

L. T. DARLING, *Revenue-raising and Legitimacy. Tax Collection and Finance Administration in the Ottoman Empire 1560-1660*, E.J. Brill, Leiden - New York - Koeln, 1998, p. XV-368.

This book provides an interesting contribution to a realistic reappraisal of the concept of decline in the Ottoman Empire which has existed in historiography since the nineteenth century - a decline which is purported to have begun on the death of Suleiman the Magnificent and ended with the final break-up of the Empire in the twentieth century. The turning point towards decline seems to have occurred in the seventeenth century when the authorities were not able to resolve the host of complicated and serious problems which weighed heavily on the nation: the population explosion, the price revolution, the treasury deficit, the military rebellions, the internal revolts, the Sultans' incompetence, the governing of women and the alienation of the people. In other words, the concept of decline seems to have been understood as the incapacity of the central power and the sultan's authority and as confusion, chaos and corruption. Domestic decline seemed then to imply external decline, although, as Darling argues, the lack of military successes may well be attributed to European progress rather than to Ottoman decadence.

In Western historiography, the concept of Ottoman decline was borrowed from local writers of the seventeenth century who were disgusted both with the corruption which existed in the administration and in the economy and with the social unrest which shook the Empire. However, rather than from a general situation, it may have derived more from the desire to see the triumph of what was considered right at that time and from expectations about what could be achieved. Darling rightly questions whether in Suleiman's era all was perfect, as the seventeenth-century writers liked to believe; whether, during Suleiman's reign, there were fewer rebellions than in the seventeenth century; whether, since some of the seventeenth-century rulers were incompetent, they could have been replaced by others; whether seventeenth-century taxation was in fact heavier than taxation in the first half of the sixteenth century; whether decline stemmed from the fact that the Ottomans did not imitate the Europeans, and so on. Darling wonders ironically how it came about that, despite its decadence, the Empire survived for a further 350 years.

Darling supplies adequate answers to these questions by means of a deep analysis of the Ottoman taxation system as it was structured in the period examined. It is not, however, a strictly technical analysis. Following a trend which is found in much of Western historiography, but which for some years has been followed in Turkish historiography too, Darling sets the evolution of Ottoman finances both in the context of the economic-social history of the Western countries and in the context of the economic and demographic situation of the Ottoman Empire. In fact, he shows how the revolutions and rebellions that took place in the Empire and in China in the period studied had their origins

in economic and demographic crises which struck Europe as well, and how certain regions of Europe suffered seriously from brigandage. He argues that, in the Ottoman Empire, the outlying areas' request for security contributed to the reinforcement of the state by means of greater controls. Darling admits that it is not easy to identify the so-called seventeenth-century crisis. To set it in context, Darling has examined demographic evolution, production growth, commercial development, the monetary system, inflationary processes, price trends, the conditions of both the peasantry and the ruling class and the government's action. From this, he concludes that taxation was not in itself the cause of decline, but only in so far as the government did not decide in advance on the goals it intended to reach. Moreover, when military expenditure needed to be increased, the increase in taxation was not much higher than the rate of inflation: consequently, in the arms race with European states, the Ottoman Empire was handicapped.

The chapter on the central financial department is fundamental to the reconstruction of Ottoman financial history. Darling illustrates how it was formed and how it was reorganised. He lists the number of staff, which remained almost the same for 250 years, while the department was reorganised several times, thereby losing some of its important functions. From Darling's analysis, it is evident that it was not a static organism but rather a flexible structure, ready to adapt to the new requirements as they arose. And it was because of this flexibility that a provincial bureaucracy could emerge and certain administrative functions be decentralised.

The taxation system, the kind of taxes levied, the registration of tax-payers, the amount of the levy, the methods and the timing of tax imposition and collection are the subject of detailed examination in most chapters of the book. The method of collecting taxes is particularly interesting. As in Europe, it was not state officials who collected taxes, but private collectors authorised by the government and paid with a percentage of the monies collected. As in other European countries, tax-collectors were a class whose main aim generally was to maximise the yield of taxation because their own greater profit depended on it, even though in some cases the tax-collector's aspirations were legitimate, as was the case when inflation increased. The fact is that sometimes, and indeed often, their legal income was supplemented by money which, despite controls, the tax-collectors managed to get by means of corruption or by means of connivance with bureaucrats at both the central and local level.

After the late sixteenth-century military rebellion, tax-collecting was entrusted to the military classes and, in particular, to the cavalry. Both the taxation service and the yield of taxation improved as a result. However, Darling points out that, in taking on the role of tax-collectors, the military became part of the government structure, and it is not to be excluded that, having links with officials and powerful people belonging to various factions, they favoured some particular interest or aim. Later, the military were taken off tax-collecting which reverted to private hands.

It is interesting that between 1560 and 1660 the percentage of revenue that arrived at the central government gradually fell: it went down from 58% in the 1520s to 25% in the 1660s. In other words, most of the revenue remained in the provinces, in the hands of provincial treasurers and receivers or was spent locally. The burden of military expenditure ended up by being borne above all by two provinces (Rumel and Anadolu), while the other provinces, whose power grew as resources increased, urged the Sultans to grant their officials appointments which would integrate them into the State and involve them in military and financial relations.

In the light of these considerations we may conclude that this is an important work. It is based on solid documentation, is very balanced and shows no bias towards the men who carried the Empire's destiny on their shoulders in the period under consideration. The book also contains a valuable glossary and a vast bibliography.

Luigi De Rosa

L. GERMAN, E. LLOPIS, J. MALQUER DE MOTES, J. ZAPATA (eds.), *Historia Económica Regional de España. Siglos XIX y XX*, Santiago, : Historia. Barcelona, Crítica, 2001, pp. 619.

Since the publication in 1975 of Jordi Nadal's seminal book: *El fracaso de la Revolución Industrial en España*, there has been deep and intense research into Spanish industrialisation. It would not be an exaggeration to say that this book opened a new phase in Spanish economic history because it placed the study of the country's industrialization at the centre of the research agenda. However, after twenty six years, some perceptions firmly held in the seventies have changed. For example, it is no longer possible to describe Spanish industrialisation in terms of failure, and it seems more appropriate to see in the late success of the Spanish economy the result of a long two-century process in which growth periods have alternated with recessions.

It is well known that in many European countries economic growth has been characterised by the presence of deep regional imbalances, and the Spanish case is no exception. This justifies the adopting of a regional approach in the study of economic development in the second half of the last century as Myrdal, Hirsch, North, Thomas and Maddison have all argued. According to these authors, modern economic growth originated in certain areas which can be considered as "growth poles". In a second stage, the growth process spread from these poles to other areas. Of course, this poses the interesting question of how to define the concept of a growth pole. Its existence depends on a complex set of factors (economic, cultural, institutional, etc) whose effects are frequently very difficult to measure in purely economic terms.

One of the most noteworthy advantages of the regional approach is that it has convincingly shown the existence of many paths to economic growth, and it could be said that nearly every area has developed along its own path, according to its own advantages and opportunities.

The regional perspective has not been completely absent from Spanish economic history, as two previous and highly influential books, "La modernización económica de España" (Sánchez Albornoz, comp, 1985) and "Pautas regionales de la industrialización española" (Nadal and Carreras, dirs, 1990) demonstrate, so the present study under review can be considered a new step in this direction.

Historia Económica regional de España, siglos XIX y XX is the result of nearly a decade's research carried out by a group of Spanish scholars. Preliminary drafts of its chapters have been presented in research seminars and scientific congresses, especially in the "Primer Congreso de Historia Económica Regional" (Palma de Mallorca, 2000). The book consists of nineteen chapters, plus a statistical appendix and a general bibliography. First, we find a large group of seventeen chapters in which each one of the seventeen Spanish regions (*autonomías*) is analysed by an expert. Then, there is a second and smaller group of two chapters written from a different perspective. The first (Llopis Agelán) deals with the economic legacy of the *ancien régime* and shows, quite clearly, how some of the imbalances present in the Spanish economy today originated in the sixteenth and seventeenth centuries. The second (Maluquer de Motes) analyses the effects of Spanish entry into the European Union from a global point of view. Every chapter includes its own bibliography, which is completed, at the end of the book, by a general and updated bibliography. Thanks to these, the reader, and especially those interested in Spanish economic history in the nineteenth and twentieth centuries, has easy access to the more recent bibliography on the subject.

The main argument of *Historia económica regional de España* can be summed up as follows: Spanish industrialization started in Catalonia around the mid-eighteenth century (Maluquer de Motes). Thanks to the protective policies adopted by the Spanish government (1891 tariff), the presence of a good endowment of natural resources, the existence of a pool of capital, a relatively well-trained workforce and entrepreneurial experience¹, the Basque Country followed Catalonia in the last decades of the nineteenth century (E. Fernández de Pinedo).

Certainly, Catalonia and the Basque Country were the most dynamic and developed regions of the country at the end of the century, but this does not mean that the other areas were static and completely unaltered. Although they experienced a delay with regard to Catalonia and the Basque Country, measured in relative terms, it should be acknowledged that nearly every Spanish region

¹ As for Basque entrepreneurship, see J.M. Valdaliso Gago: *Los navíos vascos y la marina mercante en España, 1860-1935. Una historia económica*. Bilbao, 1998.

enjoyed a certain degree of development too. In most cases, this development rested on the expansion of the primary sector and the industries linked to it. This process was helped by two factors: firstly the institutional reforms in the first half of the century, and then the building of the railway network. This latter factor was particularly important, because it stimulated the development of a really integrated national market so, for instance, Galician and Cantabrian dairy products and Castilian wheat and flour could be sold in the big cities (X. Carmona; R. Domínguez Martín/P. Pérez González and J. Moreno Lázaro), while regions such as Navarra and Aragón supplied the primary products required by the Basque and Catalanian industrial areas (A. Arizkun and L. Germán dZubero). This growth model, mainly based on the agricultural sector and on the light industries linked to it, suffered difficulties in the last decades of the nineteenth century, but the Spanish economy faced them by way of change and adaptation. Under cover of the protective policy, the Basque Country's heavy industry expanded (E. Fernández de Pinedo), and the capital city, Madrid, began its industrial expansion (J.L. García Delgado/M. Carrera). In other regions there were significant changes too. For instance, the export of Mediterranean citrus fruits developed (J. Palafox) and in the interior areas new crops (such as sugar beet) were introduced.

As a result of these changes Spain's economic structure was characterised, in the first third of the twentieth century, by the presence of two advanced and industrial regions (Catalonia and Basque Country). A third one (Madrid) was growing fast. In the rest of the country, the agricultural sector was still important, and despite its many problems, it cannot be described as a basically underdeveloped one. In fact, this sector had a good export capacity (J. Palafox and M.T. Pérez Picazo/J.M. Martínez Carrión) and, at the same time, it stimulated the expansion of an important group of food-processing industries.

The Civil War and the period of autarchy was the most difficult phase. As previous works have convincingly shown, the autarchy policy had a disastrous effect on the Spanish economy, and the book confirms it. The twenty years between 1939 and 1959 were bad for all Spanish regions. In some of them, such as the Canary Islands and Andalusia (A. Macías and A.M. Bernal/A. Parejo) the consequences of the new policy were particularly heavy. In others, like Asturias and Galicia, (G. Ojeda and X. Carmona) the government tried to promote industry, but this was frequently a mixed blessing because the industries chosen were promoted for political reasons, so they depended on continuous government support for their survival.

There is no doubt that the turning point came in 1959, when a new phase began. This period peaked in 1986, with Spanish admission to the European Economic Community, and it was marked by two basic objectives: first the desire to remove the obstacles put up by previous governments to economic development, and second the intention of opening the country to Europe.

As we have mentioned at the beginning, the regional approach emphasises the existence of various models of economic growth. The Spanish example is

good evidence of this. Some regions, such as the Basque Country and Catalonia, have achieved high economic development levels thanks to industrial growth that strongly reflects the classic industrialisation models. However, other areas, such as Aragón (L. Germán Zubero); Navarra, (A. Arizkún), La Rioja (J.R. Moreno), Valencia (J. Palafox) and the Balearic Islands (C. Manera) have obtained the same goal through a different route. In general terms, it seems that these areas have benefited from the existence of a relatively dynamic agricultural sector, which has been the stimulus for the development of food-processing industries and for the birth of a modest, but not negligible, group of industries geared towards the building and repair of agricultural machinery. Not surprisingly, one consequence of the whole process has been the development of a trained workforce and entrepreneurship in these areas (although in some of them, like Majorca, the presence of a solid entrepreneurial tradition dated from the early modern period, as C. Manera points out), two basic conditions for economic growth.

After 1959 these advantages have been fully exploited. The Balearic Islands have used their long entrepreneurial experience in the expansion of the profitable tourist sector, while in Aragón, Navarra, La Rioja and Valencia, their favourable environments have attracted substantial foreign investments which have been fundamental for the development of modern industries.

If we take into account what we have said until now, it is clear that the agricultural sector has fulfilled in some Spanish regions the requirements needed if they are to be considered as a growth pole and the question arises as to why this sector has not played the same role in southern Spanish regions like Extremadura and Castilla la Mancha. The answer to this question is complex, but the book provides some important clues. In particular, it seems that because of its extensive nature, the agricultural sector of Extremadura (L. Zapata) and C. L. Mancha (R. Dobado and S. López) has been one of the biggest obstacles to the development of both areas.

In short, *Historia Económica regional de España* sums up the last decades' research on Spanish industrialization. If its objective was to show the advantages of the regional approach in the study of nineteenth and twentieth century Spanish economic history, it must be said that it has certainly been achieved. After reading the book, it is clear that there have been different paths to economic growth in Spain, from the Basque experience, heavily dependent on heavy industries, to the Balearics, where agriculture, commerce and tourism have been the engines of growth.

As we said at the beginning, views about Spanish industrialisation have changed in recent decades, and few scholars would dare to describe this as an example of failure. Of course, the existence of serious problems in regions like Extremadura, Castilla la Mancha and Extremadura (the southern half of the country), warns us against unjustified complacency. However, after considering the success achieved by other regions, like Catalonia, Madrid, the Balearic Islands, the Basque Country, Navarra, Valencia, Aragón and La Rioja, it is equally clear

that there are no grounds for excessive pessimism about the country's economic history or its future prospects.

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P. G. HUGILL, *Global Communications since 1844*. Geopolitics and Technology. The John Hopkins University Press, Baltimore-London, 1999, pp.XVII-267.

The book reconstructs the history of telecommunications since 1844 when the laying of the telegraph line using Morse signals from Washington D.C. to Baltimore, Maryland was the beginning of a paid public service for sending telegrams for companies and private citizens.

In various chapters Hugill examines the progress made in domestic and international telecommunications starting with the successful construction of underwater cables, the subsequent spread of telephones, the growth of radio and television and finally the employment of satellites and optic fibres.

According to Hugill throughout the nineteenth century the global control over telecommunications belonged to Great Britain, although this leadership was increasingly challenged by the United States and Germany from the beginning of the twentieth century with the use of low frequencies and long waves for the radio. However neither the United States nor Germany were able to take away Britain's primacy in the sector which was defended by the use of technologies based on the carrier wave, that is high frequency communications with recourse to radar and television. As a result Britain established its superiority in the 1920s and 1930s and kept it up to 1945 when the global control over telecommunications was taken over by the United States and consolidated in 1956 with Bell's underwater telephone cables and in 1971 with the digital satellite system developed by Intelsat. However since 1971 this global control has been weakening due to the development of optical fibre cables which have opened up ample opportunities for competition.

This is a work of synthesis and of reference in which Hugill describes the theoretical stages of technological development and their applications effectively and in a way which is accessible to non-specialists. The result is a text which is stimulating in the current debate on globalisation and which throws light on the process of political, economic, cultural and social standardisation that the global growth in telecommunications inevitably leads to. It also enables us to see that in the long term wealth is more likely to be produced by trade than by territorial conquest.

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R. MARCHIONATI (ed.), *"From our Italian Correspondent"*. Luigi Einaudi's articles in *The Economist* 1908-1946, 2 vols I (1908-1924); II (1925-1946), Fondazione Luigi Einaudi, Tprino-Leo S. Olschki editore, Firenze, 2000, pp.LIV-834.

Luigi Einaudi's correspondence to *The Economist* from 1908 to 1946 has at last been published and it provides a valuable insight into the changes affecting the economy and society in Italy and into the attitude of a liberal economist regarding changes in Italian economic policy in the period under study.

Since it is well known that *The Economist* does not reveal the names of the authors of the articles it publishes, the first problem facing the editor of this work was that of identifying Einaudi's writings, considering also that Einaudi was not the only Italian correspondent and that *The Economist's* archive was destroyed during the war in May 1941. A previous attempt had already been made by Luigi Firpo, as we can see from his *Bibliography of the Works of Luigi Einaudi* but the results seem decidedly limited. According to Firpo from 1915 to 1946 Einaudi published fewer than 50 articles. Yet the present collection contains 295, of which 139 were definitely Einaudi's and 156 have been attributed to him. This significant increase in number has been made possible above all by the consultation of papers kept by the Einaudi family in Dogliani and the study of other documentation which was subsequently acquired and added to the Dogliani archive, as well as by comparing what was published in *The Economist* and what Einaudi himself wrote in the *Corriere della Sera* and in the *Riforma sociale*, articles which carried his signatures. A note for each article clarifies the reasons for their attribution.

Marchionati has divided the correspondence into four sections: 1) from 1908 to 1918; 2) from 1919 to 1924: the period from the post-war crisis to the Fascist rise to power 3) from 1925 to 1935: Italian under Fascism; 4) from 1936 to 1946: the years of autarky. The work also reproduces four articles sent by Einaudi to *The Economist* and not published.

The issues addressed by Einaudi include problems related to development and general economic policy such as demographic and industrial policy. Yet the subjects dealt with most frequently are those related to public finance, national income, the currency, the stock exchange and banks, especially issuing banks.

From what Marchionati tells us, it appears that only once did these articles provoke a reaction in Italy. The incident occurred at the time of the war with Libya, on whose financial management Einaudi had reservations. The ex-Treasury Minister and ex- Prime Minister Luigi Luzzatti heavily attacked him in the *Corriere della Sera*, for which Einaudi also wrote as we have seen.

There was nothing new about the contents of the incriminating articles which reflected what Einaudi had been already arguing in other articles published in the *Riforma sociale* the journal of which Einaudi himself was the editor. Thus it was inevitable that the articles were ascribed to him.

In the face of Luzzatti's attacks, the then chief editor of *Corriere della Sera*,

Luigi Albertini, asked Einaudi if he was the anonymous author of the articles published in *The Economist*. Einaudi accepted responsibility for them, protesting about "his most scrupulous objectivity" and the absence of "any personal judgement" in the articles published in *The Economist*. He warned that he would never write in the *Corriere* again referring to "the difference of opinions about the Libyan campaign", which had become so evident with Luzzatti's attack and Albertini's letter, and questioning what was meant by "patriotism or slander with regard to the campaign." However Einaudi did not carry out his threat: he continued to write in the *Corriere* up until 1925 when the newspaper came under Fascist control and its long-standing editor was driven out for good.

Most of Einaudi's correspondence to *The Economist* comes in the period after the first world war up to the Fascist era. After he had ceased writing for the *Corriere* and with the suppression of the *Riforma sociale* by Fascist orders in the 1930s, the correspondence to *The Economist* became the only opportunity for him to take positions publicly in relation to such events as 1) the "quota 90" and the depression that followed; 2) the 1929 crisis; 3) corporativism; 4) commercial and monetary policies deriving from the adoption of autarky.

The work is enriched by Marchionati's long introduction which rapidly retraces the most important events in Italy's financial and economic history, especially since 1919. It also has a wealth of data, interpretations and observations which will prove invaluable to those who are interested in studying Italy's political history from the beginning of the twentieth century to the eve of the second world war.

Luigi De Rosa

L.A. RIBOT GARCIA, L. DE ROSA (eds.), *Pensamiento y política económica en la Edad Moderna*, Actas/ Istituto Italiano per gli Studi Filosofici/ Instituto Universitario de Historia Simancas. Madrid, 2000. pp. 253.

As every scholar interested in early modern Spanish history knows, Castilian economic thought has attracted the attention of a large group of researchers, and a similar thing could be said about the Crown's economic policy. This reflects the importance ascribed in Castilian society to a group of social and economic reformers, the so-called *arbitristas* and the traditional belief that in the eighteenth century the government adopted a fiscal policy which damaged the country's economy.

Yet it would be unjust to forget that in other areas of the Habsburg Monarchy, like southern Italy, there was considerable interest in economic problems, too, as the works of the seventeenth-century Neapolitan economists

² L. Einaudi, A proposito della Tripolitania. *Ottimismo e pessimismo coloniale in Riforma sociale*, 1911, pp.748 et seq.; *Idem, I fasti italiani degli aspiranti trivellatori*, ivi 1912, pp.161 et seq.

testify. For example we can name Antonio Serra who, in Schumpeter's words, was the first person to write a really scientific treatise on economic policy. No Castilian *arbitrista* has ever obtained such acclaim.

Economic thought and economic policy in Castile and Naples are the two main themes of the book under review. It is the third of a series begun in 1997 with the publication of *Ciudad y Mundo urbano en la Epoca Moderna*. Like the others in the series this book consists of a group of articles written by Spanish and Italian scholars, which is one of its notable merits since this comparative perspective gives us a clear view of parallels and differences between the two areas.

The first article analyses the importance of Flemish *arbitrismo*. Its author M.A. Echevarria Bacigalupe shows that in the first decades of the seventeenth century there was international economic debate about the kind of economic policy that should be employed in the lands ruled by the Spanish crown. The problem was that each part of the monarchy had its own interests to defend so it was almost impossible to implement a global policy. For example, while Castilian *arbitristas* supported protectionist measures, an important group of Flemish *arbitristas*, embodied in the figure of the famous A. Struzzi, chose free trade. This group's influence was considerable. Indeed, as Echevarria Bacigalupe reminds us, in economic terms it can be said that the Nine Years' Truce reflected its triumph.

It was not by chance that taxation became one of the most important fields of research among Castilian *arbitristas*. Like most of Castilian society they saw the increase in the Crown's tax revenue as one of the causes of the country's economic problems. There are studies on some of the most important taxes like *milliones* and *cientos*. However, there were other revenue sources which have not been analysed up till now. *Donativos* studied by J.I. Fortea Pérez in his article, were one of these. Theoretically *donativos* were not a tax but a sum of money the kingdom, the towns and the corporations granted to the king without imposing any conditions. Needless to say, in practical terms *donativos* were seen by those who were obliged to pay them as an ordinary tax. This was partly due to the collection methods employed. Fortea Pérez shows that there were mainly two methods: *donativos* could either be paid collectively by towns or corporations, or directly by individuals. In the latter case, this gave rise to the very well-known problems in assessing individual wealth, so it is not surprising that *donativos* provoked strong opposition.

Taxation is one of the most widely studied aspects of Castile's economy in the seventeenth century, but there were other important aspects too. In the last few decades of the century a number of reforms preceding the Bourbon era were introduced as the article by J. Antonio Sánchez Belén shows. In 1679, for example, the famous *Junta General de Comercio* was set up, which has been examined by P. Molas Ribalta, and the same reformist tendency accompanied the birth of an industrial policy, studied by A. González Enciso. After a brief

interlude caused by French control over government in the first years of the Bourbon dynasty, this policy was reintroduced. Its main objective was to promote the secondary sector, removing some of the obstacles which had damaged Castile's economy in the previous century. Of course this was always carried out under strict government surveillance, which is the clue to understanding the true meaning of Bourbon reform and its industrial policy. As Molas Ribalta and Gonzales Enciso remark, the Crown's interest in industrial promotion stemmed from its aim to increase the country's industrial capacity in order to sustain an ambitious foreign policy and not from a desire to promote people's welfare.

Good evidence of this is found in the interesting article by E. Maza Zorrilla. It is well known that, thanks to the Poor Laws, eighteenth-century Britain enjoyed the benefits of a global welfare policy. This had economic consequences. First the Poor Laws were a massive transfer of income which helped a large part of English society to maintain a relatively good standard of living; second this helped to sustain domestic demand too. As E. Maza Zorrilla shows the Spanish welfare system was completely different. Despite the policy of reform and the debate and projects, the system preserved its traditional characteristics (decentralisation and church control) and its capacity to fight poverty was always low.

We have already said that the Kingdom of Naples was the centre of an important economic school in the first decades of the seventeenth century. In the eighteenth century interest in economic and social problems was still very lively. In this environment many reformers, which have been closely studied by F. Venturi, tried to explore the problems the country had to face. One of the most important figures in this group was Antonio Genovesi, examined by A. M. Fusco in his article.

There are two articles on the southern Italian economy. While González Enciso shows how the Bourbon government promoted the Spanish economy, L. De Rosa examines the other side of state intervention in his study about the economy and taxation in sixteenth-century Naples. As De Rosa shows, the growth in the fiscal burden in the sixteenth century had serious consequences for the kingdom's economy. Among them was the widespread use since 1570 of a kind of bank-note, the *fede di credito* and the growth of public banks. At first sight it might be thought that the development of a modern and advanced financial sector – examined in 1987 by the author in *Il Mezzogiorno spagnolo, fra crescita e decadenza* – was the result of economic growth. However, as De Rosa points out, it would be more accurate to interpret these changes as a response to the great drain of precious metals caused by payments' deficits and government expenditure outside Naples.

The end of the expansionist phase in the last decades of the sixteenth century marked the beginning of a crisis which lasted until the beginning of the eighteenth century when a new growth phase set in. In the reign of Charles Bourbon, who later became Charles III of Spain, the Neapolitan economy enjoyed

a special period of growth. The economic policy adopted in the period is studied by I. Zilli in her article. Some of the most important measures (like the improvement in land and sea transport and the recovery of tax revenue that the Crown had transferred to individuals in previous reigns for example) sound familiar to Spanish readers and it is easy to see them as an antecedent to the policy the king later adopted when he occupied the Spanish throne.

In short *Pensamiento y política económica* gives us a clear view of some major topics concerning early modern Spanish and Italian history. Its comparative approach brings out the similarities between the two areas. Both share the same pattern in growth and decline phases and a common interest in a set of economic problems which were basically the problems of two agricultural societies whose growth was stopped by the checks and controls typical of preindustrial societies. This was aggravated by a rising tax burden, the decline of the industrial sector, the persistent payments' deficit and the loss of precious metals. Of course there were differences. It must be said that financial institutions were more advanced in Naples than in Castile, although this did not arrest the country's decline. Generally speaking, though, there were more similarities than differences and the book illustrates the two region's basic homogeneity in this early modern period.

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LUIS ANTONIO RIBOT GARCIA, LUIGI DE ROSA (eds.), *Industria y época moderna*, Actas Editorial/Istituto Italiano per gli Studi Filosofici, Madrid-Nápoles, 2000, pp. 402.

The crisis in Spanish and Italian industries is one the most interesting aspects of European economic history because it helps to give us a better understanding of the decline of the Mediterranean in the seventeenth century and the growth of the more advanced northern European economies. The great development of the Anglo-Dutch secondary sector was one sign of this change. Not surprisingly, a long list of distinguished historians like D. C. Coleman and B. E. Supple have studied British industry and other scholars like Posthumus, Jan de Vries and A. Van der Woude have analysed the Dutch case. As a result, we now have a good and detailed picture of the growth of Anglo-Dutch industry during the period.

As might be expected, there are many works about the Spanish and Italian manufacturing sector too. To quote a few, we could mention the works of L.M. Bilbao, E. Fernández de Pinedo and A. García Sanz, on the Spanish experience, and C.M. Cipolla, L. De Rosa, P. Malanima, C. Poni, D. Sella, and R. Rapp for Italy. However, as González Enciso writes in the introduction, there still are many problems about our knowledge of the topic, especially in the Spanish

case. The book under review, "*Industria y Epoca Moderna*", is an attempt to study some of them. It consists of twelve articles written from different perspectives by a group of Italian and Spanish experts. It should be noted that, far from being a problem, this is an advantage which highlights the variety of factors that we have to consider if we desire to fully understand industrial growth. In most of the articles there seems to be an agreement on the importance of state support in industrial development through measures such as tariffs, privileges and the grant of monopolies.

The first part of the book focuses mainly on eighteenth-century Spanish industry. After 1670-80, in the last decades of Hapsburg rule, the Castilian Crown began to participate more actively in the economy, so in the eighteenth century its influence was felt in many areas. Entrepreneurship is a good example. It is well known that it very often rested on the Bourbon state. In fact, a group of state-related entrepreneurs emerged during the century, and in some cases the government became an entrepreneur producing its own guns and ships (A. González Enciso). This reflected a long debate running throughout the period: should the government manufacture the products it consumed, or should it buy them? The answer to this question was never straightforward, and it depended on the sectors and circumstances (R. Torres Sánchez).

But state intervention was not restricted to industry alone. Throughout the early modern period, trade was closely controlled by European states. One of the leading sectors of the Industrial Revolution, the cotton textile industry, was developed behind the protective walls erected by the British government. In Spain, something similar happened in the case of Catalonian cotton. However, because of the Crown's dependence on the fiscal revenue obtained from wool and silk exports, and of the strength of the interests linked to these activities, the Spanish government never introduced a clear and consistent protective policy to promote the silk and wool industries (R. Franch Benevent).

The book deals with other important factors. For example, Pere Molas Ribalta looks at Spanish guilds in the eighteenth century, M. Martín Galán analyses occupational diseases, P. Martínez Burgos García gives a global view of the relationship between arts and industry and L.M. Enciso Recio studies one of the most outstanding figures of the Spanish Enlightenment: Gaspar Melchor de Jovellanos. It may be thought that the Crown was alone in its desire to promote the industrial sector, but, as the author shows, there always was an important number of Spanish "ilustrados", grouped in the "Sociedades de Amigos del País", supporting the government's reforms.

The Italian experience is studied in the second part of the book in five articles on Neapolitan, Sicilian and Venetian industry. These articles, written from a long-run perspective which covers the early modern and contemporary periods, are highly interesting, especially for non-Italian readers, because their regional approach provides us with a clear view of the problems that diverse regional situations posed to Italian industry.

Again, the importance of the state is noteworthy. The Kingdom of Naples, studied by I. Zilli, was a traditional exporter of primary products, but this did not stop the development of the silk and wool industries which suffered the consequences of the seventeenth-century crisis, aggravated, especially in the silk sector, by the increasing fiscal burden. After a long phase of crisis, the Napoleonic System favoured the growth of war, cotton and wool industries. As we can see from L. De Rosa's article, there is some justification in considering this as the beginning of a problem which has dictated the development of south Italy's secondary sector since then. Protectionist measures (1878 and 1887 tariffs) and special laws (1904 Special Law) have been a basic condition for industrial development; however, these measures have not been enough to guarantee the growth and survival of a really competitive and advanced industry. The problem was complicated by disparities within the region. Like Naples, Sicily, studied by Orazio Cancila, was also a exporter of primary products. Post-unity free trade damaged Neapolitan industry, but it benefited the sales abroad of Sicilian wines and citrus fruits. However, protectionism in the 1880s and 1890s, which helped Neapolitan industries, had very different consequences for the Sicilian economy.

The best results of protectionism were undoubtedly achieved in northern Italy. In his articles about Venice, Giovanni Zalin explains the importance of the new policy (promoted, not by chance, by many Venetian policies) and shows that, after the long stagnation phase which lasted since the end of the Venetian Republic until Unification, this was one of the main causes of the region's economic growth.

What conclusions can be drawn from the Spanish and Italian experience? The importance of the state in industrial promotion is a point most articles of the book emphasise. However, it is also clear that state support, by itself, did not guarantee success. The Bourbon government, for example, was successful in its promotion of the Spanish industrial sector, but we should not forget that in some cases its initiatives simply caused the misuse of productive factors which could have been more usefully employed in other sectors (Torres Sánchez). In the Italian case, it is equally clear that the same kind of trade policy had different consequences in Venice, Naples and Sicily. This is a good proof of the need to take into account regional factors in our work about industrial and economic growth.

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A. Teichova, H. Matis, J. Pátek (eds.), *Economic Change and the National Question in Twentieth-century Europe*, Cambridge University Press, 2000, pp. XVI-433.

The result of twenty authors' collaboration, this book tackles a subject which has hardly ever been dealt with in the wealth of publications on nationalism,

i.e. the reciprocal relationships between nationalism and economic change, especially with reference to Europe. I say Europe, although the Baltic countries (with the exception of Estonia), Scandinavia (Denmark, Norway and Sweden), the Netherlands, France and the United Kingdom do not figure in the book: they were all countries where the nationalistic movement was either negligible or did not exist at all and, in any case, did not in any way affect the processes of local economic change.

There are some countries in the book which have necessitated more than one paper because of the complex nature of their political and economic problems. Three authors (Jeroslav Pátek, Cristoph Boyer, Roman Holec) have written about Czechoslovakia. Pátek deals with the economic, social and political aspects of the country between the two world wars; Boyer examines the competition between Czechs and Germans in the economy of the first republic (1918-1938); Holec writes about the economic aspects of Czechoslovakian national development.

The problems of Germany required two papers: Joerg Roesler examines the economy as a driving force or a delaying force in the development of the German question in the second half of the century, whereas Edward Kubu studies the Lusatian Sorbs in Germany before the second world war in order to assess their economic impact on the national issue.

There are two papers on Spain: one, by Gabriel Tortella and Stefan Houpt, examines Spanish economic-nationalistic policies from autarchy to the European Union. The other, by M. Gárate Ojanguren, reconstructs the Basque issue's economic background.

Other countries are dealt with in a single paper. Alan O'Day writes on Ireland, Erik Buyst on Belgium, Bruno Fritzsche on Switzerland, Nuno Valerio on Portugal, Luigi De Rosa on Italy, Margarita Dritsas on Greece, Herbert Matis on Austria, Agnes Pogany on Hungary, Neven Borak on Yugoslavia, Jerry Tomaszewski on Poland, Anu Mai Koll on Estonia, Riitta Hjerppe and Juha-Anti Lamberg on Russian Finland and Andrei Yu Yudanov on URSS-Russia.

But what is the result of the complex analysis found in this book? Firstly, it is shown that there is no clear-cut distinction between countries with populations from the same nation and countries with populations of mixed nationality. In Europe, there are some countries with larger or smaller linguistic or ethnic groups, but they appear as countries with more than one language rather than as countries with several nationalities. In Belgium, for example, the French language is predominant in Walloon and the Dutch language is predominant in Flanders, yet both linguistic groups regard themselves as Belgian. The same is to be said of Switzerland, where there are three languages, but the inhabitants all think of themselves as Swiss, regardless of the language they speak. Not even the splitting of Germany into two opposing regimes, as after the second world war, created different nationalities. Reunification in the 1990s has brought all Germans back again into the same national fold, notwithstanding the long

division. However, it may happen that one linguistic group advances more than the other, or than the others, and so acquires greater political influence. But this does not alter the national character of the country. Both the Walloons and the Flemish call themselves Belgian, despite the fact that the Walloons have made greater economic progress and increased their political influence. In fact, this book shows that social antagonism is affected by phenomena connected with industrialisation and emigration, rather than by national or cultural conflicts.

Not all the cases examined in the work have the same pattern of development. In German territory, the small Slav minority, the Sorbs, is witnessing, powerless, Germanization, despite government support after 1945. Nothing can stop the processes of urbanisation and industrialisation that are under way.

Issues of nationalism have not always had a peaceful development. The cases of Ireland and the Basque country are well-known. In Ireland, disregarding the political, historical, economic and social aspects, the religious issue is the most important one, but in the Basque country the economic situation plays a significant role. Basque nationalism is also a consequence of the economic importance of that region and of the world economic crisis and the decline in heavy industry which have assailed the country.

Another country which harbours national conflicts within its borders is Czechoslovakia, "a sort of miniature Austria-Hungary", where Czech-Germans, Czech-Slovaks and Czechs clash, without there being any relative economic communities. Yugoslavia is another body of minorities: in 1919, the country gathered together and unified different ethnic, linguistic and religious groups who were in different economic conditions. However, the nation which was founded then has not withstood the test of time. The economic crisis, or rather the economic take-off which never happened, has contributed to the country's break-up which has been accompanied by, and followed by, bloody ethnic wars in the last years of the twentieth century.

Italian nationalism emerged towards the end of the nineteenth century, and established itself with protectionism, industrial growth, the war in Tripoli and participation in the first world war. It achieved power by amalgamating with fascism, to which it passed on its trends in foreign policy, i.e. territorial and colonial expansion used as a means of acquiring markets for the supply of raw materials and for finding a market for its own products. These aims were most enforced with the Ethiopian war, autarchy and entry into the second world war.

After the second world war, the inception of the process of forming the European Community and the gradual emergence of a policy of eliminating customs barriers and permitting goods, people and capital to circulate freely has, however, wiped out any interest in any form of nationalism, although, within the EEC, there has been some defence of the interests of a single country, since the EEC penetrates the whole sphere of activities and consumer systems of the countries which are member-states.

In conclusion, the EEC has been a powerful antidote to nationalist

tendencies. However, the economic malaise experienced in Europe in the last years of the twentieth century, and which became more acute during the oil crises, has also been responsible for the rise of other kinds of nationalism, no longer based on the state but nationalism of an obvious local economic significance. In more than one country, certain ethnic and linguistic minorities, that had been silent and acquiescent for centuries, have put forward claims to autonomy and independence. In some countries, such as Italy, where there were no linguistic or ethnic differences, the demand for nationality has been associated with ancient myths such as, for example, the Serenissima Republic of Venice which no longer existed after the end of the eighteenth century.

I have highlighted only some interesting pages of this book. But it contains many more comments and ideas, and opens the way to new and more concentrated research. This is not the usual collection of disparate papers, but is a solidly-researched book, both well-organised and compact, and the single chapters are connected by an invisible but unquestionable thread.

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F. TRIVELLATO, *Fondamenta dei vetrai. Lavoro, tecnologia e mercato a Venezia tra Sei e Settecento*, Donzelli, Rome 2000, pp. VIII-343.

In the last two centuries of the Venetian Republic's history, the glass industry proves to be a very fertile field of research: the study of glass manufacture shows the complexity of the guild system and its capacity to react to innovations and transformations in labour organisation.

Francesca Trivellato addresses the issue from a historiographical slant which questions the role of urban institutions in *ancien régime* systems. The method she uses moves away from a formal-statutory analysis and allows her to reveal the existence of "grey areas" regarding the opportunities which arose for individual strategies. This is achieved by means of a "micro-analytic" approach, paying particular attention to individual histories.

Ever since William H. Sewell and Michael Sonenscher's work on French history and Carlo Poni's research on the Italian silk industry, historians widely agree that the guild structure had a certain degree of flexibility.

This study of the glass industry in the seventeenth and eighteenth centuries fills a gap in research on aspects of the Venetian Republic's life. Once the ground has been cleared of sweeping statements about Venice's decadence (for an ample survey of the Venetian Republic's economic history, see *Storia di Venezia*, published by the Istituto dell'Enciclopedia Italiana), Venice may be taken as an example of an economic pole that, despite having lost its leading position in those years, was able to exploit the opportunities offered by the reorganisation of international

trade and to accept the challenges of foreign competition in the technological field.

The sources examined are mostly archival: legislative and judicial material produced by the guilds and by the government bodies that had to control them. Francesca Trivellato laments the absence of sources that provide a systematic documentation of the volume of local trade and private wealth, as well as the lack of sources for commercial accounting.

Nevertheless, the administrative autonomy enjoyed by the island of Murano, where the glassworkers' guild had its headquarters, has produced an abundant documentation, which is not to be found in most of the other Venetian guilds. It is this documentation which Trivellato uses to reconstruct, for example, the evolution of the wages drawn by workers in the glassworks.

The first part of the book is about Murano where the kilns had been active since the thirteenth century. The second part is about Venice where the semi-finished goods were sent and where the finished products found their natural commercial outlet. The first chapter, "Lungo la Fondamenta dei vetrai", analyses the *redesima*, or the cadastral survey carried out in 1661 by the Venetian authorities, by reconstructing the typology of the "*compagnie da vedro*" (glass companies) as they were being restructured after the plague of 1630-31.

The second chapter, "Alla mercé dell'armonia: salari, contratti e tutela degli operai", is a thorough analysis of the wages system and the workers' protection mechanisms. Statistical findings in the hiring contracts of masters and workers lead to interesting results. Notable differences in the level of wages within the same professional groups are to be found, differences determined on the basis of the status of master or worker, but these differences also depend on the particular branch of production, the level of work carried out, technical ability, age, and on the region the worker came from. A very varied picture emerges which does not allow us to apply the modern concept of "category wage". In a market of specialised and guild-controlled labour, the level of reward was the function both of individual productivity and formally defined social stratification. The guilds' wage policy aimed to reconcile a wage structure based on individual productivity with the moral needs of an economy whose costs were shared by the entire hierarchy.

The third chapter ("Cittadini muranesi e cittadini veneziani") deals with the dynamics of social mobility. Trivellato is particularly interested in understanding to what extent the fact of being a native citizen favoured a person's social and economic progress. In actual fact, the number of kiln owners who could claim to be native citizens was rather small and so it would appear that this was not a particular source of social prominence.

The fourth chapter ("Inerzie ed evoluzione del sistema corporativo: *l'arte madre nel Settecento*") documents the eighteenth-century results of a process of labour restructuring which had begun in the seventeenth century. A trend towards oligopolistic conditions gradually emerged; the kiln owners tried, with ever-increasing insistence, to secure exclusive rights to working specific

artefacts and some precious raw materials, and they were ready to adopt the new techniques which had developed in Bohemia and in northern Europe. In such a context, marked by an ever-increasing concentration of production, the path was open to the development of embryonic economies of scale.

The survey of the production system is completed by the fifth chapter on the secondary guilds. Among these, the mirror-manufacturers' guild and the glass bead-manufacturers' guild were particularly important. It is interesting to note that, at the level of these minor guilds, cottage industry, removed from the control of the guilds, continued to increase in size, thereby contributing to the setting up of informal ways of initiation in a trade and increasing the flow of technical knowledge.

In this context, figures that were traditionally alien, or at least marginal, to guilds had a particular role: immigrants from the Friuli region (chapter six, "Operai friulani"), employed in making mirrors, and the female workforce, the so-called *perlere* (chapter seven), who provided cheap labour which could be used at times of economic expansion.

In the three chapters in the third and final part of the book ("Technology, Demand and Markets"), Trivellato deals with issues such as technological innovation, the extent of demand outside Venice and the volume of commercial traffic. Once again, the estimates of production costs show that the guild institution did not stand in the way of the quest for new techniques in the working of glass. The guilds seemed to be open to capital-saving innovations, but were much more cautious about labour-saving innovations, where the interests of the hierarchy prevailed over market demands. On the one hand, the mechanisation of the preliminary phases of manufacturing - which concerned only non-specialist workers who, by definition, did not belong to the trade guild - was unanimously accepted. However, on the other hand, the "casting" method of producing sheets of glass, which would have entailed a reduction in manpower, was ignored.

Customs traffic in the last decades of the eighteenth century is amply documented in the archives and provides evidence that the substantial foreign trade dealt not only in luxury goods (glass window-panes, mirrors, chandeliers and glass tableware), but also in less valuable products such as glass beads. Despite the general decline in the last decades of the eighteenth century, the exportation of glass beads continued to increase, due mainly to their use in the slave trade. As an epilogue, the adventures of Giorgio Barbaria are retold. He was an entrepreneur whose fortune was made both by his personal initiative and by the privileges of his position. Thus, like the Venetian production system, he was poised between innovation and conservatism.

Two appendixes (one of the inventories and the accounts of the Murano glassworks at the end of the seventeenth century, and the other of the wages of the masters and the glass-workers in Murano between 1638 and 1692), and

a useful glossary of the terms in use in the Murano glassworks complete the work.

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G. VIGO, *Nel cuore della crisi. Politica economica e metamorfosi industriale nella Lombardia del Seicento*, University of Pavia, 2000, p. 171.

This book consists of five papers preceded by an introduction and followed by useful appendixes which include various accounts contemporary to the period examined and concerning industrial and commercial problems of the time.

On the whole, Vigo agrees with C. M. Cipolla's conclusions, believing that the 1619 - 1623 crisis, though serious, was not an isolated and sudden episode but the outcome of a slow evolutionary process which began in the last two decades of the sixteenth century. Like Cipolla, Vigo is of the opinion that, although other concurrent causes should be considered, the 1619-1623 crisis must be placed in the context of the changes that the international market underwent between the sixteenth and the seventeenth centuries. Italian industry was not in a position to resist the competitiveness of French, English and Dutch industry which was protected and developing rapidly - a product of what John Nef called the first industrial revolution.

Italian industry was mummified with its hierarchies and its guild structures. Proud of its luxury products - the splendid woollen, silk and gold cloths and the finely worked suits of armour - Italian industry continued to believe that, once recovery took place, its luxury products would be in wide demand throughout Europe, as they had been in the past. A prediction that did not come true, but that, on the contrary, was belied by the plague of 1630-1631, this time once and for all.

Vigo's book makes an effective analysis of both the 1613-1623 crisis and the consequences of the dramatic plague of 1630-1631, but its greatest merit lies in the important, widely-documented and lucid contribution it makes to our knowledge of the various proposals put forward with consultations, reports and petitions in order to try to recover from the crisis. At the same time Vigo does not forget the series of attempts made by the government regarding the matter, which he also examines.

From Vigo's reconstruction of events, it appears evident that neither the guilds nor those with a vested interest in them, nor the government, had grasped the nature of the deep causes of the crisis. Economic operators and the government had not realised that wealth coming from oceanic trade had broadened and simplified the category of income earners and, at the same time, stimulated a medium-quality production that increasingly satisfied national markets which were further reinforced by customs barriers.

The book shows that while the authorities insisted on preserving the tradition of high-quality products a considerable number of merchants believed that by intervening on labour costs they could regain the competitiveness they had lost. Bypassing the guild organisation, in order to save on salaries they gradually transferred part of the production process from the town to the country, or assigned production directly to the less-qualified workers in the town. This resulted in a product of poorer quality, which was exactly what the continually increasing international market requested. Vigo is not wrong in stating that in this way these merchants placed themselves advantageously "in the new international division of labour". Unlike those who sought to bring industry back to the manufacture of essentially fine products for which it was widely known, this class of merchants and capitalists managed to preserve the Lombard economy's link with the transalpine economies, thereby avoiding the loss of precious trading knowledge gathered over the centuries.

In conclusion, Vigo's book illustrates a difficult page in Italian and European economic history. And it does so using a very clear style and showing a thorough knowledge of the unpublished archive sources as well as of the literature that has amassed on the subject over the years.

Luigi De Rosa