
NOTES

The Périer Bank During the Restoration (1815-1830)

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I.

There were eight Périer brothers, sons of « Milord » Claude Périer (1743-1801), the merchant-manufacturer and banker from Grenoble who became an owner of the Anzin Coal Mining Company during the Revolution and one of the founders of the Bank of France under Napoleon.¹ Three of the brothers, Scipion (1776-1821), Casimir (1777-1832) and Joseph (1786-1866), were in the forefront of business and finance in Paris during the Bourbon Restoration. Their bank on the Rue Neuve du Luxembourg, « Périer Brothers », was then numbered among a small and select group of private French banking houses known collectively as « *la haute banque parisienne* ». The main purpose of the present paper is to provide preliminary, quantitative data on the capital resources and investments of this important early nineteenth century bank. Although the bank's archives were unfortunately destroyed, notarial records and other materials have been used for an estimation of its total wealth and to illustrate the capital limitations on its financial operations.² The heyday of the Périer bank under the Restoration corres-

¹ FRANÇOIS VERMALE, *Le père de Casimir Périer, 1743-1801* (Grenoble, 1935); EUGENE CHOLET, *La famille Casimir-Périer. Étude généalogique, biographique et historique, d'après des documents des archives de Grenoble, de Vizille et de l'Isère* (Grenoble, 1894). See also *Liquidation de la succession de M. Claude Périer* (n. d.), Bibliothèque Municipale de Grenoble, R. 90.564, Fonds Chaper, Papiers Périer.

² As reported by BERTRAND GILLE, *La banque et le crédit en France de 1815 à 1848* (Paris, 1959), p. 10: « Bauer, Marchal et Cie., successeurs de Périer frères ont, il y a peu de temps, vendu leurs archives à un marchand de papier ». The Périers employed two

ponded historically with the early stages of industrialization in France. Information concerning its capitalization and the nature and extent of its banking activities during 1815-30 will contribute to our understanding of the role played by financial institutions during this critical phase of modern economic development.³

II.

Some initial, basic information about the Périer bank's organization and finances can be pieced together from scattered documents in the notarial archives.

The bank was first established in 1801 by Scipion and Casimir Périer in association with Henry Flory and William Sabatier, two of Claude Périer's former business partners.⁴ Under the name « Périer Brothers, Flory & Company » its offices were originally at No. 3, Place Vendôme. Flory, who was a member of the board of regents of the Bank of France, and Sabatier, who was on the board of directors of the Anzin Mining Company, remained with the bank until 1807. From 1807 to 1818 the bank was known simply as « Périer Brothers », located after 1809 at No. 27, Rue Neuve du Luxembourg. Henri-Joseph Guisquet, merchant and associate of Brunet & Guisquet Co., Le Havre, joined the bank during 1819-25, the period when, as will be seen, the bank was at the peak of its financial activity.⁵ Joseph Périer, the youngest of the brothers, was brought into this new society, « Périer Brothers & Company », on July 1, 1822, approximately one year after the death of Scipion Périer. Guisquet, whose connections at Le Havre must have been valued highly by the Périers, invested no capital in the bank, but was guaranteed 9,000 francs each year, or one-tenth of the society's annual profits, whichever sum was higher.⁶ Annual profits of at least 90,000 francs were thus anticipated by the Périers during 1819-25. When Guisquet left the bank in 1825 (January 1), Casimir and Joseph Périer made a verbal agreement to continue operations as « Périer Brothers » until December 1,

notaries in Paris: Jean Eustache Montaud, 1813-26 (Archives Notariales, Minutier Centrale, Paris, Étude Prud'homme, CVIII) and Casimir Noël, 1822-32 (Étude Bezier, LXVIII). Hereinafter Archives Notariales will be cited as AN.

³ For theory and case studies concerning the role of financial institutions in the early stages of industrialization: RONDO CAMERON et al., *Banking in the Early Stages of Industrialization: A Study in Comparative Economic History* (New York, 1967); RONDO CAMERON (Ed.), *Banking and Economic Development* (New York, 1972); RONDO CAMERON, *Theoretical Bases of a Comparative Study of the Role of Financial Institutions in the Early Stages of Industrialization*, « Second International Conference of Economic History, Aix-en-Provence, 1962 » (Paris, 1965), pp. 567-88.

⁴ AN, LXVIII (845), *Notoriété concernant Périer frères*, Oct. 20, 1825.

⁵ AN, CVIII (979), *Dépot d'acte de société*, June 4, 1821.

⁶ *Ibid.*

1833. According to this agreement, which provides a rare but partial view of the bank's resources, the personal capital investment by Casimir and Joseph was then 2,000,000 francs and 500,000 francs, respectively. Two-thirds of the bank's profits and losses were assumed by Casimir, one-third by Joseph.⁷

Like most financial institutions in Paris during the Restoration, excepting always the government controlled Bank of France, the bank on the Rue Neuve du Luxembourg was basically a private, family bank. The Périers handled mortgages and administered legacies and government bonds (*rentes*) for family members and their friends. Casimir Périer himself used the bank to finance personal investments in land and real estate in Paris and nearby departments. But most importantly, the bank practised what Bertrand Gille has described as a « *politique industrielle dispersée* ». ⁸ That is, besides engaging in traditional forms of merchant banking such as commodity trade and discounting bills of exchange, a large share of the bank's business concerned a variety of industrial enterprises which the Périers owned or in which they held major interests, and the bank also made loans to diverse manufacturers. This was in keeping with the past history and business tradition of the family. The Périers were merchants, manufacturers and mine owners before they became bankers. The wide interests and entrepreneurial skills they acquired in these fields shaped their broad concept of banking. Like William Ternaux, France's leading woollen manufacturer during the Restoration, whose private bank in Paris (Place des Victoires) was used to finance and coordinate his numerous enterprises, the Périers contrived their own special combination of banking and industrial activity.⁹

In the area of private, family enterprises, by far the two most important clients of the Périer bank were the Anzin Mining Company, which was the leading coal mining firm in northern France, and the Périer-owned foundry and machine shops at Chaillot, near Paris, which supplied most of Anzin's steam engines and other mining equipment.

The influential position of the Périers in the Anzin company during the Restoration has already been described elsewhere.¹⁰ Here it may be emphasized that the Périer bank was authorized by the company to keep separate accounts for its receipts and expenditures (*comptes courants ou le frais*) and special reserve fund, and that it was empowered also to make loans to Anzin

⁷ AN, LXVIII (865), *Dépot par Casimir et Joseph Périer d'une acte réglant leur société*, Feb. 17, 1829.

⁸ GILLE, *La banque et le crédit en France*, p. 252.

⁹ See LOUIS LOMULLER, *Un enfant de Sedan: Guillaume Ternaux (1763-1833)*, « *Annales Sedanaises* », No. 9 (1949), p. 5.

¹⁰ RICHARD J. BARKER, *French Entrepreneurship during the Restoration: The Record of a Single Firm, the Anzin Mining Company*, « *Journal of Economic History* », XXI (June 1961), pp. 161-78.

shareholders and to buy or sell company shares (*deniers*) and government securities (*rentes*). Beginning in 1821, Casimir Périer was himself primarily responsible for guiding the company's financial affairs and deciding upon its general policies. He was chairman of the company's board of directors and head of its branch office in Paris. The extensive reorganization of the company and renovation of its plant during 1821-23 were accomplished under Casimir's leadership.

This close family connection with the Anzin company was naturally of great financial advantage to the Périer bank. For one thing, the deposit of the company's reserve fund served to increase the bank's loanable capital probably by as much as 2,000,000 francs.¹¹ The company did not find it necessary to draw on this capital fund during the Restoration; it was available, at interest, to the Périer bank.

Secondly, the Périers profited as the value of the Anzin mines rose steadily after 1816: 10,080,000 francs (1816); 17,500,032 francs (1823); 26,208,000 francs (1828); 34,560,000 francs (1832). These figures are obtained by multiplying the limited number of shares issued by the company (288 *deniers*) by their rising price in the open market: 35,000 francs per *denier* (1816); 60,764 (1823); 91,000 (1828); 120,000 (1832).¹² Casimir Périer's shares in the mines, which were at least twenty *deniers* by 1823, therefore practically doubled in value by 1832: from 1,215,280 francs to 2,400,000 francs. In addition, since annual dividends per *denier* were 2,000 francs during 1822-26 and 4,000 francs during 1827-30, Casimir's *deniers* for these years would have yielded totals of 200,000 and 320,000 francs, respectively. Profits such as these could be added to the Périer bank's working capital.¹³

In all, because of its relationship with the Anzin company, it would seem safe to estimate that the total capital resources of the Périer bank in the 1820's amounted to something like 5,000,000 francs. Although this working capital may appear small, it was nevertheless respectable at a time when even the most important French banking house in Paris, Jacques Laf-

¹¹ National Archives, 49 AQ 1 (microfilm), *Copie des délibérations de la Régie de la Compagnie des Mines d'Anzin*, June 21, 1827. This is a rough estimate, and perhaps too modest. GILLE, *La banque et le crédit en France*, p. 57, has spotted a more precise figure for 1848: « Quelques banquiers conservaient en outre les disponibilités des entreprises qu'ils patronnaient: les Périers, par exemple, avaient, en 1848, un dépôt de plus de 6 millions de la Compagnie d'Anzin ».

¹² National Archives, 49 AQ 1, *passim*.

¹³ For Casimir's shares in the mines: *Ibid.*, May 20, 1834 and *passim*. In addition, at the time of his death in 1821, Scipion's shares were slightly over 15½ *deniers*; five of these were sold in 1828 by his son, Alfred-Scipion Périer, at 90,400-91,700 francs per *denier*. Joseph Périer's shares have not been determined, but in 1834 he represented the interests of various family members for a little more than 17 *deniers*. *Ibid.*, June 29, 1818; May 20, 1834.

fitte & Company, had resources of only about 7,000,000 francs. The capital of the Paris branch of the Rothschild bank in 1825 — 37,250,000 francs — was remarkably large for the Restoration.¹⁴

Since the Périer bank was also the authorized purchasing agent for mining equipment required by the Anzin company, the bulk of such orders naturally went to the Périer foundry at Chaillot. This famous establishment, valued at 900,000 francs in 1807, was purchased by Scipion Périer in 1818 following the death of its principal founder-owner, Jacques-Constantin Périer (1742-1818).¹⁵ The purchase price in 1818 is not known, but probably Scipion's investment amounted to not more than 200,000 francs. As described by Jacques Payen, Chaillot had declined in value to about 127,000 francs by 1812; its capital valuation by 1821 was perhaps 240,000 francs.¹⁶

Under Scipion Périer's direction the foundry was expanded and its business especially with Anzin was increased. One key development was the association with Chaillot in 1818 of Humphrey Edwards, an English engineer and holder of patent rights (*brevet d'importation*) for the construction in France of a successful two-cylinder, high pressure steam engine invented by Arthur Woolf.¹⁷ After 1818 practically all steam engines at the Anzin mines, some of which had been in operation since 1802, were replaced by this new model. Acting for the Anzin company in 1820, Scipion Périer agreed to pay Edwards 60,000 francs for an exclusive interest in his patent, and an additional 15,000 francs for the right to construct and sell his engine.¹⁸ Casimir Périer reported fourteen of the engines in use at the mines by 1825.¹⁹

¹⁴ BERTRAND GILLE, *Histoire de la Maison Rothschild*, Tome I, « Des Origines à 1848 » (Paris, 1965), p. 451.

¹⁵ JACQUES PAYEN, *Capital et machine à vapeur au XVIII^e siècle: Les frères Périer et l'introduction en France de la machine à vapeur de Watt* (Paris, 1969), p. 204; CHARLES BALLOT, *L'introduction du machinisme dans l'industrie française* (Paris, 1923), pp. 400-14; AN, CVIII (989), *Dépot de vente de l'établissement de Chaillot*, Nov. 30, 1822. Jacques Périer was not related in any way to the Périer family discussed in the present paper, but he was justly famous in his own right. Commenting in 1810 on his achievement, he wrote: « I was not the inventor of the steam engine, but I am the founder of that branch of industry in France. Before me it did not exist ». See JACQUES PÉRIER, *Notice sur les machines à vapeur*, « Bulletin de la société d'encouragement pour l'industrie nationale » (52 vols., Paris, 1802-53), IX (1810), pp. 163-68.

¹⁶ PAYEN, *Capital et machine à vapeur*, pp. 204, 227.

¹⁷ *Ibid.*, pp. 225-27; « Bulletin de la société d'encouragement », XVI (1817), pp. 267-30; XVII (1818), pp. 365-86; XXIV (1825), pp. 3-5; XXVIII (1829), pp. 29-49, 73-79. Edwards acquired interests in Chaillot, but in 1825 its general management was given over by Casimir Périer to another English engineer, Marc Jennings, who later (1827) became General Agent of the Anzin company. See AN, LXVIII (838), *Procuration, Casimir Périer à Marc Jennings*, Jan. 10, 1825; (846), *Procuration, Joseph Périer à Marc Jennings*, May 18, 1826.

¹⁸ National Archives, 49 AQ 1, Sept. 7, 1820.

¹⁹ *Rapport fait à la Régie par Casimir Périer, ibid.*, June 15, 1826.

These were mainly 10 h.p. engines, priced at 22,500 francs each for most orders, but sold by Chaillot to the Anzin company for 18,000 francs.²⁰

The manufacture of Woolf's engine, the backing of the Périer bank, and the happy circumstance that the Périers were also directors of the Anzin mines thus resulted in a burst of business for the Chaillot firm during the 1820's. In turn, the excellence of Chaillot's machine shops made possible the Anzin company's thoroughgoing reequipment of its plant by 1825. The Périer bank was simultaneously and successfully involved in the advancement of two key sectors of French industrialization.

In the area still of private, family enterprises, the Périers also used their bank to finance four sugar refineries. These were located in Paris (Faubourg Saint-Antoine) and nearby at Choisy-le-Roi, Montrouge and Chopinette. The refinery at Choisy-le-Roi was known as « Casimir Périer & Company », and was managed after 1826 by Alexandre Dumesnil, a local merchant.²¹ The establishment at Montrouge and Chopinette were operated in association with Henri Gisquet and Jean-Jacques Korn. This society, which was formed in 1826 (June 12), was dissolved a year later (June 23, 1827).²² When the refineries at Choisy-le-Roi and in Paris were first established has been impossible to determine; however, they were still in operation at the time of Casimir Périer's death in 1832.²³ No data has been found for the Périer bank's investments in these enterprises.

Contemporaries have observed that Casimir and Scipion Périer also owned textiles factories, a glassworks, a distillery and a steam-powered grain mill. Joseph Degérando, for example, who was secretary-general of the Society for the Encouragement of National Industry, refers to two cotton-spinning mills in Paris, both directed by Scipion Périer. According to Degérando, sometime before 1821 Scipion converted one of the mills to wool-spinning, having decided that the cotton industry was already too heavily financed in France.²⁴ Mention is sometimes made of a third textile factory owned by the Périers. Most likely this was the cotton-spinning mill at Anilly, near Montargis, acquired during the Revolution by Claude Périer and operated under the Empire by the Périer bank. Alexandre Périer (1774-1846), the oldest of the eight Périer brothers, who was mayor of Montargis in 1819, probably owned the mill during the Restoration.²⁵ The glasswork and distil-

²⁰ *Ibid.*, May 4, 1822.

²¹ AN, LXVIII (849), *Procuration, Casimir Périer à Alexandre Dumesnil*, December 18, 1826.

²² *Ibid.* (853), *Dissolution de société*, July 23, 1827.

²³ *Ibid.* (890), *Procuration, Mme. Périer à Joseph Périer*, June 23, 1832.

²⁴ JOSEPH DEGÉRANDO, *Éloge de M. Scipion Périer*, « Bulletin de la société d'encouragement », XX (1821), p. 119.

²⁵ CHARLES SCHMIDT, *Les débuts de l'industrie cotonnière en France, 1760-1806*, « Revue d'histoire économique et sociale », VII (1914), pp. 26-27; CHOLET, *La famille Casimir-Périer*, p. 68.

lery, also cited frequently by contemporaries, were more precisely private laboratories, « *théâtres d'expériences* », where Scipion experimented with glass and the manufacture of brandies from potatoes and imperfect grains.²⁶ Like other leading businessmen of their day, the Périers indulged in projects aimed at conserving resources or even bettering living conditions generally. The steam-powered grain mill, which was financed by Casimir Périer and erected on his property at Passy, was this type of venture. The experiment failed, but it was conceived nobly with the intent of resolving the problem of recurrent scarcities of flour in Paris whenever wind or water power were insufficient for the operation of conventional mills.²⁷

Still another aspect of Casimir Périer's business affairs during the Restoration was his investment in land and real estate in Paris and nearby departments. Notarial records show that purchases totalling about 500,000 francs were made by Casimir during 1821-26. These included the Château Pont-sur-Seine (Department of Aube) acquired in 1821; in 1822, his house and offices at No. 27, Rue Neuve du Luxembourg, valued at 240,000 francs; in 1824, property worth about 100,000 francs at Neuilly, bordering on the Bois de Boulogne; and various purchases of farms and woodlands in the Department of Yonne costing over 100,000 francs.²⁸ Casimir's largest investment in Paris real estate was made in 1829 when he agreed to pay 744,000 francs for properties along the Rue Saint-Honoré owned previously by Francis Egerton, Duke of Bridgewater.²⁹ Altogether, taking into account various other purchases and sales of properties not cited here, it seems likely that by 1830 Casimir Périer's total investment in land and real estate was about 1,000,000 francs.

This diversion into land of working capital that might have been used for industry was not unusual in the still aristocratic milieu of the times when social respectability continued to be associated with landed property.³⁰ Perhaps just as important, much of Casimir Périer's buying and selling of land appears to have been speculative and quite profitable. His total investment of 1,000,000 francs is the more remarkable, however, when considered against the data available for the Périer bank's loans to diverse manufacturers and merchants, a second important area of its financial activity during the Restoration.

²⁶ DEGÉRANDO, *Éloge de M. Scipion Périer*, p. 119.

²⁷ NICOLAS BOURGET, *Notice nécrologique sur Casimir Périer* (Lyon, 1832), pp. 11-12; *Biographie nouvelle des contemporains* (20 vols., Paris, 1820-25), vol. 20, p. 408.

²⁸ In order: AN, LXVIII (819) Bail, Aug. 1, 1822; (818) Vente, July 17, 1822; (824) Vente, July 11, 1823; (844) Vente, Dec. 3-7, 1825. See also ABBÉ FRANÇOIS XAVIER BENOIT, *Pont-sur-Seine, son histoire, ses monuments* (Troyes, 1952).

²⁹ AN, LXVIII (890), Dépôt de Vente, June 8, 1832.

³⁰ CHARLES-ALBERT MICHALET, *Les placements des épargnants français de 1815 à nos jours* (Paris, 1968), pp. 20-24.

Unfortunately, since the Périer bank's papers have been destroyed, the full extent to which Casimir and his brothers engaged in this form of banking is difficult to determine. Notarial records disclose at least the following six cases: (1) loan of 250,000 francs in 1822 to Joseph Vanderersch, textile manufacturer, Royaumont (Seine-et-Oise); (2) 150,000 francs in 1822 to Antoine Callet, soap manufacturer, Choisy-le-Roi (Seine-et-Oise); (3) 200,000 francs in 1822 to François Guignet and Louis LeDucq, ironworks, Bugnières (Haute-Marne); (4) 50,000 francs in 1825 to Marie-Bernard Revert (textile manufacturer, Rouen); (5) 300,000 francs in 1826 to Pierre Otard, merchant, Bordeaux; and (6) 25,000 francs in 1830 to François Calla, foundry, Paris (Rue Lafayette).³¹ These were all cases of loans for two or three years to already established firms. In at least two instances, Revert and Guignet, the loan was made for purposes of business expansion.

Thus, as far as notarial records alone reveal, the Périer bank's direct financing of commerce and industry during 1822-30 amounted to 975,000 francs, a sum not quite equal to Casimir Périer's investments in land and real estate during approximately the same period. It may be that this is merely an interesting comparison and one that underestimates the extent of the bank's business loan activity. Paul Leuilliot, for example, has noted that during the business depression of 1828 the Périer bank participated for 100,000 francs in a loan of 5,000,000 francs to Koechlin Brothers at Mulhouse.³² Other definite cases of the Périer bank's financial backing of industry will probably be brought to our attention.

The Périers involved their bank in a third major area of financial activity during the Restoration, namely, cooperation with other banks in the development of new techniques and institutions for capital mobilization and investment banking.

The Périer bank was actually one of a small number of private French banking houses that almost entirely controlled the sources of credit in Paris at the time. Known collectively as « *la haute banque parisienne* », the group included besides the Périers the banks of François Cottier, Benjamin Delesert, Jean Hottinguer, Jacques Laffitte, Alexandre Lapanouse, Jacques Lefebvre, Adolphe Mallet, Antoine Odier and Michel-Frédéric Pillet-Will.³³ All these bankers were members of the board of regents or censors of the Bank of France. Jacques Laffitte was governor of the Bank during 1814-20.

³¹ In order: AN, LXVIII (819) *Crédit*, Sept. 5, 1822; (819) *Crédit*, Aug. 28, 1822; (819) *Crédit*, Aug. 29, 1822; (837) *Crédit*, March 12, 1825; (848) *Crédit*, Sept. 1, 1826; (876) *Obligation*, Sept. 16, 1830.

³² PAUL LEUILLIOT, *Les archives privées et l'histoire économique; exemples Alsaciens*, « *Revue d'Alsace* », LXXXIX (1949), p. 230.

³³ GILLE, *La banque et le crédit en France*, pp. 52-56.

Scipion Périer was a regent during 1818-21, while Casimir Périer replaced Henry Flory as regent in 1822.³⁴

In part because of their identification with the conservative financial policies of the Bank of France, the members of the *haute banque* have sometimes been criticized for practising a similar conservatism as private bankers by restricting their attention to traditional forms of commercial banking. Actually, on their own accounts, Casimir Périer, Jacques Laffitte and others of the group proved to be remarkably imaginative and adventuresome. David Landes has aptly described their financial policy as « *malleable et souple* ». ³⁵ They were very much intrigued in particular by new fields of investment opportunity which beckoned beyond the reach both of traditional banking techniques and the limited capitalization of their own private banks.

Underwriting France's loans of liberation during the early Restoration was one very attractive field of investment for the members of the *haute banque*. In fact, Casimir Périer established his parliamentary reputation in 1817-18 by speaking out in the Chamber of Deputies against the Richelieu ministry's preferential treatment of Baring Brothers (London) and Hope & Company (Amsterdam). In pamphlets and in numerous speeches in the Chamber, Casimir called for open competitive bidding on all the loans.³⁶ He rejected the ministry's argument that French francs might be better employed developing the nation's industries, commerce and agriculture. In his opinion, it was totally unrealistic to expect that French bankers could resist competing vigorously for government bonds (*rentes*) promising a minimum annual interest of eight or nine per cent. More, it was unpatriotic even to suggest that citizens should not invest their savings to help free French territories from foreign occupation.³⁷

The most the Périer bank appears to have gained from Casimir's sustained efforts in the Chamber was a sizeable number of shares in one loan for 14,500,000 francs in *rentes* that was opened to public subscription in

³⁴ GABRIEL RAMON, *Histoire de la Banque de France d'après les sources originales* (Paris, 1929), pp. 461-67, lists the regents and other officials of the Bank of France for 1801-1929. Joseph Périer replaced Casimir as regent on January 24, 1833.

³⁵ DAVID S. LANDES, *Vieille banque et banque nouvelle: La révolution financière du dix-neuvième siècle*, « *Revue d'histoire moderne et contemporaine* », III (1956), p. 214.

³⁶ CASIMIR PÉRIER, *Réflexions sur le projet d'emprunt* (Paris, 1817); *Réflexions sur l'emprunt de 16 millions* (Paris, 1818). For Casimir's speeches: *Archives parlementaires de 1800 à 1860. Recueil complet des débats législatifs et politiques des chambres françaises* (2nd Series, Paris, 1862), XXI (April 2, 1818), XXII (April 28, 1818), XXIV (May 13, 1819).

³⁷ Cf. « *Le Moniteur Universel* » (Jan. 28, 1817); CASIMIR PÉRIER, *Dernières réflexions sur le projet d'emprunt, ou réponse à un article anonyme du « Moniteur »* (Paris, 1817); « *Archives parlementaires* », XXIII (March 25, 1819), p. 459, Statement by Casimir Périer.

May, 1818.³⁸ The members of the *haute banque* did not campaign for shares in the other loans as a single, united group. In 1818, for example, Casimir Périer headed one association of thirty-two bankers bidding on the last bond issue of 21,000,000 francs. The Périer group's offer was turned down and the loan went to Baring Brothers, but 3,100,000 francs were reserved by the ministry for a second association of bankers led by Laffitte, Delessert and James de Rothschild.³⁹ Something quite similar to this happened also in 1817.⁴⁰ By virtue of his position as governor of the Bank of France, Laffitte and those closest to him seem always to have profited more than any of the others. Still, all French bankers were made aware that large amounts of money could be amassed by setting up syndicate. The impressive public subscription for bonds in 1818 — 163,000,000 francs — revealed another potential source of large sums of investment capital.⁴¹

The Périers worked more closely with other members of the *haute banque* in financial affairs that were less highly competitive. Thus Jacques Laffitte was president and Scipion and Casimir Périer were among the administrators of the Compagnie Royale d'Assurances Maritimes, a pioneer joint-stock insurance company established in 1816 with a capital guaranty of 10,000,000 francs.⁴² In the offices of the Compagnie Royale on the Rue de Richelieu, moreover, a second prototype financial institution was launched. This was the famous Caisse d'Épargne et de Prévoyance de Paris, the first French savings bank, which opened for business on November 15, 1818. The offices of the Compagnie Royale were used free of charge until February 1820, when the Caisse d'Épargne moved to more permanent quarters provided by the Bank of France. A further sign of the cooperative nature of this new venture in banking was that employees of the Compagnie Royale, Périer Brothers and other major banking houses in Paris volunteered to look after the accounts of the Caisse d'Épargne. The names of practically the entire board of regents of the Bank of France may be found listed as either directors or administrators of the new bank. Casimir Périer became a director in 1821 following the death of his brother, Scipion.⁴³

³⁸ « Archives parlementaires », XXIV (May 13, 1819), p. 383, Statement by Joseph Lainé.

³⁹ *Ibid.*, XXIV (May 13, 1819), p. 381; XXVI (April 15, 1820), pp. 234-35. See also ANDRÉ NICOLLE, *Comment la France a payé après Waterloo* (Paris, 1929), p. 153

⁴⁰ NICOLLE, *Comment la France a payé*, p. 23.

⁴¹ MARCEL MARION, *Histoire financière de la France depuis 1715* (6 vols., Paris, 1914-27), IV, p. 426.

⁴² « Journal des Débats » (Sept. 20, 1816); V. SENÉS, *Les origines des compagnies d'assurances soit à primes, soit mutuelles, fondées en France depuis le XVII^e siècle jusqu'à nos jours* (Paris, 1900), pp. 94-101; JEAN BOUCHARY, *Les manieurs d'argent à Paris à la fin du XVIII^e siècle* (3 vols., Paris, 1940-43), III, p. 107.

⁴³ EUGÈNE BAYARD, *La Caisse d'Épargne et de prévoyance de Paris: origine, histoire, législation, 1818-1890* (Paris, 1900), pp. 16-29, 35; CAISSE D'ÉPARGNE ET DE PRÉVOYANCE,

In accord with the philanthropic ideas of its principal founder, the banker Benjamin Delessert, the Caisse d'Épargne was strictly a non-profit institution designed mainly to encourage habits of thrift among the working class of Paris. Almost from the beginning the new bank was a success. By 1820, although working class response was initially disappointing, 6,333 persons had deposited a total of 2,883,096 francs.⁴⁴ And by 1830 a total of over 43,000,000 francs had been deposited by some 83,000 persons, sixty-four per cent of whom were workers or domestics.⁴⁵ The fact that the directors invested these funds in government bonds (*rentes*) was a main reason for Casimir Périer's vigorous opposition in the Chamber to the Villèle ministry's proposals in 1824-25 for reducing the interest rate on bonds from five to three per cent in order to indemnify the *émigrés* for lands lost during the Revolution. Similar opposition in the Chamber of Peers led by the Duc de la Rochefoucauld-Liancourt, who was president of the Caisse d'Épargne, resulted eventually in a compromise bond conversion plan that was less harmful to the bank's financial stability.⁴⁶

The Compagnie des Quatre Canaux was another innovative financial venture sponsored by the *haute banque*. This joint-stock company (*société anonyme*) was authorized by the government in 1823 to finance the construction of the Canal of Nivernais (8,000,000 francs), the Canal Duc de Berry (12,000,000), various canals in Brittany (36,000,000), and the canal parallel to the Loire River from Digoin to Briare (12,000,000).⁴⁷ The company itself did not undertake the construction of these canals. Its function was to lend the government 68,000,000 francs in successive instalments at interests rates ranging from 5.17-5.62 per cent; to issue shares in this loan (*actions de l'emprunt*) and shares in each canal (*actions de jouissance*), and to pay the interest or dividends on these securities; and to supervise the interest on and amortization of its loan to the government. Casimir Périer's total investment of 690,000 francs, or slightly more than one per cent of the loan, was actually rather modest compared with that of any of the other twelve associates of the company. Specifically, his shares in financing the canals were: 81,000 francs, Nivernais; 122,000 francs, Duc de Berry; 356,000 francs, Brittany; and 122,000 francs, Loire.⁴⁸ This limited investment may be ex-

Assemblée Générale de fondateurs et administrateurs de la Caisse convoquée par le Conseil des Directeurs, le 24 janvier 1820 (Paris, 1820), in Archives de la Chambre de Commerce de Paris, III 6.162.

⁴⁴ Archives Nationales, AD XXI^c 1, *Compte-rendu de la Caisse d'Épargne jusqu'au 30 septembre 1820*.

⁴⁵ BAYARD, *La Caisse d'Épargne*, p. 75.

⁴⁶ *Ibid.*, pp. 47-52; « Archives parlementaires », XL (April 28, 1824), pp. 155-58, 248-53.

⁴⁷ Ordinance of March 12, 1823, in Archives Nationales, F12 6744.

⁴⁸ « Archives parlementaires », XXXVI (April 8, 1822), pp. 154-58. The Ordinance of 1823 lists the company's associates but does not give the precise amounts of their

plained by the fact that Casimir was already associated with a second, smaller joint-stock company organized in 1822 to finance the Canal of Burgundy (25,000,000 francs). His investment in this company (600 shares at 2,500 francs each) was 1,500,00 francs.⁴⁹

The canal construction program inaugurated in France in 1821-22 still needs investigation as to the respective roles of the government, private contractors and investment companies such as the Compagnie des Quatre Canaux. State officials, for example, insisted that they would have preferred the construction of all canals by private entrepreneurs.⁵⁰ On the other hand, Casimir Périer and leading industrialists such as William Ternaux accused the government of refusing to solicit bids for the work, or for turning down those bids that were presented.⁵¹ Slow progress in the canals undertaken by the government's Corps des Ponts et Chaussées resulted eventually in further attacks against state interference in areas of business enterprise best reserved for private initiative.⁵² Noticeably, none of the canals financed by the Compagnie des Quatre Canaux was completed during the Restoration. The company, for its part, fulfilled its loan to the government on schedule in 1833. Casimir Périer and the other members of the company's Conseil d'Administration were careful to point out in 1832 that their society could not be blamed for the fact that the government's new estimate of the total cost for completion of the canals was then 120,540,653 francs.⁵³

The Périer bank and its major client, the Anzin company, were of course most directly interested in the development of the canal system in north-eastern France. In particular, the Périers and other directors of the company were hopeful that something might be done to improve the Canal of Crozat (1738), joining the Oise and Somme Rivers, and the Canal of Saint-Quentin

investments. The four leading investors were Pierre Laffitte (Jacques Laffitte & Co.), Jacques-Antoine Blanc (H. Hentsch, Blanc & Co.), M. F. Pillet-Will (Pillet-Will & Co.) and François Cottier (Andre & Cottier). The others were: Jacques Lefebvre, Alexandre-César Lapanouze, Joseph Ardouin, Pierre-François Paravey, Louis Bodin, J. G. Humann, Florent Saglio, Athanase-Paul Renouard de Bussière.

⁴⁹ AN, LXVIII (820), *Société anonyme de l'emprunt pour l'achèvement du Canal de Bourgogne* (November 2, 1822 et seq.). The other associates were Jonas Hagerman (banker), the Marquis de Ferrari (Genoa), Alexandre Perdonnet (*agent de change*), Henri Lhuillier (*agent de change*), Gabriel Odier (banker), André Dassier (banker) and Frédéric Goutard (banker).

⁵⁰ « Archives parlementaires », XXXVI (April 8, 1822), pp. 141-44, Report by CORBIÈRE, Minister of Interior; FRANÇOIS-LOUIS BECQUEY, *Rapport au Roi sur la navigation intérieure de la France* (Paris, 1820).

⁵¹ « Archives parlementaires », XXXII (July 2-4, 1821), pp. 516-32; XXXVII (July 11, 1822), pp. 334-38.

⁵² For example, URBAIN SARTORIS, *Note sur les canaux adjugés en 1822* (Paris, 1832).

⁵³ Archives Nationales, F12 6744, *Compagnie des Quatre Canaux, Comptes-rendus au nom du Conseil d'administration* (January 28, 1832).

(18710), which connected the Somme and the Escaut.⁵⁴ In a special report before the Paris Chamber of Commerce in 1826, Joseph Périer stated the common complaint that this system was actually unsuitable for navigation during the greater part of each year. It was impossible, he noted, to maintain a high enough water level in the canals for the passage of heavily laden coal barges, nor were the Oise and Escaut Rivers themselves reliable inland waterways. The Oise was too shallow in parts, while as for the Escaut, conflicts between private contractors and government engineers continually hampered the completion of necessary improvements along its course. These were among the reasons, said Périer, which accounted for the fact that it cost 2 francs 40 centimes to ship 100 kg. of coal from Valenciennes to Paris.⁵⁵

Reports of this type finally prompted the government to take action, and in May, 1827, a private concession for the improvement and maintenance of the canals was granted to Augustin Honorez & Company. The Périer bank at first invested 300,000 francs in this venture (*société en commandite*), but subsequently surrendered its shares to the Anzin company. Casimir Périer and the other directors agreed to limit the company's involvement to 1,000,000 francs, or about one quarter of the shares. Dividends on this investment were paid to Anzin shareholders in proportion to their interests in the mines.⁵⁶

A final case of the Périer bank's involvement in innovative financial ventures during the Restoration was its sponsorship in 1825 of the ill-starred Société Commanditaire de l'Industrie, one of the earliest attempts at joint-stock investment banking in France.⁵⁷ The brainchild mainly of Jacques Laffitte, its prospective president, the Commanditaire would have entered into areas of business opportunity where there was little competition and a great need for substantial capital investment, e.g., mining, metallurgy, canals, land development projects. It had the financial backing of the *haute banque* in Paris and leading banking houses in London, Geneva and Frankfurt. The Périer bank, for its part, may have subscribed for as much as 1,000,000 francs of the society's proposed capitalization of 100,000,000 francs. An

⁵⁴ See MINISTÈRE DE L'INTÉRIEURE, *Situation au 31 mars 1830 des canaux et autres ouvrages entrepris en vertu des lois des 20 juin et 5 août 1821...* (Paris, 1830), pp. 43-45.

⁵⁵ JOSEPH PÉRIER, *Rapport à la Chambre de Commerce de Paris sur la navigation intérieure et sur l'approvisionnement de la capitale en charbon de terre* (Paris, 1826), in Archives de la Chambre de Commerce de Paris, VII, 3.62.

⁵⁶ Archives Nationales, 49 AQ 1 (June 21, 1827; Nov. 4, 1831; May 20, 1834). Documents concerning Augustin Honorez & Co. may be found also in Archives Nationales, F14 7079.

⁵⁷ J. J. BAUDE, *Notice sur la Société commanditaire de l'industrie*, « Revue Encyclopédique », XXXIX (1828), pp. 28-44. But see especially BERTRAND GILLE, *La banque en France au XIX^e siècle* (Geneva, 1970), pp. 114-16, and *La banque et le crédit en France*, pp. 109-13.

investment to this extent would at least seem likely and possible considering the bank's previous record and financial limitations. Casimir Périer and William Ternaux were to have been the Commanditaire's two vice-presidents.

« *L'esprit d'association* », or the cooperation of wealth and talent, which was a broad slogan of the times for stimulating French economic development,⁶⁸ would have been realized admirably by the Commanditaire. Unfortunately, the Villèle ministry refused to authorize its establishment, and a financial crisis in November, 1825, caused most backers to withdraw their support. Laffitte's project was not revived during the Restoration.⁶⁹

III.

Table 1 summarizes the financial activity and related quantitative data for the Périer bank reported in the present paper.

By far the largest part of the bank's capital was invested in coal mining and related enterprise by virtue of the Périers' holdings of Anzin shares and ownership of Chaillot. As banker-entrepreneurs, the Périer brothers played a key role in the growth and mechanization of the coal industry in northern France. It should be noted that the Anzin company made no exceptional demands on the Périer bank for investment capital. Necessary improvements or expansion at the mines throughout the Restoration were financed by increased reinvestment of the company's very substantial profits. Anzin profits would appear actually to have been a main source of the capital used by the Périer bank for its other investments. Chaillot, in fact, is probably a better example of the efficient use of bank capital for purposes related to the process of industrialization. In this instance, the Périers supplied funds as well as initiative in support of a vitally important industrial enterprise.

In the absence of data for textiles and sugar refining, Table 1 shows canal construction as the Périer bank's second largest field of investment — over 2,000,000 francs during 1822-23. This figure, in fact, is probably safe to select as an upper limit to the bank's capital commitment for any single financial venture. It seems likely that even this sum would have strained the bank's resources. In any case, no private French banking house in Paris during the Restoration had sufficient capital to underwrite canal construction on its own account. As noted earlier, thirteen banks worked

⁶⁸ ALEXANDRE DE LABORDE, *De l'esprit d'association dans tous les intérêts de la communauté. Essai sur le complément du bien-être et de la richesse en France par le complément des institutions* (Paris, 1818); « Bulletin de la Société d'encouragement », XX (1820), p. 106 ff.

⁶⁹ GILLE, *La banque en France au XIX^e siècle*, p. 116; RONDO CAMERON, *France and the Economic Development of Europe, 1800-1914* (Princeton, 1961), pp. 112-14.

FINANCIAL ACTIVITY OF THE PÉRIER BANK
DURING THE RESTORATION

TABLE 1

Activity	Date (s)	Capital Investment (francs)
Anzin Mining Company	1815-30	2-4,000,000
Sugar Refineries	1815-30	No data
Cotton Textiles	1815-30	No data
Woollen Textiles	1815-30	No data
Compagnie Royale d'Assurances	1816	No data
Loans of Liberation (<i>rentes</i>)	1817-18	No data
Chaillot Foundry	1818	200,000
Caisse d'Épargne de Paris	1818	No data
Château Pont-sur-Seine	1821	No data
Paris Real Estate	1822	240,000
Industrial Loans (Textiles)	1822	250,000
Industrial Loans (Soap)	1822	150,000
Industrial Loans (Ironworks)	1822	200,000
Compagnie de Bourgogne	1822	1,500,000
Compagnie des Quatre Canaux	1823	690,000
Farms and Woodlands	1824-26	200,000
Société Commanditaire	1825	1,000,000 (?)
Grain Mill	1825	No data
Industrial Loans (Textiles)	1825	50,000
Commercial Loans	1826	300,000
Augustin Honorez & Co.	1827	300,000
Industrial Loans (Textiles)	1828	100,000
Paris Real Estate	1829	744,000
Industrial Loans (Textile Machinery)	1830	25,000

together to raise the 68,000,000 francs needed to promote the Compagnie des Quatre Canaux.

Remarkable overall, of course, is the diversity of the Périer bank's financial activity. Coal mining, steam engines, canal construction, cottons, woollens, textile machinery, iron metallurgy, sugar refining — the Périers, as was typical of the members of the *haute banque* generally,⁶⁰ spread their capital over a wide range of characteristic early nineteenth century industrial enterprise. In cooperation with other bankers, the brothers also entered into the insurance field, and they helped to sponsor other capital mobilizing institutions such as the Commanditaire. While in some ways the bank's activity showed traits that have been identified as typical of the conservative, early nineteenth century « *banque privée* » — e. g., « *relations personnelles, transactions confidentielles, placements traditionnels* »⁶¹ —

⁶⁰ GILLE, *La banque et le crédit en France*, p. 55.

⁶¹ LANDES, *Vieille banque et banque nouvelle*, p. 207.

flexibility and a willingness to experiment were actually more notable features of its financial policy.

Research into the archives of other banks and commercial houses in Paris and the provinces is still needed to establish the full range of the Périer bank's financial activity during the Restoration. But enough is known at present to conclude that the bank functioned effectively to promote the early stages of industrialization in France. The Périer bank's capital resources were limited, but they were put to work in ways that contributed substantially to French economic growth and development during 1815-30.