

What is the link between legal forms of firm organization and business expansion? As a first attempt in a broader project that examines the implications of legal rules in the Middle East's economic outcomes, this paper uses novel data from the Mixed Court registers between 1910 and 1949. In 1876, Egypt established a judicial system called the Mixed Courts to solve the problems legal pluralism created. These courts largely applied the French commercial code and introduced European enterprise forms. I construct a cohort of firms between 1910 and 1949 using extracts of partnership agreements and dissolutions, which the Mixed Courts published. The data show that ordinary and limited partnerships dominated Egypt's commercial life. Limited partnerships, in many ways, were organized similar to ordinary partnerships to place firms under the jurisdiction of Mixed Courts. Most partnerships had short duration, dissolving within two years after their establishment. The data support that business patterns did not deviate much from European or pre-reform Middle Eastern partnerships. Finally, the data show that there was greater business expansion and churning during periods of higher economic growth.