

Call for Papers: Price Currents, Financial Information and Market Transparency

Workshop Amsterdam, 27 November 2020

What's the relationship between changing price information flows and evolving market structures? Jointly organized by EURHISFIRM and NEHA, this workshop focuses on price currents and other types of public and private price information. What do such publications tell us about the markets they served, the stocks listed, the terms and conditions of trade, and the individual market's degree of transparency? What do differences across Europe tell us about the character of national markets?

For more details please consult the extended call at <https://eurhisfirm.eu/index.php/news-events/>. The workshop is intended as a preparation for a full session on these issues at the World Economic History Conference in Paris, 2021. Those interested to present are asked to send an abstract of no more than 250 words to joost.jonker@iisg.nl. Participants will have to provide their own funding for travel and accomodation.

Deadline for submitting proposals | June 2020

THE PRICE OF EVERYTHING BUT THE VALUE OF NOTHING ?

Price currents, financial information, and market transparency in history

Workshop under the auspices of

EURHISFIRM and the Nederlands Economisch-Historisch Archief NEHA

Amsterdam, 27 November 2020

Financial markets play the crucial role of aggregating savings and allocating them to productive opportunities. The production and dissemination of “fair” prices should guide investors’ portfolio choices, determine the issuers’ cost of capital and thus the societal welfare. Transparency is therefore a crucial feature of financial markets. It affects their actual working and also forms their political legitimacy.

Used as we are to a wealth of instantly available information with hidden costs, we tend to forget that, in the past, information was usually hard to get and difficult to gauge. Merchants shared price information only with counterparties and clients, keeping margins fat and outsiders guessing. City authorities soon discovered, however, that publishing prices attracted merchants from elsewhere, so they promoted printed price currents to boost their fairs and markets.

These price currents and the information they offer are generally seen as unproblematic. Are they? As a rule the prices published were collected by market participants for the particular purpose of generating custom. On the one hand, the collection and publication of prices heavily depends on the organization of the market and on the transparency of the transactions: often markets are kept opaque by merchants and bankers transacting in. On the other hand, even when published, the information serves the interests of trade more than that of the public at large,: wide spreads, notably in early price currents, suggest their compilers took care not to harm trade margins. Moreover, as a rule it is hard to know which part of the market price currents actually covered and how the published information related to actual market structure and performance.

The political and economic significance of market as well as the willingness to attract new investors progressively pushed regulators and market participants to improve the organization of the exchanges and the dissemination of prices. However, *kerb/curb* or *coulisse* trading existed side-by-side with most if not all official exchanges until well into the 20th century and today the rising importance of ‘dark pools’ and other opaque trading venues in which financial intermediaries trade securities render the overall financial market increasingly opaque in spite of massive flows of financial information: the official prices of the exchanges concern a smaller and smaller fractions of the European trading. To paraphrase Oscar Wilde’s famous dictum, did official currents list the price of everything, but the value of nothing?

Price currents were recognized and classified as a genre by the seminal work of John McCusker and Cora Gravensteijn, *The Beginnings of Commercial and Financial Journalism: The Commodity Price Currents, Exchange Rate Currents, and Money Currents of Early Modern Europe* (1991). With the EURHISFIRM consortium busy designing a research infrastructure to collect, combine and exchange digital information drawn from price currents across Europe, it’s time to take a hard look at those publications. What did they set out to do, and how did that goal change over time? Can we gauge the quality of the information published in price currents? And, most importantly perhaps for the EURHISFIRM goals, how similar or different are they across Europe?

These are the issues we want to discuss at a one-day workshop on 27 November in Amsterdam, the Netherlands. The workshop is intended as a preparation for a full session on these issues at the World Economic History Conference in Paris, 2021. If you are interested and want to present at the workshop, please send an abstract of no more than 250 words before 1 June 2020 to joost.jonker@iisg.nl. Participants will have to provide their own funding for travel and accomodation.