Rosetta

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Rosetta **22**: 121 - 125

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François Lerouxel, *Le marché du crédit dans le monde romain (Égypte et Campanie)*. École française de Rome, 2016. Pp. 398. € 30. (Paperback) ISBN: 978-2-7283-1183-5.

Reviewed by Paul Kelly.

M. Lerouxel has produced an impressive and very welcome monograph on the credit market of Roman Campania and Egypt, based on his doctoral thesis.[1] After an introduction setting out his methodology for compiling source data and providing a brief summary of previous scholarship on Roman credit markets, Lerouxel examines the substantial body of evidence for the credit market in Egypt, dividing his analysis into three time periods: BC 30 to AD 69, AD 69 to 170 and AD 170 to 275. His rationale for dividing the analysis in this fashion is that there were changes in the environment which altered the nature of the credit market, i.e. the creation of the *bibliotheke enkteseon,* which provided a registry of real estate, in AD 69 and a period of economic instability lasting from AD 170 to 190 where, following Rathbone, Lerouxel argues for a doubling of prices. He then examines the evidence from Roman Campania to provide a suitable comparator to the Egyptian evidence, focusing in particular on the methods used to provide security to the lender in these two locations.

In his general conclusion, Lerouxel offers the view that the credit market was above all dependent on information and the intrinsic asymmetry of information within a transaction, the borrower being more aware of their ability to repay the loan than the lender, was reduced by the creation of institutions that provided more information. These institutions thus reduced costs and increased the efficiency of the market. He stresses the role of private banks of Roman Egypt, which acted as intermediaries rather than principals in the market. Turning to Egyptian interest rates he notes that according to his data there was almost no diachronic volatility in interest rate structures and as a result his view is that the market was not sensitive to interest

[1] The latest monograph on the subject of credit in Roman Egypt is Tenger dating to 1993 and is more restricted in its scope, although Campania has been the subject of more scholarly attention, most recently Jones 2006.

rates. Among his conclusions about the Egyptian market more generally are that after AD 69 the sums borrowed increased and that women had more access to the market. He further notes that the number of guaranteed loans increased in this period and his view is that the creation of the *bibliotheke enkteseon* and the involvement of private banks greatly aided this development of the market. Turning to the Campanian markets he suggests that the credit market in Herculaneum was essentially non-professional and less sophisticated than in Pozzouli. He sees a greater role for intermediaries of all sorts in Campania compared to Egypt in the absence of quality information on the security of mortgages provided by the Egyptian institutions.

The book is rich in data and written in clear language which makes it accessible to a foreign reader with a reasonable knowledge of French. Lerouxel only examines data from five Egyptian locations: Arsinoe, Hermopolis, Oxyrhynchus, Soknopiaiou Nesos and Tebtunis and his date range only extends to AD 275. Ignoring data from other locations, particularly other villages in the Arsinoite nome, may lead to a concern that the data reviewed does not fully reflect the available information for Roman Egypt as a whole, but Lerouxel counters this with the view that restricting the provenance of the data to specific locations increases its homogeneity and thus the validity of the analysis.

Lerouxel's central proposition, that the introduction of new institutions such as the *bibliotheke enkteseon* encouraged larger, more sophisticated, loans is convincingly put forward. This conclusion ties in well with the emphasis on New Institutional Economics or 'NIE' which underlies much of the current scholarship on the Roman economy. In passing, the discipline really needs a new phrase for NIE since it is far from "New", having been around for more than thirty years. As one might expect, given his central proposition, Lerouxel is strong on the nature of guarantees but he also provides some interesting insights on the role of women and the balance between city-dwellers and villagers within the credit market.

Any criticisms of this book must lie chiefly in its missed opportunities. It would certainly have been interesting if Lerouxel could have extended his analysis into the fourth century to see what conclusions can be drawn as to how the credit market coped with the impact of the endemic high price inflation of that period. It is also a shame that he does not offer his opinion on the macro-economic effect on Roman Egypt or the increasing sophistication of the credit market after AD 69. Did it increase the total volume of the credit market or was the available capital consolidated into a smaller number of larger loans? Is it possible to draw any conclusions as to changes in the proportion of productive as opposed to consumption loans? These are questions where Lerouxel's opinion would hold considerable weight.

As noted above, Lerouxel's work is data rich and he frequently provides numbers as to loan sizes, proportions and dates to support his conclusions. However, at no point does he seek to identify whether a conclusion is statistically significant and, if so, to what extent, which is a pity since many of his findings lend themselves relatively easily to such statistical treatment and this would have strengthened his argument in some cases. Turning to areas where the data might be interpreted somewhat differently, Lerouxel perhaps overstates the universality and invariability of the typical 12% interest rate in Roman Egypt and since this underlies one of his key conclusions as to the relative lack of sophistication of the market, it is an area worthy of further investigation. Interest rates certainly did differ according to the size and nature of the transaction with, for instance, very high interest rates applying in certain pawnbroker loans.

The text is written in eminently clear language, without jargon or obtuse phraseology and the book itself is logically and coherently structured. The editing is generally of a high standard and the Egyptian sources are clearly set out in an appendix, where it would perhaps be churlish to note that the roman number references are sometimes out of order, e.g. PSI VIII after PSI IX and there is some inconsistency of referencing: P.Stras. and P.Strasb. are both used to refer to the same collection. However, these are minor quibbles, and the care the author has taken with his analysis of the data is evident throughout the work.

Overall, this is an excellent book which is likely to become the standard reference work for the Egyptian subject matter and will be useful to anyone with an interest in the workings of the Roman economy, particularly with regards to the effect of institutions. The author is further to be applauded for his balanced view of the market and for his contribution to the ongoing debate on the level of sophistication of the Roman economy.

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