Response Paper
Locating Capitalism

Networks of Trade and Surveillance: the case of the Fondaco

Trading is an activity that requires mutual trust. The buyer needs to believe that the goods they are buying correspond to the description given, in terms of quality, size and weight, whereas the seller, in turn, has to have faith in the buyer, and the money that is promised. While this process has become automatized in our contemporary society and buying something in a grocery store can hardly be described as a ‘risky act,’ in the Renaissance, trust, or *fiducia*, in the market sphere was a problem that loomed large in people’s minds. The Franciscan preacher San Bernardino da Siena wrote in one of his sermons, delivered on the public square in Siena in 1427 about the various risks (and sins) of trading: “And he who sells the cloth, shows the top part and says that it is better than it is.... And the other who has two measuring rods, one to sell, the other to buy.... The third sin is that of the merchant who sells by measure, he pulls the cloth so hard that it seems it will break.”1 As Evelyn Welch in *Shopping in the Renaissance* of 2005 has noted, fraudulent goods, misleading weights and deceptive merchants appear to be “more norm rather than exception” during the early modern economy.2

If the act of trading was a two-way process, in which the goods and coins could be handled and seen by in person by the two merchants in question, the risk of cheating was minimal, but often trading was not as simple as that. Men and women of higher classes avoided the market places crowded with merchants who had a lower class status; their servants would take care of the dealing.3 Even more so, this model of shopping and trading became more complex during late medieval period and the Renaissance as business was not only a local act in places where anonymity was impossible, but happened across national frontiers. There existed various

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2 Ibidem: 72.
3 Ibidem: 71.
‘networks of trade’ – to use Fernand Braudel’s words – that existed across Europe, the Mediterranean and beyond. Italian merchants were moving commodities in the Mediterranean area, Northern European came to Italy and France with goods from Eastern Europe or the Baltic States, and Armenian traders occupied Persia. Yet what happened if a merchant from the Flandres came to Florence to buy textiles? How could he find his way in a foreign city and do successful business, and in turn, how could the merchant in Florence trust the salesmen from Flandres?

For foreigners in Mediterranean cities, such as Alexandria or Venice, there existed a safe and predictable environment where people could to business: the so-called fondaco. According to Olivia Remie Constable in *Housing the Stranger in the Mediterranean World*, published in 2005, the word *fondaco* comes from the Arabic *funduq*, connoting hostel, or inn. In Alexandria for example, one could find *fonadcos* for western merchants but also for Muslim, Jewish and pagan salesmen. In Venice, the German traders went to the Fondaco dei Tedeschi, which resembled its counterparts in the Islamic world both in function and overall layout.

The city of Venice set up official regulations for the trading that happened within the Fondaco dei Tedeschi and controlled the building. The government of Venice benefitted from the Fondaco dei Tedeschi through fees and taxes on commercial transactions that took place within the building. Founded in 1222, the *fondaco* was located near the Rialto Bridge, in the main trading zone of Venice. From the moment a German merchant entered the *laguna*, he were under control of the City of Venice. The *barchenuolo*, the boatman he encounters, is obliged to bring him to the *fondaco*. The Venetian Council of Ten appointed officials for the building, including a

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6 Constable 2004: 269.
ponderatore, a person who weighs the goods. All the goods that entered the building had to be weighted on official scales, and again when they left. Another official recorded all transactions.

Moreover, one commentator, Felix Fabri, wrote at the end of the fifteenth century, that “no German merchant may on any pretext take lodgings in any place outside the exchange house, upon a penalty of fifty ducats, and the same penalty shall fall upon anyone who has lodged or received into lodgings such a person.”\(^8\) The merchants were locked every night, and the Venetians opened the doors in the morning. This policy indicates an anxiety to not only secure the goods, but also guard the people. Controlling the location of foreign merchants permitted a high degree of control over their whereabouts.

Similarly, these places, such as Venice, or Alexandria, were frontier cities, and therefore end nodes in the trading networks. They were spaces in which one group of merchants was forced to hand off their business to another group. In Venice, for instance, the Venetian government did not allow Germans to travel beyond Venice. In the case of Alexandria, Italians did not travel into the hinterland, but rather the establishment of the fondaco was a way for the Muslim authorities to control the trade with the Far East.\(^9\)

Although Constable discusses the official regulations and institutions set up by governments to control the trade business, she does not touch on another form of surveillance; surveillance of the community. Welch asserts that not only regulations could prevent fraudulent trade, but also “to be successful, therefore, the commune required the surveillance.... of the wider community as a whole. In the main, denunciation came from neighbours, rivals or observers on the streets...”\(^{10}\) The visibility of the exchange resulted in discipline and control. How this functioned within the building of the fondaco is difficult to assess, as there is little information available on the actual architectural layout of the buildings, though commentators, such as Fabri, have stated that there was an open courtyard.

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\(^8\) Constable 2004: 317.
\(^{10}\) Welch 2005: 93.
The idea of surveillance is best known through the work of Michel Foucault, who explored
the idea in Enlightenment Europe by regarding the panopticon as a way to exert social control.
While Foucault regards the eighteenth century as a breaking point between a physical form of
surveillance, through punishments and the more subtle form, allowing one person to control a
group, the situation in this time was different. Perhaps, we can describe it by using Jane Jacob’s
idea of how the street controls its own space, and polices its own space. Many people are
watching many other people. The street, or the *fondaco* itself, and the trade happening within it,
was a regulated area by a network of daily interactions.