of interpersonal relations, constantly updated by interaction; if these serve as channels for the flow of resources between actors, they become social capital. Social networks play a key conveyor role between (field and discourse) structures and actors' practices. According to their habitus interacting actors fight for their positions in the field and can, in certain circumstances, mobilize 'objective' into 'subjective' classes. Moreover, they identify with discursive subject positions or else oppose them, and in addition they give validity in one way or another to more or less powerful (inter-)discourses in everyday life. In short, social networks (re-)produce fields and discourses;

⁶¹ As a step in this direction see Wouter de Nooy, 'Fields and Networks: Correspondence Analysis and Social Network Analysis in the Framework of Field Theory', *Poetics* 31 (2003), 305–27.

Relational Decision-Making

Table 2: Field, Network, and Discourse as Complementary Research Perspectives.

	<i>field</i>	<i>network</i>	<i>discourse</i>
source	attributes	social relations	expressions
method	statistics (e.g. correspondence analysis)	network analysis ('quantitative' and 'qualitative')	discourse and content analysis
relation	social positions	thought and action by actors	symbolic (dis)positions
sort of capital	natural, economic, cultural etc. capital (resource stock)	social capital (resource flows)	symbolic capital (resource evaluation)
spatial level	(appropriated) material and social space	social space	(appropriated) symbolic and social space
effect mode	property structure (as a condition and effect of practice)	interaction (as a structured and structuring practice)	Regulatory structure (as a condition and effect of practice)

Source: design by the author.

but at the same time they are (re-)produced by fields and discourses. Thinking about field, network and discourse in this way, as one context, also requires synergetic combination of the methods of each (statistical analysis, network analysis, discourse analysis, and so on). It would certainly be a worthwhile task to examine more precisely how field, network, and discourse perspectives are inter-connected and complement one another.

Falliment: The Social Life of a Legal Category.
 Knowledge and Morals in Bankruptcy Proceedings
 (Basel, 1840s)

MISCHA SUTER

I. *The Condition of Falliment*

‘Six years have already passed since I quit a most respectable trading house, and, shortly after, was thrown into deepest misery’, wrote Rudolf Hunziker, a 36-year-old day-labourer and father of three children, to the mayor and council of Basel in 1854. ‘Then came the loss of my civil rights and honour, following my *Falliment*.’ In his letter, Hunziker petitioned for rehabilitation from his *Falliment*, as the legal situation of insolvency was called.¹ Hunziker continued: ‘More than

This paper has a long history. For suggestions and criticism I would like to thank the participants in the conference ‘Networks of Paupers and Debtors’ held at the German Historical Institute London in February 2011, in workshops held at Tel Aviv University and the University of Michigan in February and March 2012, and Erika Vause and Jacqueline Larios. I cannot take all my commentators’ valuable suggestions into consideration in this paper. However, I do address some of the issues in broader scope and in more detail in my dissertation, of which this paper presents a few preliminary findings. The errors remain my own.

¹ A remark on terminology: ‘insolvency’ and ‘bankruptcy’ are used interchangeably throughout the text, although this does not reflect nineteenth-century Swiss usage of the terms. *Falliment* (or German *Konkurs*) was not a punishable crime and the cases considered in this chapter all fell under private law, but the fraudulent *Bankrott* was a criminal act, and distinguishing between the two was never easy. During the nineteenth century, the English term ‘bankruptcy’ came to be colloquially used interchangeably with the broader term ‘insolvency’ in the United States and Britain, and is used this way in most present-day English-language historiography. ‘Bankruptcy’ was in many European countries and the USA related to statutorily defined occupational groups, such as merchants, yet in Basel *Falliment* could occur to any-

four months without any bread [*brodlos*], without any hope or expectation for any apt employment, I decided, in order to provide my family with the most basic necessities—and in order not to let them get into other hands, to prevent this with work, whatever it may be, as long as it was an *honest* one.' Having worked as a packer in a large store and having gained 'the confidence and the esteem' of his superiors, Hunziker claimed to have 'satisfied and paid' his creditors. 'Now then, my most esteemed mayor and most honoured gentlemen', he continued, 'there remains just one stain adhering to me that affects me to the inmost and is a great obstacle for my future—namely, the loss of my civil rights.'²

This chapter is concerned with the experiences of bankruptcy law in Basel in the 1840s, a period marked by economic and political crises. Basel was a canton confined to a small, yet fast-growing town with roughly 23,000 inhabitants by 1840, and 38,000 in 1860.³

body, not only to merchants. For the early modern French terms, see Julie Hardwick, 'Banqueroute: la faillite, le crime et la transition vers le capitalisme dans la France moderne', *Histoire, Économie & Société*, 30 (2011), 79–93; for England, see Julian Hoppit, *Risk and Failure in English Business, 1700–1800* (Cambridge, 1987), chs. 2, 3 and V. Markham Lester, *Victorian Insolvency: Bankruptcy, Imprisonment for Debt, and Company Winding-Up in Nineteenth-Century England* (Oxford, 1995), 37–9; for the USA, see Bruce H. Mann, *Republic of Debtors: Insolvency in the Age of American Independence* (Cambridge, Mass., 2003), 45–6 and Scott Sandage, *Born Losers: A History of Failure in America* (Cambridge, Mass., 2005), 30–1; for Germany and Austria, see the thematic issue by Peter Eigner, Erich Landsteiner, and Peter Melichar, 'Bankrott', *Österreichische Zeitschrift für Geschichtswissenschaften*, 19 (2008), esp. 'Einleitung', 5–9; for a study which embraces the full range of debt enforcement in a wider context of credit relationships, see Ira Spieker and Elke Schlenndrich, 'Im Soll: Kredite, Schuldklagen und Zwangsvollstreckungen. Ländliche Ökonomien im (vor)modernen Sachsen als Spiegel sozialer Praxen', *Volkskunde in Sachsen*, 19 (2007), 9–40.

² Staatsarchiv Basel-Stadt (STABS) Justiz J6, Einzelne Rehabilitationen 1846–56, request for rehabilitation by Rudolf Hunziker, 10 Oct. 1854, emphasis in original.

³ The estimated numbers are based on *Die Bevölkerungsaufnahme von Basel-Stadttheil am 25. Jenner 1837: Bericht an den E. E. Kleinen Rath* (Basel, 1838), table 1; *Bevölkerungs-Aufnahme von Basel-Stadttheil am 3. Februar 1847: Bericht an den E. E. Kleinen Rath* (Basel, 1848), table 1; *Bevölkerungs-Aufnahme von Basel-Stadttheil am 10. December 1860: Bericht an den E. E. Kleinen Rath* (Basel, 1861), table 1.

Falliment

Economically, it was marked by a dual regime of an export-led, rapidly industrializing silk-ribbon weaving sector (though cottage industry remained important), and an artisanal and trade sector still largely structured by the guilds.⁴ The economic emergency of the mid and late 1840s was mirrored in a peak of insolvencies. While bankruptcy in the 1840s still was a rare, exceptional event which marked a pivotal low point of social agency for an insolvent, in relative terms the numbers increased significantly. The median number of bankruptcies in Basel was 24 per year between 1840 and 1860, and peaks appeared in 1847 (41 cases) or 1849 (45), and again in 1854 (52).⁵ Or, to put it differently: whereas in 1843 only 0.21 per cent of all households in Basel went bankrupt, the number rose to 0.88 per cent of all households in 1849.⁶ In the same period, in 1848, the Swiss federal state was founded. In the early days of the nation-state, questions of male suffrage and citizenship came to the fore.⁷ The related issues of civil rights and social order were interwoven with the situation of *Falliment*, as I will detail towards the end of this chapter.

Falliment was a legal term, but its meanings exceeded its narrowly defined legal application. Contemporaries spoke of *Falliment*, or of being a *Fallit*, as an 'estate' (*Fallitstand*), thereby evoking a concept of social order (the 'estates'), or of a 'situation' (*Fallimentszustand*). They alluded to being put into a certain social condition. For men, this condition meant a publicly announced loss of civil rights: they could not vote or take office, they were excluded from military service, they could no longer carry a weapon, and they were not allowed to sign

⁴ Philipp Sarasin, *Stadt der Bürger: Bürgerliche Macht und städtische Gesellschaft. Basel 1846–1914* (2nd rev. edn. Göttingen, 1997), ch. 2; id., 'Sittlichkeit, Nationalgefühl und frühe Ängste vor dem Proletariat: Untersuchungen zu Politik, Weltanschauung und Ideologie des Basler Bürgertums in der Verfassungskrise von 1846/47', *Basler Zeitschrift für Geschichte und Altertumskunde*, 84 (1984), 51–127.

⁵ STABS DS BS8, Verwaltungs-Bericht[e] des Kleinen Raths an den Großen Rath des Kantons Basel-Stadttheil, 1840–60.

⁶ The numbers are based on 'Bevölkerungsaufnahme' of 1837, 1847 and 1870, which counted the number of hearths in the town in order to determine the number of households.

⁷ On citizenship and the Swiss nation-state see Regula Argast, *Staatsbürgerschaft und Nation: Ausschluss und Integration in der Schweiz 1848–1933* (Göttingen, 2007).

contracts. For married women it entailed a shift from their husbands' legal control over their property to a form of tutelage which was managed by the town's guilds. Those who were not citizens of Basel—roughly two thirds of the inhabitants in the period under review—risked losing their residence permit.⁸ The local civil courts were charged with investigating the reasons for insolvency and wrote a report for each *Falliment* to the minor city council. In many cases the council advised the police to question the insolvent, that is, whenever there was the slightest possibility that a criminal investigation might become necessary or when a residence permit was on the line.⁹ A *Fallit* could request rehabilitation only after he had proved that he had paid all his creditors. However, many insolvents were never able to repay their debts. Some, like Rudolf Hunziker, expressed a deep desire to repay their debtors and to have their civil rights reinstated. Others, as will become apparent, did not bother much about being deprived of their civil rights at all. In what follows, the variety of experiences, and the inconsistent legal situations in which insolvents manoeuvred, will be examined.

In the letter quoted at the beginning, Rudolf Hunziker spoke of a 'stain adhering to me, which affects me to the inmost' (*ein Makel mir anklebend, der mir bis in das Innerste geht*). He referred, on the one hand, to how he was regarded by others (a 'stain adhering'), and on the other to his inner existence. This interplay of social standing and inner life serves as a starting point for analysing the experience of *Falliment*. A decade prior to Rudolf Hunziker's petition, an interested observer of economic issues reflected on the themes of debt, credit, and money by using a similar opposition of inside/outside, the private individual and the social individual.

Commenting on James Mill's *Elements of Political Economy* in 1844, Karl Marx wrote that, with credit, '[t]he substance, the body clothing the *spirit of money* is not money, but instead it is my personal existence, my flesh and blood, my social worth and status'.¹⁰ According

⁸ Regina Wecker, '1833 bis 1910: Die Entwicklung zur Grossstadt', in Georg Kreis (ed.), *Basel: Geschichte einer städtischen Gesellschaft* (Basel, 2000), 196–224, at 199.

⁹ *Der Stadt Basel Statuta und Gerichts-Ordnung . . .* (Basel, 1849), § 274.

¹⁰ Karl Marx, 'Excerpts from James Mill's *Elements of Political Economy* (1844)', in id., *Early Writings*, intro. Lucio Colletti, trans. Rodney Livingstone and Gregor Benton (New York, 1975), 259–78, 264, emphasis in original.

to Marx, credit supposedly escaped the abstraction money entailed since, without having recourse to a medium of exchange, it placed people in direct relation to one another.¹¹ In a credit relationship, money was bypassed; it was no longer numerical values that were exchanged but '[h]uman individuality, human *morality*'.¹² Yet 'this return of man to himself and thus to other men' which the credit relationship engendered was, according to the young Marx, only an 'illusion': a '*self-estrangement*, dehumanization, all the more *infamous* and *extreme* because its elements are no longer a commodity, metal or paper, but the *moral* existence, the social existence [*das gesellige Dasein*], the very heart of man [*das Innere der menschlichen Brust selbst*], and because under the guise of mutual *trust* between men it is really the greatest *distrust* and a total estrangement.' Marx argued in the context of his concept of estrangement, the Hegelian concept he had recently begun to explore. With credit (as opposed to money), estrangement came full circle since it transfigured people themselves in terms of money: 'We should reflect on the immorality implicit in the *evaluation* [*Schätzung*] of a man in terms of money, such as we find in the credit system.'¹³ For the purposes of this chapter, however, the focus will be on Marx's remarks on 'social existence', 'moral existence', 'individuality', 'evaluation', and (dis)trust, and not on his concept of estrangement.

Marx's ideas can be taken as a contemporary reflection on indebtedness in the 1840s.¹⁴ Recent writing on the social and cultural history of debt has claimed in a similar way that the cultural aspects of

¹¹ For a philosophical discussion of this 'very Nietzschean Marx', see Maurizio Lazzarato, *La fabrique de l'homme endetté: Essai sur la condition néolibérale* (Paris, 2011), 44–8.

¹² Marx, 'Excerpts', 264, emphasis in original.

¹³ *Ibid.* emphasis in original. For the inserted German terms see Institut für Marxismus-Leninismus beim Zentralkomitee der Kommunistischen Partei der Sowjetunion (ed.), *Marx Engels Gesamtausgabe (MEGA)*, 4 Divisions, Division 4, vol. ii: *Exzerpte und Notizen 1843 bis Januar 1845* (Berlin, 1981), 450.

¹⁴ Not least because Marx himself, and probably still more so Jenny von Westphalen, his wife, were constantly struggling with household debts. On Marx's own personal indebtedness and his silence on this everyday experience in *Capital*, see Peter Stallybrass, 'Marx' Coat', in Patricia Spyer (ed.), *Border Fetishisms: Material Objects in Unstable Spaces* (New York, 1998), 183–207.

social recognition and esteem lay at the heart of early modern and nineteenth-century credit relationships alike.¹⁵ As Margot Finn has written in her study on credit and consumption: ‘Creditors sought constantly and unsuccessfully to read debtors’ personal worth and character from their clothing, their marital relations, their spending patterns and their perceived social status.’¹⁶ Further, as Laurence Fontaine notes, insolvency is an ideal case for the study of the cultural mechanisms in the social construction of trust, since in times of crisis insolvency hit first and foremost those who were less embedded in mutual webs of obligation.¹⁷

Evaluation (that is, ‘reading’ somebody’s status), I argue, was not limited to the *ex ante* assessment of creditworthiness but became of pivotal importance in the case of insolvency as well. Court officials had to enquire into the worth of insolvents, and they faced complications in gathering this knowledge. Building upon Finn’s and Fontaine’s assertions, I want to emphasize the problematics of knowledge in dealing with insolvency. This prompts the broad question about the workings of cultural practices in the process of knowledge-production: how were techniques of examination and qualification culturally formatted? How did the assigning of an individual case in the context of classification work? If we extend Marx’s observation and take trust in this context as a certain way of coping with lack of knowledge, and distrust as essentially an urge for information, ‘evaluation’ – the quest for knowledge and the uncertainty it was based upon – appears as a procedure in which moral attitudes and cognitive operations were intertwined. For morals play a central role in the sources under review. This chapter proposes to take moral judgement as imbricated with cognitive practices: moral judgement framed the authorities’ assessment and provided a way of classifying people.

¹⁵ Laurence Fontaine, *L’économie morale: Pauvreté, crédit et confiance dans l’Europe préindustrielle* (Paris, 2008); Margot Finn, *The Character of Credit: Personal Debt in English Culture, 1740–1914* (Cambridge, 2003); Craig Muldrew, *The Economy of Obligation: The Culture of Credit and Social Relation in Early Modern England* (Basingstoke, 1998); Jonathan Sperber, *Property and Civil Society in South-Western Germany 1820–1914* (Oxford, 2005), 104–27.

¹⁶ Finn, *Character*, 21.

¹⁷ Fontaine, *Économie*, 291.

Falliment

In order to deal with these questions, this chapter draws on concepts from the history and sociology of knowledge. The term ‘encoding’, borrowed here from the history of statistical thinking, points to methods of assigning a singular case to a group while abstracting from some individual circumstances.¹⁸ When authorities examined an individual bankruptcy case they ‘encoded’ it according to a certain script, thereby drawing on techniques of both cognitive and symbolic evaluation. This assessment was a social process not isolated from, and sometimes in conflict with, other registers of legitimacy in society. Sociologist Luc Boltanski’s notion of ‘operations of qualification’ is useful here, which conceptualizes a process of assigning, documenting, and denominating worth in a given situation. According to Boltanski, actors in social space move through different societal domains of worth, while employing different modes of justification for their behaviour.¹⁹ Some historians of knowledge pay particular attention to the material conditions of knowledge-production, the mediality involved in techniques of documentation.²⁰ Much of the knowledge-production in Basel’s bankruptcy cases, however, was bound to varying rhetorics and modes of narration, rather than to modes of writing, although lists, tables, inventories, and questionnaires played an important role as well.²¹

In historiography the link between morals, knowledge, and credit has been explored in works on credit-rating agencies, which first became established in the United States in the 1840s and which engaged in the trade of assessing the creditworthiness of potential business partners. As Josh Lauer and Hartmut Berghoff observe,

¹⁸ Alain Desrosières, *The Politics of Large Numbers: A History of Statistical Reasoning*, trans. Camille Nash (1st edn. 1993; Princeton, 1998;), ch. 8.

¹⁹ Luc Boltanski, *On Critique: A Sociology of Emancipation*, trans. Gregory Elliott (1st edn. 2010; Cambridge, 2011). Boltanski has elaborated much of his programme in collaboration with the economist and statistician Laurent Thévenot. See Luc Boltanski and Laurent Thévenot, *On Justification: Economies of Worth*, trans. Catherine Porter (1st edn. 1991; Princeton, 2006).

²⁰ Cornelia Vismann, *Files: Law and Media Technology*, trans. Geoffrey Winthrop-Young (1st edn. 2000; Stanford, Calif., 2008).

²¹ For a call to develop a poetics of bureaucratic rhetoric and practices, see Peter Becker and William Clark, ‘Introduction’, in eid. (eds.), *Little Tools of Knowledge: Historical Essays on Academic and Bureaucratic Practices* (Ann Arbor, 2001), 1–33.

these agencies, which collected and sold information to entrepreneurs, first employed a moral 'character rating'.²² Lauer and Berghoff focus on the agencies' filing techniques and their economies of scale and do not further examine the nature of the morality at stake. Certainly, the anticipatory information in credit reporting was different from the kinds of knowledge-gathering in the case of bankruptcy. Yet in both cases information and knowledge were at stake and linked to moral questions.

The classifications and moral outlooks as well as the attitudes, perceptions, and explanations which these classifications encountered formed the social phenomenon of *Falliment*—they did so in a contradictory, contested way, as will be argued in what follows. This chapter utilizes 260 short reports on bankrupts issued by the civil courts between 1841 and 1851. In addition, the sources include 73 minutes of police interrogation with bankrupts between 1840 and 1850, as well as the 38 petitions bankrupts wrote between 1846 and 1856 to request rehabilitation. Over 90 per cent of the reported insolvents were male. The next section deals with the reasons authorities gave for the insolvencies, followed by an analysis of the bankrupts' versions of their story in section three. Section four is devoted to the issue of the female marriage portion, which proved to be the most difficult asset to delineate in a bankruptcy process. The fifth section examines the petitions for rehabilitation, like Rudolf Hunziker's mentioned at the beginning.

II. *Accounting for Failure: The Grammar of Moral Judgement*

In their reports to the mayor and the city council, the civil court officials stated who the bankrupts were and what, in their view, had caused the insolvency. These authorities thus defined and scrutinized a very heterogeneous social group. To link financial failures to specific occupational groups is problematic, because many of the

²² Josh Lauer, 'From Rumor to Written Record: Credit Reporting and the Invention of Financial Identity in Nineteenth-Century America', *Technology and Culture*, 49 (2008), 301–24; Hartmut Berghoff, 'Markterschliessung und Risikomanagement: Die Rolle der Kreditauskunfteien und Rating-Agenturen im Industrialisierungs- und Globalisierungsprozess des 19. Jahrhunderts', *Vierteljahrschrift für Sozial- und Wirtschaftsgeschichte*, 92 (2005), 141–62.

Falliment

interrogated insolvents told a story of shifting and varying occupations, whereas the officials' reports recorded only one profession for each insolvent. However, it appears that craftsmen and tradespeople such as bakers, butchers, grocery dealers, tailors, and shoemakers were strongly represented. But in this very diverse group one also finds silk weavers, day-labourers, office clerks, coachmen, washerwomen, merchants, and one sketch-drawer in a ribbon factory. Many of the insolvents could be termed 'people in between'. Some were lower middle-class tradespeople or artisans who had yet to establish themselves and had to build up a reputation first, partly because they were new in town or because they could not rely on family ties. These people were caught in a middle position between customers who bought on credit and suppliers who at some point cut their credit short and insisted on cash payment.²³ In the event of financial distress they were not able to balance their simultaneous roles as debtors and creditors. The baker Jakob Henz who failed to pay a meal bill is a good example: 'In the year of 1838, when I was carrying on my profession as a baker', he wrote requesting rehabilitation, 'I could not – as I also had to sell on credit [*creditiere*] – satisfy a creditor as fast as he wished; I was therefore not only enforced, but – as the respective creditor was strict – enforced until the very end and got into the situation of *Falliment* [*Fallimentszustand*] and several of my creditors sustained losses.'²⁴

Financial failure was not necessarily equivalent to being a pauper. Indeed, in about 50 of the 260 cases the officials reported that the insolvents were simply too poor to repay their debts, or lacked any assets. But many, especially those who were interrogated by the police, were implicated in substantial financial dealings that often involved real estate.²⁵ The court officials further noted that some

²³ Barbara Keller, *Von Speziererinnen, Wegglübun und Metzgern: Lebensmittelhandwerk und -handel in Basel 1850–1914* (Zurich, 2001), 229–30; Geoffrey Crossick and Heinz-Gerhard Haupt, *The Petite Bourgeoisie in Europe 1780–1914: Enterprise, Family and Independence* (London, 1995), 183–6.

²⁴ STABS Justiz J6, Einzelne Rehabilitationen 1846–56, request for rehabilitation by Jakob Henz, 9 Aug. 1847.

²⁵ In this context, the civil court officials at one point in the crisis of late 1847 suggested suggested to the city council to implement general restrictions on the purchase of real estate. STABS Justiz J8, Collocationen der Stadt 1840–51, report, 13 Jan. 1848.

bankrupts had opened an inn shortly before becoming insolvent. This indicates that they intended to enter a business of precarious self-employment which some managed to start with low initial funding, if credit from suppliers could be obtained.²⁶ Often, though, the opposite occurred, as was the case with the tailor Carl Wassermann, who had 'accelerated his *Falliment* by taking over the licence of an inn, which is often done by these people as a last resort'.²⁷ The last quotation also illustrates the officials' perception and bias, for the officials quickly associated innkeeping with a notion of carelessness; in fact, less than 10 per cent of the insolvents under consideration opened up a tavern or a boarding house.

The authorities' knowledge was always partial and uncertain. The information they acquired relied on hearsay and denunciations. One reason for this lack of solid information was that in a quarter of the cases the insolvents were absent, having already fled the proceedings, at least temporarily. The story of Johannes Bader, a butcher who 'allegedly along with a female left his wife and children and left town to settle in America' was not exceptional,²⁸ but for the fact that he

²⁶ Historian Christoph Guggenbühl describes the decision to open up a public house as a form of precarious self-employment often pursued in economic crises. He also points to the boom in tavern openings in the crisis of the 1880s. See Christoph Guggenbühl, 'Heaven or Hell? The Public House and its Social Perception in Nineteenth- and Early Twentieth-Century Switzerland', in Marc Jacobs (ed.), *Eating Out in Europe: Picnics, Gourmet Dining and Snacks since the Late Eighteenth Century* (Oxford, 2003), 89–104, at 100–1.

²⁷ STABS Justiz J8, Collocationen der Stadt 1840–51, report on Carl Wassermann, 27 Oct. 1845.

²⁸ The schoolteacher Niklaus Fessler moved with some of his family to America, 26 Jan. 1847, because of 'lack of earning and a guilty conscience'; the wagon-maker Joseph Sprich left for America, 26 Jan. 1847; Emanuel Staub became a mercenary for the Kingdom of Naples, 26 Jan. 1847; the tailor Johannes Krattiger settled for America, 19 Apr. 1847; the glassworker Hieronymus Friedrich Holzach left his wife and children and settled in America, 13 July 1847; the innkeeper Jakob Schneider 'secretly edged away with his second wife while leaving his children from his first marriage', and supposedly went to America, 10 July 1848; Rudolf Jeremias Christ had lost his wife and children and 'according to reports went to America', 13 Jan. 1848; the erstwhile civil court officer Heinrich Tschientschy 'left office, family and home country' and moved to America, 19 Jan. 1849; the saddler Eduard Rebsamen allegedly went to America, 2 July 1849; the joiner Urs

Falliment

returned shortly afterwards and tried 'to redeem his mistake by offering his creditors an additional 20 per cent which the family of his wife is willing to pay'.²⁹ The potential for hiding assets was another source of uncertainty. If the value of the mobile assets was conspicuously low, the officials suspected the insolvents of 'concealing' (*Hinterschlagung*) goods.³⁰ Also 'defrauding',³¹ 'diversion' (*Verschleppung*),³² or the 'alienation' of goods (*Entfremdung*),³³ could become subject to criminal investigation. But often the authorities did not pursue the matter further since they lacked the necessary information or the goods were of too little value. 'No need to be stupid, you have to divert the belongings' (*man müsse nicht so dumm seyn und die Sachen auf die Seite schaffen*), the wife of the insolvent Abraham Sixt allegedly said shortly before her family went bankrupt, and moved some household effects, silverware, and money from Basel to the suburb of Allschwil, as an anonymous informer told the police. When the police officer handed over the interrogation warrant to Abraham Sixt, he later reported that he had looked at the *Fallit's* kitchen, 'which was poor, and I saw that it was furnished only with old belongings, as is the case with people who no longer own much'. Having no search warrant, he merely 'glanced through the open door into the sitting room, and saw nothing remarkable there either, only a table in the middle of the room; yet I did not see the whole sitting

Victor Pfirter settled with his family in America, 2 July 1849; the scrivener Leonhard Matzinger-Weck moved to Amiens to start a trade in gaslamps, then, after becoming insolvent there, returned to Basel where in 1849 he sold rifles to the insurgents in Baden, then, facing bankruptcy again, supposedly fled with a 'not insignificant sum of money' to America, 7 Jan. 1850; the goldsmith Richard Trappet went to America with his wife, 1 July 1851. In one case the officers speculated about a suicide: 'Häring disappeared without a trace; one guesses he has thrown himself into the Rhine', 13 Jan. 1848.

²⁹ STABS Justiz J8, Collocationen der Stadt 1840–51, report on Johannes Bader, 5 May 1845.

³⁰ Ibid. report on Philipp Schwarz, 7 May 1844; conclusion of report, 27 Oct. 1845, reflecting on several cases of insolvency; report on Abraham Sixt, 16 Apr. 1846; report on Rudolf Sandreuter, 6 July 1846.

³¹ STABS Justiz J8, Collocationen der Stadt 1840–51, report on Ludwig Calre, 5 Oct. 1848; report on J. J. Eckenstein, 19 Jan. 1849.

³² Ibid. report on Christoph Grey, 6 Oct. 1849.

³³ Ibid. report on Alois Matua, 19 Jan. 1849.

room'.³⁴ Insolvents often made themselves out to be poorer than they were, but sometimes also richer, to keep up appearances. They did so in order to remain in credit, such as Samuel Barth, who was blamed for having managed 'to keep up the illusion of wealth by keeping an *équipage* [a carriage]'.³⁵ Also, the authorities only had quite limited control over the bankrupts' behaviour. 'It would be desirable to find ways to fine debtors like Häring', they wrote in 1845, 'who, although he is keenly aware of his own definite insolvency, is capable of borrowing time and again sums small and large, since such borrowing with its promise to repay appears as nothing else but fraud.'³⁶

Despite the unreliability of sources and information, authorities made definite and decisive assessments of the reasons for financial failure. These judgements followed a logic: in a standardized form, they told a story of individual responsibility and culpability. They employed in a specific way the dialectics of inside and outside that were noted at the beginning of this chapter. According to the court officials, it was the inner, individual failure that led to a decline in social status. The case of Rudolf Hunziker, the petitioner for rehabilitation mentioned at the beginning, is a good example: 'This *Fallit* was a clerk in a trading house of our town, then he became a postman, and now he is a day-labourer.—This descending career path seems not to be caused by misfortune, but was self-inflicted [*der Selbstverschuldung zuzuschreiben*].'³⁷

The court officials attributed two complementary characteristics to *Falliment*: lack of industriousness and lack of good housekeeping (*haushalten*). On a first level, these two interconnected components can be translated into the spheres of production and consumption, into the lack of consistent earnings and of economical spending, of workplace and the domestic. Yet these two spheres were closely intertwined. In the view of the officials, housekeeping had produc-

³⁴ STABS Justiz J7, Einzelne Concurssachen 1846–52, police report on Abraham Sixt, 23 Apr. 1846.

³⁵ STABS Justiz J8, Collocationen der Stadt 1840–51, report on Samuel Barth, 13 Jan. 1848.

³⁶ *Ibid.* report on Oscar Häring, 16 July 1845.

³⁷ *Ibid.* report on Rudolf Hunziker, 7 Jan. 1850. During his interrogation, Hunziker claimed that he worked as a stockroom labourer, not a clerk. STABS Justiz J7, Einzelne Concurssachen 1846–52, interrogation of Rudolf Hunziker, 11 Jan. 1850.

Falliment

tive aspects, and work demanded virtues that originated from the domestic sphere as well. The failures in the domestic sphere were rendered into the stereotypes of 'squandering', often linked with drinking, or of 'debauchery' (*Schwelgerei*) and 'luxuriousness' (*Wohlleben*).³⁸ Mostly, the two explanations were combined: 'This *Fallit* could have prevented his *Falliment*, had he been more thrifty and industrious', was the typical and standardized story of failure.³⁹ To be 'work-shy' meant inconsistency, a lack of focus on one single occupation, and an inappropriate use of time: 'This *Fallit* who stayed here as a silk weaver and started trading in commodities given to him on commission, seems to belong rather to the class of the *aventuriers*, as opposed to hard-working people who persevere in their profession.'⁴⁰ As with the case of a hat-maker: 'This *Fallit* concerns himself not only with his occupation but is often away on travels where he presumably spends more than he gains.'⁴¹ Official accounts admonished a joiner: 'Idleness [*Arbeitsscheu*] and perhaps self-inflicted lack of customers are the reasons for the *Falliment*.'⁴² Carelessness and incompetence were additional attributes of failure.

In the civil court officials' discourse, the notion of an 'immoral' reputation connected the regard a person was held in by others with individual behaviour. A statement about a wig-maker said: 'As can be concluded from the many letters of debt collection over many years, this *Fallit* has had a wrecked home [*zerrüttetes Hauswesen*] for a long time and he has not a good moral reputation.'⁴³ 'Immorality' was also linked to social interaction; it came to the fore in reprehensible dealings with others, for which the notion of deceit was central.⁴⁴ 'This extravagant and immoral man managed . . . in a deceitful

³⁸ E.g. STABS Justiz J8, Collocationen der Stadt 1840–51, Report on Johann Georg David, 16 July 1845; report on Heinrich Plattner, 26 Oct. 1846.

³⁹ *Ibid.* report on J. J. Sandreuter, 16 July 1845.

⁴⁰ *Ibid.* report on Jean Maas-Day, 20 Oct. 1841 (French in the original).

⁴¹ *Ibid.* report on Adam Scherb, 22 Jan. 1844.

⁴² *Ibid.* report on Martin Rapp, 27 Oct. 1845.

⁴³ *Ibid.* report on Rudolf Carly, 6 July 1846. Similar statements in the report on David Keller of 23 Apr. 1841; in the reports on Christoph Heckendorf and Maria Knechtle, both 17 Aug. 1842; in the report on Ludwig Calre, 5 Oct. 1848; and on Heinrich Scherrer, 19 Jan. 1849.

⁴⁴ On the idea of 'deceit' in this context, see Toby L. Ditz, 'Shipwrecked; or Masculinity Imperiled: Mercantile Representations of Failure and the Gender-

way [*hinterlistiger Weise*], to get hold of the annuity of 1,000 francs which his wife's relatives paid for her, for five years in advance. When Heckendorn received this sum of 5,000 francs, he ran away leaving his wife and children behind.⁴⁵

In addition to the surprisingly few cases that treated the topics of sickness, disability or old age,⁴⁶ it was in the domain of family and household—and only here—where authorities found acceptable explanations for a *Falliment*. If the 'wrecked home' could be at the root of self-inflicted financial decline, then also, conversely, family responsibilities like caring for many children or relatives might account for misfortune through no fault of one's own. However, the one explanation the authorities in the 1840s never gave for a failure was economic crisis.⁴⁷ During the hunger crisis of 1847, when in Basel roughly 5000 persons obtained free meals from philanthropic institutions,⁴⁸ the officials concluded their report: 'Even if many of these insolvencies were exacerbated by the hardship of these times [*in der Bedrängniß der Zeit ihren mitwirkenden Grund haben*], it should nevertheless be appropriate, given the excess of careless insolvencies, to pursue matters against the fallible persons [*die Fehlbaren*] all the more strictly, as our laws command.'⁴⁹ What authorities noticed and what they felt they must intervene against were perceived individual failures only, and their translation into improper reputation. For this, the bridge between inner self and social standing was provided by the semantics of morality, that is, the projection of the individual on to the social.

ed Self in Eighteenth-Century Philadelphia', *Journal of American History*, 81 (1994), 51–80, at 59.

⁴⁵ STABS Justiz J8, Collocationen der Stadt 1840–51, report on Christoph Heckendorn, 17 Aug. 1842.

⁴⁶ I counted only 14 such cases out of 260.

⁴⁷ In some rare instances, the court officials took heightened competition in specific trades into consideration, e.g. between grocery dealers or coachmen. See STABS Justiz J8, Collocationen der Stadt 1840–1851, report on J. J. Reischacher-Hirt, 13 Jan. 1848; report on Johann Heinrich Wiesner, 2 July 1850.

⁴⁸ Sarasin, *Stadt der Bürger* (2nd edn.), 265.

⁴⁹ STABS Justiz J8, Collocationen der Stadt 1840–51, conclusion of report, 13 July 1847.

Falliment

III. *Modest Stories, Losing Credit*

In contrast to the standardized narrative of individual mistakes recounted by the court officials, the bankrupts who were interrogated by the police gave a different account of their failure. And yet their story complemented rather than contradicted the authorities' account. The insolvents told a personal story, which stressed supra-individual circumstances and events. Certainly these were 'enforced narratives', structured by the police officer's questions and following what Carolyn Steedman has called the 'autobiographical injunction' that becomes 'a history of expectations, orders and instructions' in which the insolvent narrator tried to situate himself tactically.⁵⁰ One of the requirements of these highly pre-formatted narratives was to tell an individual history that stressed similarity with others: a story of having done nothing particularly wrong. The insolvents employed a conspicuous rhetoric of modesty. 'It just happened to me as it happens to many a man, my earnings fell back', Rudolf Hunziker, whom we encountered earlier, succinctly explained his dilemma to the police officer in 1850. He said he had taken over his father's house for the substantial sum of 9,500 francs, of which at the foreclosure sale only 7,250 francs were recovered. The single most repeated cause the insolvents cited for their losses was a poor forced auction sale. In a sense, the bankrupts recounting low auction sales were complaining that the market was a mechanism without memory – whereas they remembered their expenses and efforts from the past and projected them on to a value in the present and future.⁵¹ In contrast to the civil servants' accounts, the bankrupts frequently referred to the 'current conditions of the times' of the late 1840s, especially to the plummet-

⁵⁰ Carolyn Steedman, 'Enforced Narratives: Stories of Another Self', in Tess Cosslett, Celia Lury, and Penny Summerfield (eds.), *Feminism and Autobiography: Texts, Theories, Methods* (London, 2000), 25–39, at 28.

⁵¹ See e.g. STABS Justiz J7, Einzelne Concurssachen 1836–45, interrogation of Christoph Gysin, 8 May 1845; interrogation of Rudolf Kübler, 17 Feb. 1845; STABS Justiz J7, Einzelne Concurssachen 1846–52, interrogation of Fredrich Klingelfuß, 4 Feb. 1846; interrogation of Otto Landerer, 6 Feb. 1846; interrogation of Friedrich Otto, 6 Feb. 1846; Johann Georg Oppermann, 18 Oct. 1847; interrogation of Johann Jacob Reischacher-Hirt, 26 Jan. 1848; interrogation of Johann Jacob Schlueb, 11 Apr. 1848; interrogation of Johann Carl Peschel, 30 Apr. 1849.

ing real estate prices.⁵² To refer to a general economic crisis was, of course, an argument for exculpation; however, it is important to note how this broad explanation of failure was transfigured into private misfortune in the insolvents' tales. The notion of economic crisis was merely a background to a personal consideration which developed the idea of lost credit. 'Falling back' or 'not getting ahead' was, according to the bankrupts' accounts, linked to the loss of credit.

Credit was not a single act of financial dealing, but an intangible situation or esteem, which one possessed, and which one could also lose. It involved personal interaction and was built on a web of social relations consisting of reputation and confidence from suppliers, fellow traders, and family members, all of whom had their own expectations and claims vis-à-vis a debtor. The interrogation minutes of Friedrich Hodel, a 30-year-old shoemaker and a divorced father of four, are significant in this respect. 'I established myself [as a shoemaker] in 1838', he told the police officer

with some ideas I brought from Paris, where I had been a lead worker in a distinguished shoemaking enterprise and trading house for a while. In the beginning, I had no funds of my own, and had to . . . equip my workshop, in which I handled goods of all kinds, solely on credit, and entered into heavy debts at the beginning; even though I enjoyed the unlimited trust of local tanners, the bills they issued piled up as well (*das Vertrauen hiesiger Gerber besaß ich zwar unbeschränkt, aber ihre Rechnungen stiegen dabei auch sehr hoch*) . . . [I]n later years, when I had eventually lost many customers and generally came under economic pressure, my natural dislike for the shoemaking profession arose again, and I confess freely that my fervour cooled down . . . When I started out in 1838, I was still young and inexperienced in many respects, I had credit, too, more than was actually healthy, and so I ventured, with the best intentions, and good trust, many things, I later repented.⁵³

⁵² See e.g. STABS Justiz J7, Einzelne Concurssachen, 1846–52, interrogation of Johann Carl Peschel, 30 Apr. 1849; interrogation of Niklaus Riedtmann, 5 July 1849.

⁵³ STABS Justiz J7, Einzelne Concurssachen, 1846–52, interrogation of Friedrich Hodel, 21 Apr. 1846.

Falliment

Hodel gave a contradictory account of his start in the profession, at the same time allegedly burdened with heavy debt and facilitated too smoothly with easy credit. The narrative then shifted to depictions of apathy and a change of mood, admitting a 'natural dislike' for his profession. Then again, Hodel underlined his good intentions, and pointed to the commonplace of inexperienced youth.⁵⁴ Friedrich Hodel referred to 'trust' to describe the suppliers' attitude towards him. While this particular term is not common in the source base under review,⁵⁵ the esteem received from others could help balance out financial dealings over a certain period of distress. He would have fallen into the condition of *Falliment* even earlier, an insolvent said, had it not been for the 'leniency' and 'consideration shown in respect to my otherwise upright and honest conduct' by a 'local, respectable trading house'.⁵⁶ Yet credit could quickly disappear; in some instances the insolvents pointed to the pace of debt recollection and deplored how they themselves had run out of time.⁵⁷ When a police officer reproached a bankrupt mason for having 'exploited the credit given until the last moment and piled debts on debts', the latter responded that he had never 'abused his credit carelessly', but 'then I suddenly became hustled from all sides, and couldn't hold myself up any longer'.⁵⁸ The 'piling up of debts' (*Schuldenmachen*) was, then, the counterpart to 'having credit'. While the authorities

⁵⁴ On the moods, aspirations, and mobilizations of nineteenth-century shoemakers, see the classic piece: Eric Hobsbawm and Joan W. Scott, 'Political Shoemakers', *Past and Present*, 89 (1980), 86–114.

⁵⁵ Only in one other instance did an insolvent say that he initially had 'confidence' (*Vertrauen*) and a good outlook in his trade, while in another case an insolvent reported that 'misguided trust' had led him into fatal enterprises. See STABS Justiz J7, Einzelne Konkursachen 1836–45, interrogation of Christoph Holzach, 22 July 1845; STABS Justiz J7, Einzelne Concurssachen 1846–52, interrogation of Jacob Meyer, 16 Oct. 1847.

⁵⁶ STABS Justiz J7, Einzelne Concurssachen 1846–52, interrogation of Valentin Rimmensperger, 16 Oct. 1847. Similarly, see interrogation of Heinrich Bruckner, 14 July 1848.

⁵⁷ STABS Justiz J7, Einzelne Konkursachen 1836–45, interrogation of Christoph Holzach, 22 July 1845; STABS Justiz J7, Einzelne Konkursachen 1846–52, interrogation of Johann Jacob Reischacher-Hirt, 26 Jan. 1848.

⁵⁸ STABS Justiz J7, Einzelne Concurssachen 1846–52, interrogation of Johannes Löliger, 28 Nov. 1848.

pointed out what they saw as a careless habit of paying old household debts with new ones—thereby alluding to the standard vice of excess consumption—the interrogated insolvents frequently emphasized a difficult professional start from which they never managed to recover. As debtors in the police interrogation translated their financial dealings into terms of personal relations, a prosecuted claim would be depicted as violation of the debtor’s integrity. A rapid settling of accounts, ‘quickly and heedlessly enforced’, as one insolvent said, was interpreted as a hostile act.⁵⁹ Vice versa, the fragile balance of countless credit arrangements was further endangered when others failed to make their payments or when a co-signed guarantee became due, leading to cascades of unmet debts.⁶⁰

The virtues and appearances on display, essential to navigating everyday credit, depended ultimately on the household’s gendered order with its spheres, tasks, duties, and expectations. A failed domestic economy could provide a ready explanation for insolvency, since household financial dealings were relegated to women.⁶¹ ‘Well, I don’t know that; there must have accrued quite a few debts for a long time’, Johannes Haering, a 65-year-old blacksmith told the police: ‘I have in my lifetime given my monthly earnings of c.36 francs to the household, and still give it, since the death of my wife, which occurred two years ago, to my daughter, and do not concern myself with it [*bekümmere mich weiter nicht*].’⁶²

Yet to shift the responsibility on to the (deceased) wife or daughter was only one way of self-justification. Several bankrupts claimed

⁵⁹ STABS Justiz J7, Einzelne Konkursachen 1836–45, interrogation of Christoph Gysin Rosenburger, 8 May 1845. Another salient example is the interrogation of Ludwig Schwörer, 4 Nov. 1845.

⁶⁰ STABS Justiz J6, Einzelne Rehabilitationen 1846–56, request by Franz Schaub, 7 June 1851; request by Johann Ludwig Hagmann, 27 June 1851.

⁶¹ Amanda Vickery, ‘His and Hers: Gender, Consumption and Household Accounting in Eighteenth-Century England’, *Past and Present*, Supplement, vol. 1 (2006), 12–38, at 13–14; Beverly Lemire, *The Business of Everyday Life: Gender, Practice and Social Politics in England, c. 1600–1900* (Manchester, 2005), 17; Bettina Heintz and Claudia Honegger, ‘Zum Strukturwandel weiblicher Widerstandsformen im 19. Jahrhundert’, in ead. (eds.), *Listen der Ohnmacht: Zur Sozialgeschichte weiblicher Widerstandsformen* (Frankfurt an Main, 1981), 7–68, at 16–17.

⁶² STABS Justiz J7, Einzelne Konkursachen 1836–45, interrogation of Johannes Haering, 3 Nov. 1845.

that after their divorce they lost esteem in their community and forfeited their credit.⁶³ When they alluded to marital disputes or to the absence of a wife,⁶⁴ they addressed, for the purpose of explanation, a normative arrangement with habitual gendered practices and work tasks which could not be sustained without its female part.⁶⁵ Other insolvents represented themselves as caring heads of households (*Hausväter*) who led their household in a proper way. In any case, the bankrupts pointed to the importance of public display. This was also crucial for the inn as a space for plebeian public sociability.⁶⁶ The authorities intervened here by publicly forbidding insolvents from entering an inn. One insolvent asked to be spared this special penalty of honour. He did not object to losing his civil rights but begged not to be banned from the tavern 'because I fear the disgrace and detriment this would bring me'.⁶⁷ Confronted with the police offi-

⁶³ Ibid. interrogation of Abraham Oppliger, 5 Nov. 1845; STABS Justiz J7, Einzelne Concurssachen 1846–52, interrogation of Rudolf Karli, 10 July 1846.

⁶⁴ Ibid. interrogation of Johann Lucas Kappeler, 3 Feb. 1847.

⁶⁵ This does not imply that only one current household model existed; nor did the normative order of a household necessarily draw on arrangements which Otto Brunner has, with recourse to Wilhelm Heinrich Riehl, termed 'das ganze Haus'. Rather the household should be regarded, as David Sabean has pointed out, as a site of tension: of implicit contracts, claims, and expectations between spouses and generations. See Otto Brunner, 'Das "ganze Haus" und die alteuropäische "Ökonomik"', in id., *Neue Wege der Verfassungs- und Sozialgeschichte* (1st edn. 1956; Göttingen, 1968), 103–27; David W. Sabean, *Property, Production, and Family in Neckarhausen, 1700–1870* (Cambridge, 1990), ch. 3. For a critique on Brunner, see Valentin Groebner, 'Ausser Haus: Otto Brunner und die alteuropäische "Ökonomik"', *Geschichte in Wissenschaft und Unterricht*, 46 (1995), 69–80.

⁶⁶ On Swiss taverns see Beat Kümin, 'Das vormoderne Wirtshaus im Spannungsfeld zwischen Arbeit und Freizeit', in Hans-Jörg Gilomen (ed.), *Freizeit und Vergügen vom 14. bis zum 20. Jahrhundert* (Zurich, 2005), 87–98; Guggenbühl, 'Heaven or Hell'. With respect to a plebeian public, see Hans Medick, 'Plebejische Kultur, plebejische Öffentlichkeit, plebejische Ökonomie: Über Erfahrungen und Verhaltensweisen Besitzarmer und Besitzloser in der Übergangsphase zum Kapitalismus', in Robert Berdahl et al., *Klassen und Kultur: Sozialanthropologische Perspektiven in der Geschichtsschreibung* (Frankfurt am Main, 1982), 157–204.

⁶⁷ STABS Justiz J7, Einzelne Concurssachen 1846–52, interrogation of Christoph Grey, 28 May 1849. The ban on entering an inn was remembered as

cers' frequent reproaches about drinking and careless housekeeping, many bankrupts claimed to be resentfully slandered by others, and thus they interpreted their own situation as a series of interpersonal hostile relations. They called for witnesses and insisted that 'nobody has ever seen' them drunk or that they were never picked up by the police in the tavern after hours (*Übersitzer*),⁶⁸ always referring to the issue of being *seen*, of public appearance.⁶⁹

The interplay between social existence and inner existence was of paramount importance in the interrogated insolvents' tales. The interrogation had to complement and confirm the authorities' encoding. The insolvents largely complied with this role the interrogators assigned them, all the while employing a specific semantics of modesty. In their narratives, they framed their economic dealings in personal terms, including emotions and moods. The loss of credit was intrinsically bound to the esteem they were held in by others. The insolvents emphasized the importance of appearance in differentiated publics that affected them in their inner, personal life.

IV. *Contested and Ambivalent Property*

A liberal conception of property as exclusive ownership, which emerged and became reinforced in the nineteenth century, constantly collided with everyday economic life and its relative, aspect-oriented usages of property in which user rights, deferred payment, instalments, barter, lending, leaseholding, appropriation and re-use of goods, claims and counter-claims marked the workings of

an especially degrading penalty in the memoir of the nineteenth-century pedlar Gregorius Aemisegger. See Fabian Brändle (ed.), *Das lange Leben eines Toggenburger Hausierers: Gregorius Aemisegger 1815–1913* (Wattwil, 2007), 62; Hermann Bendiner, *Das Wirtshausverbot: Eine schweizerische Strafe und Verwaltungsregel* (Zurich, 1917).

⁶⁸ STABS Justiz J7, Einzelne Concurssachen 1846–52, interrogation of Christoph Grey, 28 May 1849.

⁶⁹ STABS Justiz J7, Einzelne Konkursachen 1836–45, interrogation of Rudolf Kübler, 17 Feb. 1845; interrogation of Johannes Haering, 3 Nov. 1845; interrogation of Ludwig Schwörer, 4 Nov. 1845; STABS Justiz J7, Einzelne Concurssachen 1846–52, interrogation of Jacob Mangold, 24 Jan. 1849; interrogation of Niclaus Schimpf, 11 Oct. 1849.

what was a fairly informal economy.⁷⁰ These complicated property relations involved difficulties in assigning and even delineating assets in bankruptcy cases. When police officers routinely asked the insolvents how much money, in their own estimation, the creditors had forfeited in their case the bankrupts virtually never came up with a correct answer, or claimed to have no idea at all. This conspicuous ignorance might have been a tactical move. Also, insolvents were not present when an official inventory of the creditors' unmet claims was conducted.⁷¹ Yet the answers given in the police interrogations might also point to the complicated property relations, which led to contradictory assessments. The president of the *Justizkollegium* reflected on the extraordinary amount of 'negative fantasy' of the *Falliten* who frequently contested the official inventory: 'Everybody finds here and there indications for excuses which make the whole procedure appear useless and superfluous.'⁷²

The most difficult asset to assign by the authorities was the female marriage portion or dowry. Here marital affiliation, the household's gender order, and the wife's family lineage intersected. The dowry, then, was not a property with informal traits such as the ones discussed above, but one in which different domains of formality clashed. In judicial discussion, the marriage portion was technically ambivalent, being located at the intersection of insolvency law and marital property law. This border position points to a greater poten-

⁷⁰ On the encounter between the relative nature and the absolute conception of property relations, as seen through the lense of criminal law, see Rebekka Habermas, *Diebe vor Gericht: Die Entstehung der modernen Rechtsordnung im 19. Jahrhundert* (Frankfurt am Main, 2008), 82–3; ead., 'Eigentum vor Gericht: Die Entstehung des modernen Rechtsstaates aus dem Diebstahl?', *Werkstatt-Geschichte*, 42 (2006), 25–43; on the conceptual multiplicity of property in civil law disputes see Sperber, *Property*; on the futile efforts to conceptualize property in a coherent framework in nineteenth-century legal scholarship, see Mikhail Xifaras, *La propriété: Étude de philosophie du droit* (Paris, 2004); on the concept of informal economy, see Manuel Castells, Alejandro Portes, and Lauren A. Benton (eds.), *The Informal Economy: Studies in Advanced and Less Developed Countries* (Baltimore, 1989).

⁷¹ This changed in 1855 and bankrupts by then had to attend the creditors' negotiations on the remaining assets. See *Verwaltungs-Bericht des Kleinen Raths an den Großen Rath des Kantons Basel-Stadt über das Jahr 1855*, 74.

⁷² STABS Justiz J8, Collocationen 1852–59, President of the *Justizkollegium* to the mayor and minor city council, 16 May 1854.

tial conflict between a concept of contractual relations on the one hand, and a concept of the household on the other.

Before going bankrupt a husband could use his wife's dowry for his financial dealings.⁷³ He could back a debt specifically with the wife's dowry as collateral as long as the wife consented in writing.⁷⁴ In the case of insolvency, the gender tutelage for the insolvent's wife was handled, as it was for unmarried women, divorcees, or widows, by the guilds. Assuming gender tutelage, the guilds' influence increased compared to early modern times when women frequently testified before court.⁷⁵ In practice, the guilds pursued their own economic interests while pooling these overall enormous sums from women's dowries.⁷⁶ Yet in theory, the wife's guardian's task was to protect her interests. In the case of insolvency, the wife's portion had a privileged position in the remaining assets. A wife could take back her mobile assets if they were still in place, and moreover, she had a privileged claim on the lost assets.⁷⁷ In that sense, the supposedly pre-

⁷³ On the importance of dowries, especially for business enterprise in nineteenth-century Switzerland, see Elisabeth Joris, 'Kinship and Gender: Property, Enterprise, and Politics', in David W. Sabeau, Simon Teuscher, and Jon Mathieu (eds.), *Kinship in Europe: Approaches to Long-Term Development (1300–1900)* (New York, 2007), 231–57.

⁷⁴ Peter Münch, *Aus der Geschichte des Basler Privatrechts im 19. Jahrhundert: Traditionsbewusstsein und Fortschrittsdenken im Widerstreit* (Basel, 1991), 138.

⁷⁵ Regina Wecker 'Geschlechtsvormundschaft im Kanton Basel-Stadt: Zum Rechtsalltag von Frauen – nicht nur im 19. Jahrhundert', in Rudolf Jaun and Brigitte Studer (eds.), *Weiblich – männlich: Geschlechterverhältnisse in der Schweiz. Rechtsprechung, Diskurs, Praktiken* (Zurich, 1995), 87–97, at 90. An exception to gender tutelage was the 'freie Mittelverwaltung', comparable to the legal category of the 'merchant woman' or 'femme marchande', which existed in many European societies. In 1875 there were 317 women in Basel who obtained this status, *ibid.* 93. On the 'femme marchande' see Fontaine, *Économie*, 144–50. In her study on gender tutelage in the canton Basel-Landschaft, Annamaria Ryter asserts the class dimension of gender tutelage and 'freie Mittelverwaltung': wealthy women could manage their assets rather freely, whereas the makeshift economy of the underclasses was thoroughly scrutinized by the authorities. See Annamaria Ryter, *Als Weibsbild bevoogtet: Zum Alltag von Frauen im 19. Jahrhundert – Geschlechtsvormundschaft und Ehebeschränkungen im Kanton Basel-Landschaft* (Liestal, 1994), 170–5.

⁷⁶ Wecker, 'Geschlechtsvormundschaft', 90.

⁷⁷ On the different classes of creditors in insolvency proceedings, a mechanism first instituted in early modern town ordinances in order to invigorate

Falliment

modern institute of the dowry can be seen as an individual female property. As recent studies on dowries have shown, this property was specifically conceptualized as a wife's credit vis-à-vis her husband and it was a potential source of legal and financial agency.⁷⁸ Evidence gathered from outside Basel further indicates that the inconsistent legal status of bankrupts' wives promoted their financial agency. For example, a statute in Zurich of 1810 stated that 'experience has shown that the wives of *Falliten* after the *Falliment* of their husbands mostly remain without supervision [*Aufsicht*] and often, while neglecting several respective statutes, do whatever they like with their saved female portion [*nach Belieben schalten und walten*] whereby for both public credit and the civic order very detrimental consequences arise [*wodurch für den öffentlichen Credit sowohl, als für die bürgerliche Ordnung sehr nachtheilige Folgen entstehen*].'⁷⁹

However, it seems that in Basel the tutelage system, managed by the guilds, worked more rigorously than in Zurich. Contradictory practices and appropriation of inconsistent legal situations aside, the legal discussion on the subject was rooted in a patriarchal view which stressed order and hierarchy within the household. This view led to two different arguments. The first highlighted the female need

credit markets by providing legal security, see Sibylle Hofer, 'So haben Wir zur Beförderung des Credits vor nöthig befunden (...)': Kreditsteuerung durch Konkursrecht in der frühen Neuzeit', *Zeitschrift für Neuere Rechtsgeschichte*, 26 (2004), 177–88.

⁷⁸ Margaret Lanzinger, 'Variationen zum Thema: Mitgiftsysteme', in ead. et al., *Aushandeln von Ehe: Heiratsverträge im europäischen Vergleich* (Cologne, 2010), 460–92; Angiolina Arru, 'Die nicht bezahlte Mitgift: Ambivalenzen und Vorteile des Dotalsystems im ausgehenden 19. und beginnenden 20. Jahrhundert', *L'Homme: Zeitschrift für feministische Geschichtswissenschaft*, 22 (2011), 55–69; ead., 'Schenken heisst nicht verlieren': Kredite, Schenkungen und die Vorteile der Gegenseitigkeit in Rom im 18. und 19. Jahrhundert', *L'Homme: Zeitschrift für feministische Geschichtswissenschaft*, 9 (1998), 232–51.

⁷⁹ Gesetz, betreffend die Bevogtigung der Eheweiber von Falliten, 13. Dezember 1810, in *Officielle Sammlung der von dem Großen Rathe des Cantons Zürich gegebenen Gesetze und gemachten Verordnungen, und der von dem Kleinen Rath emanirten allgemeinen Landes- und Polizey-Verordnungen* (Zurich, 1811), iv. 383. Also, Albert Vogt in his study of a village in canton Solothurn concludes that a husband's bankruptcy furthered a wife's agency and points to the active public roles of insolvents' wives before the court, especially in libel suits in which women defended the family's honour if their husband had lost

for protection by the law, the second, marital consent and female submission to the husband. These arguments were not mutually exclusive; for example, the legal scholar Andreas Heusler, who later wrote the first draft of the federal bankruptcy law, balanced both lines of argument.⁸⁰

As a general tendency, a woman's claim to her portion in insolvency proceedings was progressively diminished during the nineteenth century. For the dowry, as a credit a wife granted to her husband, did not have the same status as other credits, as changing modalities for the rehabilitation of bankrupts demonstrate. As a precondition for the rehabilitation of a *Fallit*, all creditors had to be repaid by the bankrupt himself. This general rule was tightened as contractual relations became stronger in the context of expanding capitalist conditions. By 1849 an insolvent had to prove in detail that his creditors had not only declared themselves 'satisfied' in writing, but had in fact been paid.⁸¹ Yet for the female marriage portion the exact opposite development can be observed. By 1827 a report by the civil court officials examining the rehabilitation of a *Fallit* had already come to a somewhat paradoxical conclusion. The *Fallit* in question failed to reimburse his wife's dowry, yet had repaid the other creditors. The officials, however, nonetheless granted rehabilitation, by concluding that 'the relationship of a wife to her husband's funds is of the kind that she is *not a creditor vis-à-vis him*, but only has a privilege *vis-à-vis other creditors*'.⁸² This wife was in the paradoxical situation of not being a creditor and of simultaneously being privileged over other creditors. The unspoken assumption that a saved marriage portion de facto would support the whole bankrupt family was no longer taken into consideration.⁸³ The argument was that a wife

his civil rights. See Albert Vogel, *Ädermannsdorf: Bevölkerung, Wirtschaft, Gesellschaft und Kultur im 19. Jahrhundert* (Zurich, 2003), 201–2, 694.

⁸⁰ Andreas Heusler, *Motive zu dem Entwurf eines Civilgesetzbuches für den Canton Basel-Stadt* (Basel, 1866), pt. 1, 33, as quoted in Münch, *Basler Privatrecht*, 144.

⁸¹ *Der Statt Basel Statuta und Gerichts-Ordnung*. . . (Basel, 1849), §276.

⁸² STABS Justiz J6, Einzelne Rehabilitationen 1764–1845, report by the *Gerichtsamter* on the rehabilitation of Joseph Dollinger, 13 Sept. 1827, emphasis in original.

⁸³ For this tacit assumption, see Vogt, *Ädermannsdorf*, 200; also Sperber, *Property*, 248–9.

Falliment

should submit to her husband's lot and that she would also benefit from his rehabilitation. Thus this intra-household credit had a special status, positing the household normatively as a domain which stood, partially, in contrast to contractual financial dealings. In 1867 this policy with respect to rehabilitation was retained in a law.⁸⁴ The first draft of a federal bankruptcy law of 1874 went further.⁸⁵ According to this, the wife could only reclaim 50 per cent of her total wealth. Basel adopted this position in 1884 while simultaneously allowing the wife to request separation of property before her husband became insolvent, although with several impediments.⁸⁶ Finally, the legal doctrine that a wife held a privilege over only 50 per cent of her marriage portion was instituted in the federal bankruptcy law of 1889. Overall, the security of creditors was heightened at the expense of the wife's position.⁸⁷ This tendency to diminish the guarantee on the wife's assets can be integrated into the framework of a changing pattern of kinship alliances with respect to property in the context of expanding capitalist conditions and class formation. According to this interpretation, the influence of the wife's family with its long-term interests in lineage declined, and a husband's power to appropriate and to flexibly mobilize female capital augmented.⁸⁸

On top of these ambiguities enshrined in a fractured, yet formalized legal framework came the practical ambiguities, since the female

⁸⁴ STABS BS DS 9. *Rathsschlag und Gesetzesentwurf über die rechtlichen Folgen von Fallimenten, dem E. Großen Rath vorgelegt am 3. Dezember 1866* (= *Rathsschlag* 357), 13.

⁸⁵ [Andreas Heusler], *Bundesgesetz [sic] über Schuldbetreibung und Konkurs: Erster Entwurf mit Motiven* (Berne, 1874), 123 ff; Münch, *Basler Privatrecht*, 144–5.

⁸⁶ Münch, *Basler Privatrecht*, 143.

⁸⁷ See Wecker, 'Geschlechtsvormundschaft', 96 for a parallel development in gender tutelage.

⁸⁸ This is in line with the wider implications of David Sabeau's thesis on the abandonment of legal guardianship over married women by the late 1820s. See David W. Sabeau, *Property*, 26, 47–8, 430; id., 'Allianzen und Listen: Die Geschlechtsvormundschaft im 18. und 19. Jahrhundert', in Ute Gerhard (ed.), *Frauen in der Geschichte des Rechts: Von der Frühen Neuzeit bis in die Gegenwart* (Munich, 1997), 460–79. Also Joris, 'Kinship and Gender' argues along this line. For a further elaboration of the thesis of a changing kinship pattern, see David W. Sabeau and Simon Teuscher, 'Kinship in Europe: A New Approach to Long-Term Development', in id., *Kinship in Europe*, 1–32.

marriage portion was an emblematic site of tensions over intra-household power. A final case will exemplify this. When the tailor Abraham Wertenberg was declared insolvent in 1834, his wife's portion of 6,429 francs was transferred to the guild *Saffran*, and his creditors lost 11,205 francs. When his mother died in 1845, he became able to repay most of his creditors with an inheritance of roughly 7,000 francs. In 1848 he convinced the remaining creditors, among them his wife's uncle, to grant him a remission, and he declared that he had repaid all his creditors. He then requested rehabilitation.⁸⁹ The investigating officials were convinced by this because they counted Wertenberg's wife's uncle as a relative. Granting intra-familial credits a special status, the authorities did not insist on full repayment. Yet the officials refused to hand his wife's portion over to Wertenberg since they assumed that his 'personality . . . hardly gives guarantee of responsible custody of even small funds'. Wertenberg saw this as a 'motion of no-confidence' and declared to the attending official 'that he, given such a restriction, would forever be a bonded man' and vehemently refused this precondition. The reporting head of the justice department suggested to the mayor that the request for rehabilitation be denied.⁹⁰ The authorities decreed that the marriage portion should remain in the guild's custody, except for a sum of 1,000 francs, which should be handed over to Wertenberg.⁹¹ He finally gave in when he realised the weakness of his position. Yet even after that he continuously assailed both the guardian and the attending civil court official, insisting on what he perceived as his right as a head of household.⁹² In order to get hold of his wife's substantial money, he utilized a hegemonic argumentation that stressed male authority in the household. Masculine sovereignty was, according to this line of argument, bound to marital dominance. Wertenberg claimed that having his civil rights reinstated was inseparable from full control over his wife's property. To conclude, the female marriage portion shows the difficulties the authorities encountered when examining, delineating, and assigning assets. Located at the intersec-

⁸⁹ STABS Justiz J6, Einzelne Rehabilitationen 1846–56, request by Abraham Wertenberg, 29 Dec. 1848.

⁹⁰ Ibid. *Justizkollegium*, 25 Jan. 1849.

⁹¹ Ibid. *Justizkollegium*, 15 Feb. 1849.

⁹² STABS Justiz J6, Einzelne Rehabilitationen 1846–56, *Gerichtsämter*, 10 May 1849.

Falliment

tion between family lineage and marital affiliation, it had an ambivalent status as an intra-household credit. Thus it was subject to constant contestation and legal redefinition.

V. Male Honour and the Variance of Social Experience

In their requests for rehabilitation insolvents asked to have their sovereignty as citizens reinstated. This highly gendered notion embraced public and private dimensions. In 1848, the founding moment of the Swiss federal state, questions of civic inclusion and (male) suffrage became matters of intense public debate. The turbulent years 1847 to 1852, marked by a short civil war, by competing religious conceptions of social order, and by diverging visions of the nation, saw a massive wave of popular nationalist mobilization.⁹³ The counterpart to civic inclusion, the loss of civil rights, also became a highly charged touchstone for questions of social order. Yet despite the increasingly national horizon of these themes, the decision whether to grant or remove civil rights remained in the realm of the municipalities, mainly because civil rights were linked to the right to communal poor relief. Due to the municipalities' restrictions, about 17 per cent of Swiss adult men (and in Basel almost 50 per cent) were precluded from the right to vote in 1848.⁹⁴ When in 1848 a society of *Falliten and Accordants* (*Falliten- und Accordantenverein*) wrote a petition to the mayor, it voiced a theme of national inclusion to a government that mainly followed corporative, Old Regime modes of town-rule.⁹⁵ The society of *Falliten* unsuccessfully requested that

⁹³ Oliver Zimmer, *A Contested Nation: History, Memory and Nationalism in Switzerland, 1761–1891* (Cambridge, 2003), 130; Martin Schaffner, 'Direkte Demokratie: "Alles für das Volk—alles durch das Volk"', in Manfred Hettling et al., *Eine kleine Geschichte der Schweiz: Der Bundesstaat und seine Traditionen* (Frankfurt am Main, 1998), 189–226, at 210 ff.

⁹⁴ Albert Tanner, 'Ein Staat nur für die Hablichen? Demokratie und politische Elite im frühen Bundesstaat', in Brigitte Studer (ed.), *Etappen des Bundesstaates: Staats- und Nationsbildung in der Schweiz, 1848–1998* (Zurich, 1998), 63–88, at 70.

⁹⁵ For a microhistorical account of the modalities of Old Regime town-rule and citizenship, see Simona Cerutti, 'Justice et citoyenneté à Turin à l'époque moderne', in Juan Carlos Garavaglia and Jean-Frédéric Schaub (eds.), *Lois,*

insolvents be allowed to vote for the national constitution, writing that ‘the *Fallit*’s heart beats as warmly for the fatherland as the active citizen’s’.⁹⁶ The society of *Falliten* also petitioned that insolvents should be allowed to hold low-level administrative offices and be included in military ranks, which in the nationalist moment of 1848 touched on an especially sensitive point. The committee of the city council responsible for this issue rejected the request, stating that ‘with few exceptions, all public offices demand that the one who is consigned [to the office] enjoys public confidence’. Since *Falliten* were ‘stripped of this confidence’, they were judged not capable of officiating.⁹⁷ Also, the cantonal military commission answered that a military rank could only be held by ‘an upright man’, that is, a solvent, sovereign citizen.⁹⁸ Yet military service was one of the few instances in which the newly instituted federal state actually transformed cantonal conditions, and by 1850 the federal military commission planned to include *Falliten* in military service.⁹⁹

Although written in this context, the individual requests for rehabilitation of bankrupts scarcely reflect the rhetoric of nationalist urgency; in fact, they highlight both more practical and more general symbolic dimensions of social status. What the petitions did address as a central concern was male honour. The insolvents presented themselves as caring heads of households, underscoring a set of duties the authorities had to acknowledge, even if this was not

Justice, Coutume: Amérique et Europe latines (16e-19e siècle) (Paris, 2005), 57–91; for a concise overview of Basel’s political system, see Martin Schaffner, ‘Geschichte des politischen Systems von 1833 bis 1905’, in Lukas Burckhardt (ed.), *Das politische System Baselstadt: Geschichte, Strukturen, Institutionen, Politikbereiche* (Basel, 1984), 37–53; on citizenship in Basel see Argast, *Staatsbürgerschaft und Nation*, 227–62; ead., ‘Das Basler Kantons- und Gemeindebürgerrecht’, in ead., Gérald Arlettaz, and Brigitte Studer (eds.), *Das Schweizer Bürgerrecht: Erwerb, Verlust, Entzug von 1848 bis zur Gegenwart* (Zurich, 2008), 187–228.

⁹⁶ STABS Justiz J4, Rechtliche Folgen des Falliments, bürgerliche Stellung und Ämterfähigkeit der Falliten 1782–1863, petition *Fallitenverein*, 8 Aug. 1848.

⁹⁷ *Ibid.* *Petitionskommission*, 19 Aug. 1848.

⁹⁸ *Ibid.* *Militärkollegium*, 26 Aug. 1848.

⁹⁹ Hans Tanner, *Die öffentlichrechtlichen Folgen (Ehrenfolgen) der fruchtlosen Pfändung und des Konkurses in der Schweiz*, Dissertation der rechts- und staatswissenschaftlichen Fakultät der Universität Zürich (Affoltern a.A., 1924), 13–14.

Falliment

matched by fulfilling other duties such as paying one's debts. The household thus provided a specific register of justification in their writing. As has been noted before, the household invoked a domain which was complementary to, though by no means disconnected from, contractual market relations. Rudolf Hunziker, the day-labourer whose account of the 'deepest misery' of his *Falliment* is mentioned at the beginning, asked for his rehabilitation in order to become 'reinstated' in his 'capacity to act as an honourable citizen'.¹⁰⁰ He explained how he had 'faithfully educated' his three children, and he reminded the mayor that at no point in time had he let his family become a burden on community welfare. The baker Johann Jakob Basler, on the other hand, recounted how his *Falliment* forced him to do precisely this: he had to commit his child to the orphanage 'and, which hurt me no less, let me appear in line with housefathers who, through carelessness and extravagance, throw themselves and their families into misery'.¹⁰¹ Not to 'appear in line with' careless housefathers speaks of an attempt to break with the classifications of *Falliment*: in that sense, the requests for rehabilitation also document attempts to counter the social ascriptions inherent in the process of *Falliment*. By employing the normative figure of the caring housefather the petitioners entered the semantic field of morality which was marked by profoundly polysemic terms. Stressing the moral integrity and the duties of a father who 'faithfully educated' his children enabled an insolvent to use the concept of morality against the current of the authorities' argument. This is not to assert that the petitioners fully appropriated and redefined those terms, nor that they came up with morally grounded legitimations that directly opposed the authorities' view (after all, these were administrative requests by individualized subjects, not moments of collective action). The modes of justification the insolvents employed were, rather, complementary to the authorities' semantics of morality, making use of a gradual variance of meaning in order to interrupt the authorities' encoding.

The attempted break with the authorities' encoding by the *Falliten* also comes to the fore in the highly individualized narratives some insolvents told in their requests. In contrast to the rhetorics of mod-

¹⁰⁰ STABS Justiz J6, Einzelne Rehabilitationen 1846–56, request by Rudolf Hunziker, 5 Sept. 1854.

¹⁰¹ Ibid. request by Johann Jakob Basler, 25 Dec. 1849.

esty the insolvents employed in the police interrogations, some fashioned their requests for rehabilitation as elaborated tales of misfortune, and they pointed to their striving for an honourable living. The silk weaver Johann Ludwig Hagmann, who was a non-citizen resident in Basel, recounted how he had to pay for a debt he had co-signed for someone else, how his family was affected by sickness, how he left the country in order to find work yet had to return with less than what he had started out with, and, finally, how a fire burned his house down and destroyed all his mobile assets including four weaving looms. On top of all these 'misfortunes through no fault of my own' came, following his *Falliment*, what he considered the most serious 'misfortune': 'the withdrawal of my residence permit.' The threat of expulsion points to a practical dimension of citizenship that for Hagmann and many others was of far greater importance than, though inherently intertwined with, its symbolic dimension.¹⁰²

Insolvents did not passively await their rehabilitation. The authorities continuously deplored the fact that bankrupts besieged their creditors in order to obtain a statement that they had been paid.¹⁰³ The court officials investigated whether the supposedly satisfied creditors actually had been paid, but always lacked solid information. Whether a reduction of the debt granted by a relative or a friend would count as a statement of payment or not also involved tedious negotiation.¹⁰⁴ Payments by relatives were an especially salient issue since inheritance and advancements of inheritance were

¹⁰² STABS Justiz J6, Einzelne Rehabilitationen 1846–56, request by Johann Ludwig Hagmann, 27 June 1851. Similar examples, among others, are the request by Friedrich Gerster, 20 Nov. 1854, and by Hermann Wetzel, 10 Oct. 1851. See also the request by the silk weaver Johann Jakob Grieder, 2 Dec. 1856 who, although having obtained rehabilitation, was scrutinized by the residence administration's office (*Niederlassungskommission*) since he possessed no assets whatsoever; authorities in this case hesitated to prolong the residence permit to someone who possibly might require poor relief in the future.

¹⁰³ STABS Justiz J6, Einzelne Rehabilitationen 1846–56, rehabilitation of Johannes Deck, report by the *Justizkollegium*, 6 Jan. 1849; rehabilitation of Jakob Konrad Ungerer, report by the *Justizkollegium*, 22 June 1852.

¹⁰⁴ *Ibid.* requests by Johann Friedrich Hurst, 14 Aug. and 13 Oct. 1846; reports by the *Justizkollegium*, 20 Aug. and 22 Oct. 1846. A similar case is the request by Hieronymus Erzberger, 15 Jan. 1846, and the respective report by the *Justizkollegium*, 29 Jan. 1846.

Falliment

the main and often the only way of acquiring the means to become rehabilitated. Authorities were acutely aware of this. When interrogating a bankrupt, the court official asked the standard question whether he could 'expect anything from anywhere' (*Ob er von irgendeiner Seite noch etwas zu erwarten habe*), meaning inheritance from both the wife's and the insolvent's family. The authorities were, of course, interested in creditors being paid. Yet they also had to make sure that the insolvents did not reimburse their creditors by taking up new debts from relatives. Confronted with intricate family relationships and their intermingled transfers, the court officials faced difficulties of assessment.

Finally, the requests for rehabilitation show that the insolvents' attitude to *Falliment* varied considerably. Certainly, this condition, highly symbolically charged, strongly affected many in their personal and social being. Also, as has been detailed, the practical consequences of the loss of civil rights were of pivotal importance, first and foremost the threat of eviction from the city. And yet it seems that in the everyday life of some *Falliten* their legal situation was of only small significance. The number of requests for rehabilitation remained low, which is probably due to the fact that many insolvents were never able to reimburse their creditors. Also, for obvious reasons the available sources say nothing about the motives of those who did *not* petition for rehabilitation. But certain requests suggest that some insolvents were not greatly impaired by the legal sanctions, and possibly some of them simply could not be bothered to become rehabilitated. To repeat an observation made earlier, in some cases other social sanctions, such as the ban on going to an inn, were seen as more invasive than the loss of civil rights.

At least some of the requests for rehabilitation give the impression that the bankrupts did not pay much attention to the procedures of *Falliment*. The day-labourer and non-citizen Jakob Lüdin claimed he simply had not realized that he was about to go bankrupt in the first place: he ignored the court summons 'and when I learned about the consequences of the procedure, it was too late'.¹⁰⁵ The tailor Friedrich Ungerer wrote in 1855 that he did not notice that a request for rehabilitation, which he had made two years years before, had been

¹⁰⁵ STABS Justiz J6, Einzelne Rehabilitationen 1846–56, request by Jakob Lüdin, 14 Dec. 1849.

rejected at that time. It does not seem that his loss of civil rights restricted him much in his daily affairs. Ungerer had correctly repaid his creditors, but he said he had ‘forgotten to attach the receipts’. And since he was living in a village outside Basel, the administration’s negative decision did not reach him, or at least so he wrote. It was only when Ungerer had to start a business on his own because his increasing deafness meant that he was no longer able ‘to easily earn anything among other people’, that his thoughts returned to rehabilitation.¹⁰⁶

These examples are given not to deny the force of the condition of *Falliment*, but rather to show the varying experiences and attitudes towards it. Instead of a pervasive, coherent set of norms one finds a variety of situatively differentiated effects, which were perceived and assessed by the *Falliten* in a multiplicity of ways. The social life of the legal category of *Falliment*, then, appears as more multi-layered than a notion of homogenous bourgeois morals assumes.

VI. Conclusion

‘Social death’ or ‘civic death’ (*bürgerlicher Tod*) was a powerful trope for organizing experiences at the margins of nineteenth-century bourgeois society, among them the experience of *Falliment*.¹⁰⁷ Without neglecting the force of this trope, this chapter has, however, highlighted rather inconsistent situations and a variety of experiences, active insolvents and in many respects unknowing and unaware authorities (who nevertheless *did have* authority). The classifications on which the legal category of *Falliment* was based were no binary procedure, but involved a differentiated and contested process. This was especially the case with morality. Morality provid-

¹⁰⁶ Ibid. request by Friedrich Ungerer, 5 June 1855.

¹⁰⁷ Two temporally and thematically very different examples indicate the durability and adaptability of the trope of *bürgerlicher Tod*: Robert Beachy, ‘Bankruptcy and Social Death: The Influence of Credit-Based Commerce on Cultural and Political Values’, *Zeitsprünge: Forschungen zur Frühen Neuzeit* 4 (2000), 329–43; Brigitta Bernet, ‘“Der bürgerliche Tod”: Entmündigungsangst, Psychiatriekritik und die Krise des liberalen Subjektentwurfs um 1900’, in ead. et al., *Zwang zur Ordnung: Psychiatrie im Kanton Zürich, 1870–1970* (Zurich, 2007), 117–53.

ed a link: it connected notions of ‘individuality’ and ‘social existence’, which were both at stake in an insolvency procedure. Marx, in his reflections on credit and money, claimed that trust in bourgeois society was based on distrust, and that in a debt relationship, in terms of moral evaluation, the inner existence came under scrutiny. Clearly the authorities’ moral judgements in Basel’s bankruptcy proceedings had an economic underside, or to phrase it differently: normatively structured reputation had economic effects since only those bankrupts who regained a flawless reputation would also regain credit-worthiness. *Ex negativo*, the tales about losing credit, which the interrogated insolvents recounted, confirm how a moral logic and economic considerations were closely intertwined. Yet morals were also intrinsically bound to the calculative procedure of examining financial failure itself; morality framed the authorities’ process of classifying—it was part of their practice of knowledge-production. Facing a constant lack of information and having to navigate through situations of uncertainty marked by the insolvents’ intricate financial and social relationships, the civil court officials quickly encoded each individual insolvency case in their grammar of moral judgement. In that sense the powerful assigned attributes of careless housekeeping and lack of industriousness also speak of a profound insecurity on the authorities’ part as regards their level of knowledge. As encoding abstracts from social contexts and elides information, the interrogation of the insolvents had to complement and confirm the authorities’ first encoding. When questioned, the insolvents largely complied with their ascribed role, as their modest stories indicate. Only when requesting rehabilitation did the insolvents attempt to disrupt the authorities’ encoding by telling individualized stories and by justifying themselves.

Morality as a grid of comprehension documents a continuous problematic of knowledge-gathering on the ground. The verbose, formulaic catalogue of vices and mistakes the court officials enumerated in their reports set out powerful social facts which were actually based on uncertain knowledge. It is debatable to what degree this grid of comprehension was replaced by more objectified forms of knowledge. In their works on credit reporting agencies, Berghoff and Lauer assert that moral ‘character rating’ was increasingly superseded by what they term more solid information and systematic practices of gathering, filing, storing, and mobilizing information. How-

ever, the insolvency proceedings in Basel assigned to morals more than a compensatory function in knowledge-gathering. Yet it is true that by the 1850s the authorities increasingly complained about the weak information in their reports.¹⁰⁸ The precarious knowledge the officials had, which was constantly undercut by debtors who eluded the procedures, made valuables disappear, or who disguised themselves, finally led the authorities to abandon their moral reports on the causes of bankruptcy. Eventually by the late 1860s these reports were increasingly rendered in tabular form, and in 1876, in accordance with new administrative arrangements and a new cantonal insolvency law instituted the year before, the court officials stopped their reports to the council altogether. '[T]he available means allow only for incomplete accounts on vague foundation', they concluded and, on the other hand, the cases for pursuit by criminal justice by then were directly delivered to the respective office.¹⁰⁹ But at the same time the grammar of moral judgement continued to frame the legal situation of *Falliment*. For when in 1867 a new law concerning the rehabilitation of insolvents was introduced, the precondition for rehabilitation hinged on the insolvents' ability to prove in detail that their bankruptcy had occurred through no fault of their own.¹¹⁰ In order to do this, insolvents had to inscribe themselves into the very same catalogue of morality as the one which had guided the officials in the first place.

One pivotal point in the argumentation of all actors involved – interrogating police officers, reporting court officials, council members deciding on rehabilitation, and the insolvents themselves – was a notion of the household with its gendered order. This notion lay at the heart of the contradictory, insecure status of the female marriage portion as well. Also, the polysemic quality of moral terms came

¹⁰⁸ STABS Justiz J8, Collocationen 1852–59, *Justizkollegium* to mayor and minor city council, 9 Jan. 1855; *Justizkollegium* to minor city council, 25 Sept. 1855; STABS Justiz J1, Allgemeine Betreibungs- und Konkursachen, Police directorate to minor city council, 23 Aug. 1855; civil court president to minor city council, 10 Sept. 1855.

¹⁰⁹ STABS Justiz J8, Collocationen der Stadt 1869–80, report by the second president of the civil court to the mayor and city council, 7 July 1876.

¹¹⁰ STABS DS BS 9, *Rathsschlag und Gesetzesentwurf über die rechtlichen Folgen von Fallimenten, dem E. Großen Rath vorgelegt am 3. Dezember 1866* (= *Raths Schlag* 357).

Falliment

especially to the fore in relation to the household. The household as a force field of both private and public expectations of proper behaviour proved to be fertile ground for imputation and explanation, yet also for the registers of justification the insolvents employed. Morality thus both provided 'semantic security' while at the same time being a site of incoherence.¹¹¹

¹¹¹ Boltanski, *On Critique*, 78-81.

NOTES ON EDITORS AND CONTRIBUTORS

MATTHIAS BIXLER studied history and sociology at the University of Trier. Since 2013 he has been a Research Associate at the Centre for Media, Communications and Information Studies (ZeMKI) at the University of Bremen. His research focuses on adolescent friendship networks, communication networks, and historical networks. He is currently preparing a Ph.D. thesis on aggressive behaviour among adolescents from a social network perspective. Publications on historical network research include (with Marten Düring, Michael Kronenwett, and Martin Stark) 'VennMaker for Historians: Sources, Social Networks and Software', *Redes: Revista hispana para el análisis de redes sociales*, 21 (2011), 422–52.

MARKUS GAMPER is a Senior Lecturer in Cultural Sociology at Cologne University. His research focuses on social networks, migration studies, and the sociology of religion. Recent publications on network analysis are ed. (with Linda Reschke), *Knoten und Kanten: Soziale Netzwerkanalyse in Wirtschafts- und Migrationsforschung* (2010); and 'Soziale Netzwerke und Macht: Elias' Konzept der Figuration vor dem Hintergrund des Aufstiegs der Medici in Florenz', in Markus Gamper, Linda Reschke, and Marten Düring (eds.), *Knoten und Kanten III: Soziale Netzwerkanalyse in Geschichts- und Politikforschung* (2015), 81–108.

ANDREAS GESTRICH was appointed Director of the German Historical Institute London in 2007. From 1996 to 2007 he was Professor of Modern History at the University of Trier, where he was a member of the research cluster 'Social Dependencies and Social Networks'. He directed a research project on 'The Role of Kinship and Patronage Networks in the Credit Market of Eighteenth- and Nineteenth-Century Rural Württemberg'. A recent publication on network analysis is (with Martin Stark) 'Überschuldung im ländlichen Kreditwesen im 18. und 19. Jahrhundert', *Zeitschrift für Verbraucher- und Privatinsolvenz: Sonderheft 15* (May 2009), 23–6.

ERNST LANGTHALER studied modern economic, social and cultural history at the University of Vienna. He is currently Director of the Insti-

NOTES ON CONTRIBUTORS

tute of Rural History in St Pölten and Senior Fellow at the Rachel Carson Center for Environment and Society at the University of Munich. He is Executive Editor of the *Jahrbuch für Geschichte des ländlichen Raumes*. His most recent monograph, *Schlachtfelder: Alltägliches Wirtschaften in der nationalsozialistischen Agrargesellschaft 1938–1945* (2015) deals with actors and their networks in rural society in Nazi Germany.

STEFFEN LEINS studied early modern history and French at the universities of Tübingen and Aix-en-Provence. His major publication is *Das Prager Münzkonsortium 1622–23: Ein Kapitalgeschäft im Dreißigjährigen Krieg am Rand der Katastrophe* (2012). He has received several prizes, including the Federal German Armed Forces' award for Defence Studies, and is currently completing his Ph.D. thesis entitled 'Field Marshal Peter Melander von Holzappel: Renegade, Social Climber, and the Late Thirty Years War'. His research interests focus on social and economic history, military history, and the history of technology.

DANIEL REUPKE studied law and economics at the University of Bayreuth, and history in France and at the Saarland University, where he received his MA. He is currently working as a Research Assistant in the Department of History and is a doctoral student in the project 'Networks of Lending in the Nineteenth Century' headed by Gabriele B. Clemens and funded by the German Research Foundation. He has also developed research projects with the research cluster of the universities of Mainz and Trier, and with the Forschungsinstitut für Musiktheater in Bayreuth. His research interests include legal history in the nineteenth century, economic and cultural history in a regional perspective, and methods in the humanities. He has published, with Claudia Volk, 'Von der Akte zum Netzwerk: Erfahrungsberichte aus der Werkstatt des Historikers', in M. Schönhuth et al. (eds.), *Visuelle Netzwerkforschung: Qualitative, quantitative und partizipative Zugänge* (2013), 297–316.

MARTIN STARK obtained his Ph.D. in modern history at the University of Trier with a thesis entitled 'Social Embeddedness of a Rural Credit Market in the Nineteenth Century'. His research focuses on applying methods and theories of Social Network Analysis to historical topics, including aspects of spatial analysis and natural language processing.

Notes on Contributors

He is a Visiting Research Fellow at the Helmut Schmidt University in Hamburg, working on text mining, semantic networks, and the discourse of plant-level co-determination in Germany. His recent publications on network analysis include, with Daniel Reupke, 'Von Gläubigern und Schuldnern: Kreditnetzwerke des 19. Jahrhunderts in geographischer Perspektive', in Markus Gamper, Linda Reschke, and Marten Düring (eds.), *Knoten und Kanten III: Soziale Netzwerkanalyse in Geschichts- und Politikforschung* (2015), 261–92.

MISCHA SUTER is Lecturer in Modern European History at the University of Basel. He studies the history of economic life in the German-language area in the nineteenth century, as well as, increasingly, in an imperial context. Further research interests include law as a social practice, theory of history, and the making of the social. His first book, on everyday indebtedness in liberal capitalism, will be published in 2016. He is co-editor, with Monika Dommann and Daniel Speich Chassé, of *Wissensgeschichte ökonomischer Praktiken*, special issue of *Berichte zur Wissenschaftsgeschichte*, 37/2 (2014).

ANNA-CAROLINA VOGEL is a Ph.D. student in Cultural Anthropology/European Ethnology at Georg-August University Göttingen. From 2007 to 2013 she was a Research Fellow in the DFG funded project 'Civil Society zwischen Patronage, primordialer (familiärer) Verpflichtung und ökonomischer Rationalität: Schuldner und Gläubiger in einer Stadt-Gesellschaft des frühen 19. Jahrhunderts' (Professor Carola Lipp) at the Göttingen Institute of Cultural Anthropology/European Ethnology. Her publications include *Tod und Sterben im Amt Niedeck (1690–1875): Eine historisch-demografische Fallstudie zur Mortalität im ländlichen Niedersachsen* (2011) and 'Zufall, Chance, Risiko: Kontingenz und die kapitalistische Geldökonomie', *Kuckuck: Notizen zur Alltagskultur*, 28/1 (2013) 44–8.

ANJA WILHELMI has been working as a Researcher at the Nordost-Institut (IKGN) in Lüneburg since 2002. Her fields of research are social history, gender, and education in Latvia and Estonia (nineteenth and twentieth centuries). She is editor of the journal *Nordost-Archiv: Zeitschrift für Regionalgeschichte* and is currently working on a biographical project on the German-Baltic singer and writer Monika Hunnius.

