

S. Berger – H. Compton, *Policy Concertation and Social Partnership in Western Europe – Lessons for the 21st Century*, Berghahn Books, New York-Oxford, 2002

The theme of political concertation, that is, the dynamic joint action of trade unions, workers and the state within a given political system, is addressed in this interesting study in relation to ten countries in western Europe from the beginning of the twentieth century to the end of the 1990s. The authors' aim is to provide an interpretation that explains the evolution of the phenomenon according to common and divergent trends in the light of historical research and of more recent political events. The analysis brings out the many disparities in the development and consolidation of concertation in Austria, Great Britain, Denmark, France, Germany, Ireland, Italy, Holland, Spain and Sweden due to the differences in each country's history and in the aims and measures adopted by the social groups existing within them and also due to the varying levels of influence enjoyed by the state in matters of decision-making. The widely held belief that political concertation has always been stronger in north European countries like Sweden, Holland, France, Denmark and Great Britain is largely overturned in the study which shows that such a phenomenon experienced phases of growth and decline in these countries' political systems. Moreover, in the 1990s the power of state intervention replaced that which had been formerly exercised through the formula of political concertation due to the citizens' high respect for public institutions and bodies which were now viewed as impartial "arbiters" in negotiations between trade unions, workers and management.

In other countries, like Italy, Spain, Ireland, Germany and Austria, it is argued that concertation had a more troubled path but that today it has a decisive and central role. Nonetheless, while the authors mention the changes in the type and aims of concertation affecting the second group of countries under study, it is not explicitly explained where such changes have come about and through which bodies (provincial, regional or local authorities) and associations (those differing from the traditional *fora*). In particular, in the case of Italy, it is shown that political concertation did not have a clearly-defined role due to the attitude of Italy's managerial class which tended not to accept nor recognize the possibility of joint action of the state, trade unions and pro-worker associations in this context. This view, however, does not seem to fully correspond to historical reality nor to the present situation in Italy in which concertation is a crucial

element in the *res publica*. In fact the ruling class is constantly having to negotiate both on wide and complex issues like pensions, workers' rights and on more specific questions of a regional or local nature.

In conclusion, with the process of European integration already underway, it would have been interesting to use the model described at the end of this interesting and careful analysis "transversally", with reference to political concertation in the European context, taking account of the 15 countries in Central-Eastern Europe that will join the Union in the period 2004-2007, who will contribute to the development and transformation of the process.

Chiara d'Auria
University of Pisa

P. Lanaro (ed.), *La pratica dello scambio: sistemi di fiere, mercanti e città in Europa (1400-1700)*, Venezia: Marsilio 2003.

The essays collected in this volume examine a variety of commodity and financial fairs that were held in Italy and Europe during the early modern period, that is, during a time of acute difficulties for fair systems due to the rise of port-cities with stable commercial infrastructures and wholesale consignment trade. Most essays, however, focus on Italian fairs and the activities of Italian merchants in continental Europe. Nevertheless, the general history of European fairs is approached from an interdisciplinary perspective, which considers economic, institutional and urban history.

The volume is divided into three parts according to disciplinary provinces and geographical areas. The first part, which is entitled "In Italy", is devoted to the fairs of the Venetian Mainland (Paola Lanaro), the Adriatic trade (Marco Moroni), Southern Italy (Alberto Grohmann) and includes a case study of Leghorn (Francesca Trivellato). The second part, "Outside Italy", investigates the presence of Italian merchants in fairs and markets of the Low Countries (Peter Stabel), the German speaking area (Kurt Weissen) and France (with two essays on Lyon by Edoardo Demo and Jacques Bottin). The third part, "In Italy and Europe: places and spaces", gathers urban studies by historians of architecture focusing

on Parisian fairs (Donatella Calabi), the fair circuit of provincial towns in the Po valley (Elena Svalduz) and the Venetian mainland in the eighteenth century (Stefano Zaggia).

Despite the specificity of each part of this volume, and the different analytical perspectives, a set of common questions emerge. All authors seek to explain, often providing new historical evidence, major changes in the geography of fair systems in the four centuries taken into consideration. Equally important is the analysis of the relationship between states, cities and merchants in a time of consolidation of state power and growth of international commerce. Last but not least, all essays deal with the problem of explaining the prolonged life of fairs during the early modern period, mostly in areas where they coexisted for a long time with new trade institutions and practices.

The *longue durée* approach of this volume has the merit of setting the changes in European fair systems in the context of the competition among alternative trade routes in different geographical areas. The chronology proposed by Peter Stabel for the commercial relations between the Low Countries and Italy takes the alternating preference for sea or land routes as an important factor in our understanding of the subject. The presence of Italian merchants and ships in Bruges during the fourteenth and fifteenth centuries and the presence of Dutch ships in the Mediterranean during the seventeenth and eighteenth centuries transformed and weakened continental networks of fairs located along roads or rivers that connected complementary productive areas. But it would be misleading to identify fairs with overland trade. As Kurt Weissen points out, the main European commercial axis connecting the German world to the Mediterranean long remained centred on the German warehouse in Venice: only in the late fifteenth century did the growth of Central European markets drive Italian merchants to the fairs of Frankfurt and Leipzig.

Similarly, the shift of important fair meetings from the region of Champagne to Geneva, and later from Lyon to Besançon, Piacenza and Novi can be explained by changes in the geography of textile production and with the development of new markets, but was also a consequence of the evolution of merchant practices. For instance, the growing financial specialisation of international fairs in the sixteenth and seventeenth centuries may affect our appraisal of the volume of commercial transactions in different markets. From this point of view, Jacques Bottin shows clearly that the development of financial brokerage and clearing

mechanisms in the French kingdom makes it very difficult to measure the commercial decline of Lyon in the seventeenth century.

The role that modern states played in modifying the medieval opposition between rural fairs and urban economies is another crucial element in the history of European fairs. The Parisian fair of Saint-Germain, studied by Donatella Calabi, is a paradigmatic example of the mutual reinforcement of a periodical trade meeting and the urban development of a capital city. In contrast, in the seigniorial regimes of the Po Valley there was a policy of fostering the development of fairs in middle-size towns (where guild opposition was weak). Elena Svalduz demonstrates that fairs were used here as a tool to attract trade and resources from wider areas within state boundaries.

The persistence of fair systems that favoured regional and international economic integration in the Venetian mainland and along the Adriatic coast can also be ascribed largely to the "benign neglect" of the Venetian State, as Paola Lanaro and Marco Moroni suggest. Concentrated on maritime trade, in the fifteenth century the Venetian Republic allowed economic circuits between mainland provincial cities to consolidate by means of fairs and trade privileges. After the attempted centralisation of trade and industrial activities in Venice in the sixteenth century, this fair system changed radically. Mainland merchants' international operations extended into Eastern Europe, while they hardly maintained positions in the West European markets (as documented by Edoardo Demo for the merchants of Vicenza operating in Lyons). Their activity favoured centrifugal dynamics in trade and a further development of fairs in the Venetian State during the seventeenth and eighteenth centuries.

The vitality of Italian fairs in the eighteenth century – a period that was dominated by a new organisation of regional and international trade – can be explained by reference to their role in integrating wider commercial circuits, especially in politically fragmented areas, as is evident in the case of Bergamo and Senigallia. Clearly, it would be simplistic to interpret the continuity of periodical meetings only as the sign of economic backwardness, or as the persistence of anachronistic restrictions and privileges, as Paola Lanaro stresses in her introduction.

Francesca Trivellato, in her essay on Leghorn's coral fair, shows how a specialised institution grew out of the initiative of merchants themselves, within a non-protectionist context. This coral fair was the result of the endogenous evolution of a complex trade system and aimed to reduce risks due to the high

qualitative heterogeneity of the traded commodity. The periodical fair here took the form of a marketplace where closely-knitted personal relationships conveyed information on agents as well as on goods, thus reinforcing mutual trust in a context of high uncertainty. The Leghorn case might appear somewhat exceptional, but it suggests a non-teleological explanation of the economic role that *ancien-régime* institutions and privileges exerted. It also sheds some light on the endurance and adaptability of fair meetings described in this volume, opening up the way to new research on this topic.

Giovanni Favero

University of Venice

A. Locatelli, *Riforma fiscale e identità regionale. Il catasto per il Lombardo Veneto (1815-1853)*, Milano, Edizioni Vita e Pensiero, 2003, pp. 297.

Between 1827 and 1854, the northern Italy kingdom of Lombardo-Veneto produced a new land and estate register: usually referred as "the new census", this land survey was an extension of the old Milanese census, ordered by the Empress Maria Theresa, to the territories of the former Republic of Venice (including the Bergamo and Brescia districts that were not included in the Milanese census) which had passed under Austrian control after the Campoformio Treaty of 1797.

Locatelli's research reconstructs, in four chapters, the various phases in the creation of the new land and estate register and the way it reflected the economic identity of this area. In fact, according to Locatelli, the completion of the survey marked an important change in the whole Lombard and Venetian region, where, for the first time, all the land registers became geometrical in their format. Of course, the geometric model was not only a system for surveying ownership which brought to an end all the merely descriptive land registers. The adoption of this model also led to a radical change in the land-tax pattern in the Republic's territories, where different systems of land-tax still co-existed at the beginning of the nineteenth century, while the taxation system to which the geometric land register refers deals with a single rent tax, calculated on an individual basis.

In 1827, an imperial law of Emperor Francis I envisaged a census for all Austro-Hungarian districts and not only for the kingdom of Lombardo-Veneto; the Chancellery of Vienna wanted to extend the old Milanese census to all imperial territories. In 1828, later defined the "Census Year", exactly a century after the founding of the first magistracy which was created to renew the land the Empire's land registry system, Vienna established a Census Committee. In every corner of the Empire the new census had different aims; in Lombardy-Veneto its aim was to remove inequalities in taxation levels and at the same time to produce a land register survey of rent. This would reduce tax evasion caused by imperfections in the Veneto's fiscal system and would update the Milanese census, based on eighteenth-century data, determining the new taxable levels.

Locatelli describes the making of the Lombard-Venetian land register as an adaptation of the geometric model adopted by Maria Theresa's census, showing both elements of innovation and continuity with the past. The land survey and the drawing of the maps were carried out with a detailed assessment of every single land plot, the quality and the value of which was established by the tax authorities. The report on the land rent was carried out in different phases, distinguishing between quality and output; the condition of land was referred to in order to balance surveys and to compensate for changes.

The new land register system was implemented in various phases, beginning with the Venetian districts, where temporary registers were kept quite early. The new census was completed in the territories of Venice, Padua and in the Po Delta by 1846; in Treviso and Verona by 1849; in Vicenza by 1850, and finally in Friuli by 1851. In the following years land registration was carried on in the Lombard areas where the former geometric and piecemeal system had not yet been adopted. In 1852 the Census Committee drew up registers for the territories of Brescia, Asolo, and Volta in the Mantova region, and Crema including the Lodi area. The land register of Bergamo was started in 1853 and lastly that of Valtellina in the 1854.

The surveys were quite complex and needed thirty years to be completed. The disputes over aims and rules between the Committee and the various magistracies involved in the process slowed down survey considerably, as did the quarrels about land-tax rates between the Census Committee and the regional and provincial assemblies at the moment of the establishment of new registers. But the enforcement of the new census in the former territories of the Serenissima

and the revising of surveys in the Lombard districts did not resolve all the problems. The renewal of land rent and differences in the criteria for assessing rateable value caused a disparity in the income levels between the two areas. So it was necessary to find a way of removing the inequalities between the new land registers and the Milanese system. This was also a complex process: in 1854 a new survey was begun which was completed only ten years later, as part of the complete revision of the land registers in all parts of the recently created Kingdom of Italy.

The new census of the Lombardo-Veneto Kingdom was carried out in a very different political context compared to the eighteenth century "age of reform". Through the Milanese census, Maria Theresa had wanted to assert the rule of the political centre over the periphery and this decision was closely related to the process of creating new administrative divisions and to a change in the relationship between imperial power and the aristocracies and middle-classes in the Italian territories of the Habsburg Empire. The drawing up of the new land register for the Lombardo-Veneto kingdom in the first half of the nineteenth century, on the other hand, was not only part of the institutional and administrative process of renovation, but also a political act connected with the social change caused by changes in the distribution of land ownership.

Locatelli also shows that "the new census" can be explained as the fiscal part of a wider process of reform: contemporaneously, the imperial authorities planned an intensive administrative and political auditing in these territories, in order to transform the Lombard and Venetian area from a federal state under the Habsburg crown into a region of the Empire, directly ruled by the Chancellery of Vienna. This interpretation is strengthened by the author who shows how the central power worked to set up a tax monopoly in the Lombard and Venetian territories by means of the new census. This should have replaced the territorial land-tax system managed by the social bodies and, at the same time, it should have led to a direct relationship between tax authority and subjects. But shortcomings in the Empire's administrative structure and regional resistance that aimed to defend the prerogative of local elites, caused conflict between the institutions involved in the project and the substantial failure of this part of the project.

Gaetano Sabatini
University of L'Aquila

J. D. Muñoz Rodríguez, *Damus ut des. Los servicios de la ciudad de Murcia a la Corona a finales del siglo XVII*, Real Academia Alfonso X el Sabio, Murcia, 2003, pp. 304.

Until recently, studies on Charles II's time have been burdened by old ideas about this very troubled period of Habsburg rule. Many of the studies devoted to this *fin-de-siècle* period paint a dark picture of the monarchy, obscuring the light of former times with the purpose of perpetuating the idea of a general recovery under the first Bourbon king.

However, many new studies about this period - Thompson, Kamen, Sánchez Belén, Andrés Ucendo, Storrs, Sanz Camañes and Álvarez-Ossorio *inter alia* - are starting from quite different assumptions, enriching our understanding with original ideas that allow us to develop a more realistic and holistic view about the rule of the last Habsburg. It cannot be denied that, at his death, this monarch was able to pass on to his heir almost all of the Spanish territories scattered over four continents. The book under review can undoubtedly be added to the aforementioned studies for its originality, but it also has other merits that call for further comment.

In the first place, Muñoz Rodríguez's book examines one of the main factors underlying the survival of Charles II's monarchy, that is the increasing fiscal alliance between the Crown and local powers, especially in Castile, but also in the Aragon kingdoms and in the Italian territories. This alliance has not been sufficiently explained by historians. However, it created reciprocal ties between both spheres of power which are well summarised in the title chosen by the author: *Damus ut des*. Cities and their natural representatives - the aldermen or *regidores* - secured the obedience of Castilian society towards the king who had to face consecutive defence and treasury emergencies.

As a result, the local elites maintained and increased their social status, since the king granted them the possibility to exploit a vast range of symbols of royal power. Undoubtedly, the great involvement of the city council of Murcia in tax collection and in military recruitment - which is used by Muñoz Rodríguez as a model for the other twenty councils represented in the Castilian courts at the time- also meant greater tolerance towards the Crown's constant demands and the introduction of fiscal and administrative methods that increasingly reflected the needs of the executive power. The appointment of

royal officials - such as the general superintendent of taxes or *superintendente general de hacienda* - illustrate the strengthening of bureaucracy in Castile and reveal the Habsburg origins of an innovative figure -intendent or *intendente* - which is usually taken to be paradigmatic of the Bourbon administration and of its emulation of French models in the establishment of its coercive mechanisms.

Secondly, for Castile in the last quarter of the seventeenth century, the political alliance led to a swelling of the ranks of the nobility which took place firstly in the region's main towns and then spread elsewhere. Regarding this issue, the author examines the local realities of the town of Murcia to identify the monarch's symbolic acknowledgement of the local elites. In this way, the admission to military orders, the granting of benefits which were economically advantageous and noble titles were all factors that would lead to a social consensus in favour of the monarchy, at a time when the Spanish empire needed it the most. In the long run, a continuously growing population increasingly identified its interests with the Crown.

In this respect, the alliance built up throughout the seventeenth century between the Castilian population and the monarchy may account for the still unexplained behaviour of most Castilian people in the political crisis of the first decades of the eighteenth century. For Muñoz Rodríguez the Spanish Secession War in the Castilian territories is an unexplored field of enquiry which might be the key to understanding the final outcome of a military conflict which not only brought about the dynastic change of the Spanish monarchy, but also influenced the power hierarchy in eighteenth-century Europe.

At a time when European historiography strives to identify the social basis of royal absolutism, the book under review illustrates the reciprocal interests underlying the relationship between Charles II and one of the Castilian kingdoms and shows how the population became involved in defending a monarchy which was undergoing one of its more serious geopolitical crises. However, as the author remarks, awareness of the crisis should not prevent us from understanding the efforts that were made to face the dramatic situation of the last Habsburg monarchy.

Gaetano Sabatini
University of L'Aquila

P. Pérez Herrero, *La América colonial, 1492-1763: Política y sociedad*, Síntesis, Madrid, 2002, pp 412.

The old colonial Spanish Empire has long attracted the interest of scholars and researchers on both sides of the Atlantic. In most European and American universities there are departments that specialise in the study of Spanish American culture and history, and as the reader will probably know, the list of titles on these topics grows every year thanks to the constant publication of new books and articles. Of course, the proliferation of new studies might be seen as proof of the great interest awakened by the troubled Southern American continent at present, but it also poses problems, especially for the non-specialist reader in need of a good and complete survey of Spanish American colonial history and who may feel lost among the seemingly endless list of books on the subject. With this kind of reader in mind, one of the best Spanish experts on the Spanish American Empire, Pedro Pérez Herrero, has written *La América colonial, 1462-1763: Política y sociedad*, where the reader will find not only a complete and accurate survey of the political and social history of the Spanish American colonies, but a clear and updated view of the latest theories and debates surrounding this fascinating topic which emphasises the links between the continent's present-day problems and its historical roots.

The book is divided into nine chapters. In chapter two the author analyses the early years of the conquest, the period between 1492 and 1520, when Castilian possessions in the new continent were confined to the main Caribbean islands. After reading the chapter, the importance of the first years of Spanish presence in Cuba, Santo Domingo and Puerto Rico, which is frequently overshadowed by the conquest of México and Perú in the second and third decades of the sixteenth century, is undeniable. The Crown had a clear interest in the exploration and conquest of new lands because this could be the way to obtain substantial incomes to fund its ambitious foreign policy, avoiding the need to ask for subsidies from the Castilian representative assembly, the Cortes, which was costly in political terms. The problem was that the conquest was expensive and, as always, the Crown had neither the resources nor the intention to pay for it, so it is easy to understand why the burden of Castile's expansion fell on the shoulders of private enterprise through a special kind of contract

(*capitulación*). But this also had its disadvantages. An excessive reliance on the conquerors might provide this group with political power that could undermine the Crown's control. To avoid this it was necessary to find a counterweight, and it is clear that the Church was the institution chosen by the Castilian government to play this role. Without denying the sincerity of the religious persons who took part in it, it seems clear that behind the heated theological debate surrounding the conquest there was a political objective. If the Indians were to be considered as human beings, the urgent spread of Catholicism to the new continent by Castile's dynamic religious orders would be one of the most important aspects of the conquest and this would curtail the power of the conquerors to the advantage of the Crown. Again, this had its own problems because from the first decades of the sixteenth century, many religious spokesmen, in their more radical and extremist proposals, thought that the spread of Catholicism was the one and only objective of the conquest, and that the Crown and the conquerors had to limit themselves to funding their religious work.

Taking all this into account, it can be said that the monarchy's control rested (chapter three, pp 84-95 and four, pp 131-40) on its ability to obtain the support of the conquerors and the church, depending on the circumstances. As we may easily suppose, this was the colonial version of the old political game of *divide ut imperas*; the same kind of game the Crown was used to playing for centuries in Castile. It should be emphasised that this was a source of strength and, at the same time, weakness. As long as the monarchy respected the privileges of the conquerors (and later of the colonial elites) and of the Church, its political hegemony would be undisputed but, as we can see in the second half of the eighteenth century, any attempt to tighten the Crown's control through a more centralizing policy would upset this delicate balance and would cause the strong opposition of its American subjects.

The political and social life of the colonies evolved within this context. The political institutions are analysed in chapter five. Chapter six deals with the immigrants' role in the colonies and chapter seven focuses on the study of the different social figures that developed during the period (landowners, conquerors, soldiers, merchants, Indians).

The last chapters analyse the main characteristics of political and social developments in the seventeenth century and the first half of the eighteenth

century. As a result of the sale of offices, the changes in municipal life, and the massive use of "composiciones" (an agreement by which the Crown forgave infractions in return for an amount of money) the monarchy's control over the colonies weakened in the seventeenth century (chapter 8). The arrival of the new Bourbon dynasty at the beginning of the eighteenth century marked a new phase. Following the same kind of policy that had been adopted in Spain, the Bourbons tried to strengthen their rule, regaining the ground lost in the previous century in what could be interpreted as the transition from an empire which from the beginning had functioned, in practical terms, as a confederation of local powers, to a more unified monarchy, under the tight control of the Crown. It might be expected that this would have caused a serious conflict between the new dynasty and the local colonial powers but, somewhat surprisingly, the author reminds us that the old colonial pact survived in the first decades of the century. In fact, it was not until the reign of Carlos III that we find signs of serious political friction between the colonial administration and the colonists (chapter 9).

In the book under review, the reader will find a concise and well documented survey of the colonial political and social past that will undoubtedly be a great help to readers interested in Spanish and American political and social history. The book has another important merit. Apart from offering an updated view of the various debates surrounding the topic, Pedro Pérez Herrero has explored the links between the problems of present-day Spanish America and its historical roots.

As we have already said, the political stability of the colonies rested on a delicate balance between conquerors, Crown and Church. As long as the government respected the autonomy and privileges of the colonial groups the stability of the whole system was secure and the Crown was seen as a useful source for the legitimation of the power enjoyed by the colonial elites. This delicate balance was endangered by the Crown's centralising trends during the rule of Carlos III, which paved the way for independence and P. Pérez Herrero provides us with a new insight into this process. It seems clear that, contrary to what has been frequently argued by many Spanish American historians, the wars of independence should not be interpreted as a conflict waged by the progressive American middle classes with the aim of implementing the liberal reforms that had been adopted in the most

advanced European nations of the period, erecting local variants of the European nation state. The motivations of American elites were more limited. Carlos III had threatened their undisputed hegemony, so their main objective was, in simple terms, to use the new states as a platform to preserve their traditional political and social power. What was the role of the indigenous communities in this situation? The interest shown by the author to this group is one of the most interesting aspects of the book. Far from what it is commonly thought, P. Pérez Herrero shows that during the colonial period these communities experienced a phase of profound change and transformation (pp 100-105 and 158-62). From a political point of view, it is clear that these communities were employed by the Crown and the Church as a means to reduce the power of the conquerors. The Indians were considered as minors, always depending on the tutelage of the Crown and the Church and barred from enjoying any political rights. Needless to say, this kept the Indians in a subordinate position throughout the colonial period, in what deserves to be considered as one of the worst legacies of the colonial past and this situation did not change after independence. The new American republics were built on the exclusion of the indigenous groups from the political power, something that could be, as the author remarks, a key to understanding the present-day resurgence of the indigenous socio-political movements in countries such as México or Bolivia.

José Ignacio Andrés Ucendo
Basque Country University

L. Ribot Garcia – L. de Rosa (eds.), *Naves, puertos e itinerarios marítimos en la Epoca Moderna*, Actas, Madrid, 2003, pp. 318.

The workshops organized jointly by the *Istituto Italiano per gli Studi Filosofici* and by the Simancas History Centre at the University of Valladolid, coordinated by Prof. Luis Ribot Garcia and Prof. Luigi De Rosa, have become regular and very useful events. The proceedings of the XIth workshop, entitled *Naves, puertos e itinerarios marítimos en la Epoca Moderna*, published in

2003, prove to be a stimulating source of in-depth study of a subject dear to historiography. The sea has always been the *agora*, the ideal place where men, merchandise, wealth and ideas have travelled and met. In particular, this workshop concentrated on the factors that contributed to putting Spain, with its ports and economic and social infrastructures, at the centre of modern geopolitics, interacting with the Atlantic ports of the New World, with the distant Pacific islands and, of course, with the older Mediterranean ports, especially with Genoa, Naples and Palermo. In the deployment of this trading and urban network, sea voyages were backed up by the technological development in shipping, by the ports' infrastructures and by commercial and administrative practices. These developments explain the evolution of the modern economic system.

The first paper is by Hugo O'Donnell Y Duque de Estrada, and gives a detailed account of Spanish ships from the sixteenth to the eighteenth centuries. The author shows how knowledge gathered during the middle ages on the Atlantic coasts of Europe and on the shores of the Mediterranean in shipbuilding activities allowed the Spanish merchant navy to change radically for the better. In particular, the "pot-bellied" ships with a fundamentally curved hull that ploughed the Mediterranean during the late middle ages were used in the early modern age too. It was on this model that the technological innovations which led to the building of galleons were experimented. In short, the Spaniards began to build ships of a greater tonnage, with tall broadsides and a large surface area of sail, more suitable to withstanding the impact of ocean navigation. Furthermore, as the armaments improved, these ships began to be fitted out with several batteries of cannon which by then had become the main weapon of modern warfare. O'Donnell points out that the ships' structure tended to take on a slimmer shape which was more suitable for ploughing the oceans at speed.

In the second paper, José Luis Casado Soto deals with the invention of the Atlantic galleon: this is, perhaps, the most famous ship which conjures up stories about pirates and sea adventures. Casado Soto shows how the galleon had its origins in Muslim shipbuilding technology which had produced a ship with a curved hull, which enabled it to contain a large load easily, and with broadsides high enough to allow two or more rows of oars that ensured that the ship would move even if there were no wind. This kind of vessel became known to the

maritime peoples of the entire Mediterranean basin, and spread rapidly to the English and Dutch merchant navy, who streamlined the building of such vessels. It must be remembered that the galleon was originally built exclusively as a trading vessel which could transport the precious cargoes of raw materials coming from the New World. The transformation of this ship from a merchant vessel to a warship was the work of the Spanish navy in its war against privateering in the Atlantic and French and English pirates who used lighter, faster ships. To deal with these attacks, the Spanish monarchy ordered their maritime engineers to build manageable ships able to chase after and attack the enemy. According to José Luis Casado Soto's description, the first Spanish war galleons were launched in the second half of the sixteenth century, after Philip II had set up the *Consejo*, a special technical and financial body which had to achieve the best results in terms of costs and profits. The *Consejo's* work resulted in a large tonnage ship (from 350 to 500 tons), with three masts and a large surface area of sails. The Spanish monarchy's great difficulty lay in finding the cash necessary to pay for these ships. The state treasury was not able to pay large sums outright, but the *Consejo's* idea of financing the military shipbuilding industry by means of loans from Genoese and Catalan financiers was accepted.

Ports are an integral part of any discussion on maritime technology. Port infrastructures developed during the early modern age, and Ignacio Gonzalez Tascon's paper aims to reconstruct the stages in the development of Spanish port engineering. The paper starts with the financing of infrastructures which, during the early modern period, had become more and more expensive with the end of medieval fortifications and the advent of artillery and the consequent necessity for ever deeper and fortified roadsteads for the ocean galleons which required more draught and therefore a greater depth. Of course, all this work affected the final cost, and the Spanish monarchy therefore introduced a series of excise duties to be paid on the products unloaded in the ports of the kingdom, thereby using a system of financing public works already used in Roman times. The building of the ports was generally entrusted to a *mastro d'opera* by means of an auction awarded with the candle system, a system widely used in the Kingdom of Naples, too, to award public contracts: the best offer presented before a candle (lit by the auctioneer) burned itself out was the one chosen. According to Gonzalez Tascon's study, the economic proposals were presented during an assembly of all the *mastri d'opera* – generally held in a church – where all the plans of the work to be

undertaken were examined. Port construction work had a great boom during Philip II's reign and after a period of substantial recession, port construction was again given a boost under the Bourbon monarchy.

The fourth paper, by Pablo E. Perez Mallaina, deals with the protagonists of the Spanish oceanic routes in the sixteenth century. The title should not deceive the reader: Perez Mallaina does not recount the adventures of great navigators and pirates; instead he traces the history of the ordinary and unknown sailors who enabled Spain to become a maritime power. He reconstructs the typical career of an ordinary seaman on a galleon, beginning with his reasons for signing on. First of all, as Perez Mallaina points out, the career of a seaman – and not that of prisoners who were forced to work on ships – began with his desire to emigrate, settling for example in the Indies to try his luck. This was a career taken up by people of humble origin whose family generally lived in a coastal village and were either fishermen or else involved in the coasting trade. It is obvious that when the labour force was too large following an economic crisis, signing on to work on an ocean-going galleon was the only hope of a better life. A seaman's career began with a very long period of apprenticeship – about ten years – during which the would-be seaman was entrusted – normally when very young – to a ship's officer whom he had to obey and to whom solely he had to render service. The hardship of a seaman's life should not make us think of it as a “residual” career; the demand for manpower in the merchant navy was enormous, and, at its peak, some 8,000 men were enrolled annually between the end of the sixteenth and the beginning of the seventeenth centuries. The fact that so many men were employed is interesting since these were free wage-earners who, in a pre-capitalist system, put their manpower at the disposal of an “employer” – often a private employer, but sometimes a public one – in a context of demand-supply which was dictated by the laws of the economy.

Fernando Serrano Mangas adds some important details to the technological evolution of shipbuilding. In particular, he observes that from the first half of the seventeenth century ocean-going Spanish galleons began to be built differently with one kind of vessel – of greater tonnage and with a larger cargo capacity – for ocean journeys, and a type of galleon for trade with the Indies. The need to face the difficulties in the crossing from South America to Spain, often in adverse climatic conditions, and to preserve the valuable cargo – often made up of precious metals – led shipbuilders to strengthen the vessels' structure

with an evident rise in costs. On the other hand, ships which sailed in the Pacific could have slimmer structures which were less expensive because they had to sail in calmer seas and cover shorter distances.

Using many archive sources and great thoroughness, Aingeru Zabala Uriarte's paper reveals the kind and the quantity of trade in the Cantabrian region. Due to its nature, the area between the Basque country and Galicia has acted as a hinge between the hinterland and the outside world. The Atlantic coast of Spain was able to furnish experienced manpower (trained over centuries of seafaring), a great ability to build ships and, last but not least, as has already been mentioned, the possibility of putting the manufactured products of inland or Mediterranean Spain in contact with the New World markets. In the opposite direction, this geographical area was the natural landing-place for spices, precious metals and raw materials from the other side of the Atlantic.

José Miguel Delgado Barrado's paper uses a different method from the other papers in the book. His *Pensamiento económico y sistemas de navegación colonial. Del puerto esclusivo a las habitaciones portuarias (1720-1765)* is related to the economic policy debate which concerned eighteenth-century Europe in the period of the Enlightenment. Delgado Barrado examines the transition from seventeenth-century mercantilist protectionism to the first forms of eighteenth-century free trade with the advent of physiocratic theories. Ports and their liberalization are the yardstick used to understand this transition better. During the early modern age, and right until the end of the seventeenth century, Spanish central government had kept a strict control over the building and the management of ports in order to increase fiscal revenue. Control was applied in all the territories which belonged to the Spanish monarchy: for example, the institution of the *portolani* in the Kingdom of Naples who had to issue authorisations for buildings in maritime localities. It is well-known that Spanish revenue authorities, by means of a wide-ranging series of duties, were particularly careful to tax imported merchandise in order to protect domestic manufactured goods and to enrich the national revenue's coffers. Spanish fiscal policy was essential to the monarchy's plans for political and military expansion and the finance for these plans had to come from taxes. In the eighteenth century the situation changed: the international political situation had changed radically, Spain had abandoned its aims of supremacy, and there was no doubt that English naval power was by now well-established. Economic necessities had changed, trade was increasingly rapid and needed to eliminate all those constraints which

hindered its development. The idea of setting up free ports began to spread, ports where goods could circulate freely and the Dutch and English examples – as well as Leghorn and Ancona – showed clearly that the state's role in trade had to be that of an arbitrator: rules were imposed by the market. This was the dawning of free trade, which was formalized by Smith at the end of the century, but which had leading spokesmen in Spain, such as Jeronimo Uztariz and Florez Estrada.

The last five papers in the book deserve particular attention. They are concerned with five very important Mediterranean cities: Cadiz, Venice, Genoa, Palermo and Naples. These are five of the largest ports in the modern world where, over the centuries, goods, men, wealth and culture have really “made history”. Augustin Guimerà Ravin writes about the port of Cadiz, which straddled two seas, the Atlantic and the Mediterranean, a position that enabled the Andalusian city to act as a port of exchange for goods from Central Europe, which arrived via the Italian ports and from the Ottoman Empire, with goods from the New World. Guimerà Ravin studies, in particular, the role of the wine trade, that wine produced in the Andalusian hinterland and sold throughout Europe. As is well known, wine produced in the Jerez de la Frontera region was one of Spain's main exports to England in the eighteenth and nineteenth centuries, supplanting wool which, for the whole of the early modern age, had been the basic export to Spain's old maritime rival. Using wine to describe the economic development of trade is particularly significant. Produced since ancient times, wine in the seventeenth and eighteenth centuries had benefited from notable improvements in production which had improved its quality and had enabled it to keep better. All these improvements allowed Spanish wine to supplant French wine on the English market which, at that time, was the market that ensured greater added value.

Giuseppe Felloni's paper is on one of the biggest Italian ports: Genoa. Felloni uses very rigorous methods to study the flow of goods from Genoa, beginning with the organisational structures of the port of Genoa and describing the role and the activity of the *Padri del Comune Conservatori del Porto*, in other words that magistracy appointed to administer the port. His analysis of the organisation of the work is very interesting, with the reconstruction of the ownership of the vessels in transit in Genoa and the role played by the *Banco di San Giorgio*. The paper ends with a highly accurate analysis of the flow of goods, reconstructed by making large-scale use of precious archive material concerning excise duties, notarial acts and administrative issues.

Ugo Tucci writes about Venice. It is not easy to describe in a few pages the role, the characteristics and the working of one of the largest ports in the early modern era, but Tucci, in his short but discerning paper, chooses an original and interesting interpretation: the transformation of Venice from a global trading-centre during the middle ages and the early modern age into a regional port after the inauguration of the Atlantic routes. Tucci succeeds in showing how Venice reacted to the crisis in trade due to the appearance of the maritime empires – which could count on vast and populated hinterlands, and on an ample colonial endowment – by modifying its own role in the European trading system, and becoming the maritime outlet for all those goods coming from the Danube region of Central Europe. This adaptation enabled Venice to survive as an important port for another three centuries.

The port of Palermo, described by Orazio Cancila, has distinctive characteristics in the Italian context. It was very important during the Arab occupation, being the place of exchanges between Mediterranean Islam and the Byzantine and the Lombard Duchies, and it kept many of its characteristics during Norman rule when Ruggero II moved the capital of the Kingdom to Palermo. Moving the capital to Naples under Angevin rule and the subsequent unification of Sicily with the mainland during Aragonese rule, both favoured the port of Messina which was nearer to mainland southern Italy. At that period, the port of Palermo suffered the ravages of time and of neglect, becoming often – in Cancila's words – a dumping-ground for the waste from tanning. Despite this period of decline, the port of Palermo remained fairly lively as far as trade was concerned, mainly because of corn and oil trading. The corn trade attracted many foreign merchants to Palermo, most of whom came from mainland Italy and became resident in Palermo. In Cancila's analysis, silk played an important part in Palermo's trade, although most silk was taken on board ship in Messina.

Luigi De Rosa's paper is the last one in the book and deals with the port of Naples which, unlike the other ports examined, is more recent. In fact, in ancient times the Neapolitan area was served by the ports of Pozzuoli, Baia and Miseno. During the early middle ages the port of Naples functioned alongside the ports of Gaeta and Amalfi which served the Byzantine Duchies. Until the thirteenth century, Naples was not a maritime city in the strict sense of the word: it was a trading centre whose population had nothing to do with sailing which was the

prerogative of the inhabitants of Amalfi and of Salerno. This situation remained unchanged until the middle of the thirteenth century when, under the Angevins, Naples became the capital of a kingdom and hence an administrative and commercial centre. When peace came to the Kingdom of Naples, Naples itself benefited from considerable economic development, with greatly increased shipbuilding capacity and the operation of the docks. The French monarchs boosted commercial navigation and encouraged the building of a large fleet of warships. Following a troubled period in the Kingdom of Naples during the reign of Giovanna II and Renato of Anjou, the port of Naples resumed its previous precarious economic situation which did not change until the Kingdom came under Aragonese rule. With the Viceroyalty, the port of Naples, being part of the larger system of Spanish Italy, lost its role as a trading centre, becoming the place which supplied the food requirements of the capital and the shelter for the Spanish war fleet engaged in defending the Mediterranean from the Ottoman threat. Of course, this does not mean that the port of Naples lost its importance in that it served one of the largest cities in Europe in the modern age. In his paper, Luigi De Rosa highlights an important aspect of Neapolitan maritime economy: the handing-over of the ownership of the merchant fleet from Neapolitans to Sicilian and Genoese merchants between the end of the sixteenth century and the seventeenth century. In order to have a better understanding of this difficult phase of the transformation of the port of Naples, De Rosa clarifies the role of Spanish fiscal policy: in need of continuous financial resources, it found an essential fiscal asset in the ports – and especially in the port of Naples – by collecting warehouse, draft and customs taxes. Recession hit the port of Naples again during the Austrian viceroyalty, when the port infrastructures received precious little maintenance and technical adaptation. Charles of Bourbon's accession to the throne marked the beginning of the port of Naples' recovery, although the Neapolitan fleet had been supplanted by the English and the French fleets which predominated in the Mediterranean. The Enlightenment debate on the institution of a free port sadly did not succeed in changing the destiny of the port of Naples which was by then excluded from large-scale international trading and dealt only in coastal trading of goods coming from the other Tyrrhenian ports.

Roberto Rossi
University of Salerno

A. Ritschl, *Deutschlands Krise und Konjunktur 1924-1934. Binnenkonjunktur, Auslandsverschuldung und Reparationsproblem zwischen Dawes-Plan und Transfersperre*, (Jahrbuch für Wirtschaftsgeschichte, Beiheft 2), Akademie Verlag Berlin 2002

Ritschl's central argument is that the extreme severity of the Great Depression was caused by the fact that the Young Plan of 1929/30 tightened the reparation regime greatly. Under the previous Dawes Plan there existed a provision that the transfer of reparation payments abroad could only be undertaken if this did not endanger the German balance of payments. By that clause reparations were effectively assigned the lowest priority within the bundle of German obligations to foreigners. An incentive was thus established to increase German commercial indebtedness abroad in an attempt to finally dispose of war-related transfers by presenting the choice to Germany's creditors between servicing the commercial debt or paying reparations. Even though Ritschl presents some support for this interpretation from governmental sources, one could ask whether the fast growth of German foreign debt could, indeed, have been the result of a coordinated action of a multitude of German debtors with that aim in mind. The alternative seems more plausible: that the country imported capital after its hyperinflation which was freely given by foreign creditors not least because the transfer clause of the Dawes Plan seemed to reduce greatly the risks of such action. Even if they had wanted to avoid such large capital imports, German authorities lacked the necessary policy instruments to do so given the gold standard with its convertibility of currencies, as well as free international capital movements.

However, the substance of Ritschl's argument remains unchanged by these considerations. The abolition of the transfer clause and the institution of a binding scheme for the payment of reparations through the Young Plan reversed priorities. Now the reparations transfer was the first German obligation, the servicing of commercial debt was given second priority. In view of the huge foreign commercial debt already incurred by Germany at the end of the twenties this meant that the risk of additional credits suddenly skyrocketed. The conclusion drawn by Ritschl that this led to the near drying-up of capital inflows to the Reich is warranted. The graph, entitled "German Capital Imports", (p. 111) shows a steep decline in 1929/30.

Unfortunately, the diagram in reality shows "*net* capital imports" as can be seen from Table 4 in appendix B. It is evident that capital imports remained

surprisingly high, amounting to more than 3.5 billion Reichsmarks in 1930 (as well in 1931) with capital exports instead reaching higher and higher figures. It would have been quite interesting to get an explanation of this very peculiar development, which the author fails to provide, however.

Even if capital inflows generally did not cease as quickly as might have been expected, it is clear from the historical record that the German state could not liberally obtain further foreign credit. Related to this, its creditworthiness at home was also severely affected. The German banks, for example, could not give credit to the government without the consent of *their* foreign creditors whom they themselves were dependent upon. Therefore, the state faced a severe credit restriction and had no choice but to follow a policy of balanced budgets, which led to a deflationary policy, in spite of the ongoing crisis. That, in turn, produced the big export surpluses for the first time since 1926 which were necessary for the real transfer of reparations in 1930 and 1931, in a period with high capital exports (capital flight).

Ritschl's book makes fascinating reading in part, and its appendices include a large amount of data which he has painstakingly collected himself, many of them from archival sources. Yet, at times the book is sometimes difficult to comprehend. The volume's main achievement is the demonstration that a deflationary policy was necessary. Hence, it is a valuable contribution to the debate about possible alternatives to Chancellor Brüning's austerity policy, and it persuasively comes down on the side of Knut Borchardt's prior, rather pessimistic, account. As such it deserves a wide audience.

Christoph Buchheim
University of Mannheim

C.J. Stein and B. H. Stein, *Apogee of Empire. Spain and New Spain in the Age of Charles III, 1759-1789*, The John Hopkins University Press, Baltimore & London, 2003, pp. 464.

The wave of reforms - driven by enlightened and innovatory ideas but also by practical exigencies that became increasingly evident to those operating in

the administrations of large modern states and who sought fixed rules, functional efficiency and fairness – stretched from one end of the Continent to the other. It ran from Portugal to Russia, from the Kingdom of Prussia to both ends of the Italian peninsula.

Spain, too, appeared to waken from its lethargy and to renew itself through the innovatory policies of Charles III (1759-1788), who had succeeded his father Philip V. Despite the Church's omnipotence which, together with the nobility, held most of the country's land in their hands, Charles resolutely followed the path of reform, reducing the number of convents, restricting ecclesiastical mortmain and expelling the Jesuits. The country was shaken and seemed to be on the way to economic and social recovery but to face the growing supremacy of Great Britain in Atlantic trade Charles stipulated with Louis XV, the French King, the "family pact" which in 1761 drew the Spanish Crown into the Seven Years War.

Charles III, who was later called to the throne of Naples, is remembered above all for his protectionist and expansionist commercial policy which took advantage of Great Britain's difficulties arising from the American Revolution in order to reinforce Spain's colonial positions. Charles introduced domestic free trade which hit the big landowners and livestock raisers belonging to the *Mesta*, implemented an administrative reform which reorganised the provinces under the authority of *intendentes*, who were appointed by the king, and promoted the creation of offices which were entrusted to members of the middle classes and to experts who were not compromised by the traditional rule of the *grandes*.

As well as trade Charles also promoted the development of agriculture, founded military academies, reorganised the fleet and reformed state administration. In addition he curbed the power of the Court of the Inquisition. None of this, however, was easy to carry out. The efforts made by the "enlightened" king to reform Spain's ruling class were for a long time hampered by the persisting system which had been devised over more than two centuries by the preceding Habsburg rulers and by over fifty years of Bourbon plans for "reform" that were never carried out.

Charles and his Neapolitan staff, led by his most loyal assistant, the Sicilian Leopoldo de Gregorio, the Marquis of Squillace, who became Secretary of the Finance Department and of the Treasury, the *Consejo de Hazienda*, came up against the Habsburgs' political, social, economic and intellectual institutions

both in the Iberian Peninsula and in the colonies. Fully aware that the impetus for economic growth was directly in proportion to the vitality of the urban centres, the Bourbon reformers, led by Squillace, sought to renew these institutions, concentrating on the metropolitan regions.

The conflict between traditionalists and reformers centred on the common concern as to what changes could be made at home and in the colonies without radically altering the Habsburg legacy. Nevertheless, the process of renewing the Spanish Empire was under way. After recovering Havana, which had been lost in 1762 following a British attack, Squillace sent out military officers to examine the situation in Cuba and Puerto Rico; in 1765 he appointed José de Gálvez, a young bureaucrat by profession, High Commissioner (*visitador general*) and authorised him to conduct a vast enquiry into New Spain, the mother country's most important trading partner. Having "apparently" reformed Madrid, the Marquis of Squillace thus turned the reformers' attention from the metropolis to the colonies. Yet he was forced to accept a heavy defeat because his plan was unusually ambitious and far-reaching for Spain and aimed at too many objectives at the same time. In fact, seven years after the arrival of Charles in Madrid, an insurrection toppled Squillace and he was forced to return to Italy.

In the second part of the book, the authors show the inability to renew the Habsburg legacy due to the persisting reluctance to undertake radical innovatory measures at home and in the Spanish government's relations with the colonies. In particular, the Steins stress the shifting of the focus of interest to the colonies, emphasising the attempts to reform colonial relations which were considered a key aspect of Spanish colonialism.

The striking expansion of overseas trade, especially Atlantic trade, was one of the more surprising signs of the vitality of European economic expansion, even though it amounted to a smaller percentage of European trade than the more modest coastal trade. For most European regions, before the railway era, the scarce communications and the isolation of local markets were in fact a vicious circle that was not easy to break. Most European trade circuits had little opportunity to expand, while the growing demand for trade benefited circuits favoured by particular geographical conditions, like access to maritime ports or to navigable waterways. An important factor in this expansion was undoubtedly the rapid growth of coastal navigation and of short-distance maritime trade.

The country's economic vitality was thus an essential condition for the expansion of international trade. Since 1717 Spanish trade with the American and Caribbean colonies had been controlled by Cadiz which had taken over the administrative monopoly previously enjoyed by Seville. During the century Spanish trade with its colonies continued to expand, although without giving rise to any subsidiary business activity in Cadiz or Andalusia. Cadiz grew rich and became Spain's foremost city but when the war with Great Britain deprived Spain of its colonies, the city's prosperity declined. Colonial trade had not triggered agricultural development and specialisation in Andalusia, nor the development of new processing industries and any significant growth in the tertiary sector. When the Andalusian economy was no longer able to supply goods to satisfy American demand, the merchants of Cadiz turned to Catalonia and other European markets to procure what they needed.

The adopting of free trade by Charles III within the imperial system ought to have led to the making of a solid "colonial pact" but, like the majority of Bourbon reforms, it neither improved relations with the colonies nor Spain's "competitive" position in the Atlantic trade system.

After the enquiry conducted by Gálvez on New Spain's fiscal conditions, the central government urged the Treasury of Mexico City to transfer any surplus to Madrid and Havana. The "Bourbon Reform" thus sought to transfer the capital of the very rich Spanish colonies to the metropolitan centres. Although this attempt proved to be a successful tax device it did not bring any social benefits, neither was it meant to. But is it really true that the strategic decision to shift attention away from the metropolitan centres to the American colonies and to try and renew Atlantic trade was a deliberate decision by Madrid? This is the question left open by the authors who describe the results of their research in terms of a positive response by an old imperial system to domestic and foreign challenges, stressing the ability of tradition to delay what could not be resisted and to mitigate what could not be cured.

Eighteenth-century Spain was unable to recover from the effects of the prolonged and ruinous conflict with the Low Countries which ended in the mid-seventeenth century. Moreover the heavy Habsburg legacy did not allow a radical change in the Empire which was needed to respond to the rapid development of the British and French economies. In other words, the Spanish politicians were not "reformers" but simply anxious to prevent the American colonies from

being directly exploited by the British and French merchants. Their policy might be better described as a form of "defensive modernisation".

On the other hand, it cannot be denied that Enlightened Absolutism was marked by great contradictions and ambiguity. Although they sided with the middle classes and progressive nobility, the enlightened monarchs had no intention of upsetting the more reactionary members of the nobility since they were quite aware that the reforming drive of the advanced middle classes opened up prospects for political and economic change which were objectively in conflict with the monarchy's own interests. It became clear that only the direct and steady participation of the middle classes in government would have led to a real transformation of social and economic structures. Thus, the age of reform had to be followed by that of revolution.

The authors emphasise the elements of contradiction and conflict which characterised the Spanish Empire in the period of Charles III's rule, stressing the incompleteness and "accidental" nature of reform programmes and placing in the right perspective the inability of the mother country and the colonies to deal with the deep crisis in the decades that followed. What emerges very clearly from Stanley and Barbara Stein's work is the way in which the old colonial Empire survived intact in the Atlantic in the face of pressure from the two leading European powers, Britain and France, in the last phase of commercial capitalism and in the early decades of the first Industrial Revolution, although they leave open the question about the influence of the French Revolution which probably did not stop an autochthonous process of reform, but was a completely new factor.

Equally steadfast had been the reform proposals with which Charles Bourbon came to the throne of Naples in 1738, aided by the intelligent collaboration of the Minister Bernardo Tanucci and by the zeal of Neapolitan economists and jurists like A. Genovesi, F. Galiani, G. Filangieri, the cream of the kingdom's intellectual class. Nonetheless, already in Naples his task had not been easy. Both in Spain and in Naples there were not the objective historical conditions for an enlightened prince to be able to implement reform; there was no real middle class that was economically active and able to assist and sustain the action undertaken by the king. A revolution from above could only have succeeded if it had been backed and taken up by an independent initiative from below following the emergence of new social forces.

At Charles III's death, only superficial changes had been made in Spain and not the radical changes the situation demanded. After 1789 its very rich colonies were unprepared to meet the upheavals of the subsequent decades in Europe and America.

Rossella Del Prete

University of the Sannio, Benevento

R. Tilly, *Geld und Kredit in der Wirtschaftsgeschichte* (= *Grundzüge der modernen Wirtschaftsgeschichte*, Vol. 4), Stuttgart: Franz Steiner Verlag 2003, 224 pp., 44 charts, 35 tables.

This remarkable little book is a concise treatment of monetary and banking history since the times of the Glorious Revolution, with extended country chapters on Britain, Germany, and the U.S. According to a now slightly aged concept, Europe underwent a "Financial Revolution" at the times of the Glorious Revolution in England. As a result of a long-standing power struggle between the Crown and Parliament, national and royal debt were separated from each other in 1688, and levying new taxes or raising new debt became a parliamentary prerogative. The administration of this debt was placed in the hands of the Bank of England, established in 1694 as a chartered bank with private shareholders. Soon, interest rates on these bonds started to decline, and would hardly ever lie above 4% p.a. during the century to come. Traditional financial history has interpreted this decline as a major reduction in the cost of capital in the British economy, with potentially large crowding-in effects on private capital formation. The book meticulously explains how England's banking system was formed and expanded from the eighteenth century, when a clear separation between the London financial market and the so-called country banks took place. Britain almost accidentally hit on the Gold Standard in the eighteenth century, as silver was constantly undervalued at the Royal Mint. Monetary stability was one consequence of this; dire lack of specie for small and medium-size transactions was another. As a result, the banking system intensified the use of currency substitutes early on, and the circulation of bank notes became widespread in England earlier than on the continent.

What makes this book special is the comparative perspective. Tilly is an expert on Prussian financial history, and skilfully explains the unique characteristics of Germany's rising financial system in the nineteenth century in comparison with Britain. In the wake of the Napoleonic conquest, Prussia pledged it would call a constitutional assembly for any new taxes or debts. However, as soon as Napoleon was gone, the restoration of the old order became the main policy. Prussia did not default on its promise outright, but simply resorted to balanced budgets to avoid any new taxes or debts. Prussia was well-known for its extreme fiscal conservatism and its admiration of English *laissez-faire*. Training schemes for higher civil servants at the time included Adam Smith's *Wealth of Nations* as compulsory reading in the syllabus (something that is clearly missing in Germany today). A constitution was granted only after the failed revolution of 1848, and Prussian debt started to increase, mostly through railway loans. Unlike England, Prussia and the other German speaking countries were all on the silver standard. Tilly does a good job explaining how Prussia's increasing dominance over Germany – with its military victory over the rest of Germany in the brief Austro-Prussian war of 1866 – translated into economic and monetary unification. After the war on France in 1870-71, Prussian-dominated Germany adopted the gold standard in order to be compatible with the London financial market. This forced defeated France off its previous bimetallic standard and into an increasingly strong alignment with the gold standard area.

Bimetallism was also the tradition of U.S. monetary policy, although an undervaluation of gold in the Coinage Act of 1792 put the country on a *de facto* silver standard. Conflicts of power between the federal government and the states generated a particularly unstable central banking system, with two short-lived attempts to establish a central bank at the federal level. Keen to generate revenue in the absence of sufficient power to tax, the states would generously charter banks, which would hold parts of their reserves in state bonds. In its most extreme version - the free banking system - banks could acquire the right to issue banknotes by depositing an equivalent amount of state bonds with a pre-assigned reserve bank. As the quality of these bonds proved not to be beyond doubt, the system contributed to the volatility of recurrent credit crises. The need to provide war finance during the Civil War of 1861-65 led to the repudiation of convertibility in 1862 and the establishment

of a national banking system. In what was essentially a copy of the state banking system, the member banks of the new system would have to deposit federal bonds with a federal agency. Considering previous experience, the reserve requirements of this banking system were somewhat stricter. As a consequence, both banking systems and their bank notes coexisted, and only in 1865 was the right of state banks to issue notes restricted. After the end of the civil war deflation brought a return to the old bimetallic standard, popular among farmers and small businesses faced with debt deflation. Nevertheless, in the "crime of 1873", coinage of silver was stopped, and an act of 1875 envisaged the return to the gold standard. However, continuing agitation for free silver coinage delayed the actual return to the gold standard until 1890. Beginning in the 1890s, broad monetary aggregates began to increase much faster than the monetary base. It seems tempting to conclude that the formal return to gold contributed to this process, and thus solved the problems of an insufficient monetary base.

The book has a nice chapter that brings together the three national experiences, and includes evidence from France. In an interesting evaluation of the recent debates about the credibility of the gold standard, Tilly remains somewhat skeptical about the role of the Bank of England as an international leader of central bank policy, and emphasises its conflict of interests as a profit-making institution. What has been dubbed international cooperation in the pre-war banking system he rather sees as a lender-of-last-resort function of the continental central banks for the Bank of England. Two final sections extend the story to the inter-war and post-war periods, but this clearly has more the nature of an extended epilogue.

Tilly's account of the development of the international financial system provides a well-written, insightful overview. At times, the more recent harvest of papers in the field is not fully included, especially on the credibility effects of the gold standard as a commitment technology against debt default. Still, the book combines new literature with the insights and maturity of judgment of the older generation. This makes it a 'must read' for anyone studying the field, hopefully in a future English edition that makes the text accessible to an international audience.

Albrecht Ritschl
Humboldt University of Berlin

R. Torres Sanchez (ed.), *Capitalismo mercantil en la España del siglo XVIII*, Ediciones Universidad de Navarra (EUNSA), Pamplona, 2000, pp.413.

The year after the publication of this book, which collects together the papers presented by lecturers from several Spanish universities at the economic history seminar organised by the University of Navarra in the academic year 1999-2000, Santiago Aquerreta's *Negocios y finanzas en el siglo XVIII: la familia Goyeneche* was published. It deals with two subjects: the vicissitudes of a family of contractors and financiers in Navarra who were connected with the Bourbon dynasty and the story of the founder of the family who held important appointments as the Court Treasurer and Quarter-master General of the Spanish navy. The various studies which form part of the research activities promoted by the Grupo de Historia Financiera (GRHIF) of the University of Navarra aim firstly to give a concrete meaning to the concept of "mercantile capitalism" which evades too exact a definition, and secondly, to examine the role of "los hombres de negocios", those businessmen who finally brought flexibility, security and trade to a substantially rigid commercial system which was exposed to every fluctuation and closed to foreign trade. Until the appearance of these men, the Spanish economy in the eighteenth century was stagnant, based on self-subsistence, without any outlets, means of communication or organised markets.

Torres Sanchez shows that the various authors have studied the subject from different angles and above all without stereotyping the entrepreneurs, contractors and financiers of the court merely into members of the bourgeoisie who arose in tandem with the rise of this new class (cf. Aquerreta's study of Juan de Goyeneche). Torres Sanchez emphasises the importance of reconstructing the specific historical context in which the capitalist evolution took place as a reaction to real social and economic situations. Similar situations were already occurring in other times and other places, but were not exclusively confined to a specific nation, to a single social class or to a particular profession.

To this end, the book is divided into three sections which deal with the three key elements of mercantile capitalism: the problem of risk and uncertainty in economic enterprises which determines businessmen's organisational strategies (Elena Alcorta Ortiz de Zárate, *Comercio y familia. La trayectoria comercial de un hombre de negocios bilbaíno de la segunda mitad del siglo XVIII: Ventura*

Francisco Gómez de la Torre y Jarabeitia, Pedro Pérez Herrero, *Negocios y redes familiares en la Nueva España durante el siglo XVIII*; Victoria E. Martínez del Cerro González, "Trabajar en red". *La colonia de navarros y vascos en la economía gaditana de la segunda mitad del siglo XVIII*; M. Guadalupe Carrasco González, *Comercio, negocios y comerciantes en Cádiz a finales del siglo XVIII*, the financing of commercial enterprises (Reyes Calderón Cuadrado, *Crédito para comerciante y crédito para consumidor. La diferente conceptualización de la usura en la España del siglo XVIII*; Montserrat Gárate Ojanguren – Juan Luis Blánco Mozos, *Financiación de las compañías privilegiadas de comercio en la España del siglo XVIII*; Juan Carlos Sola Corbacho, *El mercado de crédito en Madrid, 1750-1808*; Alberto Angulo Morales, *Comercio y financiación del negocio lanero de los Manso de Velasco (1790-1840)*; business carried out on behalf of and in the shadow of public finance (Santiago Aquerreta, *La participación de los financieros nacionales en la guerra de Sucesión: el abastecimiento de víveres al ejército*; Jesús Cruz, *Los Bringas y su entorno. Comercio, finanzas y sociedad en el Madrid de finales del Antiguo Régimen*; Conchita Hernández Escayola, *Comercio y finanzas en los arrendamientos de rentas episcopales en Navarra, 1700-1777*.

The first aspect explains the creation of family and client networks within which businessmen could move securely, relying on the concept of "confianza" i.e. of credit and reliability; the family group was essential to the conduct of business in that it offered a guarantee of respectability and enabled the family to increase its activity and to broaden its areas of expansion, for example by sending younger sons to Madrid or to the Spanish colonies to make a fortune and to create contacts with other social and economic situations where members of the younger generations could go to work in the future.

The aim was to achieve great flexibility in business, in that greater diversification avoided bankruptcy and enabled expansion; this brought businessmen again to "buscar afinidades", to seek connections and common interests as, for example, with colleagues from their own region (the *horna navarra* at the Court of Madrid in the eighteenth century), but above all with other networks of speculators, or else by forming trading or insurance companies and reconstructing forms of association that revived the ancient *gremios* (corporations). Income from real estate or the ownership of commercial brokerage offices (*corredores*) formed part of the various business activities.

The aspect of financing companies and enterprises must be considered: once again, because there were no real banks, the search for financing became a question of relations (both with individuals and with the Court) and of confidence, because the lender was an interested party in the results of the enterprise. This was the case with the merchant bankers of Madrid, who ended up by becoming Spain's most solid financial institution: in 1808, when the Napoleonic administration imposed a compulsory loan, the Cinco Gremios Mayores, the largest trade corporation in Madrid, could lend the government fifty million.

The relationship between businessmen and the public authorities, as Torres Sanchez explains, is one of the key aspects for identifying the characteristics of mercantile capitalism: the Court, the princes, the bishops and other institutions could, by means of "*los hombres de negocios*" and their networks of interests, obtain credit and services, and, in exchange, the "suppliers" obtained privileges and social standing. In the case of the bishops, the contract to manage ecclesiastical revenue allowed the entrepreneurs to appropriate the produce of churchlands and, by selling it, to accumulate commercial capital.

Pedro Pérez Herrero explains: "it is an indisputable fact that the businessmen ... did not behave like a modernising élite during the second half of the eighteenth century... Their main aim was to obtain social prestige and political benefits... History teaches us that if the social and economic structure is not transformed in advance, privatization will increase social imbalance... The analysis of the past shows that the delay was due not to the absence of modernising entrepreneurs but to the existing social, political and economic structures."

And, in fact, the suppliers to the monarchy found their favourable moment with the rise of the Bourbon dynasty which, combining dynastic power and national wealth, recognised the importance of economic development. The Bourbons put economic development at the basis of the reformism implemented by Alberoni which, however, did not affect the social structure. In this context, the Spanish economy, which hitherto had witnessed the predominance of foreign economic groups, especially, the French, was nationalised. Even at the end of the *ancien régime*, remarks Jesús Cruz, the rising bourgeois were never a revolutionary group, but rather a conglomerate of notables who wanted a liberal government to be established, mainly through their desire to improve the country

from the point of view of progress and economic development. This would lead the way to a wide transformation process which would yield its fruits even in recent times.

Ludovica de Courten
Ministry for Cultural Heritage and Activities
Archive General Management - Rome

C. Vassallo (ed.), *Consolati di mare and Chambers of Commerce. Proceedings of a Conference held at the Foundation for International Studies (Valletta, 1998)*, Malta University Press, 2000, pp. XV, 231.

J. Armstrong and A. Kunz (eds.), *Coastal Shipping and the European Economy 1750-1980*, Verlag Philipp von Zabern, Mainz, 2002, pp. XI, 263.

These two books, one published two years after the other, are both the result of conferences held in 1997 and 1998 on particular aspects of the history of commerce and shipping from the middle ages until recent times.

Published in occasion of the anniversaries of the founding of the *Consolato di mare* and the Chamber of Commerce in Malta, the first of these two collections of papers describes the vicissitudes and the institutional characteristics of these two organisms in the Mediterranean world. The section on the Consulates (Carmen Salvo, *Il ruolo istituzionale e la composizione sociale del Consolato del Mare di Messina tra Medio Evo ed Età Moderna*; Stanley Fiorini, *The Vice-Admiracia Insularum Meliveti et Gaudisii: The Medieval Precursor of Malta's Consolato di Mare*; Alain Blondy, *Les Juridictions consulaires d'Ancien Régime: l'exemple de Paris*; Cristóbal García Monitoro, *La creación del Consulado de Málaga y su influencia en el desarrollo económico de la ciudad*; Sebastian Vella, *The Bureaucracy of the Consolato del Mare in Malta, 1697-1724*) examines the rise of the mercantile court in different areas. This mercantile court had authority to control every activity connected with shipping: freight, damage to goods transported, seamen's pay, the hiring of crews, and agreements between merchants and shipowners. The fact that *Consolati di mare* enjoyed special jurisdiction, which lasted over the years, was crucial: in each political context,

the authorities tried to take over the *consolati di mare* and control their activities, which meant gaining economic control over trade.

Alain Blondy points out: « *Lorsqu'à la fin de la féodalité, le monde des villes et du négoce se développa, le commerce établit un pouvoir judiciaire particulier qui intervint pour assurer l'accomplissement des contrats commerciaux. Ce fut le fait, non des gouvernements, mais de simples citoyens... et le principe, révolutionnaire alors, de l'élection des juges par leurs pairs, est resté le fondement de la justice commerciale* ».

The second section on the Chambers of Commerce (Xavier Labat Saint Vincent, *La Chambre de commerce de Marseille, trait d'union entre le corps d'ancien régime et l'institution consulaire moderne*; Maria Begoña Villar García, *Las asociaciones mercantiles en la Málaga del siglo XVIII*; Michela D'Angelo, *The British Factory at Leghorn: a kind of Chamber of Commerce cum Consulate*; Carmel Vassallo, *The Establishment of the Malta Chamber of Commerce*) reconstructs their functions: as well as protecting (often in the form of a guild) the commercial interests, for example of a mercantile city, such as Marseilles, or an island that was a Mediterranean crossroads, such as Malta, the chambers of commerce often took on functions of real consular delegations. In 1685, the Marseilles Chamber of Commerce was granted special jurisdiction over French subjects who were going to settle in the Levant. The same can be said of the British trading stations in other countries: the "British Factory" was an organisation made up of merchants and business agents who promoted and protected British interests abroad.

As well as returning to the theme of the first section of the book in a paper on Islamic countries (Tahar Mansouri, *Consuls et consulats en terre d'Islam: l'Égypte mamlouk et le Maghreb au Moyen-Âge*), the third section begins with a paper on the problems of law and maritime practices (Brahim Harakat, *Questions de droit et d'usages maritimes maghrébins avant l'époque contemporaine*). The book begins with a "technical" paper on bills of lading (Charles Goldie, *The Bill of Lading Then and Now*). The last three papers deal with particular aspects of Malta's commercial and marine history (Thomas Freller, *Samuel Khiechel in Malta. The Economic Perspective of a Sixteenth-Century Traveller*; Simon Mercieca, *Commerce in Eighteenth-Century Malta. The Story of the Prepaud Family*; Joseph Muscat, *The Maltese Brigantine*).

For their part, the papers presented at the 1997 workshop in Hamburg deal

with the importance of the role played by coastal shipping in the economic development of European nations in the nineteenth and twentieth centuries. The first problem for the authors of the papers, as the editors (John Armstrong and Andreas Kunz, *Coastal Shipping and European Economy*) point out in their introduction, was to give an exact definition of coastal shipping: although there is a common meaning for many European countries (Denmark, Germany, Greece, Italy, Norway, Spain and Sweden) which is, in fact, that used in Great Britain ("in Britain coastal shipping is synonymous with cabotage or internal trade"), in practice there are huge differences, for example, concerning some countries (including England itself) which consider coastal shipping carried out in their colonial possessions as "home trade". Belgium is a special case: with its coastline of only 68 kilometres, Belgium had proposed and was proposing to carry out "intracontinental shipping" "as international coastal shipping" i.e. the transport of goods and passengers within the area of geographical Europe, not excluding the ports of North Africa and the Near East (Greta Devos, *Belgian Coastal Shipping 1879-1914: a Special Case?*).

The editors have pointed out that the subject of coastal shipping has never been studied in detail, perhaps because of the greater fascination of foreign routes, and because of the scanty and fragmentary documentation available on the subject. This may also be explained by the differences already mentioned concerning the practices of coastal shipping in the various countries, which would require a comparative study of the different systems in use. There is no doubt about the important contribution coastal shipping brought to industrial development and urbanization. The case of the Ottoman Empire is significant (Elena Frangakis-Syrett, *The Coastal Trade of the Ottoman Empire, from the Mid-Eighteenth to the Early Nineteenth Centuries*) where, in a preindustrial situation in three continents (Europe, Asia and Africa) "coastal trade served an important function primarily in contributing to the commercialization of agriculture, the monetization of the economy and to the further growth and greater unification of the domestic market".

Armstrong and Kunz explain: "The basic economics of coasting held throughout maritime Europe. Essentially before the railway, the coaster, like the canal barge and river lighter, was particularly suited to carrying bulky goods over long distances, especially when compared to land transport by horse-drawn waggon or packhorse. The difference in carrying ... gave ... a huge cost

advantage over horse-powered road transport. This advantage was particularly high when end points of transport service were close to navigable water, but was negated where there was considerable distance between port and final destinations". Nations with more waterways were at an advantage, but especially so were those which, enjoying direct state intervention, had organized port infrastructures and combined land-sea services. Italy is cited as an emblematic case of these forms of state protectionism (Andrea Giuntini, *Coastal Shipping in Italy from Unification to the First World War, 1861-1915*), whereas in actual fact this situation was typical of many great maritime nations.

The advent of transport by rail created serious competition to coastal transport, but in some countries, like Finland and especially Spain, both forms of transport survived side by side until recent times without interference (Yrjö Kaukiainen, *The Modernisation of Finnish Coastal Shipping and Railway Competition c.1830-1913*; Jesús M. Valdaliso, *Competition and Co-operation in Spanish Twentieth-Century Coastal Liner Shipping*). There is, however, no doubt that, until the First World War, coastal tonnage continued to increase, determining the development of trade and of domestic markets.

This book – which for the editors is a starting-point for wider and more detailed studies on local situations and on the organization of the ports – provides a varied selection of papers on different European countries (John Armstrong, *British Coastal Shipping: a Research Agenda for the European Perspective*; Hans Christian Johansen, *Danish Coastal Shipping c.1750-1914*; Olle Krantz, *Domestic Shipping in Swedish Historical National Accounts*; Jari Ojala, *Finnish Coastal Shipping, 1750-1850*; Gordon Jackson, *From Coaster to Steamer: Coastal Trade and the Birth of Steam Shipping in Scotland*; Antonio Gómez-Mendoza, *Light and Shade in Spanish Coastal Shipping in the Second Half of the Nineteenth Century*; Daniel A. Rabuzzi, *The Coastal Shipping of Mecklenburg and Western Pomerania, 1750-1830*; Peter Voss, *French Atlantic Coastal Trade in the Eighteenth Century: the Case of Bordeaux*; Lewis R. Fischer, *Maritime Infrastructure: the Response in Western European Ports to the Demands of Coastal Shipping, 1850-1914*; Orwin Pelc, *Hamburg's Coastal Shipping in the Nineteenth Century*).

Ludovica de Courten

Ministry for Cultural Heritage and Activities

Archive General Management, Rome

A. Veronese, *Una famiglia di banchieri ebrei tra XIV e XVI secolo. I da Volterra. Reti di credito nell'Italia del Rinascimento*, ETS, Pisa, 1998, pp. XV, 346.

This is an original interpretation of a most unusual case history. Veronese begins his book with a very precise methodological statement: in the history of Jewish settlement, especially in the case of Italian Jews, the "family history" approach, says Veronese, enables us to use much of the information acquired on the subject and to widen considerably our field of research. In this way we will be able to correct some repeated and often irrelevant assumptions in the study of Jewish communities which in some regions cannot be viewed as the driving force behind Jewish life.

Veronese shows that for the Jews, the strengthening of family structure and ties was a reaction to the difficulties they encountered when they settled in a place. At the same time, Veronese points out that there were also Christian diaspora for political reasons but also for social reasons and for a question of survival, particularly in the late medieval period in Italy where a vast segment of the population lived in conditions of instability, and concludes that mobility was not merely an exclusive characteristic of Jewish groups.

The book under review is based on this mixed approach to the subject (Jewish settlement and Christian society) and aims to reconstruct the history of three generations of a family of Jewish bankers, the da Volterra, whose founder – Buonaventura di Genatano – came from Bologna where his ancestors had emigrated to from Fabriano. The Tuscan town, from which the bankers took their surname and where they arrived at the beginning of the fifteenth century, presents an unusual and enduring pattern of settlement and assimilation between the fifteenth and sixteenth century.

Veronese examines in great detail the workings of the Jewish banks in Volterra in the fifteenth century and shows that rarely did bankers limit their operations to loans and that they were very active in stimulating the local economy. The descendants of Buonaventura sought to widen their range of operations within Italy and abroad (as is borne out by Mesullam da Volterra's trading and religious diary on route to Jerusalem) and to a certain extent they had a role in galvanising the scarce local economic forces, a role that did not go unnoticed by local ruling groups in Volterra and which was to obstruct their future expulsion. In fact Volterra, observes Veronese, was a pivot for all members

of the family and the sense of belonging was reinforced by strong family ties. This was reflected in the family home where for several generations the male members of the family lived all together with their wives and children. In 1467 in order to live "ut veri et boni fratres", Buonaventura's grandsons made an agreement before the notary and witnesses to have common ownership over their present and future belongings, including real properties and Veronese shows that the Jews living in the central and northern regions of Italy were not subject to restrictions about the location of their homes. Apart from the large family home, there was also the landed property probably arising from the settlement of debts, which altogether points to a tendency to amass landed wealth. Veronese refers to the property held jointly with Christians, an aspect that illustrates the freedom granted to Jewish moneylenders for the purchase and ownership of land in the Tuscan town, as well as a certain degree of integration into local society.

Veronese's research is based on a wide range of archival sources held in the State Archives of Arezzo, Florence and Naples, the State Branch Archive in Urbino, and the Municipal Archives of Gubbio and Volterra. The author regrets not being able to consult the church records held in the Bishopric's Archive at Volterra. Research has focused on the notary and judiciary records. In fact by examining the lawsuits involving Jewish residents in Volterra and going through the written testimonies left by both Jews and Christians, Veronese reveals the existence of quite close ties between the Jewish minority and the rest of the Christian population. For example she shows that, despite the formal prohibition, there were Christians who worked in the homes of moneylenders. Thus, already in the first half of the fifteenth century Buonaventura di Genatano and his family were fairly well integrated into Volterra's local society and enjoyed a certain degree of influence. In everyday life the Christians in Volterra and the banker's family appeared to have interacted in various ways, although, as Veronese points out, such relations always regarded the restricted circle of the Jewish community and had developed mainly through personal ties.

As a result of the Franciscans' preaching against usury and the setting up of pawnshops, the situation of the Jewish bankers was jeopardised in Volterra, too. Although they were not officially banished, they found themselves having to choose between forgoing their economic and social privileges and leaving their beloved Volterra or relinquishing their religion. Some members of the family

opted for apostasy and remained in the town; Buonaventura's descendants continued undisturbed to own landed property and one of the great-grandsons, the Jewish convert Emanuele Vittore, was entrusted with the management of the local pawnshop. In fact, Veronese observes that the setting up of pawnshops did not lead to the revocation of rights granted to Jewish bankers. Indeed, at the beginning some pawnshops proved unable to carry out the tasks for which they had been set up and so both institutions – the pawnshops and the Jewish lending banks – not infrequently operated side by side.

Allowing for the usual limitations, in fifteenth century in Volterra, as in other areas north of Rome, Jews were considered as part of local society. Unlike the situation already existing outside Italy and the situation in Italy itself some decades later, Jews were not automatically viewed in a completely negative way. In the 1410 fresco the Adoration of the Cross in the Church of San Francis in Volterra, among the devout is the figure of a kneeling Jew.

The book ends with a large appendix which reproduces the loan specifications (“Capitoli di prestito”) stipulated in the period 1408-1474 by the town's government and the bankers, regulating lending operations and the settlement of Jews in Volterra.

Ludovica de Courten
Ministry for Cultural Heritage and Activities
Archive General Management, Rome