

---

## REVIEWS OF BOOKS

---

L. BALLETO, *Battista de Luco mercante genovese del secolo XV e il suo cartulario*, Collana storica di fonti e studi diretta da Geo Pistarino, 29, Genova, 1979, pp. XCII-304, VIII tables.

There are very few editions of documentary sources for commercial history, such as trade handbooks, merchants' letters and private account books. This volume, edited by Laura Balletto, is especially important for this reason, since it is only the second XVth century Genoese merchant register to be published, following J. Heers' edition in 1959 of Giovanni Piccamiglio's accounts. It is important also because much of it deals with a journey which Battista de Luco made to Tunisia, Alexandria and Chios in 1472-3, and the business negotiations he was involved in there; the names of Moorish merchants appear, as well as exotic merchandise and local currencies such as the *nasir* and the *ashrafi*.

The author has undertaken a difficult task in transcribing the text and arranging its typography, on account of the remarkable difficulty in reading the handwriting of merchants of that period, compounded in this case by frequent damage to the manuscript which called for restoration. She used a different method from that which Heers adopted for the Piccamiglio register, since she wanted to provide the reader with a text that would clearly reveal its double-entry structure by systematically placing the *debet* (on even pages) opposite the *recepimus* (on odd pages). This edition should then be seen as editorial model in a field (that of private account) in which there is as yet no specific tradition governing the methods to be applied, and which had hitherto consisted of a series of empirical efforts caught between the demands of ease of reference on the part of the reader, on one hand, and the need to save space and therefore printing costs, on the other.

The wide ranging Introduction does not stop at a description of the manuscript but tackles a series of problems arising from it, and so makes a useful contribution to the history of economic and financial institutions. Balletto deals first with the Genoese account book, which differed from the better known Florentine and with what Melis described as the "hobbling" double-entry system, which she related to previous studies, remarking that something similar can be found in the master ledgers of the middling and small merchants. She pays considerable attention to the question of foreign currencies, the Tunisian *dobla*, the Egyptian *maydin*, the ducats and *gigliati* of Chios. Using data from the manuscript, she calculates their exchange values in Genoese currency. The problem of Chios and Genoese currency has already been studied by Promis, Lambro and Argenti, and is particularly important for the history of financial relations both with the Greek and with the Turkish empire, since it was also connected with the development of trade between the Eastern and Western Mediterranean.

She also deals with the problem of weights and measures; the difficulties that arise for the student in calculating equivalents between the Mediterranean countries are well known, and the author herself drew attention to these in her paper to the first congress of the *Bulgaria Pontica Medii Aevi* (Nessebar, 23-27 May 1979). After summarizing the various units of weight and measure which appear in the De Luco manuscript and referring to the equivalents with modern units calculated by Rocca and Heers, she makes an interesting new contribution in differentiating the units of measurement used for commercial and transport purposes, which were quite unlike metric decimal units and which in certain fields of economic life have survived from the Middle Ages to the present.

The author also discusses the way in which financial documents were produced, something which has not hitherto been sufficiently examined. What was the legal status of a private account book, which was not subject to the control of the public authorities? It must not be overlooked that these account books were referred to in wills, when the testator wished to indicate credits and debts, and in certain cases their conservation was provided for by the government of the Genoese republic, following an official order which the author has published from the series *Diversorum* in the Genoa State Archive. As was often the case in medieval affairs, the private and the public were often indistinguishable — or else, on certain occasions the private simply became public. This was the case of the private account books, and their historical development is fully discussed in the Introduction.

The author also examines the palaeographical features of the document, paying particular attention to the presentation of the Roman numerals and Arabic figures and the different ways in which each were used and in what contexts (for dates, units of measurement, reference etc). This raises the more general problem of editorial practices — and the present tendency to substitute Arabic for Roman numerals when publishing medieval account books. This

is criticised by the author, who argues for the scrupulously exact transcription of the original text both on methodological grounds and in order to preserve material likely to be of great interest for the history of mathematics. Roman numerals and Arabic figures reflect, in the ways that they were used, quite different types of mental operations and they were used for separate and distinct purposes. This in part explains the conservatism of many merchants, especially the Genoese, in adopting Arabic signs for commercial and accounting operations where they involved using new graphical figures and adapting their traditional calculations to suit.

Both the accounts themselves and the introduction show that Battista de Luco was a prototype of the Genoese merchant class. As G. Pistarino points out in his preface to the edition, De Luco was a man who did everything for himself: he was a good husband and father who carefully noted down in his ledger all expenditure on his wife, his daughter and their servants. He travelled not only in Tunisia, Alexandria and Chios, but in England and Provence as well. His was a family business (there was a brother-in-law in Tunis), but he also had close ties with the greatest Genoese noble clans of the time. At Genoa he traded in the usual commodities — wine, cereals, skins etc — but he was also a large importer of honey and pepper. Browsing through these pages reveals all kinds of information relevant to the history of prices, the nature of the middling mercantile class in late XVth century Genoa, and the structure of its trade. The *Index rerum* which the author has compiled, together with an *Index locorum et personarum*, is extremely useful for identifying the commodities passing through the city. There are 8 tables illustrating different examples of palaeography and compilation drawn from the De Luco manuscript — the double entry system of the *debet* and *recepimus*, the monetary terms used, and the calculations using Arabic figures. There is also an index of abbreviations used in the MS, drawn up along the lines proposed by Melis, and designed to demonstrate the corpus of abbreviations and signs used by De Luca, and which provides some additions to the categories already known.

This study is the product of long and careful research. Both the text itself and the author's Introduction constitute an important contribution to the history of trade and institutions in XVth century Genoa. The volume is dedicated to the late Federigo Melis (who was the author's tutor in 1973 on a specialist course on the transcribing and interpretation of commercial documents in the period 1200-1600 held at the Francesco Datini Istituto Internazionale di Storia Economica at Prato), and is a fitting honour to the memory of a man who made such a great contribution to scholarship.

GIANNINO BALBIS  
University of Genoa

J. P. CUVILLIER, *Vincent Auriol et les finances publiques du Front populaire*, Preface de Alfred Sauvy. Publications de l'Université de Toulouse — Le Mirail 1978, pp. 124

When judging a politician or financier, historians are too prone to look simply at the policies adopted and the results achieved. Their background becomes secondary as the historian attempts to distinguish between sound strategy and the practical needs of the moment, and in the attempt to go beyond the ephemeral opinions of contemporaries he often neglects those great public debates which, in the context of the years of the Popular Front in France, reached a particular degree of intensity.

In his recent study of Vincent Auriol and the financial policies of these years, J. P. Cuvillier introduces a new dimension. He focuses on the ideological leanings and the theoretical training of those who were responsible for running French finances under the first government to be established after the elections of April 1936, starting with Auriol who was Minister of Finance between June 1936 and June 1937 and the experts who surrounded him. His study is based on hitherto unused sources such as the papers of André Monteil, a close friend of Auriol who acted as his *directeur-adjoint*, and relatively neglected journals such as the *Etudes Socialistes* and in particular the *Finances Publiques* which were run by trade unionists in the Finance Ministry, as well as booklets aimed at Socialist militants and voters. All these texts (many of which were annotated by Auriol himself) have been carefully studied to illustrate 'the aspirations and doubts... of those running the financial administration', and the role played by foreign influence (German, Russian and 'Rooseveltian'), in order to show how ideas and programmes evolved under the pressure of theoretical leanings, political discussion and events.

J. P. Cuvillier is much too good a historian to treat the years of the Popular Front in isolation, and his study covers the whole period from 1933 to 1939, which he sets against the more general context of economic and social development in France since the end of the First World War. Nor does he neglect the lessons which the Socialists learned from coming to power. The men responsible for devising and implementing a new line of financial policy were few in number, and did not on the whole come from the upper classes which had traditionally provided the Inspectors of Finance and the Regents of the Bank of France. They were by and large aware that a new line of policy necessitated new structures, and that they would have to go beyond mere adjustments and reorganisation if they were to introduce measures of socialisation, nationalisation and planning. Yet these were not wanted by many of the groups which made up the Popular Front — they were not wanted by the Radicals of conviction, nor by those who had become Communist primarily because they were anti-Fascist, nor even by many of the Socialists, starting with Auriol himself who was opposed to 'constraints and.. dictatorial measures'. So, such plans were studied but they were brushed aside, as the discussions in the pages

of *Finances Publiques* of proposals to introduce controls on foreign exchange or sweeping operations of nationalisation, of the credit institutions or the insurance companies for example, illustrate.

Thereafter, as the sub-title of Cuvillier's book suggests, the only thing that was left was 'the alternative of control mixed with freedom' and policy shifted from 'a programme of socialisation to one of socialist management' — the national economy, which would attempt to do something for the under-privileged but which would not at the same time touch the privileges and freedoms of the owners of capital and the means of production. Could Auriol have become a Poincaré, with control taking over from trust, at least on the part of the property owners?

Both liberal and marxist economists often see the short Popular Front experience as a failure — either in terms of what was at best a fairly vague programme, or in terms of the revolutionary potential of the situation, or more simply in terms of the stagnation of the French economy and the decline in the purchasing power of industrial wages (and certainly the victories of June 1936 were quickly wiped out by inflation), or else ultimately in the defeat of 1940. Auriol and the Blum government were operating in very difficult circumstances. First, there was the legacy of the past: a difficult monetary situation, since the inevitable devaluation of the franc had been deferred opportunistically for political reasons, by outdated attitudes and a misunderstanding of the working of the monetary system; and an equally difficult budget situation, due to the high levels of foreign debt and the problems inherent in resolving the crisis. To this legacy were then added the financial consequences of the social legislation adopted in 1936, as well as its effects on French industry. There were other factors involved, too, such as the fragility of the Popular Front alliance, the hostility of a conservative Senate, the harassment and often open enmity of the press which was out to denounce 'Bolshevism' at every turn, the narrow-mindedness of the propertied classes who were responsible for the flight abroad of large quantities of gold and silver and who were determined to bring down this reviled government. Nor should the external pressures be forgotten either, and Cuvillier provides important information on the American role in precipitating the devaluation of September 1936.

One is tempted to add to this the personal errors of Auriol. Certainly "he was forced to make difficult decisions and was not able to seek refuge in the deceitful rhetoric which was so common in the politics of his day", yet it is still true that not only did he refuse to attempt any major transformation of the financial system, which may well have been impossible in the context, but he also failed to adopt any really effective measures of control, but was content simply to announce at the beginning of 1937 a financial 'pause', and them to fall honourably with Blum's government during the debate on the proposal for a more coherent financial policy which took place on the XVIth and XVIIth June 1937. But one must question the sincerity of the motives which lay behind

this proposal. Even if finance was his particular expertise, Auriol's main gift was a remarkable political intuition. Would he ever have introduced those structural reforms which he suddenly felt obliged to propose just as he was leaving the administration? Once cannot help doubting it.

This brief review has only touched on part of the problems discussed by Cuvillier, since his short book (85 pages of text and 30 pages of valuable appendices) is extraordinarily wide-ranging. In a lucid style, and without shying away from technical details, he manages to reconstruct the social, political and intellectual background to the financial policies of the Popular Front, revealing the hopes, fears and limitations without ever overlooking its human dimensions either.

ALAIN SAINTE-MARIE  
Nices

G. DÉSERT, *Une société rurale au XIX<sup>e</sup> siècle. Les paysans du Calvados 1815-1895*. New York, Arno Press, Dissertations in European Economic History, 1977. Pp. xxxviii, 806, maps, graphs, \$ 53.

Although this book is a study of one *département* of Lower Normandy, the emphasis is on internal contrasts and on heterogeneity. In studying the economic and social structure and evolution of Calvados, Gabriel Désert consistently divides his region into the four geographical *Pays* that encompass it. They are the Bessin, the Bocage, the central Plain, and the Pays d'Auge. Each one of these zones already possessed its own economic and ecological system at the start of the XIXth century. Each one evolved in its own way in response to economic trends that were partly the result of local, and partly the reflection of national forces. At the beginning of the century, cereal agriculture remained the principal occupation, yet the department was a net wheat importer. The central Plain was the region with large surplus-producing cereal farms. The Bessin, in the northwest, and the Pays d'Auge in the east also produced cereals but had already become partly specialized in butter and cheese production for export, or in cattle fattening. Finally the Bocage in the southwest was a zone of dispersed settlement, high population density, small peasant subsistence farms, low income per capita, a relatively egalitarian wealth distribution, and an extensive household production of textiles for the market. Textiles were also an important source of income in the southern part of the Pays d'Auge, just as building trades offered considerable employment in the central Plain.

Beginning in the 1840s, the region as a whole experienced sizeable rural emigration and depopulation, while it became a net exporter of cereals. There was a marked shift from wheat to pasture and the textile industry began its decline. The shift to pasture could have been the cause of a net decline in the demand for labour, and hence in the population, but evidence indicates that farmers experienced a serious "shortage" of farm labour. This suggests that emigration acted more as a cause than as a consequence of the shift to livestock.

Furthermore, where rural industry declined, it seems to have been replaced by cattle rearing or fattening. As meat, cheese, and butter prices evidently rose in relation to cereal prices, Professor Désert suggests that the peasants of Calvados responded by deepening their specialization in activities for which the soils of this area offered a comparative advantage (pp. 294-96). The building of railroads in the second half of the century could only increase the significance of market opportunities for this region. This is a large and complex book with rich documentation and a wide topical coverage, and one of the fundamental works on the history of western France.

FRANKLIN MENDELS

University of Maryland

A. DIGBY, *Pauper Palaces*, London and Boston: Routledge and Kegan Paul, 1978, pp. x + 266.

The problem of poverty in Britain in the nineteenth century was the social bane of a society that was the political and economic envy of the world. *Pauper Palaces* is a most important and significant contribution both to the understanding of the problem and to the various administrative and legislative attempts to relieve that problem in Norfolk between 1750 and 1900. No short review can do justice to this excellent monograph, for Miss Digby has not only made it evident that convincing generalizations about the problem of poverty are not easy to make, but she has also pointed out the way in which such generalizations may be constructed out of building blocks such as Norfolk.

In her opening chapter Miss Digby sets up the very necessary conceptual and methodological framework for her study. She endorses the now generally accepted view that in the period before the New Poor Law of 1834, low wages and under-employment produced the policy of outdoor allowances that were actually income subsidies rather than the contemporary view that it was the allowances that led to low wages and under-employment. She also points out that after 1834 the practice of the Norfolk poor law administrators owed little to the policies of the central administrators, and that it is only by understanding the ideas of these Norfolk administrators, rather than by modern concepts of social welfare, that the relative humanity of Norfolk practices may be judged. She then turns in her second chapter to the social and economic context that produced poor law practice in Norfolk. The problem of poverty was, in fact, rendered intractable by the agricultural (corn) and industrial (textiles) decline of Norfolk in the nineteenth century. This decline in turn contributed before 1834 to the undermining of the traditional sense of social responsibility of the Norfolk propertied classes for the poor, as the local gentry came to view poor relief more and more as an instrument of social control rather than social amelioration. After 1834, moreover, the farming classes, who came to dominate the local boards of guardians, put the finishing touches to the transition by their

determination to make the lowering of poor law costs the paramount consideration in the relieving of the poor.

In the next eight chapters, which make up the body of the book, three (3-5) are devoted to a discussion of the historical development of the administrative apparatus for the relief of the poor, while the next two (6-7) are concerned with how the relief was applied generally in the rural and urban contexts of Norfolk, and the final three chapters (8-10) treat, in effect, the particular impact of the system on those men, women and children it purported to relieve. By 1800 about half the parishes of Norfolk had access to a workhouse, and five unions of parishes had constructed "pauper palaces" at the enormous average cost of more than £8000 each. These innovations were, at least, resisted by the poor, but by 1834 they had become an accepted part of the social topography. When the more comprehensive workhouse system was then introduced in 1834, with its more stringent rules concerning no outdoor relief to the able-bodied, less eligibility (the standard of living in the workhouse must be lower than that outside), and the classification of paupers without any regard for familial ties, it was again strenuously resisted by the poor. When the farmers realized, and more especially after 1843, that it was cheaper to relieve a labourer by outdoor relief than to support him and his family in the workhouse, the result was a collusive reversion to the system of outdoor relief for the able-bodied in spite of the poor law regulations. The workhouse thus increasingly became the refuge of those paupers who were unable to take care of themselves — the aged, the physically and mentally ill, and the orphaned and illegitimate children. The system did not fail, however, to provide its ironies as the condition of the poor in the workhouse in the middle of the nineteenth century was materially better than that of the labourer outside and the children in the workhouse, at least down until 1870, received a better education than those outside.

The final two chapters, which conclude this volume, are concerned with "The Propertied and the Poor", and "The Revolt by the Poor". The first attempts to explain through the pamphlet literature of the period the shift from a traditional and paternalistic hierarchical society, which viewed the problem of poverty from a communitarian point of view, to a class and individualistically oriented society, which increasingly distinguished between the good and the bad poor. "The Revolt by the Poor" is less the story of overt violence than the long-term refusal of the labouring classes and the poor to accept the poor law system. They could not do so, of course, because, as Miss Digby is well aware, to be poor under such a system was not only to be socially inferior, but a tacit admission that one was morally reprobate as well. In conclusion then, this is a fine book, which is as sensitive as it is balanced and intelligent, and is required reading for all those who take an interest in modern British social history.

EMMET LARKIN  
University of Chicago

*Felix olim Lombardia. Studi di storia padana dedicati dagli allievi a Giuseppe Martini*, Milan 1978, Alessandria, Tipografia Ferraris, pp. XLVII-803, with 6 maps.

This volume contains thirteen different essays based mainly on archive sources, and written mostly by pupils and research assistants of Giuseppe Martini. The essays all relate to the research being carried out under Martini's direction at the Institute of Medieval History in the University of Milan on the social development of the Po valley from the middle ages to the modern period. Each essay deals with a particular aspect of changing society in the Po valley. The following are concerned mainly with institutional issues: — M. F. Baroni, *Il notaio milanese la redazione del documento comunale tra il 1150 ed il 1250*; G. Chittolini, *I capitoli di dedizione delle comunità lombarde a Francesco Sforza: motivi di contrasto fra città e contado*; L. De Angelis Cappabianca, *Le vicende di una grande famiglia dell'aristocrazia del contado piemontese nei secoli XII-XIV: i Marchesi di Ceva*. Others deal mainly with religious issues and ecclesiastical history: E. Occhipinti, *Clausura a Milano alla fine del XIII secolo: il caso del monastero di S. Margherita*; L. Martinelli Perelli, *Il cumolo dei benefici ecclesiastici a Bergamo nella seconda metà del XIV secolo*, and culture: G. Orlandi, *Letteratura e politica nei Carmina de mensibus (De controversia mensium) di Bonvesin de la Riva*. They also touch on political problems, thereby providing a broader panorama of economic and social history, setting often complex particular issues against their immediate political backdrop. The essay by R. Perelli Cippo (*Per lo studio della piccola proprietà rurale in Lombardia; la famiglia Patarini di Veleto (secoli XII-XIII)*) gives an interesting, well documented example of the existence "of a whole stratum of small and middling rural landowners that was active in the Varese area and throughout the Milanese countryside, operating on the margins of the great ecclesiastical or noble estates, but still bound to them by a multitude of interests..." (pp. 27-8) and which might serve as a paradigm for the region. The same area (the upper Milanese region) is also the subject of A. Piantanida's study *Note sui beni terrieri del monastero di Santa Maria Assunta di Cairato tra i secoli XIII e XIV* which, although much more specifically concerned with agrarian history (it includes a map of the distribution of crops on the estates of the ecclesiastical corporation discussed) also provides a broad picture of the "social physiognomy" of the world in which the monastery's economic activity took place. L. Chiappa Mauri's essay *Per la storia delle campagne: la gestione della proprietà di S. Maria Teodote di Pavia nel territorio di Borgo S. Donnino (fine XII° inizio XIV sec.)* follows similar lines, but is more directly concerned with agrarian economic history and the economic and technical features of the management of the great medieval landed estates. The rich archival sources used enable the author to provide 14 tables with statistics on crops and prices for the last twenty years of the XIVth century and the earliest years of the XVth. There is also a map showing the monastery's property in the area studied.

G. Albini Mantovani's essay is also largely concerned with economics.

Using documents from the municipal library at Crema relating to the Visconti estates from the period of the Ambrosian Republic to the Venetian domination of the city (and there are no similar records in the Milanese archives!) he reconstructs the financial organization of Crema, and puts forward some more general observations on indirect taxation and extraordinary public expenditure in the Duchy of Milan up to 1450. An appendix contains a summary of the methods used in compiling the estimates (for 1451 and 1553), the increases in duties raised at Crema (also for 1453), a catalogue of the documents used, and a table containing the names of all those mentioned in relation to the administration of public finance.

G. Soldi Rondinini's *Le vie transalpine del commercio milanese dal secolo XIII al XV* is the first attempt to study relations between the Milanese merchants and markets beyond the Alps. The Visconti family, who had emerged as victors from the faction struggles because of the support received by archbishop Ottone from the rural nobility whose estates controlled all access to the city, are seen by the author as intelligent executors of the economic policy supported by a dominant class of landowners, entrepreneurs and bankers who ruled the state both through the great families to which they belonged and through the offices which they held. He analyses political and economic relations with Europe, in particular with Switzerland, Savoy, Burgundy, the Bavarian and Rhineland cities, the wool manufacturing centres of Northern France and Flanders and the North Sea ports. There is also statistical information on the 46 itineraries examined and 4 maps of the West and Central Alpine passes and the commercial routes used by the Milanese, indicating the stages, tolls, banks, transport organization etc.

In another original essay P. Mainoni (*Gli atti di Giovannolo Oraboni, notaio di Milano (1375-1382)*) makes a first attempt at compiling the deeds drawn up by the notary Giovannolo Oraboni, which include a considerable number of commercial documents relating to the German merchants operating in the city.

The final essay in the volume, which is also the last chronologically, is by D. Sella (*Per la storia della coltura e della lavorazione del lino nello Stato di Milano durante il secolo XVII*). The author analyses the cultivation and production of this precious fibre and uses sources that are rather unusual for an economic historian, such as the "*informationi sopra feudi*", to obtain information on the purchase value of certain lands that were to be enfeoffed or re-enfeoffed.

A. MIGGIANO  
University of Milan

E. GALLO. *Farmers in Revolt: The Revolutions of 1893 in the Province of Santa Fe, Argentina*. London: University of London, The Athlone Press, 1976. Bibliography. Index. 96 pp.

Between 1856 and 1895, the Argentine province of Santa Fe underwent a development which conspicuously fulfilled Juan Bautista Alberdi's celebrated

dictum: *gobernar es poblar*. Under a provincial government which either actively promoted immigration or gave a free hand to immigrant-seeking entrepreneurs, Santa Fe's population quadrupled in 25 years (1869-1895), and one of the poorest of Argentina's states became the second richest. The lure was land and a new economy based on wheat farming which supplanted or supplemented corn and peanut crops and ranching. The immigrants came in two waves. Between 1856 and 1875, Swiss, French and German farmers arrived in significant numbers. During the succeeding 20 years (1875-1895) came a much larger number of Italians from Lombardy and the Piedmont. The earlier immigrants tended to be more fortunate. For example, the Swiss usually managed to acquire middle-sized farms of between 200 and 400 acres. The numerous Italians were likely to be tenant farmers or sometimes even peons confined to ranches. By 1890, the older immigrants had raised a generation of proud and prosperous Argentine children who expected to share political power with older, established non-immigrant groups. The Italians, many of whom were headed into a new rural or urban proletariat, were not as easily drawn into politics. In any event, recently arriving immigrants seldom possessed full political rights.

All went well until the early 1890's when a worldwide recession and fall in prices virtually reorganized the international market for wheat. Russian and Indian output fell dramatically. Production in the United States remained about the same. But Argentine harvests continued to grow. The long-established policy of depreciated paper money helped to produce a devaluation which kept Argentine wheat cheap, and the South American country out-competed Russia and India. Gold earned in international sales was converted at home into pesos which went nearly "as far as ever in the purchase or renting of land, and nearly as far in the payment of wages". Santa Fe's wheat prosperity was only checked in the years 1894-96, and the check was not nearly as severe as elsewhere.

Perusal of these economic data largely removes the 1890's recession as a major cause of the Santa Fe revolutions of 1893 which is the subject of this monograph. Three separate and violent outbursts against the provincial government finally drove it from power, although the regime was quickly restored. Ezequiel Gallo shows how a new tax on wheat sales in 1891 first roused farmer discontent and points to the rise of the *Unión Cívica* and other Radical political opposition groups as elements which helped to convert this discontent into revolution. But while the farmers resisted the tax, Gallo demonstrates that it was a trifling sum, corresponding to less than 2% of income. Furthermore, they were willing to pay the tax at a discounted rate.

Why then did they rebel? They first resisted when tax collectors supported by provincial police attempted to gather the tax forcibly. These collectors represented an old society, rancher-dominated government which largely excluded immigrants and their descendants from political power, and even acted to remove the immigrant right to vote in municipal elections. The incensed

immigrants and their now-grown children chose to defend their rights and claim political power through arms. The well-established Swiss farmers are credited with being the rebel leaders. However, once the violence began, some of the recently arrived Italians disregarded pleas from Italian consular officials and joined the revolutionaries.

The Santa Fe revolutions of 1893 belong to international economic and immigration history as much as to Argentine history. What Ezequiel Gallo's monograph exposes is the issues and the participating groups. He does not aim for a definitive explanation of what made a rebel, although he does present rebel aims as moderate in seeking to rescind the tax and guarantee honest elections. The conclusions and hypotheses are tentative and qualified. The way is open to further research.

PHILIP EVANSON  
Temple University

H. S. KLEIN, *The Middle Passage. Comparative Studies in the Atlantic Slave Trade*. Princeton University Press, 1978. 282 pp.

The problem of forced labour in plantation economies of the New World has long been debated. By the late 1940s U.S. historians seemed to agree that the treatment of U.S. slaves had been extremely harsh; it was then that Frank Tannenbaum opined that slavery in Catholic Spanish and Portuguese areas of America had been somehow more humane and he was shortly joined by epigones among them Herbert Klein. In *Slavery in the Americas: A Comparative Study of Cuba and Virginia* (1967) Klein argued that Cuban slavery compared to that of Virginia was less harsh and in this sense revised (or tried to revise) perceptions of the Cuban and by extension the Latin American experience. In *The Middle Passage* Klein remains a probing revisionist whether examining mortality rates of African slaves shipped from Africa to America or, among other issues, assessing Brazil's internal slave trade and its effects. Klein is imaginative, ingenious, provocative.

Of the ten chapters, many appearing earlier in journals, five which treat the slave trade between Portuguese Africa and Brazil, Brazil's internal slave trade, and the Cuban trade form the core; these are supplemented by essays on the English, French and Virginia slave trades. Rounding out the volume is an introductory survey of the role of slave labour in colonial America's economic growth, and a long summary and concluding chapter synthesizing the diverse topics of the essays. Behind the different foci, however, is Klein's aim to ascertain what might be called the horror index of slave maritime transport, e. g., effective and comparative mortality rates at sea and whether mortality reflected conditions under which African middlemen procured and sold slaves, or the shipping conditions aboard European slave freighters. Klein is also interested in the problem vexing those who find Iberian slavery more humane but are

confounded by the failure of plantation slaves in Cuba and Brazil to reproduce themselves as occurred in the United States in the half-century before the Civil War.

For his analysis Klein has relied upon published materials plus data he has uncovered. He marshals data ingeniously and lucidly — there is no computer technology overkill. For example, analysis of the Portuguese slave trade from Angola relies upon Luanda shipping statistics, 1723-1771; of Rio de Janeiro's slave imports, on incoming ships' registers, 1795-1811; of African shipboard mortality of Rio's incoming slavers for the period 1825-1830, on material first gathered for a British parliamentary inquiry of 1845. Footnotes are dazzlingly full, although some pursue fascinating but often tangential details. Overall, the argument is tightly structured and the text correspondingly dense this is not bedtime reading.

The conclusions which are often advanced as propositions are predictably provocative and revisionist. First, Klein finds that "middle passage" mortality rates (which, Gordon Lewis once noted, generated "horrendous stories") tended to fall over the period 1700-1830; mortality was due primarily to disease and food conditions in Africa, to length of voyage and food and water contamination aboard ship — for "'humanity' was not a determining factor in affecting mortality". Second, imbalanced sex ratios of males to females in slave cargoes reflected Africans' "systematic bias against removing women" — not the preference of shippers and America's plantation owners for male agricultural workers. (Yet Klein notes that Dutch slave ship captains, 1681-1751, had orders to "purchase slave cargoes consisting of two-thirds men and one-third women."). The negative reproductive rate of Brazilian and Cuban plantation slaves resulted both from the predominance of males over females and the preference of planters for manumitting slave women — not therefore from planters' mistreatment of slaves. Third, average life expectancy of imported slaves was longer than the generally accepted figure of seven years — and the real cause of mortality among newly arrived slaves was disease rather than overwork. In this light, Klein's argument, stripped of his properly cautionary reservations, boils down to this: the life-span of the average forced Black African immigrant was reduced by factors beyond the control of European slavers and New World planters not by their preoccupation with cost-cutting and earnings. Obviously these proposition-conclusions provide ample ground for specialists to debate.

To this non-specialist reviewer Klein's tentative conclusions about low profit rates and about crowding and mortality aboard slave freighters obscure the performance of the Portuguese. At the end of the eighteenth century Portuguese slave vessels according to Klein's data averaged 454 slaves per ship; he argues that Portuguese slave ships must have increased their tonnage at this time but his proof is argument by analogy. It could just as well be claimed that the Portuguese were guilty of "tight packing" since the average mortality aboard their vessels was on the average unusually high at 93 per thousand and

in the instance of the Maranhão company its vessels had an extraordinary death rate of 207 per thousand, while the company earned 3 times the profit rates of English and French competitors. Second, there is also a tendency to force evidence into a Procrustean bed. For example, Klein interprets data on the decline in the adult slave work force of a Brazilian coffee county as evidence that this and comparable Brazilian counties were "clearly suppliers" of plantations in São Paulo; he then advances the straw man of a "Vassouras model of economic collapse leading to selling off of adult workers" to which he counterposes the proposition that sale of the slaves of Vassouras and comparable areas perhaps reflected "a situation in which slave birth rates... were sufficiently high... to meet... local needs and increasing demands for labor in the new coffee regions". In other terms, the Vassouras data which indicated simply an ageing work force is here re-worked to suggest a positive reproductive rate. The proposition is provocative, the data still wanting. Finally, Klein states that after 1809 "Spain became the major participant in the slave trade to Cuba" and that "Spanish flagships dominated" the trade to at least 1835. One may still wonder about the continued covert participation of, for example, US and British interests in the light of Philip Curtin's observation that at this time "Typically, a Baltimore-built ship, manned by a polyglot crew, might carry British-made textiles and iron ware to the coast of Africa in return for slaves destined for Havana". Klein's stimulating essays should force specialists to question received wisdom as well as data available about key aspects of one of the world's greatest migrations.

STANLEY J. STEIN  
Princeton University

Z. A. AND J. M. KONCZACKI (eds.), *An Economic History of Tropical Africa*, Volume I: The Precolonial Period, and Volume II: The Colonial Period, Frank Cass and Company, 1977.

The objective of the editors of these two volumes of readings is to provide ready access to a large sampling of the more significant articles and papers on, or relevant to, the economic history of tropical Africa — an area not precisely defined, but apparently the part of the continent between the Sahara desert and the Zambezi River. (A volume in preparation by the Konczackis covers both the precolonial and colonial periods for "southern" Africa.) The readings included come from the literature available as of about 1970. The editors do not explicitly give that as their cutoff date, but except for a paper on Portugal's economic policy, published in 1976, nothing in these two volumes is more recent than 1970.

Arguing that orthodox distinctions between history and prehistory would leave out much of past economic change in Africa, the editors include a good deal of material based on evidence other than that available from written records.

The scope of Volume I is thus essentially extended back as far as we have any evidence of economic change. The first reading, in fact (by J. Desmond Clark), is on the spread of food production south of the Sahara and the next three are on the diffusion of three of the major starchy-staples, a group of crops which today commonly account for 70 percent or more of calories consumed by tropical African populations. Another five chapters focus on the iron age.

In total, the first volume contains 28 selections grouped in seven sections: "Agricultural Development" (four readings); "Land Use and Tenure" (three readings); "Introduction and Use of Metals" (three readings); "Some Economic and Technological Aspects of the Iron Age" (two readings); "Patterns of trade" (eight readings); "Trade Routes and Trade Centers" (four readings); and "Media of Exchange and Standards of Value" (four readings). A wide range of discipline is represented by the authors, with several contributions coming from archaeologists, anthropologists, geographers, and economists, as well as historians. The bulk of the readings were originally published in the 1960's. The earliest is 1942 (Wainwright) and only four on the 28 appeared before 1962. Those which originally appeared in languages other than English have been translated and several have been "brought up-to-date" for this reprinting.

The volume on the colonial period has fewer readings (23); is about 50 pages shorter; and has much less of an interdisciplinary flavour, with most contributions coming from either economists or (less commonly) historians. The editors explicitly excluded overall evaluations of the colonial period on the grounds that such are "likely to undergo revision every few years" (Volume II, p. xii). They also give special attention to Nigeria, Ghana, and Uganda arguing (dubiously, I think) that the first two are representative of West Africa and that Uganda has "unique developmental traits", although we are never told what they are (Volume II, p. vii).

Volume II is divided into five parts: "Colonial Theorists and Pragmatists" (six readings, including selections from the writings of Lord Lugard, among others); "From the 'Scramble' to Independence: A Survey of Economic Development" (five readings); "Land, Agriculture, and Trade" (four readings); "Labour: Problems of Supply and Social Aspects" (four readings); and "Capital: Some Aspects of Saving and Investment" (four readings).

On the whole, the readings selected are of high quality. The main limitation of these two volumes is that they reflect almost none of the great burst of research on African economic history in this decade. For example, during the period since 1969 we have had the launching of a journal devoted solely to the subject (*African Economic History*); have seen the first attempt to write an economic history of western tropical Africa;<sup>1</sup> and have had pioneering work

<sup>1</sup> A. G. HOPKINS, *An Economic History of West Africa*, New York.

on slavery within African economies<sup>2</sup> and on the Atlantic slave trade<sup>3</sup> that have shattered long-held stereotypes about the nature and extent of slavery within the African continent and the volume of slave exports to the New World. Thus the two volumes under review need to be supplemented by a variety of more recent materials if used in the classroom at all. With publication pipelines long and often tortuous one can understand the difficulty of including some of the more recent materials, but surely mention could have been made of major contributions appearing in recent years to guide those teaching in this fast-moving field.

All in all, the editors have made a much-needed contribution. In their effort to make more readily accessible materials from widely scattered (and in some cases out-of-print) sources, the editors have succeeded admirably. These two volumes are a must for the reference shelf of anyone seriously interested in economic and social change in Africa.

MARVIN P. MIRACLE

University of Wisconsin-Madison

F. MCARDLE *Altopascio. A Study in Tuscan Rural Society 1587-1784*, Cambridge, University Press, 1978

This is an example of the 'new' social history at its best. The author investigates the demographic, social, economic, familial, and authority structures of the Tuscan village and Medici grand-ducal estate of Altopascio. The work is strong both as a descriptive and analytical study; not only are trends over time skilfully and painstakingly delineated, but the relationships among social, economic, and political changes are demonstrated and placed within the larger framework of the 'general crisis' of the seventeenth century.

Demography is the key dynamic of historical change for McArdle and the patterns he establishes for Altopascio are those of rapid increase in population between ca. 1551 (222 inhabitants) and 1615 (over 600 inhabitants), followed by precipitous decline and then a century of cyclical fluctuations. Within the 200 year period the community was transformed from one experiencing vigorous growth through migration to one mired in a state of stagnation. The historical problem consequently conceptualized by the author is to discover the socio-economic causes and results of these demographic trends; to find, moreover, the human dimension behind the demographic statistics.

---

<sup>2</sup> CLAUDE MEILLASSOUX (ed.), *L'Esclavage en Afrique précoloniale*, Paris, 1975, and SUZANNE MIERS and IGOR KOPYTOFF (eds.), *Slavery in Africa...*, Madison, Wisconsin, 1977.

<sup>3</sup> PHILIP D. CURTIN, *The Atlantic Slave Trade: A Census*, Madison, Wisconsin, 1969, and STANLEY L. ENGERMAN and EUGENE GENOVESE (eds.), *Race and Slavery in the Western Hemisphere: Quantitative Studies*, Princeton, New Jersey, 1975, see, especially, chapter by Roger Anstey, Johannes Postma, and Philip Curtin.

According to McArdle the crux of the crisis and the motor of change was economic, specifically the depression of wheat prices in the second half of the seventeenth century and the subsequent decline in estate income for the Medici landlords. As a result of this crisis the landlord-tenant relationship was significantly altered. Prior to the depression the peasants had regularly violated the restrictive aspects of the *mezzadria* contract (which forbade the peasant from supplementing his work for the landlord by means of his own animals or plot of land or by extra work off the estate) and the landlords had tolerated these 'abuses'. During the depression, however, the peasants became saddled with a staggering burden of debt and this enabled the landlord to enforce the *mezzadria* restrictions rigorously, thus transforming the peasants from independent farmers to 'semi-proletarians'. The entrenchment of the inflexible *mezzadria* system and the increased control of the landlord also shaped the nature of change in economic production. Using peasant indebtedness as a lever, the landlords extracted greater amounts of labour from the peasants and were able to expand the lands under cultivation. The system thus worked to increase total production but not productivity. The landlords' income was augmented but the peasants were impoverished. The result was a system that encouraged some aspects of capitalism, i.e. the semi-proletarianization of the peasants, the emergence of a rural bourgeoisie, and yet, by stifling market demand, probably retarded the growth of capitalism itself. In other words, the result of the crisis was stasis in the agricultural economy of eighteenth-century Altopascio.

The *mezzadria* system is the crucial variable for McArdle in nearly all aspects of life, including family organization. Although he sees the nuclear family as the apparent preference of individuals, he finds that the pressures of mortality, land unavailability and especially the family-based nature of the *mezzadria* system encouraged the formation of extended and multiple family combinations (nearly one-half the entire population). The Medici landlords encouraged a unitary family operation since multiple responsibility minimized the risk of non-payment of labour services, crops, and debts.

McArdle shows himself to be sensitive to the need to relate the statistics of positivistic research to the concerns, thoughts, perceptions of contemporaries. In the area of family organization, for example, he relates his analysis of domestic relations to the images of "bad" and "good" family behaviour held by the estate administrators. In his discussion of deteriorating conditions in the eighteenth century he finds his hypothesis that the *mezzadria* system itself was responsible for peasant indebtedness in the shrewd comments of Francesco Maria Gianni, principal adviser to Grand Duke Pietro Leopoldo. Similarly he sees the failure to reform the system exemplified in the mentality of another administrator, Luigi Bartolini, Superintendent of the Royal Possessions. For Bartolini the failure of the agrarian regime at Altopascio was to be attributed to the "ill-will" of the peasants. Because of this prejudiced view Bartolini deliberately sabotaged the grand-ducal attempts at reform. The 1783 reorganization of the estate,

under Bartolini's direction, resulted in the exclusion of the majority of the peasants from the allocation of new leases. Thus, for McArdle demographic and economic forces created the situation of eighteenth-century agricultural stagnation, but human decision and bias were responsible for the failure of reforms intended to alleviate those conditions.

One aspect of this work is less convincing than others and that is McArdle's attempt to link social and economic transformations with political developments and to do this within the context of Hobsbawm's thesis of 'general crisis'. The problem for McArdle is that the Tuscan peasantry never rebelled; never translated its misery into overt political protest. The "expression of grievance" is what McArdle interprets as a substitute for political or constitutional protest and he postulates a change in this area from individual criminal acts (189 of the 213 reported crimes took place between 1665 and 1724) to "group" opposition to estate management in the eighteenth century, a transformation made possible by the emergence of local leaders -- the "notables" or rural bourgeoisie. However, as McArdle himself points out, the pattern of criminality can be linked to economic deprivation and the curve of the depression years. The evidence for "group" protest -- the development of the collective petition -- is quite independent of the criminality pattern and the use of this device was not limited to the "notables". The only specific instance involving the "notables" within an institutional context is a disputed confraternity election, but in that case the conflict is intra-class factionalism, not "political" resistance of a "class". Altopascio, which lacked any government organization in this period does not provide the environment or materials to make it a suitable test-case for political or constitutional crisis. To apply the concept of 'general crisis' in the historiographical tradition of Hobsbawm and Trevor-Roper is to burden the study with an unrealistic conceptual framework. Fortunately the work can stand on its own as an excellent case-study of the impact of the seventeenth century economic crisis upon a rural community and as such it should be a valuable model for future scholarship.

SARAH RUBIN BLANSHEI  
The University of Tennessee,  
Knoxville

- B. MICHEL, *Banques et Banquiers en Autriche au debut du XX<sup>e</sup> Siecle*, Presses de la Fondation Nationales des Sciences Politiques, Paris, 1976, pp. 375, Bibliography, Index.

Professor Michel's study deals with the multi-national Cisleithanian part of the Habsburg dual-monarchy. His particular interest lies in the evolution of a Czech bourgeoisie after the Industrial Revolution which took place during the years 1866-1873, and because of their adaptability to change and their sole as prime movers of growth, the Czech banks form the principal

object of his research. In due course this led him to study the entire Austrian banking system. Well equipped with a knowledge of the respective languages he was able to explore both government and bank archives in Vienna, Prague, Brno and Trieste, which have yielded a rich crop. Covering predominantly, though not exclusively, the years 1898 (the foundation year of the major Czech bank) the outbreak of World War I in 1914, the author transforms this archival material into a very lively and multi-faceted story which he tells with all the vividness of a contemporary observer.

During the past two decades, after a long period of neglect, economic historians have rediscovered the Austro-Hungarian Empire as a fruitful field for research. This renewed interest seems to have been stimulated largely by the ideas advanced by Alexander Gershenkron in his now classical essay on "Economic Backwardness in Historical Perspective" on the investment banks as primemovers of industrial and economic progress. Michel, who devotes close to a third of his book to the relationship between the banks and industry, also contributes to this discussion. Without specifically referring to Gershenkron, he points out that industrialization, particularly in Bohemia and Moravia, preceded the rise of banking, and that both entrepreneurial talent and capital had been in evidence long before banks had taken an interest in industrial finance. It was, as Michel shows, the convergence of two developments which brought the banks into industry. By the end of the century the original founding fathers of industry had passed away and their successors were looking for outside sources of capital for the expansion of their family concerns. The banks, gradually deprived of their customary income from state loans which were now handled by the Postal Savings Bank and mortgage credits which were increasingly the business of state institutions, and from the railways, which were now nationalized, were looking for new ways of investing their resources profitably. But the banks still preferred safe, mature enterprises to initiating speculative new ones. Michel thus confirms the findings of Gershenkron's critics, like Richard L. Rudolph (Austria 1800-1914) in Rondo Cameron (ed.), *Banking and Economic Development*, Oxford, 1972), who argued that "the Bank: Industry relationship was less a cause than a consequence of the pattern of economic growth," and he warns that statistical analysis is not valid unless confirmed by archival sources.

Michel's study contributes also to another heated issue, the share in the German war-guilt of the bankers whom Fritz Fischer in his "*Griff nach der Wehrmacht*" included among the war mongers. As the author shows, Austrian bankers were predominantly pacific, and had no influence on foreign policy which was dictated primarily by the agrarian interests and the aristocracy. There was no social contact between the *haute noblesse* and the banking *élites* in the early years of the century. It was very much the same as a hundred years earlier, as Frances Trollope described in her book, "*Vienna and the Austrians*" (1837).

But these are only two facets of an extremely rich and complex study of the cross-currents and tensions between the "German" (speaking) banks of Vienna and the provinces, and the Czech banks; of the banks, the savings and cooperative institutions which were popular with the anti-capitalistic minded population of peasants, petty artisans and tradesmen; and of the centrifugal, nationalistic forces, which resented dependence on Vienna, and the strong economic centripetal forces, which, for instance, caused the Czech Skoda concern to move their head office from Bohemia to Vienna, which, in fact, dominated the banks of Hungary as well.

In spite of the predominance of the Viennese banks, Czech banking experienced steady growth. Although their capital in 1890 represented only 2% of that of the Viennese "German" banks, by 1913, it had grown to 25%, and Prague was on the way to becoming a banking centre for the entire Slav population of the Empire.

Of particular interest, and not only for those interested in entrepreneurial history, is the last part of the book, dealing with the "sociology" of the Austrian banker of that period — his origin, his training, his income and wealth, his social standing, his relations with the staff, with the press, with parliament and government, and his position in the cultural life of the country, as a patron of the arts. The material for writing this fascinating social analysis came partly from the obituaries published in the leading newspapers and from the bank archives, but also from a more unusual source: the dossiers containing the applications for decorations by the Emperor, including the *curricula vitae* of the applicants, together with the reports on them by the local police authorities. From this we learn that 58% of Austria's bankers and bank directors, and 80% of those of leading Viennese banks, were German-speaking Jews or of Jewish descent, mainly originating from Prague, Brno and other smaller places in Bohemia and Moravia, from whence also came many of the fathers of those born in Vienna. Over 25% of the bank-managers were sons of bankers. Others came from a lower economic strata, but hardly any were from Galicia, where, as Michel reminds us, 800,000 Jews lived in near poverty. Was this Jewish predominance, as the author thinks, due to their many generations of experience in commerce and "capitalist" enterprise, within a hitherto largely agrarian environment with feudal overtones of a not too distant past? Here Michel's findings should stimulate further exploration in a question that has not yet been answered satisfactorily ever since it was first posed by Sombart.

KURT GRUNWALD  
Jerusalem

E. ROSENBAUM - A. J. SHERMAN, *M. M. Warburg & Co., 1798-1938: Merchant Bankers of Hamburg*, New York, Holmes & Meier Publishers, 1979, pp. 190.

This volume is the English edition of a book first published in German in 1976. It traces the evolution of the Warburg family's merchant banking house from its founding in Hamburg in 1798 until its reluctant sale, after five years of increasing anti-Semitic harassment by the Nazis, to a group of sympathetic local investors in 1938. Although not an authorized history funded by the Warburgs, it could nonetheless pass as a memorial volume, for the book presents an uncritical account of the partners' successes and achievements, which were numerous. The authors are the late Eduard Rosenbaum, a former resident of Hamburg who fled in the 1930s and later became acquisitions librarian for the London School of Economics, and A. J. Sherman, who has recently published a monograph on refugees from the Third Reich in Britain and is now a research fellow at Harvard's Center for European Studies. Rosenbaum's association with the project dates back over half a century to 1921, when Max Warburg first sought professional assistance in writing an informal history of the firm to celebrate its 125th anniversary. This long-standing friend of the family was instrumental in gaining access to the Warburg records, and he authored the chapters on the period up to 1890. Sherman then carried the book to its conclusion in 1938.

The authors devote much space to the transfer of managerial power between generations and the details of family partnership agreements drafted in the nineteenth century. They also provide extensive information on the evolution of the political and financial environment within which the firm conducted business in Germany. The absence of adequate documentation prevented them from offering an inside view of strategy formulation and decision making. Thus the book may disappoint readers seeking a detailed account of how one important German banking house planned and conducted its normal business activities.

The firm's history may be divided into three eras. During the nineteenth century and up to WW I, the authors recount the steady growth and maturation of the Warburg banking house. In the early decades the partners' emphasis was on brokerage, letters of credit, and foreign exchange. Later the family increased its involvement in the glamorous investment banking field. On numerous occasions the Warburgs joined the Rothschilds and other important banking houses in syndicates organized to sell new issues of private and governmental stocks. An informative appendix at the end of chapter four cites a series of transactions from 1871 to 1887. The firm's operations became more international, and the partners placed representatives in other European financial centres. Paul Warburg emigrated to the United States, where he became a friend of President Woodrow Wilson and an active participant in the creation of the Federal Reserve System.

The period from 1918 to 1932 was filled with frustrations and anxieties, as it

was for many other German firms under the Weimar government, yet the Warburg house also saw its prestige and influence reach new pinnacles. The authors concentrate here on a discussion of the problems associated with hyperinflation and reparations, and they reveal the role played by Max Warburg and one of the firm's new non-family partners, Carl Melchior, in high-level affairs of state. Both men were respected advisors of government ministers in Berlin, and Melchior served as German representative to the League of Nations and Bank for International Settlements. By 1929 the Warburg house was reportedly the largest banking firm in Hamburg.

The last five years from 1933 to 1938 were devastating. They were characterized by the loss of accounts and corporate directorships, declining volume, increasing isolation, and finally liquidation and departure. The Nazi decrees limiting the scope of Jewish business activities took its toll, culminating in the family's rejection by Hamburg public officials and its exclusion from the Reich loan consortium. Hitler's policies slowly stifled this proud Jewish-German banking enterprise. The authors, recounting of the firm's last few years in this anti-Semitic atmosphere makes depressing reading, yet it is also enlightening in demonstrating how one prominent banking enterprise tried vainly to survive the onslaught of National Socialism. In their closing remarks, the authors reveal that in 1956 Eric Warburg was made a partner in the surviving firm and that in 1970 the Hamburg house was renamed M. M. Warburg-Brinckmann, Wirtz & Co.

EDWIN J. PERKINS

University of Southern California

*Srednie Veka* n. 42 1978

Founded in 1942, *Srednie Veka* (which means the Middle Ages) is the only Soviet review dealing with medieval Western European history, since medieval Russian history is treated in other reviews such as *Voprosy Istorii* and *Istorija SSSR*. It should not be forgotten that Russian scholars follow a periodization based on Marxist principles. Since the 'feudal age' in Russia ended only in 1861 with the emancipation of the serfs, this same definition is extended to Western Europe as well, so lengthening their medieval period by some four centuries. For this reason the review contains many articles on what we would normally term modern and even contemporary history.

*Srednie Veka* in the past attracted contributions from scholars like S. D. Skazkin, A. D. Udalkov and E. M. Zukov, and among its present contributors are many of the leading Russian medievalists, including F. Porsnev (specialist in French history), M. A. Barg and A. N. Cistozvonov (history of the Netherlands), V. I. Rutenburg and L.A. Kotelnikova (medieval Italian history, a field of considerable interest for Russian scholars). The articles published reflect the primary interest in social and economic aspects of feudalism for Russian historians.

In this issue (n. 42), E. V. Gutnova has written a review of Russian writings on the medieval period in the decade 1968-77. She shows how these studies have continued the tradition which began from the time of the October Revolution, and have concentrated on aspects of the social and economic history of the middle ages, and on agriculture in particular. In order to demonstrate the Marxist concept of medieval history as the period of economic feudalism, Russian medievalists have since the 1930s been mainly concerned with the economic base of feudalism and with agrarian relationships, but they have also studied the rise of the cities, the development of the state, aspects of military and political history and international relations. There are four other essays in the same issue. N. A. Chacaturjan examines the monarchy in the French state; J. P. Ulyanov describes the 'formation and structure of the manor of Birton and Stoke in the XIVth century'; N. A. Cistozvonov has written a short essay on land revenues and state taxes in Holland in the early XVIth century, and A. D. Rolova writes on 'commerce and banking activities in Florence in the late XVIth and early XVIIth centuries'. The issue also contains book reviews notices and other short communications.

CLAUDIO ROMANO

Oriental University Institute, Naples

SERVICIO DE ESTUDIOS DEL BANCO DE ESPAÑA, *Los ferrocarriles en España, 1844-1943*, vol. I and II, Madrid, 1978.

The Servicio de Estudios del Banco de España has once again shown its active interest in Spain's recent economic history<sup>1</sup> by publishing this important work on the history of the railways. It covers the period from the granting of concession for the first lines to the nationalization of the entire network.

The study is divided into two volumes. The first analyses the role played by the State in the construction of the railways and is itself sub-divided into three parts. The first is by Diego Mateo del Peral and is entitled: "The origins of railway policy in Spain (1844-1877)". It describes the government's search for a legal and administrative structure for regulating the complex process from the granting of concessions to the construction and management of the railway itself. The second part, "The Spanish railway system", by Ramon Cordero y Fernando McNéndez, concentrates on technical aspects in the construction of the network, the building itself - the choice of route, the construction

<sup>1</sup> It has given considerable stimulus to research on the economic history of modern Spain. Among its major publications, containing studies by some of the best known Spanish historians, see *Ensayos sobre la economía española a mediados del siglo XIX*, Madrid, 1970; *El banco de España. Una Historia económica*, Madrid, 1970, *La banca española en la Restauración*, vol. I and II, Madrid, 1974.

of track, the selection of fixed and rolling stock — and also the administrative aspects such as the formation of the concessionary companies and their management. In the third part, entitled "State intervention", Miguel Artola makes a detailed assessment of the State's contribution to the construction of the network, which took the form of subsidies and fiscal exemptions, and of the profits which it drew from the building and operation of the railways. The second volume has the title "Economy and railways" and is devoted to the impact of the railways on the Spanish economy. It contains two important contributions; the first is "The railway companies in Spain (1855-1935)" by Pedro Tedde de Lorca. He describes the origin and development of two companies, Norte and Madrid-Zaragoza y Alicante. They began as concessionaires for particular lines and ended up by dominating virtually the entire Spanish railway network. Their greater financial strength allowed them to overcome, rather than be overcome by, the difficult years following the collapse of railway shares in 1866. The other contribution making up volume II is by Rafael Anes Alvarez: "Relations between the railways and the Spanish economy (1865-1935)". The author analyses the relationship between the growth of the railways and economic development in Spain.

The history of Spanish railways has aroused considerable interest in recent years. Scholars have concentrated their attention first of all on the early years of the development of the railways and especially on the period between 1854 and 1866.<sup>2</sup> First of all the legislative innovations of the *Biennio liberal* (1854-1856) which were designed among other things to facilitate the establishment of joint-stock companies brought about a major penetration of French finance in Spain through the creation of the *Crédit Mobilier* institutions. These acted as intermediaries between savers and the railway companies. The conclusions reached by the authors are in places highly critical of the policy followed both by Spanish governments in this period and also by the companies themselves. The radial structure of the network was based on political criteria — linking the capital with various points of the peninsula — without taking into account the greater transport needs of the economically more developed areas. The state was also too heavily involved with the concessionaires. The construction of the railways absorbed vast quantities of capital which would have been much more productive had they been invested in other sectors, such as textiles or steel. On the other hand, the facilities granted for the import of railway ma-

---

<sup>2</sup> Pioneering studies on this topic were the essays by NICOLAS SANCHEZ ALBORNOZ: "La crisis financiera del 1866 en Barcelona" and "De los orígenes del capital financiero: el Crédito Mobiliario Español, 1856-1902", both in *España hace un siglo: una economía dual*, Ediciones Península, Barcelona 1968. The fundamental study is by GABRIEL TORTSELLA CESARES: *Los orígenes del capitalismo en España*, Editorial Tecnos, Madrid, 1973. Jordi Nadal devotes much attention to the events of this period in his study: *El fracaso de la Revolución industrial en España, 1814-1913*, Ediciones Ariel, Barcelona, 1975.

terials cancelled out potential advantages for the national steel industry, which lost an important opportunity for development.

Many of these issues need further examination. Since the period under examination is long enough to cover the whole life-span of the railway companies from the concessions and the construction of the railways and their nationalization,<sup>3</sup> the events of the first period need to be re-analysed in the light of subsequent developments. In fact the years from 1854 to 1864 were those of the "railway boom". A considerable number of kilometres of track were built, employing enormous quantities of public and private capital. The first results of the operation of the railways were not as good as had been hoped. This gave rise to the widespread opinion that the Spanish economy did not have a demand for transport sufficient to allow the railway that had already been built to operate soundly. This view was reflected on the capital market, which showed a marked tendency for railway stock to fall in value, dragging down with them those credit institutions which were the main shareholders. The crisis of 1866 had very serious effects on the Spanish economy. However, as some of the contributors point out, this was sufficient to give a completely negative verdict on the building of the railways. It was a phenomenon whose effects made themselves felt long after the events of those years.

Miguel Artola has made a thorough re-assessment of State intervention. The choice of a radial structure for the network, with Madrid as its centre, was not an *a priori* decision but rather a response to the needs of commercial traffic which in those years was composed mainly of agricultural goods. From the financial point of view, although its investments were considerable, the State obtained important returns in the form of free transport for mails and troops, reduced tariffs, and the revenue from the taxation on railway traffic. The considerable growth in economic activity brought about by the construction of the railways led to a significant increase in fiscal revenue, to which should also be added the contributions made by the concessionaires themselves.

The tariff policy imposed by the State calls for some criticism, however, for it greatly affected the elasticity of the supply of rail transports. As we have already mentioned, the profits made in the first years when the railways were in operation were very low. This discouraged further investment and the principal owners of capital grew very sceptical about the Spanish economy's capacity to expand. However, during the period of economic prosperity that accompanied the first years of the Bourbon restoration (1874) transport needs grew, and the necessity for a greater number of lines made itself felt. The slender financial resources of the companies, due to their inability to finance

<sup>3</sup> Two other works, also of a general nature, but less analytical, are FRANCISCO WAIS: *História general de los ferrocarriles españoles*, Madrid, 2nd edn., 1973 and ANIBAL CASARES ALONSO, *Estudio histórico económico de las construcciones ferroviarias españolas*, Madrid, 1973.

their own investments, and the high cost of capital on the finance market, again made State economic intervention necessary. The State provided economic assistance but did not try to free the tariff structure, which was what was really necessary. At the beginning of the century, and especially during the First World War, the already outdated railway structures proved incapable of responding to the needs created by economic expansion. The railway service deteriorated considerably, and also the companies were reaching the end of their franchises. This meant that either the franchises had to be extended, so allowing the companies to amortize new investments, now more necessary than ever, or else the State had to assume direct responsibility for modernizing the network. Primo de Rivera's government found a compromise solution in the *Estatuto ferroviario*. During the years of the Second Republic and the Civil War the railways declined so much that their nationalization in 1941 became inevitable.

The role played by the great companies is reassessed by Pedro Tedde de Lorca. Although they received considerable and extensive subsidies from the State, the initiative behind them and their construction yielded some benefits to Spanish society which still lacked the autonomous means to undertake such a vast enterprise. On the other hand, it cannot be claimed that the railways brought great profits to the companies since the returns on their operation were very modest.

Rafael Anes claims that on the whole the building of the railways benefited the economy. He accepts the criticisms of the facilities granted for the import of steel needed for construction, but claims that the figures for volume of traffic show a very significant increase after the railway system was built. However, the overwhelming predominance of agriculture in the Spanish economy constituted a major weakness for the operation of the railways. Since most of the goods transported were agricultural products, railway transport suffered from the effects of the agricultural crises that hit Spain badly in the last decades of the XIXth century. This could be one of the reasons for the poor results that were obtained from the operation of the railways.

ROSA VACCARO  
University of Rome

R. VERNON, *Storm Over the Multinationals: The Real Issues*. Cambridge, Massachusetts, Harvard University Press, 1977, Pp. vii, 260.

The author undertakes a major job in this book: to cut through "the mounting flood of words" on multinational corporations ("the tide of special pleading and narrow pedantry" as well as "the output of useful research... [which has] increased astronomically"), "to filter out the polemic and the propaganda," and truly "to grasp the meaning of the multinational spread of large enterprises" (pp. v and vi).

This volume is intended to be *the* authoritative, clear-visioned book on the place of the multinational corporation (MNC) in the contemporary world economy. It is meant to be an objective survey of the phenomenon, a distillation, in the words of the subtitle, of "the real issues".

Vernon is in a strong position to attempt such a book. He is probably the world's leading authority on multinationals, if anyone can be so designated. He has written extensively on the topic and his work is highly regarded. He has headed a large-scale systematic project on multinationals at Harvard that has been going on for 15 years. He has been able to draw upon the rich resources developed by that project, including a most impressive data bank and abundant research assistance of high quality. He has also been able to secure "a great deal of... money, and of institutional support" (p. vii).

And he has written a first-rate, highly useful book. It delineates admirably a large number of the major issues, including the nature of MNC expansion, the strategies they employ, and the stresses these create in both the industrialized and the developing countries. The book also provides a profusion of helpful references. It is questionable, however, whether Vernon is as objective as he believes himself to be (although the reviewer recognizes that bias, like beauty, may lie in the eye of the beholder).

Three major approaches to MNCs can be found in the literature. The *acceptance approach* conceives of MNC expansion as predominantly economically rational and beneficial and tends to advocate a restricted role for government. More on this shortly. The *rejection approach* views MNC expansion as predominantly meretricious and destructive, and tends to favour eventual elimination of the MNC (and also, usually, of the world capitalist system of which it is a part). The *pragmatic approach* sees MNC expansion as mixed in its effects and tends to favour governmental intervention to increase its benefits and decrease its costs. Vernon is among the acceptors, and because of his status, his calm, reasonable, confident presentation in this book may be taken as a prototypical acceptance position. The Vernon position can be distilled into six propositions.

1. The central source of tensions associated with MNCs is a fundamental conflict between economics and politics. Technological progress and the economic processes that flow therefrom produce great economic benefits. At the same time, however, they heighten world economic interdependence, and thus reduce national autonomy. This occurs just when national governments, committed to promoting welfare and development in an historically new way, fiercely desire to increase their autonomy and sense of control. Governments thus experience the fundamental economic-political conflict as a frustrating heightening of both their desire for the economic benefits of economic interdependence and their aversion to its political constraints.

2. The MNC is a major manifestation and embodiment of the economic forces promoting global economic integration and human welfare.

3. The political forces of nationalism tend to impede and distort the rational economic processes and thus tend to impair human welfare.

4. Most political criticisms of MNCs are irrational. They arise from frustrations that are not validly attributable to the MNCs. Vernon remarks on "the imperviousness of the debate to facts" in the face of the powerful anger generated by these frustrations (p. 152). The MNCs serve as "unwitting and unwilling lightning rods" for this anger (p. 145). Let us consider the Vernon analysis of some major criticisms.

a. The heightened world interdependence that accompanies the economic gains from MNC activity, an interdependence caused primarily by improvements in travel and communications and merely epitomized by the MNC, could well be seen as growing mutuality, but it is interpreted, particularly in the developing countries, as growing dependence. The "growing sense of dependence and vulnerability" (p. 212) is then erroneously blamed on the MNCs. The desired sense of autonomy is a "Holy Grail" (p. 204).

b. All the ills accompanying industrialization tend to be blamed in developing countries on the MNC. The MNC "has come to be seen as the embodiment of almost anything disconcerting about modern industrial society..." (p. 19). But this is irrational. "Hegemony, corruption, inequity, pollution, and indifference to consumer interests were endemic in mankind's history long before the multinational enterprise existed" (p. 14).

c. In the industrialized societies as well, the charges made against MNCs tend to be manifestations of something deeper, of "the real uneasiness of our times". The fundamental cause of these complaints is a "pervasive mood of alienation" (pp. 137-138) which is caused by factors that are beyond the scope of Vernon's book.

5. This is not to say that there are no real conflicts between governments and MNCs. There are many: governments want the capacity to control capital movements but MNCs have shown an ability to avoid such controls; governments want the ability to promote foreign exchange stability but the MNCs "have the potential for contributing substantially to the instability of currencies" (p. 123); governments want the power to tax as they wish, but "the consequences of unilateral (tax) action by any major country can be quite substantial" (p. 125); in general, "[t]he capacity of any government to command a particular firm to undertake a specified task in support of a public policy... has been reduced" (p. 136).

The governmental desire for firmer powers is understandable, but even on most of these real issues the criticisms of multinationals are misguided. The various governments are often pursuing conflicting national interests in a zero sum game; the gain of one country is offset by the loss of another. Such interactions, furthermore, threaten the spread of beggar-thy-neighbor policies which would sharply diminish the welfare of all.

6. Finally, as a practical matter, government action specifically aimed at MNCs should be quite limited. This follows partially from the preceding propositions and partially from a pessimistic view of the realities of state action. Some public measures would clearly be worth undertaking if it were possible to implement them. Because of the multinationality of MNCs, for example, government policies even on matters normally considered domestic might have repercussions in other countries. Thus it would be worthwhile to secure international agreement to avoid unilateral actions that would inadvertently harm other states, and to achieve multilateral actions where coordinated measures are necessary. However, given the importance and the sensitivity of the issues, with fierce struggles between competing interests within each country, useful international agreement has been virtually unobtainable. In point of fact, the measures which are actually being implemented tend to do more harm than good. Thus what *should and can* be done is minimal and what *is* being done tends to be harmful.

The acceptance approach to MNCs, represented in these six propositions, is most effectively presented in this book. It is a particular approach, however, and thus the reviewer questions whether Vernon attained the standards of objectivity he aspired to. Rather, he fell into "the traps that his training, experience, associations, and interests constantly set for his unwary intellect", a danger for all scholars that Vernon explicitly recognized (p. VI). Even so, *Storm Over The Multinationals* is a highly valuable book.

SAYRE P. SCHATZ  
Temple University

