The silent revolution.
The emergence of commons, guilds and other forms of corporate collective action in Western Europe from a new perspective

Tine De Moor (UU)

A silent revolution?

During the Late Middle ages, Europeans formed to a previously unknown intensity and extent "alliances" that were not (primarily) based on kinship, but on other common characteristics such as occupation. In the urban context, organisations such as guilds and fraternities can serve as examples. For the countryside, this is the period that communal land tenure arrangements, or simply "commons", were increasingly formed and institutionalised. It is not so much the actual formation of such types of collective action that is striking, nor their institutional characteristics that make this region in this period so exceptional. Elsewhere and in other times (e.g. Roman times), craftsmen and merchants also formed guilds. It was however the high intensity of new units of such collective action that were being formed that makes this movement striking enough to refer to it as "a silent revolution". A revolution, as this was a movement that started from below and because it may have been as important –in the long-term- for the course of European history as any other revolution. Silent, as this movement was primarily based on at first tacit and later explicit –written- agreements between powerful rulers and demanding subjects, villagers and townsmen alike. Mostly these agreements were formed on a peaceful basis. The silent progress and development of the here described form of collective action has consequently made it for a long time an unnoticed revolution too. Most attention in historiographical collective action research has been going to the short-lived demands for change in the form of riots, protest demonstrations and the like as motors for democratisation and political change. Equally –or even more- important are those movements that resulted in institutions that tried to solve certain social problems, though in a more durable way. They offered a framework that made those riots and revolts more effective in their strive for political change.
It would be quite exaggerated to claim the discovery of this revolution. Several authors have pointed to similar trends, either on the countryside (e.g. Blickle’s Kommunalismus) either in the cities (e.g. Greif in his latest book\textsuperscript{2}) but what they have missed is the co-evolution of all these trends. So far these trends have been considered in a fragmentary way, and have not sufficiently been seen in coherence. Although in literature both guilds –of merchants and craftsmen- and commons have already been identified as institutions that function according to the "law" of collective action, this was always done separately, without linking their simultaneous emergence, their parallel development, their similarities in structure, functioning, rise and decline.\textsuperscript{3} Moreover, the implications of the development of such collective action – and this is what makes it important to study - have often been ignored. The striking geographical and simultaneous concentration of both the rural and urban form of collective action in Europe suggests a relationship with the industrial leap forward Western Europe made during the 18\textsuperscript{th} and 19\textsuperscript{th} centuries. If we take into consideration that some factors, like the absence of strong family ties, might have been important for the development of collective action and the development of the labour market (which was in turn a necessary prerequisite for the Industrial Revolution), we are then not far from linking collective action to economic development. In the past, guild-researchers have often been trying to estimate the direct economic impact of guilds and commons.

Consequently, those forms of collective action have often been considered as inefficient and counter-productive for economic development. After all, guilds –and commons- designed and implemented rules (such as minimum quality) that might have restricted rather than stimulated economic growth. This view has altered lately, mainly due to the greater stress that is being laid on the importance of institutions for economic development, as for example formulated by Greif: "Although the late medieval European institutions differ in forms from later ones, many of the elements and features of modern, welfare-enhancing Western style institutions were already present or in the process of emerging during the late medieval period: individualism, man-made formal law, corporatism, self-governance, and rules reflecting an institutionalised process in which these who were subject to them had a voice and influence. To the extent that the Rise of the West is due to its underpinning institutions, the roots of this rise may have begun to take hold as early as the late medieval period."\textsuperscript{4} In this paper, I elaborate on this argument; by analysing guilds and commons it becomes clear which particular kind or problems created by the developing free market these institutions tried to solve. By comparing their solutions, it becomes clear that at the basis of this form of collective action lays a problem that has a very similar structure, and that is caused by similar developments in for example family formation.
Guilds and commons are for this paper the most suitable examples of this “silent revolution” as they offer the possibility to point out the geographical presence (in Western Europe) and universality—from town to countryside—of the collective action processes during the period as described. Other forms of collective action that are part of the silent revolution and that could be included in the study at a later stage are for example the fraternities, or brotherhoods with a mainly religious cause, or the beguinages, where women choose live together independently in a religious way, without belonging to a religious order or convent.\textsuperscript{5}

Commons can be considered as institutions for the collective use and management of land and its resources. Although the history and typology of commons (and naming) is quite different on the continent, the English term has become widely used to indicate for example the German Genossenschaften or the Dutch Meenten and Markegenootschappen. Overall one can distinguish four types of commons. The first type comprises land that is only temporarily open to a group of people—usually the members of the local community—and this after harvest of the crop, thus for the remaining grain to reap, or for the cattle to pasture on the stubbles left behind. These are generally indicated with the term “common arable”. The other three types relate to land that is open to a group of entitled users—and this can be a group defined differently from the community—throughout the whole year, except for indicated periods that should allow the commons’ resources to regenerate. These commons can be divided into common woodland, common pasture and common waste, the last being usually rather poor land, and open for pasture and other activities during most of the year. Rights were assigned to groups, in some cases comprising the whole local village and sometimes even more than one village and in other cases limited to only those who met certain qualifications (membership of other commoners, payment of a certain fee, etc.).\textsuperscript{6}

I would like to define “craft guilds” here—following Lourens and Lucassen— as “organisations that—with the agreement of the local authority—unite members of the same occupational group, with as their most important goal the furthering of their economic interests, but not without taking into account the general well-being of their group as well”.\textsuperscript{7} Due to a lack of sources it is often impossible to find out whether the Late Medieval guilds would have corresponded entirely to this definition right from their foundation. Some guilds were not recognised right away—at their foundation—by local authorities, simply because these authorities had not really been defined themselves as yet. Guilds were mainly urban institutions, but in some cases the densely populated setting wherein they developed had not yet been attributed with the legal predicate of “city”; the number of rural guilds is rather small, just as in a similar sense the number of commons—a primarily rural phenomenon—in the cities was very small too (although
many medieval towns did have their common pastures and fields for e.g. bleaching linen).

This paper starts off by identifying the peculiarity of this movement of collective action and its distinctive characteristics. In order to support the arguments made in this paper with sufficient evidence, abstraction had to be made of the many differences that these institutions show. The institutions of the kind discussed here often have a longstanding history and are therefore not only complex but have also developed many different varieties of their “Ur-type”. A description of the characteristics of the silent revolution does however not yet explain why it happened, and why it didn't –or at least not to such an extent- take place elsewhere, for example in Asia. The second part of this paper gives reasons for collective action and distinguishes the conditions and motors that might have played a role in the historical development of these forms of corporate collective action. Analysing and comparing the problems that collective action tried to solve, requires sufficient abstraction of the structure of such a problem. A concept that helps in achieving this is the "social dilemma": not only does it capture well the issues at stake in social problems with conflicting interests between individuals and society, research has in the meanwhile also revealed which qualities collective actors should adhere to in order to solve the problems effectively and efficiently.

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

Corporate collective action as a distinctive form of collective action

Collective action under consideration in historical literature mostly focuses on short, often sudden rises of collective discontent mostly in the form of mass movements (e.g. riots, protest demonstrations). The forms of collective action which were the most prominently present in the revolution as referred to in this paper, are however of a more long-lasting type. It is however not unusual that the members of those organisations were involved in protest movements (the “other” type of collective action”), as for example in the famous Flemish Battle of Spurs (1302) wherein the weavers’ guilds of the Flemish towns played a prominent role. Though they were composed of more than only guilds-members, many
revolts in cities (e.g. the Bürgerkämpfe) during the 14th and 15th centuries, have led to the establishment of their formal representation in city councils, albeit not everywhere as effectively.\textsuperscript{9} In a similar fashion many commoners\textsuperscript{10} were actively involved in protests and riots against enclosures, in England, France and elsewhere.\textsuperscript{11} In short: one form of collective action often goes with the other.

For a long time, historical collective action has been interpreted in its more short-term form as studied by for example Charles & Louise Tilly, Sidney Tarrow and Douglas McAdam, who considered collective action mainly as large-scale mass movements that often can only make their point via riots and demonstrations. Charles Tilly justifies the use of the use of the term "collective action" (over e.g. the term rebellion) by pointing to the many methods of action that were used by groups besides rioting or demonstrating to make their point and change their living circumstances. For Tilly therefore collective action "consists of all occasions on which sets of people commit pooled resources, including their own efforts, to common efforts".\textsuperscript{12} Though this definition is broad enough to also cover the type of collective action that is dealt with in this paper, Tilly does not include any reference to guilds, commons or any other example in his description of the repertoires of collective action.\textsuperscript{13} Over the past few years the debate on this Tilly’s kind of collective action has merged into the "contentious politics" debate, thus moving even further away from the more "silent" version of collective action.

"Corporate collective action" is considered as the best description for the exclusive, self-enforced autonomous institutions that formed the core of the silent revolution and that are the subject of this paper, because of the stress these groups of people put on their unity, on the fact that belonging to a particular group created particular rights. The principle of "Universitas" that made it possible for groups in medieval Europe to act as a legal person, will be explained later in this paper. Another element that made corporate collective action markedly distinct from collective action in general is its degree of institutionalisation. The group formation process was accompanied by the design of a set of rules, that was usually written down and revised regularly in order to make collective action work. After all, it is not because people decided to act together, that they would also keep doing so thereafter. They might become free-riders and thus undermine the initial good intentions of the collective actors. It may be assumed that those actors were not complete strangers to them but since these institutions had new members continuously and because kin-relations (which naturally inhibit trust) were not the prime requirement for membership, it is not surprising that rules were absolutely necessary to keep free-riders from getting into action. Although free-riders might be fined and these fines might feed the budget of the institution, it is still a costly affair to spot defectors
and obtain the fines (sometimes court cases are required). Part of the monitoring can be achieved via social control, but to make social control effective investment is also required: regular meetings are necessary to keep members up-to-date on new members and to announce which people might have defected, and to announce new rules so that defection can actually be identified as such. In short: a solid institutional design is necessary to turn the collective actors into cooperative actors.

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

**Distinctive features of the silent revolution**

**A. Institutional design: self-enforced, exclusive and autonomous corporations**

**Exclusiveness**

The individuals taking part could not remain anonymous, in most cases they even had to swear an oath before they can become a member, which makes them visible and identifiable for the rest of the group. As much as these may also have had a deep and long-lasting effect on society, the anonymous crowds that figured in riots have entirely different objectives and apply other methods than the organised individuals that formed guilds or commons. It is known from sociological research that the degree to which participants to collective action know each other influences the potential success (in terms of reciprocity) of that group. The practice of swearing an oath when becoming a member of a guild, makes then a fundamental difference with revolts and riots where the
group was often very diverse and anonymous. Their willingness to cooperate in the future, lies in the potential benefits participants may obtain and the security this gives. This “willingness” has been at the centre of sociological/behavioural research on collective action (Olson, Ostrom etc).16

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

The institutions that were part of the silent revolution, were exclusive and this exclusion was self-enforced. The members limited the number of people that could become members by setting clear access rules. Both guilds and commons wanted to differentiate insiders from outsiders, set boundaries to the resources and the group, via a set of rules that could –according to the needs of the moment- be expanded or reduced. As a group, they decided upon the rules that were needed to exclude others from participating. Rules could include limitations of the access to the group by means of several requirements (e.g. financial requirements or a "waiting period" like in the case of apprenticeships), a set maximum of production to restrict overproduction, specifications to guard the local market against competition of others (farmers in case of commoners, members from other guilds or non-guild-artisans in the case of the guilds). However, to a certain degree these organisations did honour requests of non-eligible persons, under certain conditions. Guilds were closed organisations but were also to a certain degree open for non-members, as they sometimes also retrieved income from non-members. Those living outside of the city but of the same profession could practice their profession temporarily in the city, but were obliged to pay redemption money to the guild.18 The same for commons: in times when the members themselves could not provide sufficient livestock to graze the commons, non-members were allowed. Their exclusiveness was thus rather flexible. This can easily be explained: letting foreign merchants (guilds) non-commoners for a short while take advantage of the benefits that were offered in return for payment did not mean they could also make use of the other facilities (social welfare etc). In principle these temporarily guest would thus hardly cost money, on the contrary.
Although they are in most literature considered as primarily economic associations that regulated access by means of occupational group, guilds could also take other forms, and thus use other access rules. In the so-called pre-corporative period guilds were primarily religious groupings, fraternities. Later, with the parallel development of cities, the access rules became intertwined with citizenship. In the Low Countries for example, one had to be a “poorter”, which meant the possession of full citizenship rights, and these could be obtained via certain rules. If one did not have these rights via the “natural” way, as the son of a father with rights, it was most advantageous to marry the daughter of a poorter, which was considering the surplus of women in the Dutch cities, not a very hard task indeed. In comparison to other countries, the third option, namely buying your city rights, was relatively cheap. Other factors, such as the comparatively short period of apprenticeship, indicate that guilds in the Dutch Republic were more inclusive and open than elsewhere. But, they did not forsake to limit entry to their guilds. Membership was to a certain extent dependent on family relations: sons of masters paid often only half in comparison to external candidates, and women only very occasionally could obtain the right to become a master. In cases they did become members, their rights (e.g. to vote) were restricted. If strangers managed to marry a master’s daughter or collect the necessary budget, they still needed to work several years with a master before actually being allowed to become a member. This requirement was not set right from the foundation of the guilds, in most cases it was only introduced later, from e.g. the 17th century onwards.

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

**Self-enforced**

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

"A world within a world"

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

With Prak and Panhuysen we can say that the fact that the guilds' domination of the markets was incomplete, does not necessarily point towards an inefficient monopoly. They might not even have planned to go for the complete monopoly in their trade in the first place. As described by Panhuysen, guilds set up a number of strategies to deal with these problems. These strategies were designed to give the master tailors control over the most profitable parts of the trade, while they were willing to compromise in what was seen as the peripheral activities. One of the methods of the guilds in their attempts to master product markets was by forming cartels. The number of conflicts
about the right to form cartels demonstrates the importance of this for the guilds until
the eve of their abolition. The information about this and the effects it had is limited,
but there are indications that the guilds managed to protect the market though not
completely but substantially nevertheless. The question here is whether it was
necessary for the guilds to master the markets completely. Would it have been an
objective of a small-scale organisation that aimed primarily at securing the income of its
members who had particular skills and –due to their human capital- discerned
themselves from the lesser trained "mob" that worked at the countryside? Is their much
advantage to begotten from a putting-out system when one does not have the capital to
invest in such a system? It seems like it that the guild-system, and the system of
common land, both offered their members the advantages of scale –via cooperation- (see
also further).

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

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

The functioning of the guilds can be compared to this. The members of the guilds aimed at putting their products on the markets with uniform prices, thus also promoting –though not necessarily achieving- a maximal average income among the members. Prak however notes that the great social differences between members of the guilds indicates that there must have been other factors at work that turned that optimal average into a minimum-wage. The guilds did not use –nor did the commons- the laws of supply and demand to set and change their prices; they used an internal –autonomously defined- quality standard. Products of the same quality were to be sold for the same uniform price. By offering products of the same quality they created a medieval form of quality label. This did not only make trade easier, but it also prevented internal conflicts to arise. Gustaffson considers quality control as a key organizing principle of medieval guilds. The variability of quality as conditioned largely by the individual craftsman’s skill would be changed only with the industrial revolution when the quality of products was to be determined by machines and hence given a more uniform and homogenous character. In the meanwhile guilds were necessary to solve the "quality problem" for the traders in the emerging market economy. Gustaffson sums up several methods the guilds used to control quality: scrutiny of raw materials, scrutiny and regulation of production processes, setting standard and compliance inspections for end products, hereby using marks to indicate a specific quality. One can assume that by controlling the quality themselves, the guilds achieved a competitive advantage over the free-market produce: traders no longer had to control the merchandise intensively themselves, as this was already done by the guilds.

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

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

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

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

B. **Longevity of corporate collective action institutions**

A consequence of this legal basis of *universitas* is the longevity/durability of (many of) the corporations that came into existence. Tierney described this medieval change very well: “a corporation did not have to die; it remained the same legal entity even though the persons of the members changed” (this contrary to for example family relations that could very well die). Indeed, many of those corporate versions of collective action like guilds and commons lasted literally for ages, and on the basis of the archival documents (e.g. charters that formed the official recognition of their institution/organisation) many indications that they were meant to last for several generations can be found. And many new initiatives followed. To a certain degree path dependency was playing a role here; quite some new initiatives may be considered as copy-cats, its founders being attracted by the success of their colleagues in other towns and regions.

C. **Exclusion and dissolution processes**

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

D. Differences between commons and guilds as examples of corporate collective action

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

A striking aspect –and difference with commons- of the functioning of the guild system is the interconnectivity of the guilds. An example is the quality control of the guild’s produce by separate guilds (waag- en metersgilden). 43 This interconnectivity seems to be something that was typical for larger cities. This should not surprise: the guild system was a system that used the advantages of small-scale production (quality!) in combination with larger-scale organisation (reducing risk etc.). If a function or an aspect of that organisation became a standard part of all or most guilds, it was more interesting to organise it separately. This type of self-control is something that was organised differently in rural areas, at least when were talking about commons. Commons mostly did not have contacts among each other, nor did they depend upon a common institution to organise control. In some cases, the local police did take up part of those control tasks.

Another difference is the treatment of immigrants. The right to use the common was often limited to villagers who could prove a residence of at least 3 years, sometimes even longer. Immigrants or even inhabitants from nearby villages were prevented from taking part. Contrary to what has often been claimed by their 18th century enlightened
abolishers and later liberal economists, the guilds were not per se against immigrants, though it must be stressed that this was not a European-wide attitude. The guilds of the Dutch Republic were rather inclusive towards immigrants, at least to those of the male and Christian kind. It seems they chose to control rather than to ignore their presence. Their attitude can be derived from the rather low fees that were charged for citizenship and membership of the guilds and from the comparatively short apprenticeship period.44

This combination of similarities formed, notwithstanding some differences, together the silent revolution. As mentioned beforehand, this trend has already been noted by among others Blickle and Greif, though they have referred to it differently. In Blickles view "Kommunalismus" expresses "the mutual dependency of independent labor organisations of burghers and peasants on the one hand, and communes with state functions on the other (the commune imposed itself as a horizontal principle within the socio-political system from the 13th century). These two complementary factors challenged and altered the wider political regime by means of representation and resistance, establishing "communalism" as a fundamental organizational principle between medieval and modern times".45 Blickle considers the introduction of more complex agricultural methods to reach a higher output as the stimulus for collective decision making: "The thirteenth century, ....witnessed a remarkable change in agricultural production...economic activities underwent considerable change: more and more crops were planted, using a field rotation system, arable land was separated more clearly from pasture, and neighbouring villages defined their respective territories much more explicitly. All this provides clear evidence for a more intensive use of rural resources in the face of rising population....the comparatively complicated new rotation system ruled out individual choices of crops and demanded a process of collective decision-making involving all peasants. To settle the inevitable disputes, some form of local conflict resolution had to be found, while rules and regulations were necessary to keep the peace among neighbours who now lived in much closer proximity. The result was the emergence of village autonomy, village jurisdiction, and village legislation as autogenous rights of the inhabitants."46 This view is consistent with our view on the origins of commons (that will be explained later in this paper). In a similar fashion, Blickle’s reasoning can –although the processes he describes are mainly rural- be linked to the origins of the guilds. Blickle sees the fast return to serfdom east of the Elbe and the expansion of the village powers in Western Germany in relation to the degree of strong lordship –though this seems to be a circular argument- and to urbanisation density. The overlap between areas with a dense network of villages and highly urbanised regions (as in the west of the Empire) suggests that the cities and villages depended upon each other. This Verdorfungszprozess, the accelerated formation
of villages, was the motor behind the formation of a new labor organisation and political order. During the transition from an agrarian system based on demesnes—where farming was practised by forced labor of serfs according to seigniorial instructions—into a system that involved more independent tenant holdings—where tenants worked on the basis of rents (in cash or kind) which required the division of seigniorial land into individual holdings—the disposition of one's labor and produce was freed. Blickle "the medieval turning-point brought a move from serfdom to freedom, from a life determined by others to one determined by oneself".  

There are however some differences between Blickle's approach and mine. Blickle in fact captures only part of the movement and leaves out other organisations that were taking shape during that period. Blickle hardly ever refers to commons—though they were present in the rural environment he focused on—neither to guilds as part of this process. The reasons for leaving them out may be that the region Blickle is putting forward does not witness a similar striking rise in the establishment of guilds and commons (and other forms of collective action as for example beguinages) as in the Low Countries and—of course—his greater interest in short-term forms of collective actions such as the peasant revolt of 1525. It should also be noted that the process he describes was less idealistic than he makes it sound like. To cite Blickle: "Feudalism kept subjects in a "servile" position, with lords deciding on the tenants' room for economic and political manoeuvre. Communalism, in contrast, "freed" subjects by offering more independent disposition over labor and produce as well as increased political power" (quotes by Blickle). Although the process as a whole encouraged the formation of democratic regimes by nibbling bits and pieces from the feudal power, it was also a method to exclude persons who did not fit certain conditions. Setting conditions to be part of a group with certain rights—as guilds did, and so did commoners—also means that some cannot belong to that group. Nor can we say that groups would function out of themselves, or that members of commons and guilds would be so altruistic that free-riding did not belong to their behavioural repertoire. "Freedom" is in this sense a very subjective term to use. There was a need for regulation (which often meant restriction), and for sanctioning, and sometimes exclusion; enthusiasm for communalism out of altruistic spirits would simply not do. It would be incorrect and naïve to give the impression that communalism went counter capitalism or even managed to slow down its progress. As will be suggested further on, many forms of collective action were closely related to typical capitalist phenomena, such as market development and wage labour.

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

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

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

A. Motives for corporate collective action – potential advantages

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

Risk sharing by resource pooling

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

**Advantages of scale**

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

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

The motives of medieval commoners and guild members to act collectively

Several theories have been launched about the origins and the reasons of existence of guilds. The origins of commons have however received comparatively little attention: most research on commons has focussed on the British enclosure movement and—for the "continental" commons—on their final dissolution during the 18th-19th century. The difficulty in finding the reasons for their existence lays in their multi-functionality and the shifts in the importance of those functions that these organisations have gone through: although most historians consider them as primarily focussed on economic goals, the importance, and in some periods even prevalence, of the social and charity character of guilds and commons cannot be ignored.

In the past, mainly two explanations for the origins of commons have been given in literature. Elsewhere I have described these as the evolutionary explanation, and the causal explanation. The evolutionary explanation considers the existence of commons as part of a long evolution towards private property, dating from Germanic times when only movables could become one's property, all non-movables belonged to the family/clan/tribe. Common property could—as claim Engels, Marx, De Laveleye and many other 19th century authors, be seen as the primitive form of property. Over time, this common property would "naturally" evolve into private property. Clearly Marx and Engels did not favour this evolution, but others like De Laveleye stressed that this was an only natural evolution: "When jurists want to account for the origin of such a right, they fly to what they call the State of Nature, and from it derive directly absolute, individual ownership—or quiritary dominium. They thus ignore the law of gradual development, which is found throughout history, and contradict facts now well-known and well established. It is only after a series of progressive evolutions and at a comparatively recent period that individual ownership, as applied to land, is constituted. In their views, all property would evolve into private property in the long run.

Not only would this way of reasoning not explain the origins of commons in non-Germanic areas, it also contradicts with the establishment of new common rights upon large plots of lands during the Middle Ages or the foundation of many more commons in the period thereafter, when property systems had already evolved further. According to for example Slicher van Bath—to mention only one eminent agricultural historian—the formation, of marken and meenten (both forms of wasteland commons) did not go further back than the 12th of 13th centuries, although the defenders of the "Germanic
theory”, such as Heringa, contested this. Heringa saw a long continuous history whereby the writing down of the rules for the use of the common in charters was the only change. However, although the origins of commons have not been studied thoroughly so far, it is clear that large numbers of commons appeared during the late Middle Ages in large parts of Europe. And although the evolutionary explanation is considered outmoded these days, it does implicitly continue to live in the literature and debates over other aspects of common land. Garrett Hardin, for example, in his very influential article "the tragedy of the commons” implicitly favours this explanation, when stating that common property should be replaced by either state property either –but preferably- private property. Moreover, this evolutionary explanation ignores entirely the profound legal changes that took place during the 12th and 13th century. In fact, denying the continuity between communal property in Germanic times and the movement towards corporate collective action of the Late Middle Ages is not the same as denying the existence of forms of collective usage of natural resources in the period before. It is quite clear that during the Germanic period land was used collectively, but this was based primarily on the membership of a clan or a family. What we witness in later periods, is a formation of collectivities or alliances not primarily based on kinship but on a mutual agreement –between lords and villagers and between the villagers themselves- regarding the use of the resources, and their rules were written down, confirmed, reviewed and self-enforced. In many cases, these agreements should be read as settlements of conflicts that arose between the lords and the village inhabitants. According to Godding these arose in particular from the 12th century onwards. The agreements should be seen in the light of the Great European Reclamations, that took place during the 10th-12th century. Thereafter agreements between local lordships and villagers about the use of the village’s wasteland popped up. This should not surprise: as will become clear in a later section in this paper, these agreements should be seen as forms of risk avoidance and a way to benefit from advantages of scale in the management of natural resources that are necessary but cannot be commercialised. The background of these agreements is the population growth and the consequently increased and intensified land-use. Commons were a way to keep the agricultural system in balance at an only limited cost (one that was at least lower than privatisation). This becomes clear on the basis of many studies that point towards the “prudence” of the commoners (McCloskey, Allen).

In contrast to the commons, the number of guilds outside of urban centres was limited, according to Lourens and Lucassen their number was in the Netherlands no more than 4%. It is thus quite straightforward that we should see their origins in relation to the urbanisation, and thus, as is the case with the commons (see earlier, the Great
Reclamation), in relation to population growth. One of the prime prerequisites for the emergence of guilds is the need for a certain concentration of members of the same occupational group in the same location. If we consider for example the Netherlands, Lourens and Lucassen claim that around 1400 a city needed to have reached a population of at least 2,500 inhabitants before more than only one craft guild would be established. Small cities of less than 500 inhabitants and less, usually did not have craft guilds. Although there are exceptions to this rule, there did seem to be a certain threshold population number for guilds to develop. There was also an upper limit to the number of guilds per urban centre: there seems to have been a maximum of about 50 guilds per city. Cities, like Amsterdam, with a much larger than average population, had only 1 guild per 4000 inhabitants (1670: 52 craft guilds per 200,000 inhabitants), but – as a form of compensation- these organisations counted each of course on average many more members. It is interesting to note that in practice there was –although this was not officially ordained by the authorities- a maximal number of representational/interest groups in a city. Lucassen argues that with the expansion of merchant capitalism, the guild-system became only more popular and that –contrary to what would later be claimed by their late 18th century critics- there existed a symbiosis of guilds and capitalist enterprises that started to thrive during this period. The majority of the Dutch guilds for example was founded during the 17th century, the growth period of merchant capitalism.

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

The changes that may in these specific European circumstances have caused a rise in the degree and intensity of corporate collective action are considered in this paper as “motors” behind this specific revolution. Identifying these motors is interesting because it bring us closer to those factors that may have been fundamentally different within Europe, as compared to other regions.

Growing scarcity of resource

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

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

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

C. Conditions for collective action

The next step in this paper will be to explore the world-wide (though restricted mainly to two major areas, Europe and China) differences in the development of the types of corporate collective action that were considered here. If we compare for example with places that developed (economically) at the same pace as Europe, for example China, it turns out that collective action started developing much later, and often to a lesser extent. Moreover, the guilds that developed and thrived during the Qing period usually
did not have more than a passive ability to defend their interests against official exactions. This kind of authority differs from that of the European guilds in the sense that it had no basis in law, customary or otherwise. The Qing statutes and other forms of written legislation barely mention the (merchant) guilds.\textsuperscript{73} Guilds did have their own regulation but -as Morse suggests- the Chinese guilds had "grown apart and independent from the government; they have moulded their own regulation, and enforced them in their own way and by their own methods."\textsuperscript{74} This different development of collective action could offer new insights for the debate on "The great divergence" between Europe and China.

"Space" for alternative bonding

Although I will not deal in depth here with the differences between China and Europe, I do want to point out the factors that may have played a role in the creation of this particular divergence. In his "Warum Europa. Mittelalterliche Grundlagen eines Sonderwegs" Mitterauer stresses the importance of the disappearance of family bonds as an explanatory factor for the so-called European "Sonderweg".\textsuperscript{75} This more "open" form of social organisation than systems based on kinship or tribal relations may have played a role in the development of collective action. Whereas in societies based on strict family bonds (lineage), tribal structures or clans, there may not have been any "space" for the development of collective action. The importance of lineage in Confucian ethics may have restricted Chinese craftsmen to unite, or at least may have restricted them in doing so for a considerable period of time. In China there was much less intensive "collective activity" in that particular period of time; guilds for example did not fully develop until the 17\textsuperscript{th} century.

Relationships with family members –craftsmen or not- were more important than with fellow –but unrelated- craftsmen. The same goes for tradesmen. Anthony Black considers the European guilds as "artificial families", which is probably one of the best description to be given of guilds.\textsuperscript{76} Maybe the term "surrogate families" would even stress the difference with other societies even better. Besides such an open relatively non-kin based society, one needs also to have the freedom to organise. Social dilemmas do not led automatically to continued collective action such as in the case of the guilds. The state needs to offer the room to its inhabitants to form interest groups and must allow that these will lobby for their cause. In the case of strong states, like in China, collective action arises only sporadically and temporarily. If there is no strong state, it becomes possible for collective actors to join forces. As power becomes negotiable, democratic developments can start. In contrast to the type of collective action that is described here, the short-term version that becomes visible in the form of mass movements has in the
past often been considered as the direct cause for major historical changes, and has as such often been linked to important democratic developments. Democratic developments are bi-polar processes: they are processes of giving and taking by those who have already obtained powers (princes, nobility, estates...) and those who have no or only limited rights as yet. Actions taken by the former have often been the subject of study (studies on parliaments, monarchies etc.), as have initiatives of the groups at the bottom (strikes, riots, demonstrations) and their motives.

The relationship between guilds, commons and the state and its importance for negotiation in a democracy in their intermediate position should in this sense also be taken into account. In this sense the “co-operative revolution” has already been noted – though in other terminology- by other historians. Brunner for example has described the regime of the High Middle Ages as the "co-operation" between prince and estates in matters of law and defence whereas the law of the land only applied to the nobility.\textsuperscript{77} Co-operation then evolved into the broader form of "negotiation" accompanied by an institutionalization of the estates into parliaments and imperial and territorial diets. Blickle wonders whether the co-evolution of this process and the emergence of the communes, both between the 13\textsuperscript{th} and 15\textsuperscript{th} century, was more than a chronological coincidence. To this we can add our own speculations about the appearance of other institutions, such as commons and guilds.\textsuperscript{78}

Guilds needed to be allowed –by the political institutions- to develop.\textsuperscript{79} The lagging behind of the development of guilds in the Northern Low Countries as compared to the South, is also a consequence of regional politics. In particular the regional governments of Holland and Gelderland made the establishment of new guilds rather hard. In some cases the guilds even managed to overrule the local authorities: in 1274 the craft guilds of Utrecht –among others those of the shoemakers- chased away the city council and replaced them with representatives from their own circles. However, the political power of the craft guilds overall disappeared by the time of the Reformation. For the Low Countries we can say that only in the South and Southeast they kept some political power, whereas elsewhere in the whole area they had either lost this or had never managed to obtain any power.\textsuperscript{80}

A change in the power of the state can offer new opportunities for collective action to develop. This is precisely what could be seen during Qing China. If the government recognises the rights to organise them and accepts that there must be room for other interest groups than the state, guilds could not be abolished at will.\textsuperscript{81} Basically, one can define the role of the state in creating such freedom either as active or as passive. The state can actively and purposely contribute to creating the room for collective action to develop. This fits in well with what for example Greif and Milgrom say about the
emergence of merchant guilds: "It is our thesis that merchant guilds emerged with the encouragement of the rulers of trading centres to be a countervailing power, enhancing the ruler's ability to commit and making an important institutional foundation for the growing trade of that period". The state can also be too weak to intervene, to stop such collective action processes. A strong, strictly organised state can limit the freedom of its inhabitants to the desires of the state(ly powers). This is what we see for example in China: by the 17th century-Qing rulers had become considerably less interventionist than their Ming predecessors, which left an opening for craftsmen to unite in guilds. But even then guilds were to a large extent dominated in their functioning and directed by the state. If these two factors (capability of development of collective action & freedom to organise) were the prerequisites for collective action to develop, one could assume that a change in these fields can explain why in later times Chinese guilds did develop.

The legal and political recognition of groups

Legal changes made it possible for corporations act as a single body out of the name of many members. Legally these entities –of whatever purpose they were- had sufficient recognition to function properly. IN medieval Europe This was possible because of canon law attributed these collectivities with rights of assembly, ownership and representation (both internal and external). These organisations received their legal recognition by the principle of "universitas", giving the group a juridical personality distinct from that of its particular members. This concept of "universitas" was newly introduced in European law of the late 11th-12th centuries. Although the term "corporation" (universitas) was derived from Roman law, the 12th century Western European interpretation was substantially different from what the term meant in Roman law. It would carry us too far off to explain the discussions between the jurists of that period, but the core of the concept of "universitas" that is important here is that a debt owed by a corporation was not owed by the members as individuals; an expression of the will of a corporation did not require the assent of each separate member but only of a majority. The principle of universitas established the existence of fictive personalities that are treated as real entities in courts of law and in assemblies before kings and princes. These entities could be economic – guilds- educational –universities, religious –religious order, etc.

Besides the recognition of the group as an entity, the regulation of those entities needs the support from local and state powers. Although the attribution of the right to be a member can in itself be considered as a property right, as it gives the right to appropriate some of the resources, it differs significantly from the later modern property rights that were devised, in particular from the later 18th century onwards. These state-backed "rights to exclude" were not devised to solve –as the guild's and common's
regulation - an economic problem but to support a newly constructed political order, wherein individuals and not groups formed the pillars of society. Considering these conflicting backgrounds, it should not surprise that in the century preceding their almost simultaneous dissolution at the end of the 18th century, both guilds and commons were the subject of fierce debate. The abolition of both organisations was fuelled with the same arguments: these remnants of a feudal, medieval past were the enemies of innovation and economic progress. The kind of rhetoric that attacked the organisations during the 18th century (see e.g. Physiocrats) is to a large degree applicable to both types. In the debates about commons and guilds at the end of the Old Regime, their contribution to the nation's economic development became highly questioned: weren't these phenomena from backward times that limited the development of the nation's economy? Didn't they restrict the implementation of the free market? In these times of legal reform (towards the establishment of absolute, private property) and growing individualism the raison d'être of commons and guilds was questioned. The struggle for life of guilds and commons at the end of the 18th century, shows that corporate collective action needed backing from the state in order to succeed. As soon as that backing disappeared, guilds' members and commoners found it hard to survive.
CONDITIONS: what is necessary to make collective action happen?

MOTORS: What urges collective action to develop

REASONS to choose for collective action

Collective action

Weak state structure

Space for non-kin based relationships

Legal recognition of alliances (Universitas)

Population growth/resource scarcity

Market development

Risk avoidance and sharing

Advantages of scale

Transaction costs

Potential other advantages

CONDITIONS:

Weak state structure

Space for non-kin based relationships

Legal recognition of alliances (Universitas)

MOTORS:

Population growth/resource scarcity

Market development

REASONS to choose for collective action

Collective action

CONDITIONS: what is necessary to make collective action happen?
Concluding remarks

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

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

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

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

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

In this paper a new approach to guilds as institutions was presented. Although it cannot be denied that there is a clear need for more world-wide horizontal comparison of guilds, in order to understand the functioning and role of this institution fully, the debate might also on benefit from more vertical comparison, or comparison of the structure of the institution whereby also other forms of corporate collective action are being considered. This entails some risks. A theoretical approach as demonstrated in this
paper, does not only bring along potential overgeneralisations, it also restricts the space for true empiricism. However, hopefully the advantages from this new approach have been made sufficiently clear in this paper.

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Merges, Robert P. From medieval guilds to open source software: informal norms, appropriability institutions, and innovation. Conference on legal history of intellectual property.


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90.


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1 This is a preliminary draft. [tine.Demoor@let.uu.nl](mailto:tine.Demoor@let.uu.nl)

2 Greif 2006

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

4 Greif 2005: 1 of part V, concluding comments

5 I have dealt with the motives behind the beguine-movement that took place in the same period as the development of guilds and commons (start around the 12th century) in another paper. See the paper (and forthcoming book) "GIRLPOWER The European Marriage Pattern (EMP) and labour markets in the North Sea region in the late medieval and early modern period", [http://www.iisg.nl/hpw/papers/demoor-vanzanden.pdf](http://www.iisg.nl/hpw/papers/demoor-vanzanden.pdf)

Just like guilds and commons, beguinages could develop in Western Europe because of the loose family ties, the European Marriage Pattern and because of changes in the labour market, which allowed women – including single women – to secure their own income. In principle one could compare beguinages and guilds: some of the women who became beguines did this because the “dowry” that had to be paid to a normal convent had become too high. In this sense they managed to stay out of the religious “market”, but by demanding official recognition from the church they did manage to stay within the religious community. In some literature the beguinages have even been described as the female versions of guilds (See e.g. Simons 2001: xi), though this was primarily because beguines were often also involved in the crafts business, primarily textiles.
6 Further details on this typology of the commons, including an explanatory glossary, can be found in De Moor, Shaw-Taylor, and Warde 2002a.
7 Translation of the definition of craft guilds by Lourens and Lucassen 1997: 43-44
8 Collective action is of course not the only change that took place in this region during this period. Elsewhere I have described the changes in the family structure and its consequences for the labour and capital markets. Please see the following web page for a version of that paper: http://www.iisg.nl/hpw/papers/demoor-vanzanden.pdf
9 Prak 1994: 22; these revolts were concentrated especially in the German areas and in the Southern Netherlands; they did only sporadically appear in the Northern Netherlands and were completely absent from England and France. According to Prak, the degree of urbanisation cannot explain these differences. Prak 1994: 22-23
10 The word "commoner" is in this paper used as a reference to a person who has use-rights on a common, not as a reference to "common folk"
11 See for example the article of Wayne Te Brake about the protest against the enclosures of commons in the Eastern Netherlands. Te Brake 1981: 59-66
12 Tilly, Tilly, and Social Science History Association 1981: 19
13 True: he focussed on Western Europe in the 18th and 19th century but there were still guilds and common at that time.
14 Many causes of collective resistance and rebellion have been given: inequality, governmental reform, class conflict, social disintegration, conflicting religious values, relative deprivation, and many other explanations. See the works of De Tocqueville, Marx, Durkheim, Tönnies, Weber and Gurr Ted Robert 1970
15 See Jager 2000
16 "Identifiability of the behaviour. Jorgerson and Papciak (1981) found that cooperative behaviour is promoted if the other people can observe one's personal choice behaviour. This effect only occurs when there is no communication. This suggests that identifiability has about the same effect as communication, namely the promotion of 'social control' to exercise personal restraint. This 'social control' mechanism may be responsible for the fact that people are more willing to work hard under conditions of high visibility than in more anonymous settings. Group size also plays a role in the identifiability of behaviour: the larger the group, the more anonymous one is" (see Jager 2000).
17 Olson 1965: 2
18 Van Genabeek 1994: 78
20 Panhuysen 1997: 135
21 Panhuysen 1997: 79
22 Panhuysen 2000: 276
23 Prak 1994: 19
24 See earlier, (Hardin 1968 #160)
25 Hoppenbrouwers 2002
26 Guilds: see Van Genabeek 1994: 72
27 In some cases non-members could ask to obtain some resources. See De Moor 2003
28 See De Moor 2003
30 Gustaffson 1991
31 Gustaffson 1987:21
32 Richardson continues: "If some slacked off, all would suffer. Guilds that wished to lower the costs of labor had to get all masters to reduced wages. Guilds that wished to raise the prices of products had to get all members to restrict output. Guilds that wished to develop respected reputations had to get all members to sell superior merchandise. The need for coordination was a common denominator." Richardson 2005: 145
33 Merges : 8; Dyer 2002: 315
34 Richardson 2005: 143-144.
35 Richardson 2005: 160
36 Footnote commons; see Richardson for examples on England Richardson 2005: 160
37 Richardson 2005: 161
38 Richardson 2005: 141
39 Richardson 2005: 164
40 Tierney 1982: 19
41 See e.g. Wiesner 1989, Wiesner 1991 for guilds and De Moor, Shaw-Taylor, and Warde 2002b, on guilds (part on exclusion process)
42 Panhuysen 1997: 130; see also Martha Howell on the exclusion of women from the guilds. Du Plessis and Howell 1982
43 See Van Genabeek 1994: 72-73
44 Lourens and Lucassen 1997: 53
45 Blickle 1998: 12
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40 Blickle 1998: 2-3
41 Blickle 1998: 4-6
42 Blickle 1998: 15
43 Greif 2005: 14 of Concluding Comments
44 McCray 1999: 150
45 Mackenney 1987: 16 taken from Prak 1994: 18). Prak has the impression this practice of buying goods in large amounts, becomes less important during the early modern period Prak 1994: 18
46 Prak 1994: 18; Mackenney 1987
47 Prak 2004: 186
48 Epstein 2004
49 See e.g the overview of these evolutionary explanations as given by Wyffels 1951
50 See among others: Vivier and Demélas 2003
51 See De Moor 2003
52 Gilissen
53 De Laveleye 1894, chapter 1 on "The Gradual and Universally Similar Evolution of Property in Land"
54 Similar to the expansion of common property rights over land is the growth of guilds -in the form of the foundation of new guilds- long after the Middle Ages. In the Dutch republic for example, the number of guilds was about 564 around 1560. By the end of the 17th century, this had grown to a total number of ca. 1300. Lourens and Lucassen 1997: 52
55 Slicher van Bath
56 Heringa 1982
57 Hoppenbrouwers 2002: 93
58 Hardin 1968
59 Gilissen 1953
60 Godding 1987: 203-204
61 See Donald N. McCloskey 1991; Allen 1992
62 However, over time guilds did subcontract also on the countryside. Lis and Soly 1994
63 Ghent for example had many more citizens than Bruges and Ieper but hardly more craft guilds. Lourens, Lucassen, and De Munck 2005
64 Westlake 1919: 28.
65 Bainbridge 1996: 105
66 Westlake 1919: 32.
67 Joseph Fewsmith 1983: 622
68 Morse 1909: 25
69 As Mitterauer describes in Mitterauer 2003
70 Black 1984
71 Brunner
72 Blickle 1998: 8
73 Compare to the condition set by E. Ostrom for the functioning of commons. See Nested enterprises, Ostrom 1990: 90
74 Lourens and Lucassen 199751
75 Lourens, Lucassen, and De Munck 2005
76 Greif, Milgrom, and Weingast 1994: 746
77 Huff 2003: 134
78 Tierney 1982:19; Huff 2003: 133
79 Huff 2003: 133; Berman 1983: 214
80 Posner 2000