

Archivio Finmare 1933-1995. Inventario, edited by CLAUDIA CERIOI, Fondazione Ansaldo, Genoa, 2009, pp. XXVIII-470 (Strumenti, I); *Archivio Gerolamo Gaslini 1899-1987. Inventario*, edited by DONATELLA MEZZANI-REMO VIAZZI, Fondazione Ansaldo, Genoa, 2009, pp. XXI-530 (Strumenti, II); *Archivio Francesco Manzitti 1946-1971. Inventario*, edited by BARBARA CELSI - CLAUDIA CERIOI, Fondazione Ansaldo, Genoa, 2009, pp. XXIII-228 (Strumenti, III).

Under the aegis of the General Directorate of Archives which provided the scientific expertise and experience it has accumulated in fifty years of publications on archive-keeping, the Ansaldo Foundation in 2009 has published three inventories of some of the largest documentary collections existing: the Finmare Archive, the Archivio Gerolamo Gaslini Archive and the Francesco Manzitti Archive.

This is the result of a joint commitment from a public institution and a private body to preserve and utilise our archival heritage which the Ligurian entrepreneurs have produced to promote the history of enterprises and of the world of labour.

Some thirty years ago, with the founding of the Ansaldo historical archive in Genoa, a process of recovering and preserving the enterprise's archives began, which was extended in due course to include both those enterprises in which Ansaldo participated or which the company controlled, and the collections of documents at risk of being lost or destroyed, which were the product of enterprises that had nothing to do with Ansaldo.

The Ansaldo historical archive eventually took on the role of an economic archive of the local region, becoming, in fact, in 2000 the "Fondazione Ansaldo – Archivio economico delle imprese liguri". The commitment to safeguard and valorise the records of historical-archival interest, which the Ligurian entrepreneurial system had produced, led to the drawing up of an agreement between the Foundation and the General Directorate of Archives at the Ministry for Cultural Heritage in March 2005. The Foundation, in accordance with the Archival Superintendence for Liguria, acquires, either for registering or to own, documents or entire archives produced by enterprises and businessmen in the world of economics and industry.

Today the "Fondazione Ansaldo – Gruppo Finmeccanica" has put at scholars' disposal more than 15 kilometres of corporate, accounting, administrative and technical documents produced, from the mid-nineteenth century onwards, by

enterprises associated above all with the Ansaldo, Bombrini, Bruzzo, Costa, Dufour, Fincantieri, Finmare, Finmeccanica, Gaslini, Ilva-Italsider, and Perrone companies, and by other economic bodies such as the Genoa stock exchange and Banco di Chiavari e della Riviera Ligure.

In particular, as well as being a useful resource for consultation, the first three inventories published (further re-ordering of the immense Perrone archive is envisaged), furnished with indexes, present a picture of an era between the two world wars and following the reconstruction and the economic boom, of Italian industrial development and of the relations between the state and entrepreneurial activity, *inter alia* to create public services on a nationwide scale. This is the case of the Finmare Archive, the product of a private company group founded by IRI in 1936 as part of a government project to reorganise and rationalise maritime services with the task of coordinating, leading and insuring with adequate financial means the operations of the Italia, Lloyd Triestino, Adriatica and Tirrenia shipping companies, of which Finmare took over the majority of the shares. These companies were responsible for four sectors of maritime traffic, which grouped together passenger and cargo lines and services of "pre-eminent national interest", with the Americas, Africa, Asia, the Adriatic and the Eastern Mediterranean, the Tyrrhenian, Libyan and the Western Mediterranean.

The Finmare archive consists of the documents of the holding and of some companies it controlled (more than 2,000 folders and registers from 1933 to 1995), but does not exhaust all the documentation the company produced; part of this is still in the hands of Fintecna which is handling its liquidation.

The documentation in the two personal archives is more diverse. In both cases we are dealing with significant figures among the entrepreneurs, and their many-sided activities had significant repercussions on the fabric of society of the time.

Gerolamo Gaslini's (1877-1964) archive is the subject of a recent study by Paride Rugafiori, *Rockefeller d'Italia. Gerolamo Gaslini imprenditore e filantropo*, Rome, Donzelli, 2009. Gaslini's papers are held by the Gaslini Foundation, despite having been re-classified by the Ansaldo Foundation. This documentation covers Gaslini's various initiatives (he was known as the "oil king"), mainly in the agro-industrial sector, as well as in the banking and real estate sectors (several dozen companies in which he held stock or which he controlled); we also find his personal and family papers, in particular those connected with his

philanthropic activity, when in 1938, he founded the Institute named after his daughter Giannina, who died of peritonitis at the age of 12. This is a children's hospital, specialised in the treatment, protection and nursing of babies and children, which is still today in the forefront of research.

Francesco Manzitti's (1908-1977) archive, which his heirs handed over to the Ansaldo Foundation in 2000, supplies documentary evidence of the many appointments he held as Chairman of various bodies of crucial significance to the Italian economy after World War II. An indomitable manager and a fervent pro-European and federalist, Manzitti appears in the 1950s among the directors and members of numerous bodies, organisations and associations, as well as of an important ministerial department, the Italian Merchant Navy's Governing Council. After having played an active part in the resistance movement in Liguria, in 1945 Manzitti was appointed Chairman of the Genoa Chamber of Commerce. In 1952 he was appointed Chairman of Finmare, a position he held until 1959. In 1962 he was appointed Chairman of the Genoa Port Authority. The first Chairman of the Autostrada dei Fiori and a director of the San Paolo di Torino Bank (1946-72), he also sat on the Italian Committee of Lloyd's Register of Shipping and of the Registro Navale Italiano. His family still possess his unpublished diaries (1950-1966) and the papers regarding Manzitti's work on the National Liberation Committee.

At present the archive administration is developing a system for creating a common point of access to on-line archive data banks, the national archival system. It will include a thematic base for enterprise archives where descriptions of the documents housed in the Ansaldo Foundation can be found.

Ludovica de Courten

Ministry of Cultural Heritage and Activities,
General Archive Management - Rome

MARIA TERESA CACIORGNA, *Una città di frontiera. Terracina nei secoli XI-XIV*, Viella, Rome, 2008, pp. 415.

The end of the cold war and the ideological conflicts it brought, and the subsequent acceleration of economic integration processes on an international scale have had two consequences: the formation of a worldwide organisation of production processes increasing specialisation, and, on the contrary, the creation of favourable conditions to reinforce certain tendencies which, based on the need to defend local specificities, appear hostile to, and often explicitly against, an over-invasive globalisation. This has given rise to a heated discussion between those who support opportunities that stem from doing away with restrictions and those who crucially point out the negative aspects of the economic logic that is prevalent nowadays. Within this discussion, a specific trend of thought has developed which analyses the concept of "frontier" (economic, political, social, cultural and even religious), at times interpreted from a dynamic point of view (as, for example, in the United States in the nineteenth century, where the frontier proved crucial in strengthening growth factors), and at other times understood as an element which protects the overall status quo between the rich countries and the poor countries. It is common knowledge that, as far as Europe is concerned, there has been a general slackening of constraints in the sphere of financial-commercial relations, but this is matched, in the field of social options, by a much less definite schedule that has fuelled, among other things, continual contradictions in political issues.

In this situation, it seems particularly important that the frontier should be the subject of historical research, because, setting aside the period and the geographical area examined and going beyond the canons of traditional historiography, making the frontier the subject of research reveals a comparison with forces and trends on a shifting horizon. From this point of view, Maria Teresa Caciorgna's study of the community of Terracina in the Middle Ages proves particularly interesting, because for many centuries Terracina played a major role in the relationship between the Kingdom of Naples and the Papal State, while at the same time being an important link between the coast and the inland regions. Despite the precariousness of the documentary sources available, from the very first chapter, where she presents the characteristics of Terracina, Caciorgna focuses on certain issues which are central to the whole book. The characteristics

of a frontier economy emerge clearly, due to the fact that Terracina was situated in a natural environment marked by the presence of territories that provided considerable economic diversification. This was a vast area with marshes and streams suitable for fishing; a fertile, level valley planted with vineyards and olive groves; thick mountain woods for grazing and cattle-breeding; and salt marshes on the coast. Furthermore, the area was situated along the Via Appia, a strategically important communication route between the southern and central regions of Italy. Thus, the territory of Terracina formed an economic network and possessed resources which enabled it to become involved in trading that was developed by both the local merchant classes and by people from other regions, such as the Republic of Genoa, which, from 1346 to 1367, subjected the Terracina area to strict political control in order to secure for itself a safe strategic base in the central Tyrrhenian region.

Although the lack of direct evidence prevents us from having an overall view of some issues addressed in the research, the information gathered is sufficient to highlight the mechanisms by which Terracina faced the important task of running a frontier area that was subject to a large number of economic and political constraints. On the one hand the local community had to take steps to repel the King of Naples' expansionist intentions, and on the other hand they were just as much endangered by the endogenous drive to break up the territory. This was supported by part of the local aristocracy who, because of the particular position of the town of Terracina, had at its disposal ample space for manoeuvre to reveal their strategies on both sides of the border. The governing class in Terracina proved exceedingly weak, lacking the means and the ability to create a solid area of influence which could extend their rule, both within their territory and on the coast. From this point of view, it seems emblematic to observe that, once Genoese supremacy had come to an end, in the early fifteenth century Tuscan merchants went into action (as the correspondence of Francesco Datini from Prato reveals). In the following decades they were joined by Catalan merchants. Thus, the management of the territory's resources changed hands, starting with products such as salt, or the ports, which were the target for big international capital that was always on the lookout for new areas of expansion.

The book deliberately pays a great deal of attention to the port of Terracina. Its geographical position, on a sheltered expanse of sea between the promontory of San Felice del Circeo and that of Gaeta, allowed the more enterprising to

secure a place in the trading that took place along the Tyrrhenian coast. An analysis of the excise system shows that the economy which revolved round the port had two functions in connection to the growth of trading in the Mediterranean: it developed the conditions necessary for the creation of a commercial market, where goods in transit, destined for the flourishing markets in Rome and Naples, could be sorted, and it permitted the exportation of prized products from the inland region (oil, wine, leather and timber). At the same time, the scanty importance of the artisan sector is evident: it was unable to go beyond limited local demand. The difference between the dynamism of the commercial sector and the comparative stagnation of manufactured goods conveys a picture of the port as a lively supplier of agricultural products and semi-manufactured goods, whereas finished goods had to be imported. In this interpretation, the history of Terracina has a two-sided profile: from the political point of view it was marked by unrest, due to its being one of the strong points along a border subject to continual conflict, whereas from the economic point of view, Terracina took its place at the intersection of two complementary areas – land and sea – but the organisation of these areas was subject to the requirements of the great trading powers of the age.

Manuel Vaquero Piñeiro

University of Perugia

PAOLA CHIAPPONI – CHIARA GUIZZI, *La banca cattolica del Veneto e il suo patrimonio archivistico. Uomini, tradizioni e territorio*, Intesa Sanpaolo, Turin, Edizioni di storia e letteratura, Rome, 2007, pp. 213.

As Francesca Pino, who is in charge of the bank's archival collections, has recently pointed out, the historical archive of the Intesa Sanpaolo group, as well as managing the Milan-based archives (Cassa di Risparmio delle Province Lombarde, Banco Ambrosiano Veneto and Banca Commerciale Italiana), has been given the task of looking after the archives belonging to individual banks that have merged with the group or belong to Italian and foreign companies and which are scattered over different various regions.

Banca Cattolica del Veneto, which, at the end of the 1980s, merged with Nuovo Banco Ambrosiano, falls into this category. Chiapponi's "descriptive" guide to an archival collection consisting of more than three hundred folders and two thousand registers, which date from 1892 to 1989, is a short but dense study of a medium-sized regional bank which offers a highly original observation point, both for the history of the Italian banking system and for research into the Catholic movement and social changes in the Veneto region. Similarly, a few years ago, the book on *Il credito fondiario delle Venezie nel Novecento* (Verona, 2002), by analysing the birth of the agricultural savings banks which were founded on cooperative-based banks, identified the "Veneto pattern" of economic and industrial development, based on small and medium-sized enterprises, a development that was deeply-rooted in the area, anchored to a strong industrial paternalism, but with the backing of solid entrepreneurial ability and the growth of enterprises.

In the 1990s, Gabriele De Rosa wrote a book about Banca Cattolica del Veneto (*Una banca cattolica fra cooperazione e capitalismo: la Banca cattolica del Veneto*, Rome – Bari, 1991). Founded in 1892 as Banca Cattolica Vicentina, the bank in its early days was guided by principles of solidarity and cooperation among citizens and Roman Catholic enterprises in the Diocese of Vicenza. At first, banking activity was similar to that of a mutual aid society. In fact, in its early days the bank had a widespread group of shareholders that included several members of the clergy, Catholic rural associations and trade unions, peasants, factory workers, craftsmen and housewives, as well as landowners, small manufacturers, students, teachers, pharmacists and architects.

The archive documents show a new way of "being a bank", bearing witness to the numerous rescue, liquidation and merger operations concerning a multitude of small local banks, which are described in the section on the associated archives. The highly personal administration of the bank's general manager and later managing director, Secondo Piovesan (1893-1976), is described. An image of a diversified bank, a "family" bank, emerges from this description, a bank which is closely tied to its hinterland, as is seen in the widespread development of the network (the number of branches increased from 23 in 1921 to 165 in 1967), and therefore sensitive to its social needs; it provided services for emigrants' remittances, organised charity and solidarity activities, intervened regularly in times of crisis (such as the Vajont disaster), and was

attentive to the needs of the population and the life of the personnel both inside and outside the bank.

As is written in the Preface, the vicissitudes of Banca Cattolica del Veneto “constitute an extremely interesting observation point for the history of banking... and for the social and cultural history of the Veneto region. Banca Cattolica del Veneto is a typical example of that sector of the Italian banking system – made up of savings banks, cooperative banks and agricultural banks which were predominant in nineteenth-century Italy” – which, especially at the time of the agricultural crisis, had turned to the small scale, local economy: peasants, tenants and small landowners. The bank grew “together with the region’s economy, with local entrepreneurial forces and smaller banks influencing one another reciprocally: this helped create an elementary form of capital market which was able to mobilise the community’s savings in order to transform pre-existing productive systems and start up new local industries, both in the agricultural sector and, especially in the post-second world war years, among small and medium-sized industrial, artisan and commercial enterprises”.

A significant aspect of the good management of the bank has been “the good conservative tradition” which, as Chiapponi and Guizzi clarify, is due to the moderate size of a regional bank which has enabled the bank to organise and preserve the archive in the bank itself but, above all, it is due “to the bank’s pride in its own history and tradition”. This is borne out by the recovery of all remaining documents belonging to the above-mentioned associations which were taken over by Banca Cattolica, together with the collection of photographs and the Stocchiero-Piovesan private collection, which was donated by Secondo Piovesan’s son-in-law, and also contains the scripts of some plays in the dialect of Vicenza, written by Piovesan himself.

Ludovica de Courten

Ministry for Cultural Heritage and Activities
General Archive Management - Rome

GIUSEPPE DI TARANTO (ed.), *Guido Carli e le istituzioni economiche internazionali*, Bollati Boringhieri, Turin, 2009, pp. 337.

Guido Carli is well-known to the general public, mainly because he was Governor of the Bank of Italy, Chairman of Confindustria and then a Senator of the Italian Republic. Very few people are aware of the young economist's biography between 1947 and 1957, when he was getting ready to appear on the international scene.

These are the very years that Giuseppe di Taranto examines in this book, where the principal articles Carli wrote in this period are quoted, including some hitherto unpublished papers dating from 1950. In a broad introduction, Di Taranto presents and comments on for the first time what Guido Carli did on the international scene in the light of significant unpublished documentation found in the principal Italian and international archives, including the International Monetary Fund Archive in Washington, the National Archives in London, the Archive of the French Ministry of the Economy and Finance at Savigny-le-Temple, the Central State Archives and the Historical Archive of the Bank of Italy, both in Rome, the Historical Archive of the European Union in Florence and the Fondazione Luigi Einaudi in Turin.

Guido Carli was Executive Director of the International Monetary Fund from 1947, and the first Chairman of the European Payments Union from 1950. In April 1993, Michel Camdessus, Managing Director of the International Monetary Fund, remembered Carli as "one of the founding fathers of the post-war IMF" who had contributed to the development of the international economic system and to the creation of economic policy after World War II.

Carli himself in the 1990s wrote that historians had not given enough emphasis to two dates that were important for Italy: 2 October 1946, when Italy became a member of the International Monetary Fund, and 27 March 1947, when Italy became a member of the International Bank for Reconstruction and Development. And, in fact, this observation is extremely topical, in view of historians' different interpretations of Italy's joining these organisations. In the light of the unpublished sources discovered in the above-mentioned archives, Di Taranto points out that Italy's joining the institutions created at Bretton Woods should be examined at a doctrinal level, looking closely at "the philosophy of the classical Italian school of economics which prevailed at that time (Guido

Carli agreed with its principal theories), the new international context and its influence on Italy after the isolation experienced in the 1930s in international trade and commerce, an essential basis for a model of open economy".

From the economic point of view it is important to emphasise that, because of the fragility of the British Empire, London would have liked to incorporate Italy in its own sphere of influence, whereas the United States regarded Italy, the first European country to be liberated, as "an important test of its organisational capacity". Besides, relations between London and New York were beset by tension in several areas, ranging from financial deals to economic agreements and from other less important agreements to the appointment of the future managing director and the other members of the IMF hierarchy. It was in this context that, on 13 March 1946, Italy's application to join the International Monetary Fund and the International Bank for Reconstruction and Development was submitted at the joint inaugural session of the governing councils of both bodies in Savannah, Georgia. "The Italian government's request to belong to the IMF and the IBRD had been presented to the American Secretary of State about a month previously, and justified by the prospect that the control of public expenditure and of currency, together with the new exchange rate, would result in equating domestic prices with international prices".

In order to take part in Bretton Woods, it was deemed necessary to issue a specific law because, as well as the juridical aspects, it was essential that the Constituent Assembly approved the motion because of the obligations and rights that ensued. This law was promulgated on 23 March, following the bill approved by the Constituent Assembly during the sitting of 15 March 1947: in this way Italy accepted the procedures and conditions which the governing councils of the IMF and the IBRD laid down for Italy's membership.

At the same time as these events were taking place, in August 1946, when just over thirty years old, Carli took part in the Italian mission to Paris to introduce amendments to the peace treaty. Carli's main task was to draw up documents regarding the economy for Donato Menichella, Chief Executive of the Bank of Italy, for Giuseppe Saragat, the Italian Ambassador in Paris and for Alcide De Gasperi, Prime Minister of Italy for the second time. On his return from Paris, where he had the opportunity to have discussions with important Italian managers in both the public and the private sectors, Carli met Giovanni Malagodi, who was a banker with Banca Commerciale Italiana and who, from 1948, was

the Italian representative at the Organisation for European Economic Cooperation. A few months later, in January 1947, Carli, together with De Gaspari, Menichella and Pietro Campilli, who at the time was Minister of Foreign Trade, was part of the team that made the famous trip to the United States where, in Washington, he met Harry White, one of the fathers of the Bretton Woods agreements. And so Carli was present at the two most important (at least from the Italian point of view) meetings with the international economic community. In Paris, Italy's joining the Bretton Woods agreements was negotiated (October 1946), and in Washington (January 1947) the agreement that led to Italy's being admitted to the IMF (March 1947) was finalised.

This was an important result for Italy, if we consider that Italy was the first of the defeated countries in World War II to gain admission to the IMF and very rapidly at that; it was not until 1952 that Japan and the German Federal Republic were admitted to the Fund.

Carli's papers bear witness to his involvement, which he reported in detail to Einaudi: Di Taranto quotes and comments ably on these documents. Carli was involved with managing multiple rates of exchange, the convertibility of the Italian lira, the multilateralisation of payments and the liberalisation of trade: thus he was Italy's main link with Europe and the rest of the world. Theory and practice merge in Carli's political and diplomatic undertakings, in order to strengthen Italy's economy and to facilitate the return to convertibility and, in the final analysis, to economic development.

"The issues regarding exchange rates (fixed, floating, multiple) or convertibility (partial or full) may seem limited or merely technical, but they mirror political decisions too." Therefore Carli's international undertakings may be termed not only economic but also political, aimed at the general interest and at the regulatory, institutional framework of economic freedom.

Donatella Strangio

La Sapienza University, Rome

DANIELA MANETTI, *La "civil difesa". Economia, finanza e sistema militare nel Granducato di Toscana (1814-1859)*, Unione Regionale delle Province Toscane, Leo S. Olschki Editore, Florence 2009, pp. 455.

This book, consisting of six chapters, a useful appendix, a wide-ranging, up-to-date bibliography and hitherto unpublished archive sources, has the merit of straddling two important disciplines: economic historiography and military historiography. It contributes some original and important considerations.

The economic history volume enriches the series of military-history studies, proceeding in an international context, and taking into account international events. This is the context in which Daniela Manetti sets the Grand Duchy of Tuscany, which merits a case study.

The period of history studied goes from 1814 to 1859; economic literature has emphasised the reforming activity in the French period, which contributed to a lack of homogeneity in the Italian states before Unification. The Grand Duchy of Tuscany was unique among the Italian states in the first half of the nineteenth century in that it practised persistent free trade "in line with its mercantile bent and with its substantially static, crop-sharing agriculture, together with some speculative financial and manufacturing operations in different sectors on a mainly artisan basis" (p. XXXVI).

Economic and military disciplines have been improving their methodological techniques for a long time, and military history has had to overcome a commemorative way of looking at things. As Rochat points out, "military history cannot be studied ignoring the industry that gave it a concrete form", setting military production in an overall picture of the different sectors of a nation's industry. Above all, in order to have a more accurate assessment of state intervention in the Italian economy's take-off, it was important to examine what the different administrations had done to promote, finance and develop Italy's industry.

At the end of the 1960s, Luigi De Rosa broadened the study of the economic issues in military organisation from the more strictly financial sphere to the economic sphere, and analysed military expenditure after the Unification of Italy from the aspect of the multiplier effects of expenditure on income, characteristic of the Keynesian model. De Rosa showed that military expenditure ought not to be regarded as capital deducted from private investment and public expenditure,

and that an increase in military expenditure did not necessarily lead to instability of the entire financial and monetary system, but that it could be seen as an incentive for Italy's economic development. During that same period, the economic concept of "spin-off" was becoming increasingly widespread: it referred to a form of technological transfer whereby war industry produced innovations that were useful in civil sectors, as well as in the military field. Furthermore, Antonio Di Vittorio, starting from Sombart's theory that war is the motor of capitalism, analysed the development of the Hapsburg economic system and the institutional changes which were the result of wars in the first half of the eighteenth century. This subject was sufficiently important to be made the official subject of the sixteenth *settimana* of the Istituto Internazionale di Storia Economica "Francesco Datini", when the economic aspects of war in Europe between the fourteenth and the eighteenth centuries were discussed.

Manetti's book fits well into this line of enquiry: she compares the size of the Grand Duchy of Tuscany's military expenditure with that of the other states in Italy before Unification, seeking, above all, to point out those aspects that seemed absolutely necessary to understand how and why defence commitments constituted the Grand Duchy's biggest expense, and were the largest expenditure in every balance sheet of a small liberalist state that pursued neutrality. Basing her work on vast, rich documentary sources, enhanced by useful data-processing in tables and graphs, Manetti has reconstructed the main features of this model of military expenditure, including the decisions, the consequences and the contradictions that have determined this model, in the firm belief that defence strategies should be seen only as part of the more general picture relating to foreign policy and dynastic obligations, economic policy and the overall management of public finances.

The fact that the book straddles the various problems, methods and approaches involving economic and financial issues on the one hand, and military issues on the other, results in its being structured according to subject matter rather than strictly chronologically.

The Congress of Vienna was still in progress when the Grand Duchy of Tuscany drew up a treaty with Austria in 1815 which ensured it Austria's protection after Napoleon Bonaparte's escape from the island of Elba, which greatly alarmed the Leghorn business houses; in fact, for days on end, no trading took place until news of Napoleon's landing in France restored calm to

the town, and trading resumed as normal. And so, in order to avoid other similar episodes and to ensure peacefulness in trading, this treaty was the price the Grand Duchy paid to ensure for itself a "civil defence" as opposed to a purely military defence. Thus, three closely-linked aims were achieved: smuggling was checked, safety was defended and commerce was protected (p. 39).

The diverse military, civil and administrative situations relating to events in the Grand Duchy's history, especially until 1855, the year the Austrians abandoned Tuscany, influenced its finances: exceptional expenditure increased. Manetti ably describes in great detail the Duchy's accounts which, above all, have drawn attention to a huge increase in the national debt and its variations in those years "when in 1861 Tuscany came immediately after Piedmont as far as pro-capita expenditure was concerned" (p. 180). The rescheduling of the Tuscan national debt, involving different rates and times of payment and the issue of new debt, culminating in the royal decree of 3 November 1852, is important (p. 185). The administration of the new national debt was entrusted to a special office, which was separate from the *Depositaria*, while the yield to be inscribed in the national debt register was assessed. To support the troops, it was thought best to rely on "banking houses of good reputation that are used to dealing with transactions of this kind" (p. 187), such as Rothschilds in Paris, that boosted local financial circulation and ensured international coverage, and Casa Bastogi in Leghorn. In order to come to the aid of the Tuscan banks and to reorganise regional finances, in view of entry into the Kingdom of Italy, both in 1859 and in 1861, Casa Bastogi handled the loan to the provisional Tuscan government: the loan was obtained with Piedmont's guarantee, negotiating directly with the Rothschilds and excluding the other Fenzi group.

In a country that had developed a theory about and practised neutrality, the financial difficulties, the increase in the national debt (a feature found in many other countries, as Manetti shows in a summary table, which was just as common as an increase in public expenditure), the re-creation of a public-funded debt and, especially, the allocation of public loans were all closely connected with military expenditure. This caused the increase in the debt to be regarded as abnormal, and not as a stable, integral element of economic development, of the new role of the state and of the growing organisation and complexity of its institutions (p. 189). It was these complications, together with the need to resort to a system of regulations and controls for the financial market (the stir caused by the London

Stock Exchange crash of 1847 had not yet died down) that led the economic and financial protagonists of the Grand Duchy of Tuscany to champion the advisability of setting up a stock exchange in Florence "to remove the sale of government stock from the clique of private banks with their excessive power" (p. 189).

The importance must be stressed of the interaction between the state's economic policy and the orders for war materials, in which the question of arms-manufacturing associated with the politics of the iron industry and the desire on the part of statesmen and the ruling classes not to lose control over this strategic sector (vital to Tuscan economy), was pre-eminent. "The military made every effort to try and control the orders, taking into account, compatibly with the lack of available means and the insufficiency of material, quality standards and the technical specifications of the ordnance." They even supported shifting the source of supply from the merchants to the manufacturers, creating the beginnings of a national armaments industry which was, however, let down by the industrialists who were constrained by a weak manufacturing system, which caused them never to go, beyond limited, individual bids. On the contrary, by merging their interests with those of the Grand Duchy's economic policy, the merchants succeeded in controlling the market for the public purchasing of arms, not only in terms of quantity and quality, but even in terms of taking the commercial initiative (p. 159).

The Grand Duchy's alliance with Vienna on the one hand underlined its passive, subordinate role, which was necessary since a mere declaration of neutrality was not sufficient to maintain the new balance of military power brought about by the Restoration, but on the other hand ensured a more solid defence system without excessive commitments. This, however, involved an initial confusion in the Tuscan military system, especially in the organisation of the "civil defence" corps. Over time, this led to disregarding the military institutions to the point that the armed forces were considered less important socially and politically than in the other Italian states.

"The postulate on which the Grand Duchy's decisions were based was destroyed by the system of treaties with the Hapsburg Empire. In normal conditions, public expenditure was a heavy obligation for the financial system, but in conditions of political instability or war, the financial equilibrium was definitely upset because of the political and military dependence on and connections with Vienna" (p. 369).

War and the banishment of the Grand Duke provided the opportunity to reinforce the separation of the military from the political and economic system. The existence of a solid "civil tradition" and the military's relegations to a state of negligence and backwardness, lacking any form of social acceptability, meant that it was unable to defend the Sovereign and his institutions which, as in the past, had shown suspicion of and loathing towards it, and so the separation was complete and final.

Donatella Strangio

La Sapienza University, Rome