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B. THE CIRCULATION OF GOODS

A. FOREIGN TRADE

circulation of produced goods – foreign trade – changed in the most revolutionary way p 116

This had attained a remarkable intensity through the new economic money system and its potential labour and capital resources which were increased continuously by productive loans on interest and the power of the planned state economy P 116

AO trade from Africa and Crete as far as India – after 3000 bc into one closely-knit bloc p 116

Similarly the foreign trade in luxury articles of some value between the AO cities and the townless cultures of the European, Asiatic, and African Bronze Age were to become a valuable international asset. p 116

Everywhere trade was encouraged by the increased AO purchasing power and by technical inventions of better means of transport and road building p 116

Even Egypt, from the beginnings of peasant civ in the Nile country, had not been entirely separated from the neighbouring countries … For instance, we find a very early trade in olive oil and wine from Syria, in timber from the Lebanon, in precious and semiprecious stones imported from as far afield as Central Asia and the European amber coasts to the lands of the Nile … p 116

In exchange Egyptian pottery, glass, jewellery, and perfumes travelled over great distances. p 116

As early as … Archaic periods of AO … there had ceveloped not only a trade capitalism in the spheres of “exchangeable” money materials and “non-exchangeable” goods. But credits, loan transactions, and money changing had become a particularly important element in providing capital, from wealthy owners, temples, and the royal administration, for the merchants of the period, who were, as a rule, either lacking or at any rate poor in capital. p 117

Goods .. in caravans or .. less efficient sea trading routes … alabaster, stone, limestone, precious stones, pearls, kawri shells, tortoise shell, jasper, bunches of feathers, vessels made from cast glass, glass beads etc. p 117

Metal played a great role in AO foreign trade. Gold came from Egypt and Nubia, Iran, Asia Minor, from Hungary since 2000 bc. p 117

Silver and magnesium were exported, from the Taurus mountsins, copper from the Sinai peninsula … p 117

salt, asphalt – exported from at least 2000 bc onwards, particularly from the Dead Sea, and mainly despatched to Egypt.

Ivory from Egypt Syria Nubia ….travelled to Crete, the whole of Europe, Syria, Asia Minor, and Mesopotamia…. p 118

The European and Asiatic townless Bronze Age between 2000 and 1000 bc had, owing to some connections with the cultures of the AO cities, an improved pattern of trade also. Exchange of valuable products was comparatively intensive and by no means to be despised, as numerous finds reveal. … one of the most outstanding items is amber … p 121

We can easily understand the fact that, apart from trade in luxury articles, metal tools and metal bars from which to make such utensils were the principal items of AO export to the townless Bronze Age regons in Europe, Africa, and Asia. … But our sources show that very soon after the beginnings of these exports the Central Europeans learned how to mine and to work this metal at home. After this structural change in trade, valuable products of AO craftsmanship are the only Eastern and Southern imports discovered in any quantity in townless Bronze Age Europe. p 122

trading system… comparatively primitive. principally concerned with traffic in luxury commodities and rare mateials … met needs of small ruling class … than of the mass of the people p 125

As far as we can see at present AO trade in luxury articles and the more expensive raw materials was often merely a side-line of the traffic in the different kinds of essential metals. p 126

modern tendency developed to organize trade and forms of transport in a rational way … general planned economy of the city states and of individual planning of the merchants which was connected with carefully accounting and bookkeeping. p 126

Similarly fully developed and separate professions of merchants and traders took the place, as a rule, of the preceding traders of the townless civ who still had to combine commercial with other economic occuprations. p 126

well-organized merchant associations developed from 3000 bc onwards p 126

The originally rather ancient and primitive exchanging of gifts, especially between the royal courts, reached considerable proportions in AO foreign trade also. p 126

In the cities of AO .. foreign merchants could not sell much to the man in the street on local markets because the AO money system made transactions in small amounts of merchandise difficult without barter. The big and wealthy owners and institutions in these cities were practically the only potential buyers of imported goods. p 126

in the commercial exchange in the gateways of great AO cities that a kind of middlemen’s trade developed between foreign and local merchants p 126 127

city gate markets p 127

AO foreign merchants had sometimes what almost amounted to a monopoly in the case of producers, who were especially dependent upon them. did not really help the merchant… long, risky, very expensive journeys p 127 128

This is a reason why the foreign merchants of the AO were almost completely dependent of royal courts and estates, temples, and nobles who alone could lend them sufficient capital against interest for their trade transactions. p 128

risky .. many merchants never returned home … It became practically the rule for merchants of the AO to follow their trade mainly in using borrowed capital and only to a small extent their own possesssions. They retired as soon as they had enough capital to live at home. p 128

These dependent persons are to be termed “factors” or agents in modern economic terminology. For they brought the loads, which belonged to their creditors and backers, to foreign lands and sold them there for other people’s account as their salaried employees. p 129

merchant law developed … silent partners … business conducted with individuals, either privately or in the open market, but with a royal treasury and large estates of temples and nobles preferably .. states provided armed escorts and even quarters en route, for which the merchant had to pay a fee p 129

in townless regions of Europe and Asia… pedlars wandered with trunks and bags displaying wares. p 130

Even in the proper money sales the contracting parties preferred to reckon the value of their goods in money accounts, but to pay out no more to each other than the actual difference of all transactions of buying and selling which had taken place between them. Weber has used the term “barter with money valuation” for this form of trade. p 131

Instructive in the same connection is the rule ladi down in #7 of Hammurabi’s Code that every transaction of sale or deposit must be recorded in writing and could not just be conducted orally. p 131

procedure of money payments … measuring and weighing of exchangeable goods .. p 132

little importance and strength money economy still had in the AO … in small everyday exchanges of goods we find the economic pattern of the townless civ still prevailing … peasant has to barter his cakes … p 132

The sale of small quantities of cheap articles remained basically barter pure and simple p 132