



Visiting  
Professor

# Early Modern Markets - Or Not: Merchant Strategies, Profit Calculations, and the Oligopolistic Structure of the Early Modern Economy

Monday, November 28, 2022, 17:00

The Sigmund Gutter conference room (303) Trubowicz Building,  
The Buchmann Faculty of Law



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Early Modern markets are supposed to have been the gateway to modern, capitalist economies, ensuring "Smithian" growth through specialization fueled by free competition, growing demand, and an increasingly efficient business response to that demand. Close attention to how European merchants actually operated in this period reveals a rather more complicated reality. Most of them sought to acquire and maintain control over market segments from which they could then derive oligopolistic profit, a goal achieved through careful management of the tools for accessing those markets, and especially information, infrastructure, and credit. In the resulting economy, dominated by local oligopolistic groups in constant competition, prices and costs were pushed aside, becoming afterthoughts to the principal battle for control of a given market. This finds expression in what were considered to be the best business practices of the day, which almost never focused on what historians of accounting call "managerialism", that is, the strategic thinking we expect of successful market practice, including attention to costs and prices. Instead, business was organized around reputation and informal expertise, keys for gaining privileged access to markets.

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