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## REVIEWS OF BOOKS

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F. J. DEVOTO, G. F. ROSOLI (eds.), *L'Italia nella società Argentina*, Roma: Centro Studi Emigrazione, 1988, 310 p.

For years the Centro Studi Emigrazione has rendered the scholarly community an immense service through the publication of works on the Italian experience, in all of its forms, throughout the world. The work under review is a worthy addition to that list.

Most of the articles included in this collection were presented at a CEMLA (Centro de Estudios Migratorios Latino Americanos) organized conference in Buenos Aires entitled "Argentina and Italy In Search of Common Roots." The conference was a signal of the friendlier relations developing between the two countries following the return of democracy to Argentina, and the publication of its proceedings is an affirmation of the Centro's hope that scholars in both countries will explore more deeply and meaningfully the historical ties that bind them together.

The sixteen entries are grouped into four sections each containing four articles. The first section focuses on Italian intellectual influences on the Argentine political and intellectual elite; the second offers a social-demographic profile of the Italian community in Argentina from the colonial period to the XXth century; the third deals with the formation of an Italian elite and with the development of Italian communal organizations; and the fourth treats various political and ideological aspects of the Italian presence in Argentina.

As with most anthologies, the quality and importance of the entries is uneven. A few are clearly the result of careful and lengthy research, others offer new historical insights and directions for research, while others are of marginal importance to the researcher. The four articles in the first section exemplify this wide range of quality. Angel Castellan and Jorge Dotti tackle the interesting problem of identifying certain Italian intellectual influences on Argentina. The first employs twenty-six pages of text to conclude that Vico's influence on Alberdi was minimal, while the second more successfully shows

how Italian philosophers Campanella and particularly Vico were enlisted in the anti-positivist campaign of the 1920s in Argentina. Pierluigi Crovetto's paper deals with the Italian socialist Enrico Ferri's disastrous tour of Argentina during which he showed himself to be intellectually archaic, politically inept, and socially rude. Jose Chiaramonte's article, the most satisfying of the four, discusses the conflict between the liberal trading philosophy of Buenos Aires and the neo-mercantilistic arguments of the Argentine littoral — arguments based largely on XVIIIth century Neapolitan economic philosophers. Chiaramonte also shows that in the middle of the XIXth century, before the massive immigration of later years, the Italian presence was substantial enough to deserve much greater attention from scholars.

The four articles in the second section address the subject of the social demographic profile of the Italian community in an interesting but not always satisfactory fashion. Luigi de Rosa explores various aspects of Italian immigration to Argentina since the colonial period to demonstrate that the Italian contribution to the development of Argentina has been of such profound and lasting importance that the ties which bind the two countries are likely to grow stronger rather than weaker. De Rosa's statistics on the regional origins of the Italian immigrants are excellent although those on their settlement in Argentina are much less complete.

Nora Pagano and Mario Oporto offer an interesting study of the marriage patterns among Italians in 1895 in La Boca, a barrio of Buenos Aires where slightly more than 8 percent of the population was Italian. Intended to determine the level of Italian integration into Argentine society, this study's finding that 82.35 percent of Italian marriages were contracted with other Italians, usually from the same community in Italy, is hardly surprising if one considers that more than 27 percent of the population of Buenos Aires at the time was Italian and that most of them were recent arrivals. Moreover, while Italian males outnumbered females, that gap was not as large as it was in a number of other Latin American countries where unions with non-Italians were more likely to occur. Thus, in order to establish more accurately the level of integration the authors should undertake a longitudinal study of the barrio to determine whether the patterns of 1895 held over the succeeding decades.

Anna Birindelli's statistical study of recent Italian emigration reveals the continuing dynamic of emigration of workers from southern Italy. The study is essentially about the general theme of emigration with only two pages devoted to a discussion of its application to Argentina. Much more revealing is Elena Saraceno's poignant article on the failed emigrants who in the 1970s returned from Argentina to their parents home in Friuli-Venezia Giulia. The repatriation of mostly second generation Italo-Argentiniens, all of them excellently adapted to their native country, speaks eloquently of the tragic decline of the Argentine economy and suggests the need for more research in this interesting area.

The articles in the third section address issues dealing with the formation of an Italian elite in Argentina and the development of Italian communal organizations. Maria Ines Barbero and Susana Felder focus on the Italian role in the Union Industrial Argentina between 1887 and 1930. They show in this very good article that this institutional spokesman of Argentina's industrial interests was dominated by Italians — an impressive testament to their entrepreneurial spirit but an imprecise measure of the Italian role in the country's economy. As of 1930 manufacturing was much less important than agriculture and exports, sectors where the Italian presence was minuscule and which were dominated by Argentine and English capitalists. The authors should extend their study to 1945 and beyond to determine whether an Italian élite continued to dominate this sector of the economy once it became the most dynamic and powerful.

A different type of élite is analyzed by Romolo Gandolfo — one which emerged among the Agnonese community in Buenos Aires at the end of the XIXth century. This study, inspired by Samuel Baily's work on the Agnonese settlement patterns in Buenos Aires, uses two Italian newspapers published in Buenos Aires between 1895 and 1900 to track the expansion and consolidation of an élite within the community. It is a well researched and important work which merits careful attention. Unlike Gandolfo's study, Alicia Bernasconi's on the development of an Italian economic élite in the department of San Cristóbal is less satisfactory, hampered largely by the fragmentary nature of the data available and by the kind of methodological inventiveness displayed by Fernando J. Devoto and Alejandro Fernández in their exploration of the internal life of Spanish and Italian immigrant groups at the end of the XIXth century.

The final section is represented by four largely unrelated articles. Angelo Trento's offers an excellent overview of the Italian journalistic attitudes toward emigration to Argentina and Brazil ranging from the optimistic predictions connected with the concept of a "più grande Italia" to the alarmist predictions of a loss of vital human resources. The study by Ema Cibotti focuses on the political conflict between republicans and monarchists in Italy as reflected within the mutual aid society "Unione e Benevolenza" in Buenos Aires between 1858 and 1865. By 1863 the monarchists were clearly in the ascendancy having won not only control of the "Unione" but also the important backing of the porteño liberals. Carina Laura Fried demonstrates the inefficacy of the Italian schools in Santa Fe in preserving "Italianness" among the immigrants' children, and Gianfausto Rosoli ably discusses Italy's and Argentina's use of emigration as a foreign policy tool. The 1911 crisis between the two countries revolved ostensibly around the issue of sanitation on Italian vessels. In reality it reflected the nationalistic fervor gripping both countries at the time. The intransigent diplomatic pose assumed by both countries in that crisis soon gave way to sober economic considerations occasioned by Argentina's labour need for the upcoming harvest season and by

Italy's equally profound dependence on the capital repatriated by its workers.

The sixteen articles reviewed represent worthy attempts at addressing some of the myriad issues encompassing Italian-Argentinian immigration history. It is hoped that they symbolize the beginning of a more robust effort by researchers in Italy and Latin America to understand this most important historical phenomenon.

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R. S. FITTON. *The Arkwrights. Spinners of Fortune*. Manchester/New York, Manchester University Press, 1988. pp. XIV-322.

This copious work by R. S. Fitton, which is the fruit of more than thirty years' interest and study as P. Mathias informs us in his brief but exhaustive preface, fits in extremely well with the recent tendency to write the history of industry through the lives of great entrepreneurs and their families. The study is true to the tradition of the Manchester School and is characterised by a precise and rigorous reconstruction of economic facts through the almost exclusive use of primary sources.

With almost fanatical care Fitton has gathered and elaborated the documentary material on Richard Arkwright, the founder of the modern factory system who was a leading protagonist in the Industrial Revolution and who has been shrouded in a halo of legend which has not been dissipated on account of the dearth of research on him. Fitton's work, extended to two generations, is defined by Mathias as a "family biography" which at times assumes the tone of a cronohistory owing to the meticulousness of the data and which at other times takes on a more leisurely excursus around the factory system or the nobility's state of indebtedness. If the author shows extreme reluctance towards any form of generalisation and to move away from empirical data, nevertheless his history of the Arkwrights provides us with an important observation point for understanding the whole period.

The modest beginnings of Richard Arkwright Senior, a barber and wig-maker, and his rapidly made fortune throw light on a society in ferment and in expansion, where the change-over of elites was greatly accelerated by the opportunities presented to entrepreneurs through the national and international market. An eloquent sign of the times was the fever of technological innovation which drove both adventurers and entrepreneurs to attempt invention as a road, or a short-cut, to wealth. Fitton proves with a plethora of details that Arkwright belonged to the second of the two categories, demonstrating the groundlessness of the rumours — which continue to have an echo

in historiography — about his appropriation of the invention of machinery for the perfecting of spinning and weaving — patented respectively in 1769 and 1775 — at the expense of Higs and Heargraves.

That Arkwright the inventor was at the service of the entrepreneur is shown by the rapid increase in the number of his machines installed in Scotland and Derbyshire; the acme of such expansion coincided with the first half of the 1780's. However, a part of his fortune derived from the sales of patent rights, which he sought to prolong, involving him in drawn-out legal battles. Arkwright's struggle to hold the patent for as long as possible is a good illustration as to how inventions and patents came to constitute a complex juridico-political question: the Crown found itself having to choose between safeguarding the rights of inventors and monopolists and defending small industrialists who were expanding.

International military events slowed down the striking development of the cotton industry. However, two flourishing decades had given Arkwright's method of production organisation time to take root and to give life to a modern factory system; they had also given the government time to adopt the necessary measures for guaranteeing the sanitary conditions of the plants and for protecting the workers' health. Arkwright also showed himself to be at the forefront in understanding the importance of consensus within the factory and in creating an extremely paternalistic style of management.

The negative situation at the end of the XVIIIth century did not catch Arkwright unprepared: next to the propensity for monopoly, which was a constant in his entrepreneurial strategy, he pursued a policy of investment differentiation. This appears to have been a general feature of the financial elites of the period and above all of the emerging figures. The solidity of Arkwright's fortune was reinforced by the honorary appointments he held — in 1786 he was knighted — and was clearly indicated by the luxury of his homes, even though these betrayed to some extent the insecure taste of a *parvenu*.

At his death, his son Richard, who had independently reached a position of preminence in the cotton industry, inherited a vast empire. The policy of investment differentiation began by his father was pursued in a radical way and he associated himself with industrial disinvestment. In this way he greatly increased the wealth he had inherited, which now consisted mainly of government bonds and real estate, and to a lesser extent of shares in banks and toll-roads. When he died, there was great conjecture throughout Europe as to the size of the fortune of the person who, like a modern Croesus, became known as the "richest commoner in Europe".

With the second generation of the Arkwrights, the transition was made from entrepreneurial activity to rentier status: the heroic moment had passed and had lasted as long as the life of the invention which was at the basis of the first period of expansion. The Schumpeterian cycle of technological innovation was reflected, therefore, in the physiognomy of the two generations:

with Richard Arkwright Junior, ennoblement and full introduction into the class of the British elite was achieved and the economic mentality changed. It is no coincidence that he remained legendary on account of the great wealth he accumulated, whilst his father personified the myth of the entrepreneur and became a hero of political economy through his contribution to the wealth of the nation.

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D. F. GOOD, *The Economic Rise of the Habsburg Empire, 1750-1914*. Berkeley, Los Angeles, London: University of California Press, 1984. pp. xvi. 309.

The publication of this book proves that the dearth of modern interpretations of Austro-Hungarian economic history, which was especially pronounced prior to the boom of scholarly interest in the subject in the 1970s, has come to an end. The number of people actively involved in this niche of the discipline is still small, but the output of monographs sufficed to enable David Good to write an excellent synthesis of the recent literature. Although there are still many gaps in our knowledge of the economic dynamics of this long defunct Empire, whose population reached 50 million before its demise, the time was ripe for the publication of this overview.

According to the long-held view of the economic development of the Monarchy, which went practically unchallenged until Nachum Gross's work appeared in the late sixties, its performance might be characterized, in one word, as one of failure. Good argues that this opinion, which has been expounded even by such eminent scholars as the late Alexander Gerschenkron, can no longer be accepted.

Many researchers had been misled by the political disintegration of the Monarchy as well as by the increasing strife among the various nationalities during the last decades of its existence into thinking that this political entity was not economically viable either. Others thought that the persistence of feudal institutions well into the middle of the nineteenth century was a hindrance that delayed economic growth sufficiently to consign the Monarchy permanently to the ranks of the lesser-developed European economies. Moreover, according to conventional interpretations, the persistence of a feudal ethos prevented the emergence of a robust commercial class, and the shortage of entrepreneurial talent posed a bottleneck that was never fully overcome. In addition, Austria did not have the kind of striking upsurge in industrial activity that was expected by a previous generation of scholars. Yet all of these failings have been shown not to have been crucial. The modified perception

of the performance of the Habsburg economy is based on quantitative evidence, much of it only recently unearthed from the archives, and drawn from the statistical surveys that were kept meticulously by a diligent bureaucracy as early as the mid-eighteenth century. Good achieves his goal of debunking the received wisdom by piecing together a convincing synthesis of the literature supplemented by his own previously unpublished contributions.

Good argues that by the second half of the eighteenth century the Habsburg economy was undergoing the "structural and institutional changes characteristic of the early phases of modern economic growth." The reverses suffered during the Napoleonic wars showed that economic growth has not yet become self-sustaining. Yet shortly after the conclusion of peace the Habsburg economy began a process of growth that continued with minor interruptions until the first World War. That is, modern economic growth began at about the same time in Austria as in the other continental European countries and the United States. Moreover, in its quantitative aspects this economic growth did not differ substantially from the growth experienced by other European countries that had freed themselves from feudal shackles earlier than Austria had. Of course this is true only for the Western Provinces of the Empire, for a development gradient existed within it, reflecting in miniature, as it were, the East-West gradient of the European continent itself. Yet growth impulses were propagated continuously to the more backward areas, so that toward the end of the period under consideration almost every indicator chosen, from infant mortality to interest rates, showed a steady convergence between the eastern and western provinces.

The pace of economic development that was obtained after the Napoleonic Wars continued unabated after the mid-century reforms, which included the completion of the Habsburg Customs Union through elimination of the tariff barrier between Hungary and the rest of the Monarchy, the emancipation of the peasantry, and a liberalization of tariffs vis-à-vis the rest of the world. While conceding that these reforms did not accelerate the process of development in a quantitative sense, Good suggest that such institutional changes could still have been significant. The long-term effects are "not easily quantifiable" (p. 94) and are not easily modelled. He concludes nonetheless that "at a very general level 1848 does not seem to mark a milestone in the replacement of feudal with capitalist institutions in the Empire" (p. 95). That appears now to be the consensus among Habsburg scholars.

With the characterization of the subsequent epoch (1873-1896), however, this reviewer does not agree. Good argues that Austria's economic growth did not slow down after 1873, and moreover that the performance of the economy between 1873 and 1896 did not differ significantly from its performance during the subsequent two business cycles, which ended with the outbreak of war.

In support of his thesis, Good invokes Nachum Gross's estimate "that real per capita industrial output grew at a rate of 4.1 percent from 1865 to

1885," a period which included the alleged slowdown (p. 172). I believe, however, that this calculation should not be used in this way. First, 1865 was in the middle of a deep depression; hence the subsequent high growth rate is not indicative of anything else except the depth of the initial depression. Second, Friedrich Schmitt's casual estimates for 1865, on which Gross's calculation rests, are not comparable to the 1885 data. The former, which are an informed contemporary statistician's estimate of industrial output, have only a small evidential basis. The latter, while themselves incomplete as Rudolf Kropf has demonstrated, are at least based on an industrial survey. Hence, valuable as Gross's calculation is, it ought not to be used uncritically.

Another reason why my assessment of the economic performance during this business cycle differs from that of Good's is that he smooths out the index of industrial production by calculating five-year-moving averages (p. 173), while I prefer to calculate peak-to-peak growth rates. I think that peak-to-peak growth rates contain important information on what was going on in the economy at crucial cyclical turning points. I do not see why this information ought to be disregarded. Since Good's method removes extreme fluctuations which appear in the annual data, his growth rates fluctuate less than my calculations do between cycles.

In this regard one should note that in the late 1870s Austrian investors began to buy safe bonds in a large quantities, some from their own, and some from the Hungarian government. This preference for secure investments had a pronounced effect on aggregate output. Austrian government expenditures, financed by bond floatations, did not increase aggregate demand in Austria. They essentially merely allocated demand from the private to the public sector. Hungarian government expenditures, however, did not crowd out domestic investments, because they were financed not by domestic, but by Austrian investors. This flow of capital from Austria to Hungary was an important factor in the acceleration of Hungarian industrial production and in the deceleration of Austrian industrial production, which is the point of issue. Yet Good does not accept the notion that the purchase of these bonds had an asymmetric impact on the Austrian and Hungarian economies (p. 173).

Another set of evidence which Good brings to bear on this question is information on profits and investments of a sample of joint stock companies in Austria. He suggests that these data do not indicate an acceleration in the 1890s (p. 178). Yet his Figure 16, which shows the index of profits of joint stock companies, is quite misleading. It is not in real, but in nominal terms, and, in addition, the number of corporations in the sample on which it is based increased in the period from 21 to 62. In other words, the growth shown in the diagram reflects only the fact that the sample had increased, and not that profits had increased. More corporations are likely to have more profits.

Another indicator Good used to bolster the contention that 1896 was not

a watershed in economic development is the gross investment of corporations, found in Figure 15. The same problem of real vs. nominal values pertains to this figures as well. Furthermore, one should note that Alois Mosser, who constructed these figures, defined gross investment to include divestitures. This explains why gross investments were negative in 1888, as is depicted in the diagram: in 1888 the Alpine Montagesellschaft sold a large tract of forest. (I am indebted to professor Mosser for bringing this to my attention). It is hard to see the macroeconomic significance of such an indicator, since from the point of view of the economy such a transaction was a mere transfer of ownership of an asset. A slightly better indicator of investment activity is the ratio of net investment to total reproducible fixed capital, since this indicator should be less sensitive to price movements and to the number of corporations in the sample. (Of course, it can still be influenced by the composition of the corporations making up the sample). Mosser's data reveals that between 1881 and 1896 this ratio was 1.1 percent, while during the period after 1896 it doubled to an annual average of 2.3 percent. This indicates a considerable increase in investment activity. (ALLOIS MOSSER, *Die Industrieaktiengesellschaft in Osterreich 1880-1913* Vienna, 1980, p. 260).

Another reason why these records should be used cautiously as indicators of macro-level activity is that we do not know how representative these corporations were of the industrial sector as a whole. The sample represents only 13% of all corporations, and corporations represented at most 20% of all industrial output. (MOSSER, pp. 97, 99). Hence one has a sample of about 2.5% of all industrial activity at the end of the period, and even less at the beginning. Such a small sample ought to be used more cautiously.

The critical remarks of this reviewer are confined to only a few pages of a 300-page text. Although I disagree with Good's conception of the performance of the Austrian economy during the two business cycles following the stock market crash of 1873, I nonetheless believe that Good has done a great service to the profession not only by synthesizing the copious literature into a cohesive and readable text but also by including original research worthy of note on such problems as industrial concentration. I believe that this book will convince those who teach economic history to devote more attention to the Habsburg Monarchy not as merely another economy on which the theories developed for other regions of the globe can be tested, but as one to be studied in its own right. Good has shown that one can understand the economic history of Europe much better if one knows the pattern of development of this East-Central European entity. In short, this book deserves to be widely read by students and specialists alike, and should be on the reading list of economic history courses at all levels. Good is to be congratulated for his efforts and the University of California Press for the fine edition. A paperback edition would be welcomed.

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A. E. GUILLERME, *The Age of Water Urban Environment in the North of France, A.D. 300-1800*, College Station, Texas A & M University Press, 1988, pp. xv-293. In: "Environmental History Series", n. 9.

The general revival of interest in ecological problems recently has not failed to have repercussions on the orientation of historians and particularly economic historians. A product of this new focus of attention is undoubtedly the forceful study under consideration. Although of technico-scientific formation, the Study does not contribute to the development of the history of the environment as a strictly specialist discipline with this work, but rather sets the study of ecology within much wider thematic parameters — almost in an attempt at *histoire totale* — adhering closely to the tradition of the *Annales*. In this way the object of analysis — the forms of water use in the towns of northern France from medieval times to the last century and their impact on the urban environment — becomes a cross-roads of various problems which are relevant to economics, the history of science, social stratification and mentality.

The focus on economic phenomena is of fundamental importance and is based on the thesis that up until the *Ancien Regime* water was the engine of urban economy, the keystone of western development: "Water was the economic nerve of preindustrial urbanisation." (p. 52). The relationship between town and water, with its repercussions on the environment, passes through various phases from the IVth century to the XIXth century. During the first period, from the IVth to the VIIth century, which was a period of urban decline, the scheme of the open Roman town was replaced by a town surrounded by moats and water which had a very marked sacral value. From the IVth onwards, economic and military variables were of prime importance in moulding the town's physiognomy and its use of water. The phase from the IXth to the XIIIth century which coincided with the second period of urbanisation of the West after the Roman period, was characterised by the increasing importance of the defensive function of moats and canals and by land reclamation of the marshy areas around urban centres and by the intensification of the water network within the towns, which tended to assume the appearance of "little Venices." This was a period of expansion, which was reflected above all in the multiplication of mills and the growth of manufacturing activity that were dependent on the use of water.

The rate of growth in the number of mills, which occurred in two waves, may be used, according to Guillerme (although his argument is not totally convincing) as an indicator of demographic expansion which was not constant in time. The role of authentic catalysing growth elements, based on the specialisation of towns in extra-agricultural sectors — above all, the textile sector — was left, however, to artisanal forms of production which were directly concerned with technological improvement (Guillerme uses the term "artisanal revolution", a useful if not completely precise analogical formula).

Mills and manufactures used running water, according to a complex system of synergy, without producing pollution and adopting devices for self-purification of the water network: contrary to what is generally believed, the medieval town emerges as a basically salubrious town.

The XIVth century marks the beginning of a new phase and of a different town-water relationship: military necessities led to the enlargement of perimetric moats, to the abandoning and swamping of areas around the town, to the reduction in the flow of water. From an economy based on water in movement there was a transformation to an economy based on immobile water. While wool manufacture declined, flax and hemp manufacture increased, new methods for dyeing were introduced, saltpetre extraction was developed and the paper industry expanded based on the maceration of rags. Production techniques were now based on stagnant water, on biological processes and above all on putrefaction through the use of waste. In the town covered by a veil of humidity a "fungal economy" grew up, an economy of mould, giving rise to pollution, insalubrity, and an increase in the mortality rate. As far as mentality is concerned, a fascinating culture developed preoccupied with death and the macabre, which above and beyond any canonic periodisation influenced a wide period of the history of science and art.

The great phase of expansion which began in the XVIIIth century once more transformed the face of the town and in a general way the economic value of water. The latter was now seen as a limited resource, to be used economically and to be distributed carefully through an efficient network. At the same time, the need to deal with demographic expansion gave rise to measures for eliminating marshland. While the progress in hydraulics — and in this connection Guillerme dwells considerably on the Italian contribution — made it possible to control more effectively the course of water for the purposes of transporting goods and for irrigation, science shared in the general revolt against stagnant water, and ecological and sanitary problems came to the fore: the insalubrity of the air due to the stagnation of water became a great enemy to social and economic well-being. The vast open canal network which had characterised the town's physiognomy for about a millenium was now totally destroyed, or covered over, and was transformed into a sewerage system. Technological progress — synthesis chemistry and the use of steam as the main energy source — undermined the old forms of artisanal activity and created a wide range of economic opportunities and of ways of exploiting natural resources which were completely different, thereby weakening the privileged relationship between urbanisation and water use.

From an overall view, Guillerme's work provides us with a fascinating insight into western history through a survey of the town-water relationship in all its multifarious implications over a wide period. If the tendency to adopt excessively simplistic formulae and schemes, where the complexity of phenomena would require more discriminating treatment, and the use of mentality as an independent variable in explaining historical dynamics are among

some of the limits of the work, nevertheless, it is a very good synthesis of the important role of inland water in the history of the West and can undoubtedly provide historians with valuable information and materials for a wide range of specific themes.

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N. MCKENDRICK - R. B. OUTHWAITE (eds.), *Business Life and Public Policy - Essays in Honour of D. C. Coleman*; Cambridge, Cambridge University Press, 1986, pp. XIII + 263

D. C. Coleman is one of the most incisive and versatile economic historians of his generation. He has made important contributions on a wide range of topics including industry and labour in Tudor and Stuart England entrepreneurship in late XIXth century Britain, the nature of growth and industrial revolutions, the concept of proto-industrialization and, above all, in the field of business history. His greatest work, as the editors of this volume of essays observe, is his "... mammoth three-volume study, *Courtauld's: An Economic and Social History* (1969-80), where his alchemical touch transformed the all too frequent base metal of business history into an enthralling analytical narrative stretching over two and a half centuries." [Preface, p. vii]. In more prosaic terms, *Courtauld's* is a superb piece of business history and a perfect model for other working in the field.

The difficult task faced by the editors of this volume was to put together a group of essays that complemented in quality and range the work of Coleman. They have, on the whole, succeeded. The essays run from the fine article by G.R. Elton on the role of parliament in the formulation of economic policy during the reign of Elizabeth I to the absorbing account by Barry Supple of the nationalization of coal and include, among others, a treatment of the marriage market among the aristocracy in Stuart England (Outhwaite), a challenging analysis of age and accumulation in the London business community, 1665-1720, (Earle), and no fewer than five (those by McKendrick, Trebilcock, Winter, Reader, and Alford) that deal in one way or another with social attitudes and entrepreneurial behaviour, issues first raised by Coleman in his provocative article "Gentlemen and Players". D.C. COLEMAN, "Gentlemen and Players," *Economic History Review*, Second series, XXVI, 1 (February 1973), pp. 92-116.

Elton and Supple, as it happens, are both concerned with the making of economic policy, the first in Elizabethan England, the second in XXth century Britain. Contrary to the conventional view that "... Elizabethan economic legislation originated in official circles and reflected thinking there..."

(p. 1), Elton maintains in "Piscatorial politics in the early Parliaments of Elizabeth I" that economic legislation under Elizabeth more often than not reflected the economic interests of specific groups in the economy and not that of an omnipotent crown. Elton's story, based on the enactment of the 1581 Fisheries Act, is, in short, a modern one.

Supple, in contrast, argues that by 1945 all political parties were agreed that the only feasible way to resolve the problems in coal mining (poor labour relations and technological backwardness) was through public ownership. In other words, in distinctly absolutist fashion, an omniscient state insures social stability and promotes economic growth. As we now know, the change in ownership resolved neither problem, in large part because such a change did nothing to relieve the pressure to avoid making tough, politically difficult decisions.

For both Outhwaite and Earle, demographic forces are the key explanatory variables. Outhwaite, in "Marriage as business: opinions on the rise in aristocratic bridal portions in early modern England," argues that it is the relative decline in eligible males, that is, in sons of the aristocracy, that explains the rise in bridal portions paid by daughters of the upper crust to secure a suitable mate. A simple issue, as it were, of supply and demand. Earle, in "Age and accumulation in the London business community, 1665-1720," finds that the increasing longevity of London businessmen goes a long way towards explaining the apparent increase in accumulation during the period. One would find Earle's analysis more compelling were he able to build a more robust bridge between individual accumulation on the one hand and that of the economy as a whole on the other.

Two essays, Julian Hoppit's on the use and abuse of credit in eighteenth-century England and Charles Wilson's on the forces behind early settlement in Australia, fit into what might be called the miscellaneous category. Hoppit argues that the widespread use of credit by XVIIIth century businessmen had negative as well as positive features. While the latter receive ample attention in the literature, the former are usually ignored. He tries, in his article, to show that the XVIIIth century may have, in fact, suffered from too much credit and was thus prone to periodic financial crises. The problem for the reader is that since Hoppit provides no aggregate data on debt/asset ratios and the like, it is difficult to be certain that there was too much credit.

Wilson wants to answer two questions in his article, first, why did the British establish settlements in Australia as early as they did and, second, why did they use convicts to do it? The answers, in order, are first Australia was attractive to the British for strategic and resource reasons and settlement was the only way to make sure the land did not fall to the French. And, second, that convicts were ideal because no one else wanted to go, the convicts had no choice, and, besides, North America was no longer a vent for surplus criminals. Wilson's analysis may need modifying in light of Frank Lewis's recent article in which he argues persuasively that, in all probability,

Australia was settled when it was by convicts because it was the most cost effective form of incarceration available. (FRANK D. LEWIS, "The cost of convict transportation from Britain to Australia, 1796-1810," *Economic History Review*, Second Series, XLI, 4 (November 1988), pp. 507-524.

The five articles on entrepreneurship fall into three groups. The first is composed of the essays by Neil McKendrick on the gentlemanly ideal, the business ideal and the professional ideal in English literary culture and J. M. Winter on Shaw, Brecht, and the businessman in literature in which both authors reject the well entrenched view that the literary establishment in XIXth and XXth century Britain was anti-business. The second group includes the articles by Trebilcock on the export of fire insurance in the XIXth century and Alford on business and businessmen during and shortly after the First World War in which, instead, both authors describe and try to estimate the degree of entrepreneurial vigour that typified their sample of the business population. The third group contains the article by Melvin Reader on the engineer in Victorian society in which the author tries to show that the engineer, presumably the quintessential "player", was, in fact, nothing of the kind.

In a capacious nutshell, both McKendrick and Winter fault literary critics and literary historians with misreading texts and misleading the public. Trebilcock argues that corporate memories as much or more than cultural attitudes shape business behaviour. Thus, the Phoenix missed major insurance opportunities in the U.S. in the second half of the XIXth century not because of lagging animal spirits but because they had been burned, literally, in the first half. Alford finds the business elite in the staple industries distinctly non-innovative during and after WWI, in large part, it seems, because they were "gentlemen" and not "players." Finally, Reader seems to imply that, if there was a cultural bias against the engineer, it certainly post-dates Victoria.

All in all, the volume is a fitting tribute to an eminent scholar. At the very least, it is a delightful read.

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*Trade Associations in Business History, The International Conference on Business History 14; Proceedings of the 1987 Fuji Conference.* University of Tokyo press 1988, pp. xxiii + 326, 2 Illus.

This interesting volume presents nine essays on the development and roles of trade associations in Japan, U.S.A., U.K., France and Germany. The introduction is by Hiroaki Yamazaki:<sup>1</sup> "The Development of Business Associa-

<sup>1</sup> All names in this review are given western style (family name last) to avoid confusion.

tions in Pre-war Japan," includes a five-fold typology of trade associations attributed to Matao Miyamoto, and identifies a close, even subordinate relation between the early associations and the Japanese government that was a clear precursor to today's Japan Inc.

Miyamoto, project leader for the conference, gave a broad overview of its context as a preamble to his formal paper about Japanese organizations prior to WW-2, which he placed into four "streams" of institutional development from the early Meiji years to the present. The relatively late spread of comparable institutions in the west is attributed to antitrust considerations.

The cooperative links between the Japan Economic Federation and the Bankers' Association are held to have been a significant factor in Japanese growth, and a comparison between the Japanese case and the British scene described by John Turner in a later essay provides a clear object lesson about the benefits of cooperation and planning by government and industry when faced by a strong competitor and the long term value of agreements on trade practices.

Miyamoto includes a useful chart summarizing the historical relations between these Japanese organizations and rejects the monolithic "Japan Inc." model, claiming that there was often disagreement between government and industry over policy, though rarely over national goals.

The Japanese recognized early the need for cooperation between firms to achieve technological parity with the west and the potential gains from establishing uniform industrial standards and business practices in the drive to narrow the then perceived gap.

Takeo Kikkawa's paper, "Functions of Japanese Trade Associations before WW II: The case of Cartel Organizations" includes a detailed chronology of the births of the trade publications or the publishing companies, a table showing the number of associations established in an industry by year from 1880 to 1936, and a detailed chronology of the Japan Cotton Spinners' Association from 1882 to its demise in 1942. Cartels were found to be variously effective in controlling prices and labour conditions. Tsunehiko Yui concurred with Kikkawa's view that the cartels yielded benefits to both management and labour through their counter-cyclical control over output and prices.

In "Local Trade Associations in Prewar Japan" by Teiichiro Fujita the author traced the genesis of the Japanese trade associations to the need to replace the pre-Meiji guilds in the late XIXth century after which they began to perform the same functions. Membership later became compulsory. Miyajima noted that there were 1,579 associations by the year 1886. Yamawaki, in his opening contribution, referred to the earlier work of Tsunehiko Yui in this context.<sup>2</sup>

<sup>2</sup> "The Formation of Modern Local Trade Associations in Japan: An introductory Chapter for a History of Small Business Associations. Kei Ronshu no. 5 (1958).

The only roughly contemporary experience of European countries and the U.S.A. is represented by the six remaining papers: "The American Trade Association Movement" by Louis Galambos, contrasts American and Japanese management/worker relations and suggests that a payoff in worker security might yield a valuable dividend in worker flexibility and effort in the west. The antagonistic relations of western labour and capital are credited with the emergence of the "corporate-liberal administrative state" in the U.S. (and elsewhere) exhibiting little cohesion and thus more inertia. Galambos also stresses the efficiency losses associated with antitrust activism.

"Trade Associations and Public Relations" by Richard S. Tedlow, includes a table of national and regional trade associations that reported engagement in a variety of activities such as public relations, market research, labour relations, trade practice conferences, classification of sales areas etc., in the U.S. that must inevitably and effectively limit the "higgling... of the marketplace" and the development of leader/follower signalling collusive practices. Yet a quotation from Alfred Kahn reminds us that optimality may require a greater degree of nonuniformity in price and/or product. This essay is primarily concerned with the record of the National Association of Manufacturers, which "sought to sell free enterprise the way Procter and Gamble sold soap." Some "Uncle Abner" reproductions are included to illustrate their Panglossian vision.

The author lauds the American business system and "the skills of the executives who make things happen" and regrets the inability or unwillingness of leading executives to bridge the gap between labour and capital/management. Perhaps the programmes in "Business and Society" and the sophisticated management techniques now taught at the better schools of business may better prepare future executives in this area.

Hiroshi Kobayashi pointed to the direction of public relations efforts to bring the middle class more than to the line worker in the U.S. and to the importance of the "social legitimacy" of society's institutions. In this context Tedlow noted the importance of truth in advertising and contrasted the records of the liquor and tobacco industries.

Takashi Yuzawa, commenting on John Turner's paper "Servants of two Master's: British trade Associations in the First Half of the Twentieth Century" noted the chronological similarity between the development of trade associations in Japan and the U.K., Turner discussed the apparent suspicion held by the British banks about the uses made of their loans and the contrast to the Japanese attitude.

The paper "Trade Associations and the Modernization crisis of British Industry 1910-35 by R.P.T. Davenport-Hines, is concerned with the British Electrical and Allied Manufacturers Association, the British Engineers' Association, and the Federation of British Industries. In her comment Reiko Okayama noted that in Japan "nationalism merged into industrialism" under the pressure for rapid industrial development, and further suggested that

some of Britain's problems may be linked with its pioneering role. In his response Davenport-Hines provides an interesting contrast between developments in the U.K. and those in other countries, and has few kind words for the British bureaucracy of the time. The author lays the blame for the less than glorious record of achievements of the associations squarely at the feet of individualist habits and incompetent and ill prepared negotiators.

The German experience described in Toni Pierenkemper's paper "Trade Associations in Germany in the Late Nineteenth and Early Twentieth Centuries," reveals an environment closer to that of Japan than of the U.K. and a chart relating the links between the German interest groups is provided. The Associations discussed in this paper include the German Commercial Parliament, the Association of German Iron and Steel Industrialists and others. Activities included lobbying for tariffs combined with domestic cartelization and price maintenance. Takeshi Fukuoh commented on the successful cartelization achieved and supported by tariff policy. The author stressed the fact that this success was remarkable only in the heavy industry sector.

Jean-Pierre Daviet, on "Trade Associations or Agreements and Controlled Competition in France, 1830-1939," noted the widespread occurrence of trade agreements there in comparison with other countries, in the case of plate glass in competition with England, later also with Belgium and the U.S.A. and other countries. The chemical industry was also discussed. Terushi Hara pointed to the importance of bilateral agreements between firms rather than trade associations in this case. In response Daviet pointed to the disfavour in which such organizations were held by the French government yet nevertheless their numbers grew.

The articles in this collection are accompanied by excellent bibliographies and also provide some useful charts portraying the historical development of the associations to the present day. The collection is clearly a strong candidate for business historians' shelf space and will prove edifying to teachers and researchers in other business disciplines.

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