The Evolution of
Cooperation & Trading

Theory and practice: cooperation in financial networks

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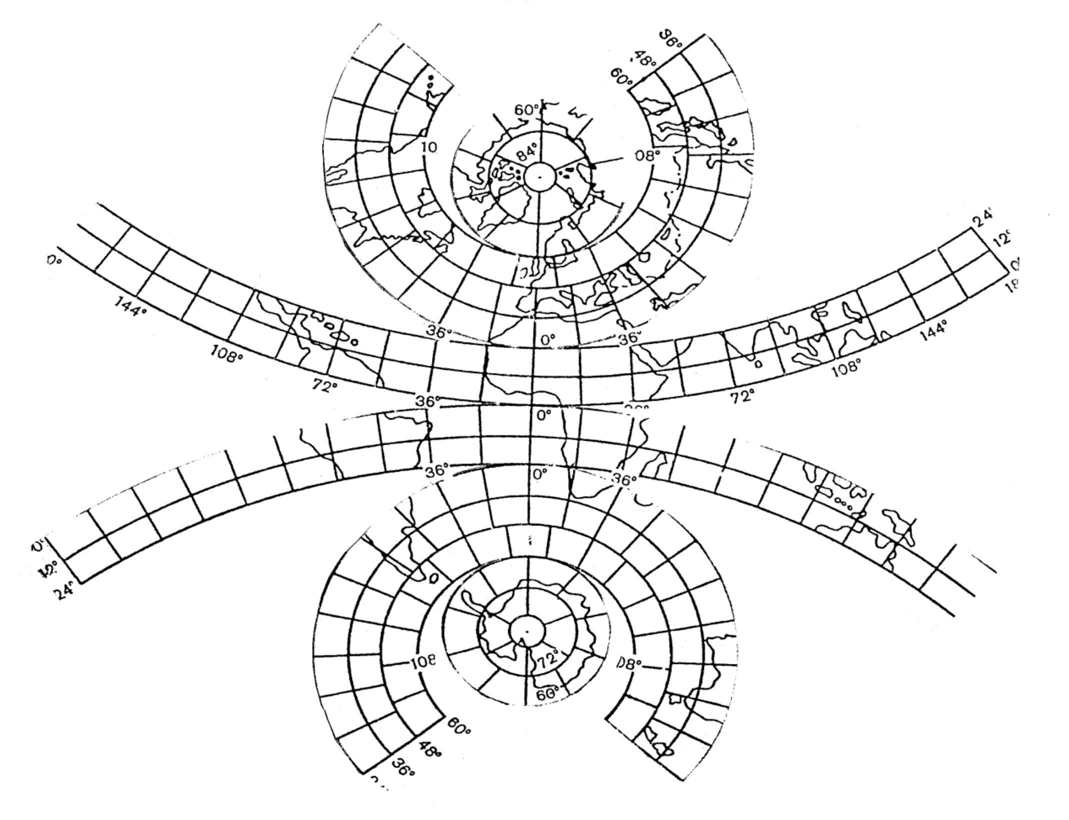
DynCoopNet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Theory and practice: cooperation in financial networks

Program

1. Introduction: Capitalism and Economic Growth during Sixteenth Century: the role of cooperation

2. A theoretical approach: Could financial network be studied as non linear dynamic system?

3. Two examples: Cooperation in Castilian Tax Farmers and Genoese Bankers

4. Conclusion

Introduction: Capitalism and Economic Growth during Sixteenth Century: the role of cooperation

All economic indicators show that European Economy grew between ca. 1450-1600.

-Explanations offered by historians: a better climate, an increasing population, more integrated markets (fairs), the paper of new monarchies, African gold and, specially, American Silver, etc.

-What was the role of cooperation between merchant networks for this economic increased? How could we study it?

-Hypothesis: During the long transition to First Modern Age, there were a movement from partial complexity to connected complexity where a more interconnected world was born.

2. A theoretical approach: Could financial network be studied as non linear dynamic system?

-How could we attend to explain cooperation between merchants of First Modern Age?

New Complexity Science is a discipline that attend to study **emergent** behaviour within systems with a huge number of agents.

Systems as tsunami, how brain works or networs in internet could be examples of complex systems.

2. A theoretical approach: Could financial network be studied as non linear dynamic system?

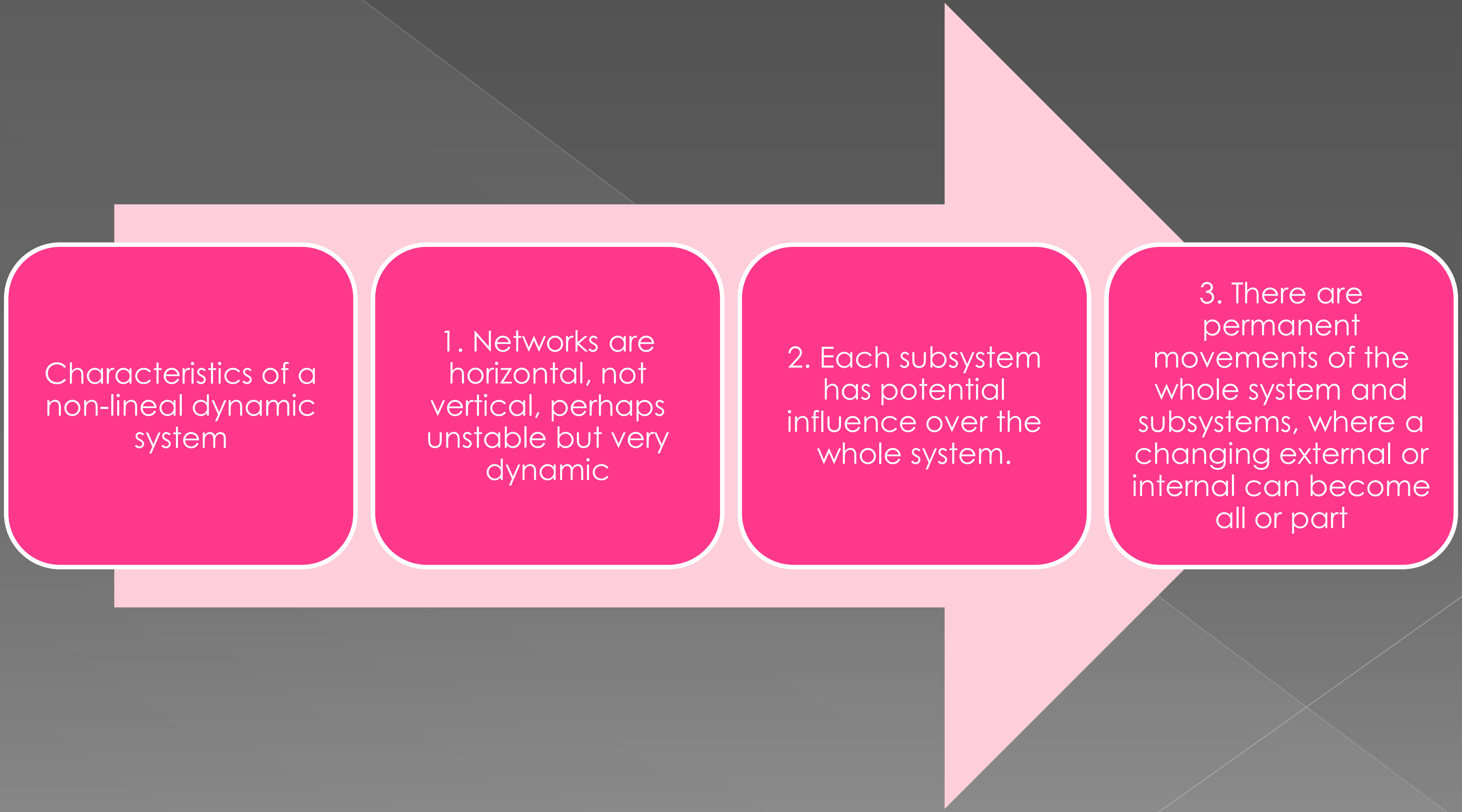
Complex System: It’s a system based on huge networks, without a central management. A Complex System develops a collective behaviour due to information travels by the whole systems.

A Complex Systems is formed by subsistems with having influence one another, where adaptation, changes and evolutions is expected between all them.

-A complex system used to appear as **non linear,** where it is no possible to understand the system adding up each subsystem.

-Of course, cooperation is a key element in order to achieve a good work in non linear systems.

2. A theoretical approach: Could financial network be studied as non linear dynamic system?



Characteristics of a non-lineal dynamic system

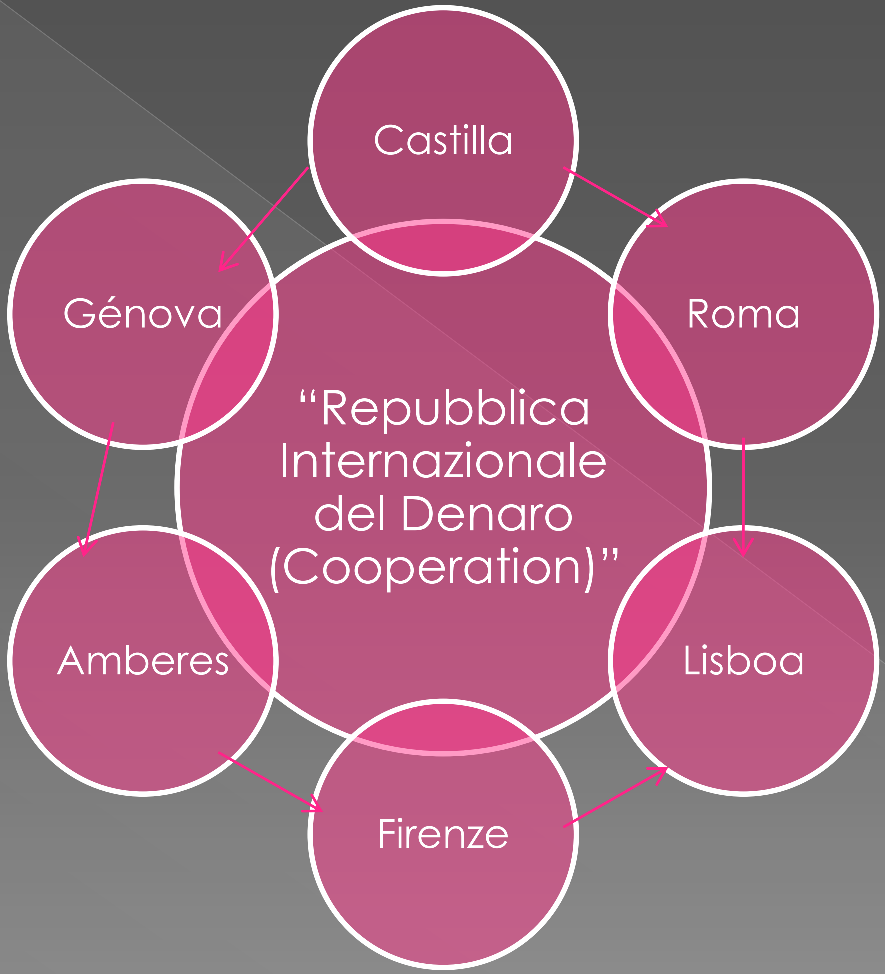
1. Networks are horizontal, not vertical, perhaps unstable but very dynamic

2. Each subsystem has potential influence over the whole system.

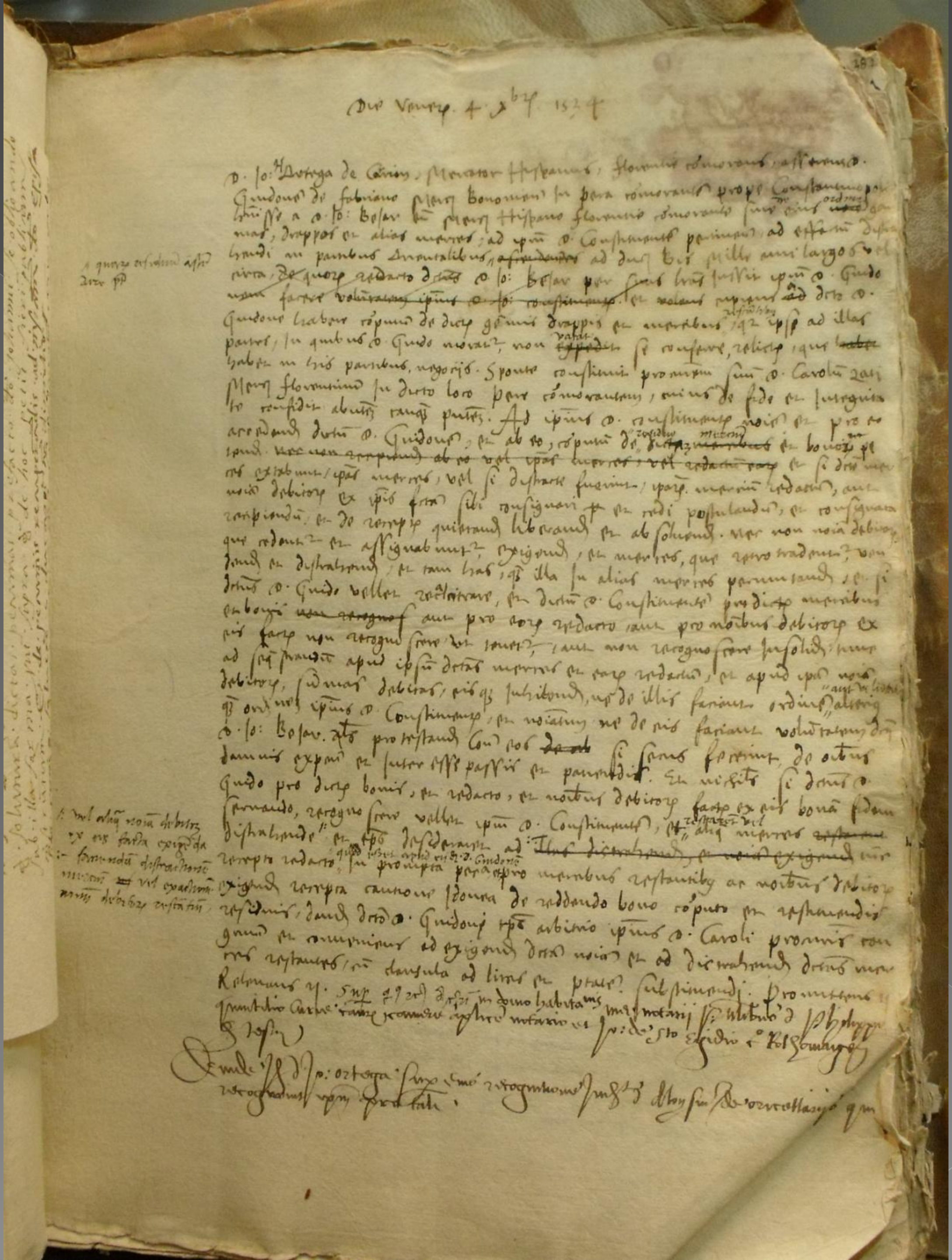
3. There are permanent movements of the whole system and subsystems, where a changing external or internal can become all or part

3. Two examples of subsystems: Castilian Tax Farmers and Genoese Bankers

Could we understand each merchant network of First Global Age as part of a non linear system?



Castilla
Roma
Lisboa
Firenze
Amberes
Génova
"Repubblica Internazionale del Denaro (Cooperation)"



Die Veneris 4 Xbris 1524

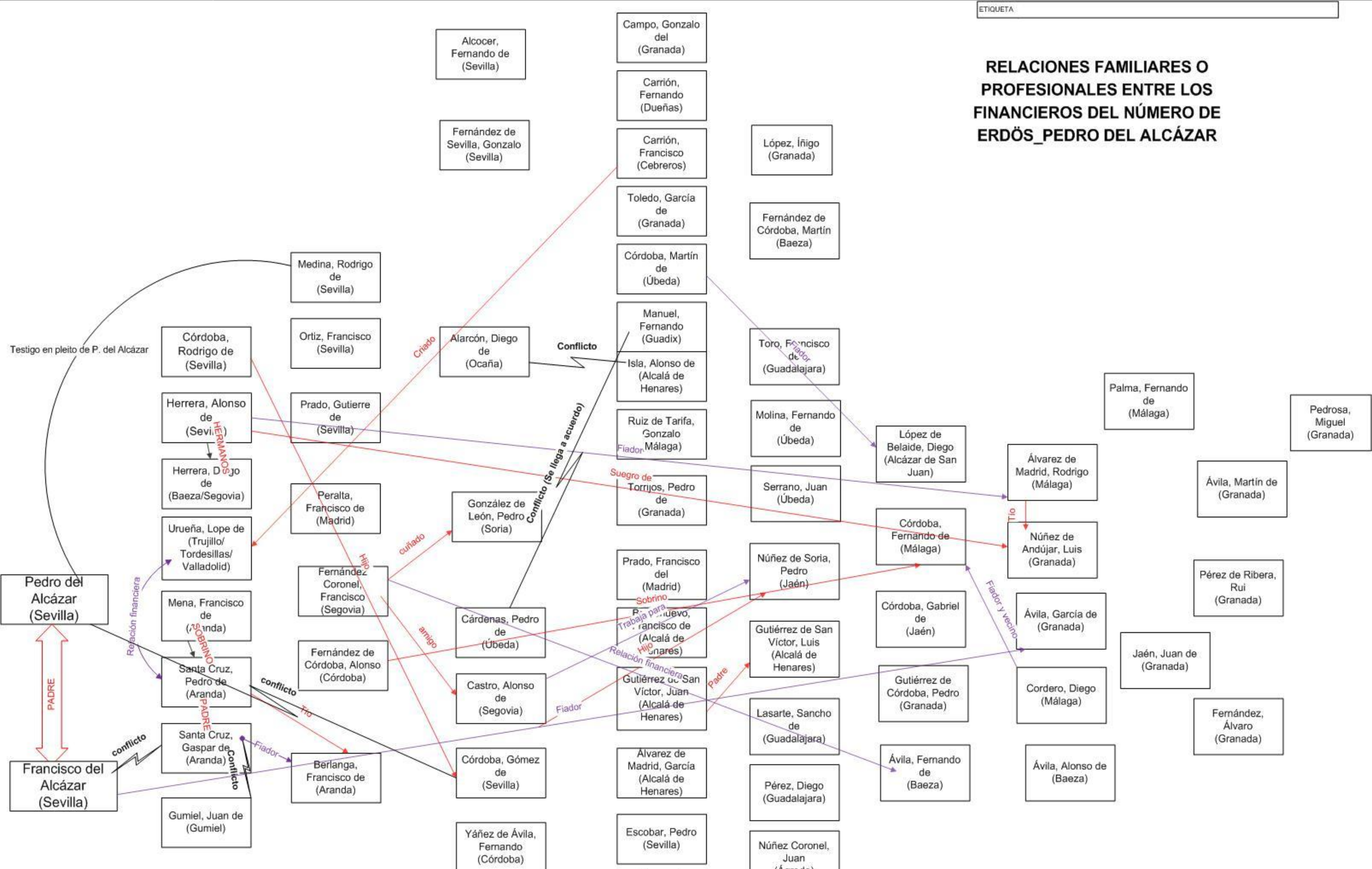
a quorum residuum asserit [illegible]

D. Jo: de Ortega de Carion, Mercator Hispanus, Florentie commorans, asserens d. Guidonem de Fabriano Merc. Bononiensem in Pera commorantem prope Constantinopolim habuisse a d. Jo: Besar [illegible] Merc. Hispano Florentie commorante sive eius ordine ~~[illegible]~~ mercantias, drappos et alias merces, ad ipsum d. Constituentem pertinentes, ad effectum distrahendi in partibus Orientalibus, ~~asserendas~~ ad ducatos [illegible] mille auri largos vel circa, ~~De quorum~~ redacto dictus d. Jo: Besar per suas litteras scripsit ipsum d. Guidonem ~~[illegible]~~ facere ~~voluntatem ipsius d. Jo: constituentis~~. Et volens reperire ~~ad~~ dicto d. Guidone habere computum de dictis [illegible] drappis et mercibus [illegible] ipsi ad illas partes, in quibus d. Guido moratur, non valet ~~[illegible]~~ se conferre, aliisque ~~[illegible]~~ habere in suis partibus negotiis. Sponte constituit procuratorem suum d. Carolum [illegible] Merc. Florentinum in dicto loco Pere commorantem, [illegible] de fide et integritate confidit absentem tamquam presentem. Ad ipsius d. constituentis nomine et pro eo arcessendum dictum d. Guidonem, et ab eo computum de eisdem mercibus ~~[illegible]~~ et bonis [illegible] ~~nec non recipiendum ab eo vel ipsas merces, vel redactum earum~~ et si dicte merces extabunt ipsas merces, vel si distracte fuerint, ipsarum mercium redactum, aut nomina debitorum ex ipsis facta sibi consignari et reddi postulandum, et consignata recipiendum, et de receptis quietandum liberandum et absolvendum. Nec non nomina debitorum que reddentur et assignabuntur, exigendum, et merces, que recepte tradentur, vendendum et distrahendum, et tam has quam illas in alias merces permutandum. Et si dictus d. Guido vellet recalcitrare, et dictum d. Constituentem predictis mercibus et bonis ~~non recognos~~ aut pro earum redacto aut pro nominibus debitorum ex eis factis non recognoscere [illegible], aut non recognoscere insolidum, tunc ad [illegible] apud ipsum dictas merces et earum redactum, et apud ipsum nomina debitorum, [illegible] debitas, eisque subiciendum, ut de illis faciat ordinem aut [illegible] aliorumque quod ordinem ipsius d. Constituentis, et [illegible] ut de eis faciat voluntatem dicti d. Jo: Besar. Et protestandum [illegible] ~~[illegible]~~ si [illegible] fecerint, de [illegible] damnis expensis et interesse passis et patiendis. Et [illegible] si dictus d. Guido pro dictis bonis, et redacto, et nominibus debitorum factis ex eis bonam fidem servando, recognoscere vellet ipsum d. Constituentem, et [illegible] vel aliquas merces ~~[illegible]~~ distrahende et ipso desiderante ad ~~illas distrahendum et nomina exigendum~~ [illegible] recepto redacto que [illegible] apud [illegible] d. Guidonem et prompta pro [illegible] mercibus restantibus ac nominibus debitorum exigendum recepta cautione idonea de reddendo bono computo et restituendis residuis, dandi dicto d. Guidoni [illegible] arbitrio ipsius d. Caroli procuratoris concedendum et committendum ad exigendum dicta nomina et ad distrahendum dictas merces restantes cum clausula ad lites et [illegible] substituendi. Promittens Relevans [illegible] Super [illegible] dictis in domo habitationis [illegible] notarii [illegible] presentibus [illegible] notario et [illegible] de S.to Egidio [illegible] testibus [illegible]

vel aliqua nomina debitorum ex eis facta exigenda [illegible] distrahendum [illegible] vel exactionem nominum debitorum restantium

[illegible] Jo: Ortega [illegible] rogationem [illegible]

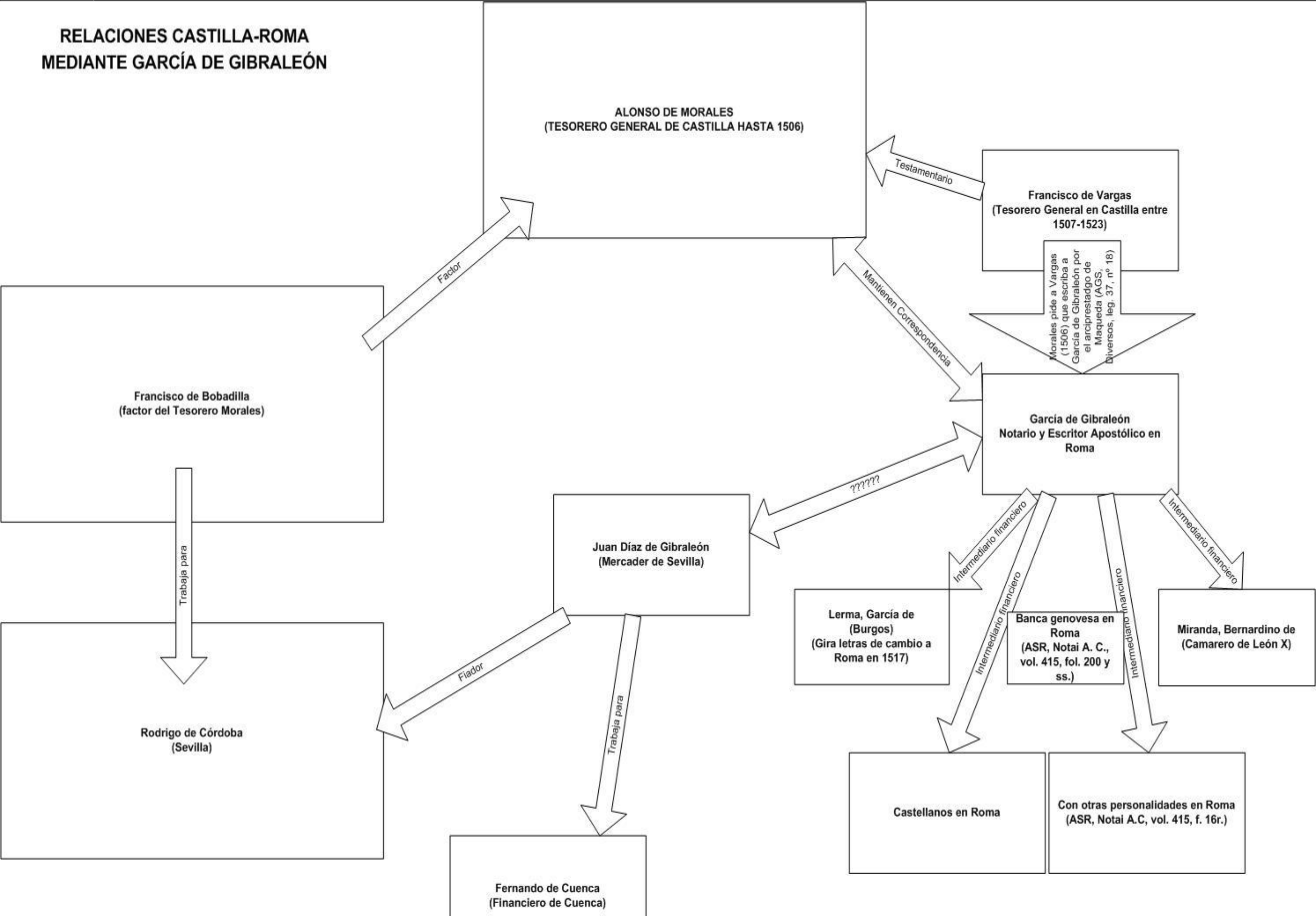
3. Castilian Tax farmers (1505-1530)


ETIQUETA
RELACIONES FAMILIARES O PROFESIONALES ENTRE LOS FINANCIEROS DEL NÚMERO DE ERDÖS_PEDRO DEL ALCÁZAR
Alcocer, Fernando de (Sevilla)
Fernández de Sevilla, Gonzalo (Sevilla)
Campo, Gonzalo del (Granada)
Carrión, Fernando (Dueñas)
Carrión, Francisco (Cebreros)
Toledo, García de (Granada)
Córdoba, Martín de (Úbeda)
Manuel, Fernando (Guadix)
Isla, Alonso de (Alcalá de Henares)
Ruiz de Tarifa, Gonzalo (Málaga)
Torrijos, Pedro de (Granada)
Prado, Francisco del (Madrid)
B... nuevo, Francisco de (Alcalá de Henares)
Gutiérrez de San Víctor, Juan (Alcalá de Henares)
Álvarez de Madrid, García (Alcalá de Henares)
Escobar, Pedro (Sevilla)
López, Íñigo (Granada)
Fernández de Córdoba, Martín (Baeza)
Toro, Francisco de (Guadalajara)
Molina, Fernando de (Úbeda)
Serrano, Juan (Úbeda)
Núñez de Soria, Pedro (Jaén)
Gutiérrez de San Víctor, Luis (Alcalá de Henares)
Lasarte, Sancho de (Guadalajara)
Pérez, Diego (Guadalajara)
Núñez Coronel, Juan
López de Belaide, Diego (Alcázar de San Juan)
Córdoba, Fernando de (Málaga)
Córdoba, Gabriel de (Jaén)
Gutiérrez de Córdoba, Pedro (Granada)
Ávila, Fernando de (Baeza)
Palma, Fernando de (Málaga)
Álvarez de Madrid, Rodrigo (Málaga)
Núñez de Andújar, Luis (Granada)
Ávila, García de (Granada)
Cordero, Diego (Málaga)
Ávila, Alonso de (Baeza)
Pedrosa, Miguel (Granada)
Ávila, Martín de (Granada)
Pérez de Ribera, Rui (Granada)
Jaén, Juan de (Granada)
Fernández, Álvaro (Granada)
Medina, Rodrigo de (Sevilla)
Ortiz, Francisco (Sevilla)
Prado, Gutierre de (Sevilla)
Peralta, Francisco de (Madrid)
Fernández Coronel, Francisco (Segovia)
Fernández de Córdoba, Alonso (Córdoba)
Berlanga, Francisco de (Aranda)
Alarcón, Diego de (Ocaña)
González de León, Pedro (Soria)
Cárdenas, Pedro de (Úbeda)
Castro, Alonso de (Segovia)
Córdoba, Gómez de (Sevilla)
Yáñez de Ávila, Fernando (Córdoba)
Testigo en pleito de P. del Alcázar
Córdoba, Rodrigo de (Sevilla)
Herrera, Alonso de (Sevilla)
Herrera, Diego de (Baeza/Segovia)
Urueña, Lope de (Trujillo/ Tordesillas/ Valladolid)
Mena, Francisco de (Aranda)
Santa Cruz, Pedro de (Aranda)
Santa Cruz, Gaspar de (Aranda)
Gumiel, Juan de (Gumiel)
Pedro del Alcázar (Sevilla)
Francisco del Alcázar (Sevilla)
PADRE
HERMANOS
SOBRINO
PADRE
Relación financiera
conflicto
conflicto
Conflicto
Tío
Fiador
Criado
Hijo
cuñado
amigo
Conflicto
Conflicto (Se llega a acuerdo)
Fiador
Suegro de
Sobrino
Trabaja para
Hijo
Relación financiera
Fiador
Padre
Fiador
Tío
Fiador y vecino

3. Castilian Tax farmers (1505-1530): Elements of Cooperation

- Huge religious component (They are ancient Jews)
- Problems because of Inquisition: social pressure
- Political support from King because of their credit (money) and relationships
- It’s not sure that cooperation secured a bigger ability to avoid risk, transaction cost or reinforced trust.
- General decrease after 1522, when political support ended as consequence of “Comunidades” Revolt

(Between Rome and Castile)



RELACIONES CASTILLA-ROMA MEDIANTE GARCÍA DE GIBRALEÓN

ALONSO DE MORALES
(TESORERO GENERAL DE CASTILLA HASTA 1506)

Testamentario

Francisco de Vargas
(Tesorero General en Castilla entre 1507-1523)

Morales pide a Vargas (1506) que escriba a García de Gibraleón por el arciprestadgo de Maqueda (AGS, Diversos, leg. 37, nº 18)

Factor

Mantienen Correspondencia

Francisco de Bobadilla
(factor del Tesorero Morales)

García de Gibraleón
Notario y Escritor Apostólico en Roma

??????

Trabaja para

Juan Díaz de Gibraleón
(Mercader de Sevilla)

Intermediario financiero

Intermediario financiero

Intermediario financiero

Intermediario financiero

Lerma, García de (Burgos)
(Gira letras de cambio a Roma en 1517)

Banca genovesa en Roma
(ASR, Notai A. C., vol. 415, fol. 200 y ss.)

Miranda, Bernardino de
(Camarero de León X)

Fiador

Trabaja para

Rodrigo de Córdoba
(Sevilla)

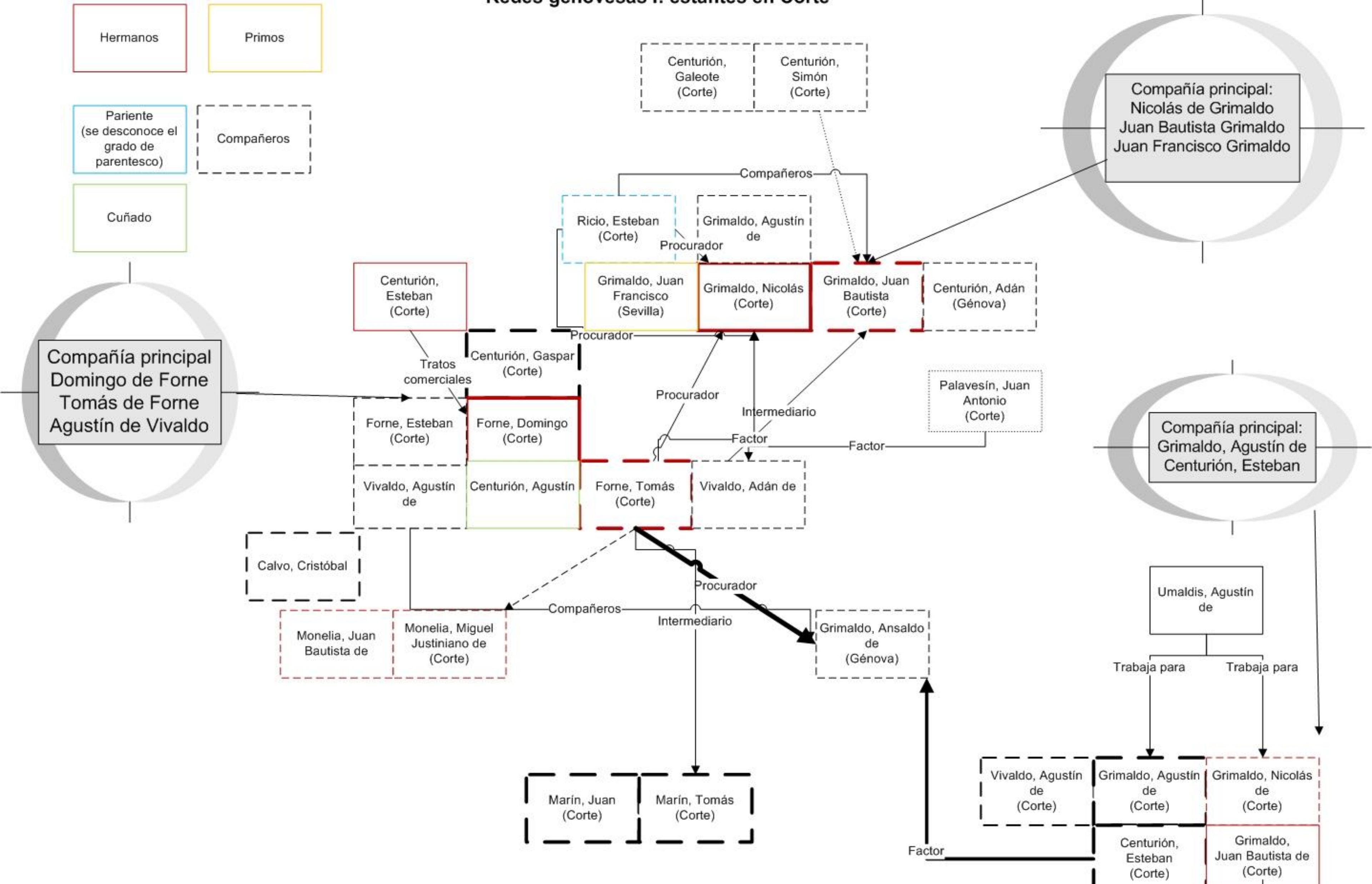
Castellanos en Roma

Con otras personalidades en Roma
(ASR, Notai A.C, vol. 415, f. 16r.)

Fernando de Cuenca
(Financiero de Cuenca)

3. Genoese bankers (1)

Redes genovesas I: estantes en Corte



Hermanos

Primos

Pariente (se desconoce el grado de parentesco)

Compañeros

Cuñado

Compañía principal Domingo de Forne Tomás de Forne Agustín de Vivaldo

Compañía principal: Nicolás de Grimaldo Juan Bautista Grimaldo Juan Francisco Grimaldo

Compañía principal: Grimaldo, Agustín de Centurión, Esteban

Centurión, Galeote (Corte)

Centurión, Simón (Corte)

Compañeros

Ricio, Esteban (Corte)

Grimaldo, Agustín de

Procurador

Grimaldo, Juan Francisco (Sevilla)

Grimaldo, Nicolás (Corte)

Grimaldo, Juan Bautista (Corte)

Centurión, Adán (Génova)

Centurión, Esteban (Corte)

Procurador

Tratos comerciales

Centurión, Gaspar (Corte)

Procurador

Intermediario

Palavesín, Juan Antonio (Corte)

Factor

Factor

Forne, Esteban (Corte)

Forne, Domingo (Corte)

Vivaldo, Agustín de

Centurión, Agustín

Forne, Tomás (Corte)

Vivaldo, Adán de

Calvo, Cristóbal

Procurador

Compañeros

Intermediario

Monelia, Juan Bautista de

Monelia, Miguel Justiniano de (Corte)

Grimaldo, Ansaldo de (Génova)

Umaldis, Agustín de

Trabaja para

Trabaja para

Marín, Juan (Corte)

Marín, Tomás (Corte)

Factor

Vivaldo, Agustín de (Corte)

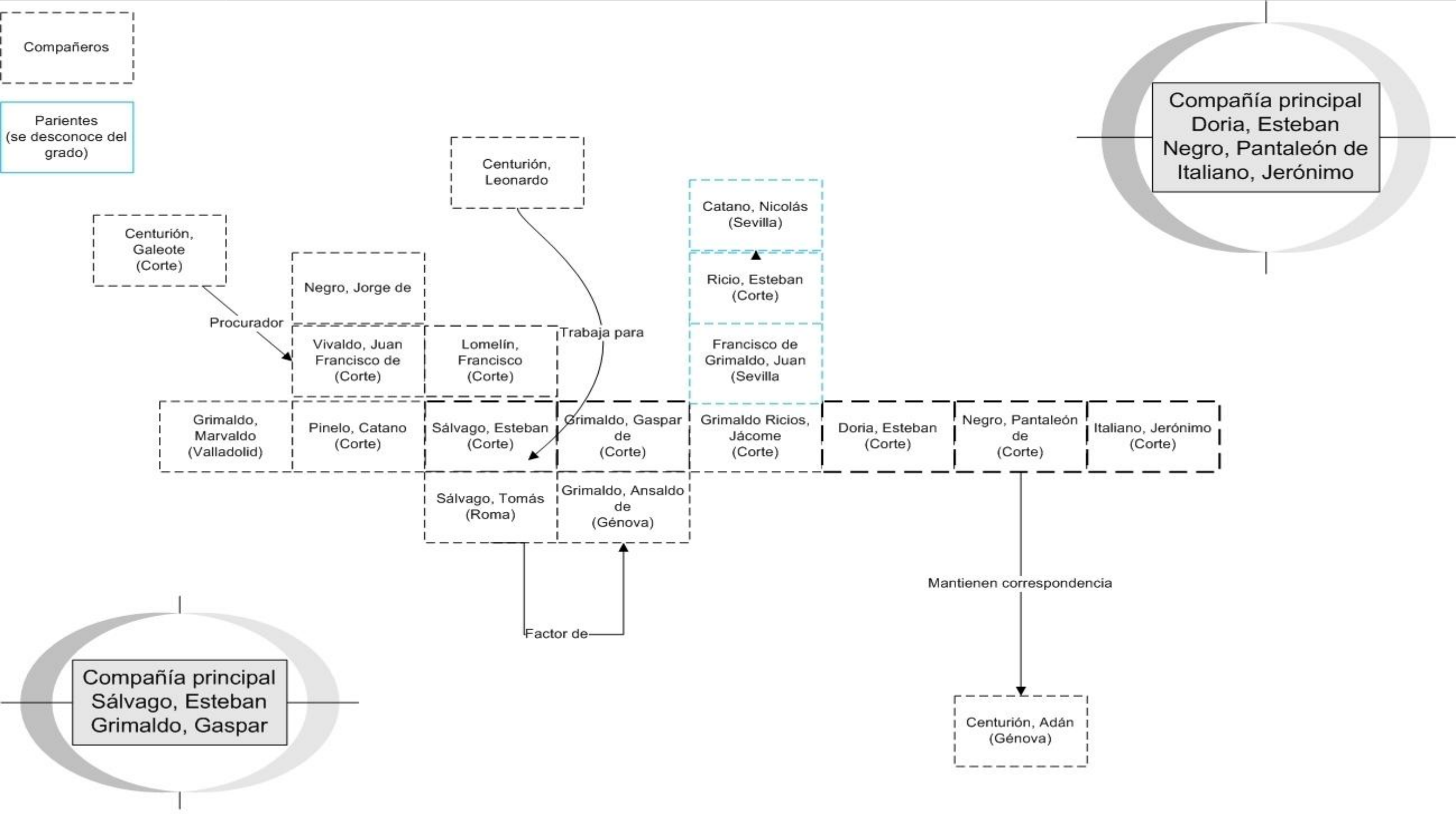
Grimaldo, Agustín de (Corte)

Grimaldo, Nicolás de (Corte)

Centurión, Esteban (Corte)

Grimaldo, Juan Bautista de (Corte)

3. Genoese bankers (2)



Compañeros

Parientes (se desconoce del grado)

Centurión, Leonardo

Catano, Nicolás (Sevilla)

Compañía principal
Doria, Esteban
Negro, Pantaleón de
Italiano, Jerónimo

Centurión, Galeote (Corte)

Negro, Jorge de

Procurador

Vivaldo, Juan Francisco de (Corte)

Lomelín, Francisco (Corte)

Trabaja para

Ricio, Esteban (Corte)

Francisco de Grimaldo, Juan (Sevilla

Grimaldo, Marvaldo (Valladolid)

Pinelo, Catano (Corte)

Sálvago, Esteban (Corte)

Grimaldo, Gaspar de (Corte)

Grimaldo Ricios, Jácome (Corte)

Doria, Esteban (Corte)

Negro, Pantaleón de (Corte)

Italiano, Jerónimo (Corte)

Sálvago, Tomás (Roma)

Grimaldo, Ansaldo de (Génova)

Factor de

Mantienen correspondencia

Compañía principal
Sálvago, Esteban
Grimaldo, Gaspar

Centurión, Adán (Génova)

Redes genovesas II: estantes en Corte (1520-1547)

3. Genoese bankers. Elements of cooperation

- -No religious problems
- -No social problems: Genoese bankers were aristocrats as well.
- -An increasing more trust inside their networks since ca. 1500 (documents speak about how one signature were recognized as signature of other partner). Cooperation reinforced Trust and positions of Genoese bankers
- Finally: Political support from Genoa and Charles V, specially after 1528 as result of successful previous tendency.

Conclusion

- Castilian tax farmers and Genoese bankers used cooperation and forms of *self-organizing networks* for gaining more and more influence. However, results were very different for external and internal raisons. Castilian tax farmers decreased since 1523-1525, while Genoese bankers increased since this moment. Why? Main conclusion of this part will be cooperation is basic in evolutions on dynamics systems, but not always guarantees to be successful

- -Both could be understood as subsystems of a only dynamic system, that we need to rebuild entirely in order to understand better how capitalism and First Global Age began.

Thanks for your attention and comments