Approaching trade in pre-state and early state societies

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Introduction

Trade, broadly defined by economic anthropologist Karl Polanyi as ‘the mutually appropriative movement of goods between hands’ (Polanyi et al. 1957:266), is a basic human activity like production and reproduction (Oka and Kusimba 2008). The role and importance of exchange, here used interchangeably with trade, has varied between places and over time, but the autarchic, self-sufficient economic unit, whether a family, a village, a tribe or a state, if it ever existed, is an anomaly in the human experience. Polanyi’s definition, coined almost 60 years ago, remains useful. It underlines three aspects of exchange: mutuality, materiality and right of disposal. Trade is of central interest to archaeologists. The primacy of materiality is a shared trait between the academic discipline and the object of study, and due to the mutual and property-related nature of trade, it is an important mechanism of wealth distribution, economic specialisation, and thus also social stratification. Almost a century ago sociologist Thorstein Veblen realised how effective scarce resources are in creating and upholding hierarchies, by means of conspicuous consumption (Veblen 1957). Trade, in the broad sense of the word employed here, was and remains arguably the most widespread way of getting access to such resources. Specialised and stratified societies are what we in everyday terminology refer to by the convenient, although not uncontroversial, shorthand of ‘states’. This means that understanding the relationship between trade and political power is of key importance to any inquiry into the socio-economic organisation of premodern societies.
Trade in the premodern world was certainly not smooth sailing. Travel was uncomfortable, slow and sometimes dangerous. Information rarely moved faster than people. Political authorities walked a fine line between protection and predation, and effective enforcement of contracts and property rights across political borders was complicated at the very least (Bang 2008:131–201). People travelled and traded nevertheless, but in order to do so they needed to create an institutional infrastructure that provided a necessary minimum of security and predictability. This article aims to give an overview of how modern scholarship has sought to engage with this process by developing theoretical approaches to the study of trade in pre-state and early state societies. The argument is made that conceptualising trade in terms of networks offers opportunities for describing as well as explaining the process, utilising the partly complementary, partly competing analytical perspectives developed by archaeologists, historians, economic anthropologists and economists.

Constraints of space, combined with the sheer scope of the subject, impose selectivity with regard to the theoretical traditions discussed and the questions raised below. Many issues within the field are, and have been, subject to fierce scholarly debates. While these have obvious relevance, they are only touched on briefly below, and interested readers are referred to the bibliography (Silver 1983, 2009; Manning and Morris 2005; Temin 2006; Bang 2007; Oka and Kusimba 2008; Hann 2011:50–71). Some historiographical points should nevertheless be made, in order to clarify the problems that need to be tackled.

The great divide

For nearly a century, scholars working with the economy of premodern societies, whether from a historical or an anthropological point of view, were all but forced to take a stand. The issue at stake was nothing less than the nature of premodern economies. The debate peaked in the early decades of the twentieth century, as well as in the 1950s to 60s and in the 70s to 80s. Did past economies resemble our own? Were they modern in the sense that they can be approached with the same analytical tools as nineteenth–twentieth century liberal market economies? Proponents of this approach, such as Eduard Meyer (1979), Mikhail Rostovtzeff (1932 1936) and Scott Cook (1966) were labelled modernists within classical studies and history, or formalists within archaeology and economic anthropology. Their opponents, among them Karl Bücher
(1979a, 1979b), Johannes Hasebroek (1931), Karl Polanyi (Polanyi et al. 1957; Polanyi 1963) and Moses Finley (1973), who held that economic interaction in premodern societies was embedded in political and social contexts, and thus not possible to study separately, were called primitivists or substantivists. In medieval studies the primitivist/substantivist position found resonance with Henri Pirenne’s influential although never uncontroversial model of a minimalist and stagnant early medieval economy (Pirenne 1937; Hodges and Whitehouse 1983; McCormick 2001:2–18). By the 1980s, the primitivists seemed to have won the day, and were able to proclaim the establishment of a new orthodoxy based on Finley’s model of the ancient economy as primarily subsistence-oriented and status-driven (Hopkins 1983:xi–xiv). The insistence on scholarly orthodoxy effectively put the lid on the discourse, which by the 1990s had grown all but stale. The study of the Greek and Roman economy had to a large extent been transformed into a discipline of cultural history, and the insistence on the uniqueness, even exoticism, of the classical world effectively barred economic historians of other periods and regions from taking an interest in classical antiquity, and students of the ancient economy from making their field relevant and interesting to scholars dealing with other empirical and chronological settings. This, again, has changed over the last decades, with scholars on one hand again taking up modernising and quantitative approaches to the ancient economy (Temin 2001, 2006; Silver 2009), and on the other hand bringing in perspectives from a range of social sciences, emphasising explicit methodology and preferably also testability as the way forward (Manning and Morris 2005; Scheidel et al. 2007; Bang 2008).

Anthropologically oriented archaeology was not untouched by this debate, which found its parallel in the formalist/substantivist controversy. Nevertheless, archaeologists continued to rely on modern models in their approach to data, as lack of textual sources rendered the hermeneutical alternative less feasible. Several important theoretical works were published in the 1970s, asking how models can be operationalised in order to incorporate artefactual data (Renfrew 1975; Sabloff and Lamberg-Karlovsky 1975; Earle and Ericson 1977; Renfrew 1977). Arguably, the criticism against neo-evolutionist approaches outlined below, along with the general postcolonial and postmodern trend away from diffusionist interpretations and generalising scholarship nevertheless caused studies of trade to take a back seat in the development of archaeological research and theory in the 1980s and 90s.
Models and the study of the past

Readers familiar with the field might have noticed and possibly taken issue with the conscious use of terminology borrowed by cultural anthropology, key labels such as ‘pre-state’ and ‘early state’ carrying a scholarly heritage from the neo-evolutionist discourse prevalent from the 1960s into the 1980s (Fried 1967; Claessen and Skalnik 1978; Cohen and Service 1978; Claessen 1984), which became increasingly unfashionable in subsequent decades due to implicit teleology and alleged Eurocentrism (Khoury and Kostiner 1990; Yoffee 2005:4–41). The critique of the neo-evolutionary school was certainly justified in underlining the uniqueness of societies past and present, the great diversity of trajectories of development, and the problematic, arguably Eurocentric and certainly teleological expectation and ideal of development in past societies. Nevertheless, any archaeological argument builds on analogy, and analogy is by nature comparative (Hodder 1982). Modern scholars do not have direct access to the past, but are left with a mostly fragmentary and unrepresentative record of signs that has come down to us from it. These signs must be interpreted, and in doing this we are creating narratives about the past. The neo-evolutionary narrative has been sidelined in scholarship, but along with other narratives of early societies, it developed a range of analytical models that remain useful for comparison between different empirical settings. Some past societies did actually experience increased economic specialisation and social stratification, and it is interesting and useful to discuss the role of trade in that process. Arguably, this can be done without descending into the fruitless discussions on categorisation and definitions that came to characterise parts of the neo-evolutionary discourse. Although there is no agreement among anthropologists on what a tribe is, and the nature and organisation of what we call tribal societies vary over time and space, ‘tribe’ remains convenient shorthand for non-centralised political groups based on perceived common descent. Although complex societies in early history were different from modern complex societies and from each other, ‘chiefdom’ and ‘state’ are useful terms insofar as they enable comparison, even if only in order to highlight diversity (Khoury and Kostiner 1990; Tapper 1990). To cite one of the leading figures in the debate on the role of trade in early societies, Sir Moses I. Finley, who was a strong advocate of the conscious and explicit use of models in the study of the past, ‘The
familiar fear of a priorism is misplaced: any hypothesis can be modified, adjusted or discarded when necessary. Without one, however, there can be no explanation’ (Finley 1986:66). Taking the cue from Finley, a number of analytical models are drawn upon below. Some of them are mutually exclusive, others complementary. They all have shortcomings as general descriptions of how trade took place in prehistory and early history; nevertheless, they are all useful in explaining aspects of exchange in past societies when they are perceived as tools of interpretation rather than analytical straightjackets (Meyer 2000).

Models of interaction

Hungarian-born Karl Polanyi (1886–1964), who can be credited with spurring the substantivist-formalist controversy in economic anthropology, also coined some of the more influential analytical models of premodern trade. His ‘port-of-trade’ model envisaged small, independent or semi-independent polities, typically city states, which were seen as points of interaction between zones of transit – oceans and deserts for instance, and larger territorial polities (Polanyi et al. 1957; Polanyi 1963). Although the model has long since been discredited as a universal description of how trade took place in the premodern world, it retains its relevance to a number of specific, observable cases.

A more generalised approach to places as arenas of interaction in archaeology is represented by the body of theory known as Central-Place Theory, inspired by Walter Christaller’s study of settlement hierarchies in southern Germany (Christaller 1933). Christaller, describing a predominantly rural environment still retaining many premodern traits, was able to show that hierarchies of settlements were based on how far people were willing to travel in order to get access to certain goods or services. This can be expressed as the gravity of a central place (Renfrew 1977:87; Rivers et al. 2013). Markets for agricultural goods, mills and churches are examples of institutions that were needed on a local level. Access to judicial services and specialised tools and equipment were not sought after on an everyday basis, and people were willing to travel further afield in order to partake. Central-Place Theory made its way into archaeology in the late 1960s, and has been important in explaining settlement hierarchies as well as the distribution of trade goods (Renfrew 1977). Central places tend to develop not only into
economic nodes but also into centres of political power, combining the factor of how far people are willing to travel with the distance over which it is possible to exercise political and economic dominance (Bekker-Nielsen 1989), thus adding the aspect of centrality to that of gravity (Rivers et al. 2013). A major weakness of Christaller’s model, however, which has complicated its application to archaeological contexts, was that it did not take into account the challenges and costs of movement and transport in the real world. Many central places are situated at strategic locations, which enable them to control a large hinterland, or make them difficult or impossible to bypass. In this way they are turned into gateways, which control transit between different parts of a network (Rivers et al. 2013).

An example of a model focusing on people is Phillip Curtin’s ‘trade diaspora’: merchants settled permanently or semi-permanently on foreign ground, building cultural expertise and establishing social connections, and thus acting as intermediaries between home and host cultures (Curtin 1984). Curtin’s model has drawn criticism for presupposing a centre or home culture as the wellspring of the diaspora community. Many known merchant communities were in fact polycentric, or oriented towards a homeland only in a very symbolic sense. Sebouh D. Aslanian suggests instead the polycentric model of the ‘circulation society’, which seems better adapted to longstanding groups maintaining a common identity but without regular contact to a common geographic centre (Aslanian 2011:1–22). Nevertheless, Curtin’s model retains its relevance in many other cases. Both models, however, presuppose that groups of merchants were able to achieve a necessary sense of ‘groupness’ by building social cohesion within the community and maintaining boundaries towards other groups (Barth 1969; Brubaker 2002, 2005, 2009). This could be achieved by drawing on institutional ties such as ethnicity, shared origin and religion (Seland 2013). At the same time, however, they also depended on the ability to link up with other communities.

Turning to the mechanisms of economic interaction, Polanyi, firmly believing that most economic relations in premodern economies were embedded in socio-political contexts, also introduced three models explicitly inspired by the anthropological work of Bronislaw Malinowski and probably also that of Marcel Mauss, namely ‘reciprocity’, ‘redistribution’ and ‘exchange’ (Polanyi et al. 1957:250–52; Malinowski 2002; Mauss 2007). By reciprocity, sometimes also called gift-exchange, he referred to transactions of more or less equal perceived value, made between individuals of similar social status.
Redistribution described the collection and subsequent reallocation of resources through a centralised institution, while exchange referred to what we normally describe as trade, goods changing hands, whether as a result of barter or of market transactions, without imposing further social obligations on the participants. Although Polanyi had definite ideas about how premodern economies worked in practice, his models can be used to characterise economic interaction under any economic regime, including a modern liberal market economy or a highly redistributive welfare state.

**New Institutional Economics**

Where substantivists and formalists alike failed at adequately describing the economic organisation of early societies, neo-evolutionists were equally unsuccessful in explaining their political development. Meanwhile, however, the discipline of economics had moved forward. While specialists in prehistory and early history were debating whether the people they were studying had acted rationally in economic respects, many economists had long realised that modern people frequently fail to. Scholars developing the field of New Institutional Economics, in part directly inspired by Polanyi's work, started to investigate how institutions shape economic behaviour (North 1977, 1990; North et al. 2009). Douglass C. North, John J. Wallis and Barry Weingast suggest that societies can be studied as consisting of organisations and institutions. By organisations North et al. (2009:15) describe ‘groups of individuals pursuing a mix of common and individual goals through partially coordinated behaviour’. In early history, such groups would include tribes, chieftaincies, robber bands, empires and other political organisations. Organisations in premodern societies, according to North et al., specialise in containing violence, and engage in generating revenue that is distributed among elite and non-elite members (2009:14–19). Trade was one important source of such revenue, along with landed property and plunder, for instance. Although North and his colleagues hold that political organisations were the predominant form in premodern societies, groups of merchants or artisans could also be approached as organisations within this framework. Institutions, on the other hand, are described as the ‘rules of the game’, the patterns of interaction that govern and constrain the relationships of individuals’ (North et al. 2009:15). The market is certainly one important institution in this respect, but there are also many others, including the reciprocal and redistributive mechanisms.
emphasised by Polanyi. New Institutional Economics has also brought a number of other useful approaches to the attention of scholars working with early trade: Transaction Cost Theory is able to deal not only with high costs of transportation but also with issues of security, protection, administration and enforcement (Silver 2011). The realisation that rationality is bounded – restricted and shaped by lack of information, cultural and social constraints, and so forth (Simon 1997) – also helps explain how different economic mechanisms can come into play at the same time. Agency theory, dealing with situations of imperfect information, where economic actors, ‘principals’, need to rely on representatives, ‘agents’, with potentially conflicting self-interest, highlights not only the challenges but also the possibilities for creating trust among actors engaging in economic interaction (Eisenhardt 1989).

The great contribution of New Institutional Economics to the study of early trade is that the field enables us to deal with social, political and economic relations within the same framework, thus allowing for the embedded aspects of premodern economic behaviour and the record of data, which is more often than not fragmentary, and biased towards elite sections of society and their self-representation, while at the same time opening the opportunity to bring in economic concepts and tools describing market transactions, which clearly also held an important place in most premodern economies.

*Explaining trade as networks*

At the heart of archaeology as well as trade is materiality. The main archaeological proxy of trade is the existence of artefacts that can be traced to points of origin or production different from their find-spots. The scholarly expression of this is the distribution map, showing the spatial contexts of archaeological finds. Under many circumstances, exchange is the likely agent of the mobility of objects, but other mechanisms are also possible and well attested, such as migration, travel, taxation or plunder, to name a few.

Colin Renfrew famously characterised trade as ‘action at a distance’ (Renfrew 1975). This accurately captures the interactive nature of the undertaking. Trade establishes direct and indirect, explicit and unseen connections between people. A recent surge in scholarly interest in network theory has provided possibilities for approaching this aspect of exchange by combining places, people, objects and relations within the same framework (Malkin 2003, 2011; Sindbæk 2007, 2009; Knappett et al. 2008; Brughmans 2010, 2012; Knappett 2011, 2013; Seland 2013). Networks intersect
at nodes, which might be individuals, groups, places or even objects. Nodes are connected by ties, often called ‘edges’ in network terminology, which can, on one hand, include interpersonal relations of friendship, kinship, personal dependence, contract and so forth, or shared characteristics of religion, ethnicity, profession and so on. On the other hand, ties can also be constituted by routes, roads or simply the presence of similar objects in geographically distinct places, presupposing some kind of connection. In the same manner, however, as moving from distribution maps to interaction poses a potential problem, so, too, are network approaches faced with the challenge of moving from description to explanation. This is where the theoretical dimension comes back into play.

Nodes in a network related to trade will often be places such as find-spots, archaeological sites, known locations of harbours, markets, periodical trading fairs, production sites, settlements, elite residences or places of religious significance. Most archaeological modelling of geographical nodes approaches them as central places.

Nodes, however, may also be people. Political elites engaged with trade, either directly, by taking part in the procurement and exchange of goods, or indirectly, by offering protection in return for taxation, or by predating upon it. Groups of merchants constituted social networks, for instance in the form of trading diasporas or circulation societies, and linked up with producers, distributors, transporters, purchasers and political authorities in the process (Seland 2013). Most networks based on trade can be described as belonging to what in network terminology is known as the ‘small-world’ type. Such networks are characterised by each individual node being directly connected only to relatively few other nodes, but nevertheless being able to access the whole network indirectly by way of these connections (Wasserman and Faust 1994:53–4; Malkin 2011:27–30).

**Conclusion**

It might be argued that most theoretical approaches to premodern economies are better at explaining than at describing, while the opposite is the case for many archaeological applications of network approaches. If this is true there should be considerable analytical potential in combining the two. The defining feature and strength of network approaches is the emphasis on relations. Visualising and, in cases where the data allows
it, measuring these ties reveals where explanation is needed. Typical relations in social networks include, but are not limited to, individual ties of friendship, kinship, marriage and enmity, and group level identity markers such as ethnicity, religious affiliation and profession. They may also include individual and group level action, such as reciprocity, redistribution and exchange, and also taxation, robbery, warfare or protection. Here network theory intersects with other bodies of theory, including the substantivist and formalist traditions of economic anthropology traditions outlined above, which aim at explaining but lack the descriptive capacity of network analysis. To name but one example, New Institutional Economics enables us to explain social networks in terms of organisations, and most of the ties constituting networks can be described as institutions, thus potentially combining description and explanation.

Sociologist Michael Mann argues that four interrelated fields of power constitute society: ideological, economic, military and political. These fields, however, materialise only in the formation of social elite networks – power cannot be distinguished from the people wielding it, and power is always exercised by people and in relation to people (Mann 1986). For the archaeologist who aims to grasp the role of trade in the formation of such power structures in pre-state and early state societies, the challenge still remains to move from the static evidence provided by archaeology to the once dynamic but long-finished process of exchange. Above I have argued that this requires the conscious use of analytical models, some of them developed specifically for the study of premodern trade, others from economics, sociology and anthropology, and that these models should be viewed as complementary rather than mutually exclusive. In my view, conceptualising economic interaction in terms of networks is currently our best bid for describing as well as explaining processes of trade, and integrating them with other aspects of the human experience.

References


