

Call for Papers
to Session 87

on the XVth World Economic History Congress, Stellenbosch, 9-13 July, 2012:

**FINANCIAL INTERMEDIATION AND ECONOMIC GROWTH ACROSS THE GLOBE
FROM EARLY MODERN AGE UP TO THE XXTH CENTURY**

This panel will discuss and explore the historical role of non-bank intermediary institutions in capital markets over the long run, from early modern age up to the XXth century. We are interested in traditional forms of non-bank credit, such as merchant credit, personal loans, ecclesiastical bodies and store credit, but we are also and particularly interested in financial institutions that predate banks that we do not always recognize as such.

To this end, the panel will bring together research on different parts of the world and different times in history to compare and connect the many different and complementary forms of financial intermediation that have supported the development of credit markets and economic growth in history. Many financial intermediaries self-identified as such in the historical documents brokers and merchants for example and others, such as notaries or innkeepers or even convents and confraternities (as many other ecclesiastical organizations) have a less obvious intermediary role in capital transactions. There are many circumstances in which financial intermediaries are not easy to detect, but are essential to identify and this panel will be a forum in which to explore these intermediaries and to delve into their role in urban and countryside economies..

The work of this panel is particularly relevant in our contemporary context because banks as we know them today are a relatively recent innovation, and for the better part of human history, banks were not the most important financial intermediary. So it will also allow us to unravel the historical dynamics of the finance-growth relationship in the countries which did follow the usual and unilinear models of growth. Furthermore, the lack of banks in remote or less developed parts of the world today still forces lenders and borrowers to interact via non-bank intermediaries (like rotating savings associations or micro-finance companies, or in extremis, loan sharks and pawnshops).

Interest in financial intermediaries and intermediation in general in developing markets is increasing, and the historical understanding of the role and variety of intermediaries this panel will explore has practical applications in this context.

The main questions we aim to answer in specific historical and regional contexts are:

- 1.How big was the financial sector? Which part of it was intermediated?
- 2.How were information asymmetries solved in this sector? How did intermediaries perform this role?

3. What kind of relationship existed between non-banks intermediary institutions and banks (mostly during the emergence of modern JSC banks by the mid-XIXth century)? It was substitutive/competitive or complimentary/collaborative? How did the activities of intermediaries and banks interact in specific historical cases?

4. What is the relationship between intermediaries/intermediation and economic growth in the specific cases?

5. What measures can we use to compare the effect of intermediation on growth across specific cases? This last question is as much about quantitative measurements as it is about the qualitative value of the historical sources that are being used.

We want to start a comparative conversation to enhance our comprehension of the nature of financial intermediation, the legal regimes and the cultural backdrop that give rise to variations in the types of intermediation and the intermediaries themselves, the political and economic context that change existing forms of intermediation or reinforce them.

Abstracts for this session should contain no more than 600 words and be emailed to the corresponding organizer, Giuseppe De Luca (at giuseppe.deluca@unimi.it) within March 31, 2012. The paper presenters will be informed about their selection by April 10th. Congress papers should be submitted before June 10, 2012 to give session participants and discussants sufficient time to prepare.

Session Organizers:

Giuseppe De Luca, University of Milan; Cirsfi

Juliette Levy, University of California

Marcella Lorenzini, University of Milan

Cinzia Lorandini, University of Trento