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TRADE SANCTIONS AND THE INTERNAL HANSEATIC SPACE: RELEVANCE OF THE HISTORICAL PARADIGM

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Abstract

In this paper author presents a retrospective look at the problem of economic sanctions that allows drawing a parallel between their historical forms, namely, the trade prohibitions of the Hansa during the Hanseatic-Danish war of 1368-1370, and the modern sanctions of the European Union against Russia. The model presented here had the ability to stimulate integration processes within the Hanseatic commercial and entrepreneurial and institutional space with the consistent overcoming of the organizational and legal disunity of the Hanseatic cities, which was a consequence of the Confederate structure of the Hanseatic League, the strength of urban law and the tradition of decision-making on the principle of ad referendum. Particular attention is paid to the role of the “Cologne Confederation” in creating a single legal framework, unifying the mechanism of the trade blockade, organizing control over the implementation of sanctions by cities, expanding membership, as well as developing original, intercity and interregional forms of commercial and communicative communication in the framework of Hansa due to finding workarounds for Hanseatic entrepreneurship. This historical paradigm, which laid the foundation of the institution of economic sanctions in general, is only slightly reproduced in the modern model, which determines a small degree of its effectiveness.

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1. Introduction

In view of the relevance of the problem of economic sanctions against modern Russia adopted by the United States and the European Union five years ago, it is appropriate to find out about the historical experience gained in connection with similar precedents in European interstate politics. Historical retrospective has a promising vector, and therefore a retrospective cut of the problem of economic sanctions at the present stage allows us developing its understanding, especially in the field of identifying typology, causality, objective and situational conditioning, functioning modes, legal and institutional framework, social and mental contexts, assessments of effectiveness and etc. In the search for historical paradigms that served as the foundation of the modern model of economic sanctions, it is appropriate to turn to the testing of this practice by the Hanseatic Trade Union in the XIV – first half of the XVII century, when the precedent was created for its institutional and legal development and consistent use in order to optimize Hanseatic participation in European international trade (Dollinger, 2012). The institutions created by Hansa are phenomenal and have recently been perceived as the initial achievements of European globalization, preparing the formation of a United Europe (Hammel-Kiesow, 2007; Jahnke, 2017). The profile of modern Hanseatic studies is multifaceted (Kypta, 2016), but the problem of sanctions as a tool of trade policy does not have special coverage. It is placed in the general context of the problems associated with the introduction of Low German trading capital in Western European and Baltic trade, finding optimal conditions for entrepreneurship and suppressing competitors by examples, mainly of Veliky Novgorod in the 1180s and 1268-1269, as well as Flanders in the middle of the XIV century (Henn, 1989).

2. Problem Statement

The transformation of sanctions into a systemic element of the Hanseatic trade policy is usually considered in the context of the opposition of Hansa to external forces - foreign states that pursued an unfriendly policy against it, and foreign competitors. Meanwhile, trade bans and block of communications, being the most common types of Hanseatic economic sanctions, were most directly related to the integration processes that ultimately led to the design of the vast Hanseatic commercial and entrepreneurial, social, communicative, institutional and legal and sociocultural space (Wubs-Mrozewicz, 2013). The study of Hanseatic sanctions as a consolidating factor that stimulated intra-Hanseatic integration, the formation of administrative and legal relations between members of the Hanseatic League, as well as original commercial and business relations, is the goal of this study. Its resolution allows comparing the historical and modern models of economic sanctions, determining indicators of their effectiveness. In creating a retrospective vision of the problem, Hanseatic sanctions that were in force during the Hanseatic-Danish war of 1368-1370 can be used to counter the expansionist policies of Danish King Waldemar IV Atterdag and his ally, King of Norway Hakon. On November 19, 1367, at a meeting of representatives of Hanseatic cities in Cologne, representatives of several Hanseatic cities entered into a military alliance against Denmark, the “Cologne Confederation”, which remained in force until September 29, 1371, and approved a ban on trade with “enemies of maritime cities” (Harreld, 2018). Thus, conditions were created for consolidating efforts in solving not only military-political problems, but

also the implementation of the Hanseatic program of the trade blockade, although this was hindered by the organizational and legal fragmentation of the cities of the Hanseatic League as a result of its confederate structure and the ad referendum principle in approving common solutions (Pitz, 2001).

3. Research Questions

A statement of the successful implementation of the Hansa sanctions policy as a whole and the low efficiency of its modern model suggests access to a wide range of problems related to the consistent overcoming of the disunity of entities sanctioning economic bans. When analyzing the historical model, special attention is paid to the integration processes within the Hanseatic League – the activities of the assembly of cities, members of the “Cologne Confederation”, and their role in creating a single institutional and legal field for the functioning of sanctions, in improving and unifying the mechanism of the trade blockade, in organizing control over its implementation by the cities in expanding membership in the Confederation. Along with this, it is appropriate to ask a question about the reaction to the trade blockade of the Hanseatic merchants, in particular, the prospects of finding alternative business options that allowed trade to continue bypassing sanctions.

4. Purpose of the Study

The study expands the problems of the formation of the Hanseatic League as a union of cities at the main stage of its constitution in the second half of the XIV – early XV centuries, which is an intensively developed area of modern Hanseatic research (Jahnke, 2013). A study of the Hanseatic trade sanctions of 1368-1370 allows us to see not only a measure of weakening of the adversary states in them, which is the determining component of the modern model of economic sanctions against Russia, but also a means of intensifying intra-Hansean integration, which significantly strengthened the internal communication field of the “Hanseatic cities”. In the modern model, this moment is extremely poorly represented.

5. Research Methods

The study was carried out in a wide source study context and with the inclusion of data from modern historiography. Conclusions are made on the basis of recesses (protocols) of the meetings of the members of the “Cologne Confederation”, accompanying and business documents, which are published in Hanserecesse (1870) with the addition of archival Hanseatic documents from the Manuscript Department of the Scientific Library of Tomsk State University. The basis of the research methodology is formed by the formation of documentary complexes for a number of thematic sections, each of which, in turn, is tied to a specific block of problems. Sources on the background to the design of the “Cologne Confederation” demonstrate the ambiguity of the approach of cities to the problem of sanctions, which was fraught with difficulties in their implementation. The integrating and consolidating effect of the implementation of trade sanctions on the internal state of the “Hansa of Cities” is clearly seen on the materials of resolutions of the Cologne Confederation meetings of 1368-1370, while samples of private

business documents of this period from TSU meetings were used to identify changes in the Hanseatic business activities merchants under trade sanctions.

6. Findings

The main place in the study is devoted to the construction of a little-known historical, Hanseatic, model of economic sanctions. The recessions of the meetings preceding the formation of the “Cologne Confederation” regarding the procedure for imposing sanctions against Denmark and Norway make it possible to state the initiative of the cities followed by general discussion, which was in line with the Hanseatic legal tradition (Pitz, 2001). A comparison of regional options for this initiative, in particular, the cities of Prussia and the Netherlands at a meeting in Elbing (Elblag) (Hanserecesse, 1870) and the German Baltic (Vendian) cities in Stralsund (Hanserecesse, 1870), demonstrates the difference in approaches to the imposition of sanctions. In the first case, it was about the complete cessation of trade with hostile states under pain of “privatization of honor” (sub privacione honoris), that is, use of Hanseatic privileges; in the second case, trade bans generally came down to a ban on Hanseatic merchants from floating in the possession of the Danish king, which did not exclude external mediation. Both options contain bans on the export of arms, strategic raw materials (steel, iron), which is explained by the conditions of the war, as well as hops and beer, the main articles of the Hanseatic export to Northern Europe, which was designed to undermine the economic potential of the enemy. The positions of the participants in the Elbing and Stralsund meetings reflect the will of individual urban communities, but the lack of sources does not allow us to investigate the initial, intracity, stage of consideration of the issue of sanctions. The set of documents with the decrees of the Cologne Hanzetag of 1367 demonstrates the creation of the “Cologne Confederation” as an organization that, along with military-political and fiscal measures, developed common rules of trade policy for its members, the basis of which was formed by the “Elbing program”, authorized and supervised their execution. The program involved a trade blockade of Denmark and Norway, the violation of which was punishable by depriving the guilty of the right to use Hanseatic privileges: “And if anyone does this, he should be deprived of the rights that all members of this union enjoy” (Hanserecesse, 1870). Responsibility for enforcing the decisions rested with the cities and their magistrates, and in the case of dishonesty, “their citizens and merchants could not conduct any business with all the cities that are in union, so that no one would buy anything from them and sell nothing to them and they had no right to go back and forth, to arrive, or to load, or to unload for ten years” (Hanserecesse, 1870). The Hanzetag recession itself did not possess legal force and acquired it only after ratification by its urban communities (Pitz, 2001). It is impossible to imagine a complete picture of the perception of sanctions at the local level, relatively poorly provided with sources, but the recessions of the meetings of the Cologne Confederation for 1368-1369 indicate its ambiguity, which was manifested in delays with ratification. We can observe a rather large time spread: if the Vendian cities and the Riga and Derpt (Tartu) that joined them ratified on June 24, 1368 (Hanserecesse, 1870), then Stettin (Stetzin), Kohlberg and Stargard in Prussia made it one of the last only on October 6 (Hanserecesse, 1870). In the case of Hamburg, there was even a refusal to join the trade blockade (Hanserecesse, 1870). Meetings were often held (1368: Lübeck, January 1; Wismar, January 23; Lübeck, February 2; Hamburg, February 9; Grevismühlen, February 27; Rostock, March 15; Wismar, March 23; Lübeck, June 24;

Rostock, 30 July; Wismar, August 10; Stralsund, October 6; Rostock, November 8. 1369: Lubeck, March 11; Demmin, April 8; Volgast, May 3; Lubeck, July 13; Stralsund, October 21; Stralsund, November 30), and a similar mode of operation allows us to see a consolidating element of intra-Han military-political and commercial practice in them. The decisions of these meetings, in contrast to the decisions of the Hanzetags, were of a prescriptive nature and did not need to be coordinated with the norms of city law of all members of the Hanseatic League. Ratification of Cologne decisions by the city was considered a sufficient legal guarantee of its effectiveness in the implementation of decisions made, including questions about sanctions. The control over their execution by the Confederation assumed, first of all, the identification of strikes and penalties for those responsible. The principle of personal responsibility, in accordance with medieval penitentiary practice, was combined here with collective responsibility, while the person who committed the offense was punished more strictly than the city community; he lost the right to use privileges “for eternal times”, while in relation to the city it was ten years. This should be seen as a manifestation of the “individualization” of international trade characteristic of the fourteenth century (Hammel-Kiesow, 2000). The form of punishment in exclusion from the right to use privileges serves as further evidence that the basis of the Hanseatic business system, which ensured the economic upsurge of the “Hanseatic cities” in the 14th-15th centuries, was the trade privileges it acquired and carefully guarded. There was a tendency to toughen punishments, an example of which is the decree of the meeting in Grovesmüllten: “If someone, contrary to the decree of the cities, visits the borders of the Danish king or the enemy’s borders and, if they are captured and taken captive, whoever captured them, let them perceive them as enemies”, i.e. not subject to trial and doomed to execution (Hanserecesse, 1870); captured ships were at the disposal of cities (Hanserecesse, 1870). In order to optimize the development of common decisions, including on trade policy, the cities were obliged to formulate a common position on the agenda of the proposed meeting and provide it to the venue in writing (for example, the meeting in Rostock on January 1, 1368 (Hanserecesse, 1870). The Confederation did a lot to expand its number by joining other cities. On January 23, 1368, at a meeting in Wismar, one of the first forums of the confederation, its participants, for example, turned to the authorities of Lüneburg with a proposal to talk with the consuls of Braunschweig and Hanover so that “everyone would join our Cologne community” (in *reditu nostro de Colonia personaliter contractando*) (Hanserecesse, 1870). In addition to joint participation in the hostilities and payment of the military tax, “pound duty”, they were expected to participate in the trade blockade, which thereby became more effective. The tactics of attracting cities did not exclude pressure methods. With respect to Hamburg, the possibility of his exclusion of the Hansa (Hanserecesse, 1870) was discussed, and residents of the small town of Varna were made aware that “it depends on whether they want to obey, whether they [members of the confederation] will trade with them or will be removed from buying and selling” (Hanserecesse, 1870). In cities that were places of legal purchase of goods (slipways), merchants were given special permission for their export (*breve edder orlof*), which they presented at the place of arrival, and otherwise were subject to judicial responsibility, “as it should be according to our laws” (Hanserecesse, 1870). This practice is reflected in the receipts from the TSU meeting on the place of sale of the goods purchased in Lübeck, with the oath of assurance (*juramentum*) of the seller (B-28113, B-28136, B-28137, V-28138, B-28342, V-28343, B -28344) and pledge guarantees (B-28155, B-28157, B-28158, B-28159, B-28163, B-28164, B-28165, B-28166, B-

28263, V-28342, etc.). The responsibility of city magistrates for the execution of sanctions by their fellow citizens did not allow arbitrariness. One of the decisions of the confederation suggested that the Ratmans from Tanklem (Anklama), who detained merchants from Rostock, Wismar, Greifswald and Kiel on their own initiative, “adhere to the obligations of these cities” (*pro debitis quibus dictis civitatibus tenentur*), and return them goods arrested counter law (*contra justiciam*) if they do not want their citizens to be expelled or called to trial (Hanserecesse, 1870). The directive tone of the Confederation decisions is also explained by the fact that only through it the Hanseatic cities gained the support of the sovereigns - the king of Sweden, the dukes of Pomerania, counts of Holstein, including in the expansion of Hanseatic privileges. The tendency to centralize the administration of the Hanseatic League during the trade bans of 1368-1370 and a certain restriction of city self-government in favor of the leadership of the Confederation made it possible to make its strategy regarding sanctions more flexible than it could be in conditions of disunity of the Hanseatic cities. So, for example, after the Hanseatic fleet took Copenhagen, the Shonen Strait came under Swedish control and the Swedish king Albert published new privileges regarding the Hansa, the meeting in Lübeck on June 24, 1368 not only renewed freedom of navigation in the area, but also sold it to Norwegians and Danes in “sea cities” of certain goods for their needs, subject to the provision of guarantees of their friendly location and assurance that these goods will not be sold elsewhere (Hanserecesse, 1870). Hanseatic loyalty to sanctions was dictated not only by the awareness of their need, but also by the ability to find workarounds for their foreign trade contacts. Pop and iron exported from Lübeck are constantly mentioned in documents from TSU φs goods prohibited for export to Denmark. The difference in their geographical location is striking – the wholesale supply of hops during the sanctions period was usually intended for the small cities of Holstein and Dietmarshen, while the iron that arrived in Lubeck from Sweden went to Hamburg en masse. Citizens often appear to export large shipments of hops from Lubeck to the cities of Holstein as suppliers or intermediaries, while sales were almost always carried out locally to a group of anonymous buyers. Naming them was not necessary, since the supplier was responsible for enforcing the prohibitions and paying duties, and this procedure facilitated the appearance of unwanted people in their midst. Only in certain cases, the seller was required to guarantee that “no alien or stranger will have a participation or share in these goods” (B-28156), which indicates the existence of such precedents. Since Lübeck traditionally supplied hops to Denmark (Blanckenburg, 2001), the period of sanctions and its massive export to Holstein cities bordering it make us think of a smuggling channel through those residents who had stable business contacts in Lübeck. The main motive for the Hanseatic behavior in this regard could be the fear due to sanctions to lose access to the Danish hop market, as the Danes had the internal resources of this raw material (Blankenburg, 2001). In the case of the export of metals from Lübeck, the vast majority of reservations on its prohibition are contained in receipts from Hamburg, which received large, obviously commercial, consignments of raw iron from Sweden (ozemund). Lübeck was the main “slipway” that regulated its exports to Western European countries (Lundkvist, 1999), but sanctions prevented him from sending iron to the main consumer, Denmark. The solution to the problem could be to increase its supply through the Netherlands to France and England (Kattinger, 2000). The concentration of Swedish iron in Hamburg, from where it led to Bruges, indirectly confirms such a trading strategy. Both options considered by the Hanseatic

search, whose income under sanctions inevitably fell, workarounds show the emergence of new types of trade cooperation, which, in turn, predetermined the emergence of the Hanseatic “world-economy”.

7. Conclusion

In conclusion, the fundamental differences between the historical, Hanseatic, and modern models of economic sanctions should be emphasized. The US and EU sanctions are aimed at weakening the mobilization capabilities of Russia as a potential adversary, while the Hanseatic sanctions against the “hostile kingdoms” of Denmark and Norway suggested, alongside with measures to suppress them, the creation of a mechanism of intra-institutional and legal and entrepreneurial integration, which ultimately ensured efficiency trade ban policies. In addition, two main vectors should be noted: the first, directed from top to bottom, was associated with the actions of the collective leadership of the “Cologne Confederation”, most fully reflected in the decisions of its meetings, while the second, coming from the merchants, acted in the opposite direction. They had different targets, since the task of the Confederation meetings in connection with trade prohibitions was to consolidate the efforts of Hanseatic cities in the fight against an external adversary, which was hindered by their administrative and legal isolation and the procedure for working out common decisions on the principle of ad referendum, while “grassroots” initiatives of merchants, purely pragmatic in nature, were supposed to minimize the reduction of its income under the conditions of sanctions. Attempts to centralize the functioning of sanctions in order to increase their efficiency and flexibility, on the one hand, and new forms of trade cooperation, which allowed the Hanseatic to continue foreign trade bypassing sanctions, on the other, organically complemented each other and contributed to the internal strengthening of the Hanseatic League. Such a dichotomy in the modern model is poorly presented, which can be considered another reason for its low efficiency.

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