

ECO 2210Y

Topic No. 9: Money and Conjunction in Late-Medieval Europe: Monetary Forces and Economic Crises during the 14th and 15th Centuries

1. For a general introduction to this problem: John H. Munro, 'Patterns of Trade, Money, and Credit,' in Thomas A. Brady, jr., Heiko O. Oberman, and James D. Tracy, eds., Handbook of European History, 1400-1600: Late Middle Ages, Renaissance and Reformation, Vol. I (1994), pp. 147-95.
- *2. W. C. Robinson, 'Money, Population, and Economic Change in Late-Medieval Europe,' Economic History Review, 2nd ser. 12 (1959), 63-76. Then read the rejoinder by Michael Postan, 'Note,' pp. 77-82. See also his essay 'Economic Foundations of Medieval Society,' in his collection, Essays on Medieval Agriculture (1973), pp. 3-27; and 'The Trade of Medieval Europe: the North', in Cambridge Economic History of Europe, II (1987), pp. 240-66.
- * 3. Harry Miskimin, The Economy of Renaissance Europe, 1300 - 1460 (1976), pp. 25-32; 132-50. See also R. S. Lopez, H. A. Miskimin, and A. L. Udovitch, 'England to Egypt, 1350-1500: Long-Term Trends and Long-Distance Trade,' in M. A. Cook, ed. Studies in the Economic History of the Middle East (1970), pp. 93 - 128; reprinted, with other essays on monetary history, in Harry Miskimin, Cash, Credit and Crisis in Europe, 1300 - 1600 (London: Variorum, 1989).
- * 4. Clyde Reed, 'Price Movements, Balance of Payments, Bullion Flows, and Unemployment in the Fourteenth and Fifteenth Centuries,' Journal of European Economic History, 8 (1979), 479-87: an attack on the Miskimin model. See H. A. Miskimin, 'A Response to Professor Reed,' pp. 487-94.
- * 5. Peter Spufford, Money and Its Use in Medieval Europe (Cambridge, 1988), chapter 15, 'The Bullion Famines,' pp. 339-62.
- *6. John Day, 'The Great Bullion Famine of the Fifteenth Century,' Past & Present, no. 79 (1978), 1 - 54. Reprinted in John Day, The Medieval Market Economy (Oxford, 1987).
- * 7. Pamela Nightingale, 'Monetary Contraction and Mercantile Credit in Later Medieval England,' Economic History Review, 2nd ser. 43 (Nov. 1990), 560 - 75.
- * 8. Nathan Sussman, 'The Late Medieval Bullion Famine Reconsidered,' Journal of Economic History, 58:1 (March 1998), 126-54.
9. Nicholas Mayhew, 'Population, Money Supply, and the Velocity of Circulation in England, 1300 - 1700,' Economic History Review, 2nd ser., 48:2 (May 1995), 238-57; and then read: Harry A. Miskimin, 'Silver, not Sterling: A Comment on Mayhew's Velocity,' and N.J. Mayhew, 'Silver, Not Sterling: A Reply to Prof. Miskimin,' The Economic History Review, 2nd ser., 49:2 (May 1996), 358-61. See also: Nicholas Mayhew, 'Numismatic Evidence and Falling Prices in the Fourteenth Century,' Economic History Review, 2nd ser. 27 (1974), 1-15.
- *10. Michael Bordo, 'Money, Deflation, and Seigniorage in the Fifteenth Century,' Journal of Monetary

Economics, 18 (1986), 337-46. Discusses the Miskimin thesis. Evidently missing from the library.

11. John Munro, 'Bullion Flows and Monetary Contraction in Late-Medieval England and the Low Countries,' in J. F. Richards, ed., Precious Metals in the Later Medieval and Early Modern Worlds (1983), pp. 97-158. Reprinted in John Munro, Bullion Flows and Monetary Policies in England and the Low Countries, 1350-1500 (London: Variorum, 1992), with other articles on this same question. (See also the introduction to this volume).
12. John Munro, 'The Central European Mining Boom, Mint Outputs, and Prices in the Low Countries and England, 1450 - 1550,' in Eddy Van Cauwenberghe, ed., Money, Coins, and Commerce: Essays in the Monetary History of Asia and Europe from Antiquity to Modern Times (Leuven, 1991), pp. 119-83.
13. C.M. Cipolla, 'Currency Depreciation in Medieval Europe,' Economic History Review, 2nd ser. 15 (1963), 413-33.
14. Glyn Davies, A History of Money from Ancient Times to the Present Day (1994), pp. 138-74.

QUESTIONS:

1. What were the primary causes of inflation and deflation in the late-medieval economy: real or monetary factors?
 - a) In terms of monetary factors, which was the more important: changes in monetary stocks or changes in monetary flows?
 - b) What were the most important real factors: or was demography the prime factor
 - c) In terms of the modernized equation of exchange [$M.V = P.y$], discuss the relationship between these monetary and real factors.
 - d) What were the relationships to be found, in the late-medieval economy, between and among demographic, monetary, price, and economic changes?
2. Did late-medieval Europe suffer an increasing 'scarcity' of circulating precious metals, in relation to its economic needs (with a smaller economy)? If so, what were the causes of such scarcity? What is the evidence for a supposed (and relative) monetary scarcity: in terms of mint outputs, coin hoards, price-levels? [Please do examine the tables and graphs accompanying this topic]
3. Why did Michael Postan believe that real, and in particular demographic factors, were the primary cause of price changes in the late-medieval economy? Was he discussing changes in relative prices or changes in the price-level. Did Postan in fact believe that the late-medieval economy experienced alternating cycles of inflation and deflation? Discuss the Robinson model and Postan's attack on that model.
4. Discuss the Miskimin thesis and the views of its supporters and critics. How did Miskimin attempt to reconcile the views of Robinson and Postan -- and with what success? Discuss Clyde Read's attack on the Miskimin 'balance of payments' model.
5. Discuss other theories of late-medieval monetary contractions: in particular those of John Day and Peter Spufford.

6. To what extent did credit instruments and coinage debasements counteract deflationary trends in late medieval Europe? What were the economic consequences of coinage debasements? Discuss the views on Nightingale, Spufford, and Munro on this issue.
7. Did money and deflation 'matter'? What were the possible economic consequences of such monetary scarcity? In terms of money supplies, prices, wages, interest rates, investment, long-distance trade, economic activity, etc? What were the economic consequences of deflation: in particular for the factor prices of land (rents), labour (wages), and capital (interest)? What adjustments did the late-medieval West European economies make to a possible 'bullion famine'?
8. How did the European 'monetary scarcity' -- if you believe that one existed -- finally come to an end?