

to be read widely by those concerned with corporate governance. Wright does not have all the answers, but then none of us do.

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Works Cited

Hannah, Leslie. "Corporations in the US and Europe, 1790-1860."

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Haggerty, Sheryllyne. *'Merely for Money'? Business Culture in the British Atlantic, 1750-1815*. Liverpool: Liverpool University Press, 2012. 287 Pp.

In this study, Sheryllyne Haggerty reveals a thriving business culture in the British Atlantic during this period, and argues that it was socially embedded, preventing merchants and their agents from acting solely for profit. Merchants took years to create and maintain reputations that allowed them to expand their networks and profits. As a result, business was not just an economic activity, but a social one as well. Furthermore, these businessmen created a shared culture in the Atlantic basin. This relied on combination of personal trust, shared risk (via chartered companies), and state intervention (via laws and military protection). This produced an environment in which two merchants, having never before engaged in business, could reasonably expect each other to provide goods and payments.

Haggerty delves into an enormous volume of personal and business papers in order to explain this business culture. She focuses on merchants who were either based in Liverpool or had strong ties to the city, a center of trade second only to London in the British Isles. Her illustrations of personal networks are especially telling, showing the extent of established economic ties. The period of 1750-1815 is an excellent choice for exploring a time filled with enormous uncertainty, wars, and numerous other crises that tested and nurtured the strong networks in the

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British Atlantic. She carefully defines the spatial dimensions of her study, but makes it clear that the Atlantic was not a closed system. British, French, Spanish and Dutch empires were more entangled than neatly compartmentalized. Furthermore, being connected to the Indian and Pacific oceans, the Atlantic trade networks blended into others around the globe.

Haggerty structures her work using paired chapters, and relies heavily on both sociological and economic theory to make her argument. Her first pairing addresses risk and trust. She explores the types and varieties of risk and how merchants attempted overcome this by creating trust. One of her more keen observations is that risk is socially constructed; therefore, risk must be placed in historical context. She groups the various risks into three groups of “hazards.” The first, natural hazards, included weather, war, and geographical constraints. War was especially notable, as it was a constant threat in the Atlantic at this time, and any merchant took a chance that a given port may not be open when his goods arrived, or even under the same empire’s control. The second, moral hazards, were those inherent in conducting business with another person. There was always the chance that someone would not honor an agreement. Yet the business community used a variety of methods to discourage unfair transactions, marginalizing anyone failing to keep their word. Finally, there were technical hazards (e.g. ship design, navigation). Haggerty shows that these became less of a factor as technology advanced and merchants gained “control” over the seas and distance. This “shrinking” of the Atlantic helped increase British control over commerce. While one might argue that she ought to treat markets as a separate group of hazards (instead of as a technical hazard), the chapter is well supported by numerous examples of both gains and losses in the face of the various risks.

As risk created uncertainty, trust was necessary to create a reasonable expectation that a transaction could be completed. Like risk, trust was socially constructed through a variety of means. First and foremost, personal trust had to be established between merchants. This was done with the creation of good reputations, which permitted one to assume the other person was honest. Haggerty details how this was done, and points out that even during major crises like the Seven Years’ War,

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opportunities “to abuse trust were in fact rarely seized” and thus the markets did not fall into chaos.

Haggerty’s second pair of chapters deals with the obligations the culture imposed on the individual, and the efforts to build trustworthy reputations. Her strongest point is that a businessman’s ability to get credit essentially rested on his reputation. It “took years to construct” a reputation, but it could “deconstructed in seconds” by even a faint rumor of misconduct. As result, the members of the community generally worked hard to meet the expectations and demands of the Atlantic business culture, and often exceeded them.

The final two chapters deal with the creation and maintenance of the professional and personal networks which were foundational to the business culture in the British Atlantic, as well as the crises that tested and altered those networks. Haggerty includes an enormous number of examples of personal networks that were essential to good business, and shows that they were fluid and dynamic, constantly changing throughout the period. She shows how risk, trust, reputations, obligations, and networks coalesced to meet real and imagined crises. She highlights three major crises: the war of American Independence, the abolition of the British slave trade, and the Anglo-American conflict of 1812. Each crisis produced others, such as shortages and gluts of goods, as well as financial shortfalls.

Ultimately, Haggerty succeeds in showing that a business culture indeed existed in the British Atlantic, and that it was extremely resilient and effective. She offers plenty of evidence, and does well in highlighting the importance of communication and reputations (both personal and professional). Her case would benefit from a comparison with French or Dutch merchant communities, which likely would accentuate the unique nature of the British business culture. That said, she offers a compelling explanation of how the British merchant community withstood the rigors of conducting business in the Atlantic during this period.

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