

**Centre for Institutional Performance  
University of Reading Business School**

**Forthcoming workshop:**

**Institutional Change in Historical Perspective**

**Friday 25 April 2008, 10.00am – 4.30pm, Palmer Building, University of Reading**

Organiser: Mark Casson ([m.c.casson@reading.ac.uk](mailto:m.c.casson@reading.ac.uk))

The workshop examines the way that fundamental economic and social processes have stimulated the long-run evolution of institutions, and the way that institutional change has affected economic performance at a local, national and international level..

Speakers:

**Adrian Bell:** (*ICMA Centre, University of Reading*) Modern Finance in the Middle Ages?

**Margaret Yates** (*Department of History, University of Reading*): The Fourteenth-century Crises and English Institutions

**Christine Jackson** (*Kellogg College, Oxford*): Interpreting and Evaluating Organisational Change in the Early Modern Cloth Industry

**Richard W. Hoyle** (*Department of History, University of Reading*): Creating Economic Institutions in the Early Seventeenth Century

**Andrew Godley** (*Business School, University of Reading*): Retailer Intermediation and the Invention of the Technological Chicken in Britain

**Abstracts**

**Adrian Bell:** Modern Finance in the Middle Ages?

This paper will draw upon recent research from the ICMA Centre into the origins of what we now consider to be sophisticated financial techniques. It is clear that the age-old problem experienced by large institutions and government of unpredictable and unreliable cash flow was smoothed by the application of innovative practices as early as the thirteenth century. This included the use of forward contracts in the wool market; interest bearing sovereign loans; the provision of money-purchase pension schemes by religious institutions; and brand management in the Pilgrimage business. Moreover, much of this was practiced on a European wide scale utilising cross-border transactions detailing

precise foreign exchange rates. All of these examples of financial innovation demonstrate a precocious ability to price and market such products accurately and efficiently without recourse to any of our modern financial pricing and modelling techniques.

**Margaret Yates:** The fourteenth-century Crises and English Institutions.

This paper investigates market and curial reactions to the agrarian and demographic crises of the fourteenth century and will argue that, whilst suffering dislocation and forced to adapt, these institutions were remarkably robust.

**Christine Jackson:** Interpreting and Evaluating Organisational Change in the Early Modern Cloth Industry

This paper will examine the organisational changes resulting from the capitalisation of cloth-making in the Berkshire towns of Reading and Newbury c.1500-1620 and the light these shed upon the gradual but complex transition from feudal to capitalist economy between the medieval and modern ages. It will review evidence of the scale and significance of organisational innovation in the towns' broadcloth and kersey industries during the peak years of manufacturing prosperity, with particular reference to capitalist investment in centralisation, and explore changing approaches to the presentation, interpretation and evaluation of the entrepreneurship of leading clothiers of the period over time, from the plaudits of contemporary commentators to the more critical assessments of recent historians.

**Richard W. Hoyle:** Creating Economic Institutions in the Early Seventeenth Century

In this paper we will revisit a number of controversies which rattled about the early seventeenth century polity. It has been long recognised that there were multiple parliamentary campaigns against monopolies, which were seen as being an economic abuse and a way in which the crown diverted trade into the hands of favoured subjects. Less attention has been paid to the creation of offices which purported to regulate trade, often by maintaining production standards or enforcing legislation. The question to be asked on this occasion is whether these offices, like monopolies in their 'scandalous phase', were essentially parasitic, or whether they were well meaning initiatives which served an economic purpose, albeit with the secondary aim of giving the promoter of the office a livelihood. The problem, it is suggested, is that the controversy they created reflects larger problems with the English state in the half century before the Civil War, notably the difficulties of securing a consensus without parliamentary institutions, the inadequacy of the prerogative as the foundation on which to build economic institutions and the lack of taxation revenues out of which 'public' services could be funded.

**Andrew Godley:** Retailer Intermediation and the Invention of the Technological Chicken in Britain

In 1950 poultry was a rare luxury in Britain, only one per cent of the total meat consumption. But over the next thirty years chicken consumption grew at the remarkable (compound) rate of 10 per cent per annum, while the overall consumption of meat remained stagnant from the 1950s to the 1980s. By then poultry had become the single most important source of meat, with a quarter of the total share of the market, replacing former favourites like beef, mutton and bacon in the British diet. By 2000 poultry's share had risen to over one-third in Britain, and approaching that throughout the EU.

This transformation was made possible by the emergence of intensive rearing methods in poultry farming. This was a dramatic change in food production, dependent on many complementary technological innovations across several otherwise unrelated sectors: in pharmaceuticals and feedstuffs production, in refrigeration, slaughtering, packaging and transport. Many of these technologies emerged first in the U.S., as did intensive rearing. But the British (and then Danish and Dutch) poultry industries rapidly overtook the U.S. sector in the 1960s.

The widespread distribution of cheap chicken led to its mass adoption throughout the country. But such a transformation in meat eating habits was not without its public controversies. Contemporary concerns emerged first in the scientific then in the public arenas in the late 1950s over the possible long term dangers to human health from the technological transformation inherent in intensive rearing regimes. The paper emphasises that it was the leading retailers in Britain who acted as key intermediaries in this contested market, reconciling consumer uncertainty by attaching their own reputation to product quality, and then furthermore by intervening in the quality standards employed in its supply chain. In the short term product acceptance was guaranteed, but in the long term, the British poultry industry found their fortunes increasingly depended on the large food retailers.