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**Geoffrey M. Hodgson**, *The Wealth of a Nation. Institutional foundations of English capitalism*, Princeton University Press, Princeton NJ, 2023, pp. 283.

When reading Geoffrey M. Hodgson's book, one immediately senses the need to talk about "varieties of capitalism" in relation to the fundamental role of socio-economic institutions associated with a certain type of capitalist development. A given country's social, cultural, and geographic structure is fundamental to the definition of a certain institutional model that allows the forces of capital to be gathered and directed toward capitalist growth.

So far, nothing new. However, Geoffrey M. Hodgson's book challenges the widespread assumption that the institution of private property is enough to unleash the "deep forces" of capital. In reality, as the author points out through a timely historical analysis, the ability of the land to

serve as a collateral for loans allows financial capital to take off. This occurred in seventeenth-century England, that is, the period between the “two revolutions” of 1640 and 1688. As the author remarks: “mortgaging began around 1670, growing thereafter and making more finance available. This again gives us a historical market of the beginnings of capitalism in England. The institutionally grounded and historically specific concepts of *property* and *capital* are essential to understand modern economic development” (p. 14).

The author recalls how the ability to “generate” capital through the use of land as collateral is fundamentally linked to the autonomy of the legal system. This passage is indeed crucial in explaining the crux of the issue: “The security of landed propriety also depends on clear and undisputed deeds or title. Corruption too must be reduced” and “to enable the rise of capitalism, a major problem with older property rights was not their insecurity, but their entangled, feudal nature. In particular, the property rights of an heir to his father’s estate prevented the sale of such property or its use as collateral for loans. In a sense, the problem was not there were too few property rights, but too many” (p. 119).

The climate of confidence hovering around the new political arrangements between the Crown and the Parliament, the concentration of property in a few hands (which differs from the French case), the market-friendly mentality of gentrified mobility, and the newly-born bourgeois landlords (which varies from the post and pre-*Risorgimento* Italian case), increasing military spending, colonial production of raw material by enslaved people, and strong State intervention in the economic and financial system lead to the large-scale development of capital as the main driver of the development of English capitalism. The central role of finance capital as the fly-wheel for “real” capitalism had already been highlighted by Fernand Braudel when he tells us about the anti-market (*contre-marché*), that is, the upper level of interchange where capital accumulates and circulates.

However, this circulation remains limited to a very narrow circle of people. What the author actually tells us, and I deem he is right, is that given England’s various fundamental socio-political-cultural prerequisites, the definition of a specific type of private property allowed a whole series of “new actors” to enter the realm of a full-fledged capital system. This indeed enabled a mighty leap forward. Investment and industrial growth, which occurred only later, highlight how financial capital acts as the *deus ex machina* for developing other productive sectors, such as the industrial one thereafter.

Geoffrey M. Hodgson’s book is a groundbreaking, in-depth analysis of the ever-discussed history of English capitalism. Well-written and ac-

cessible even to broader readers, the book contributes actively to the ongoing debate about the rise of modern capitalism in Europe and worldwide.

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