

## A History of Venice from its Origins to the Sixteenth Century (\*)

Apart from its vividness and fidelity in reconstructing the events which Venice has experienced during the course of several centuries, the fundamental importance of Gino Luzzatto's volume lies in the questions it raises: particular problems of a city and general problems of time, which obviously are interlinked with each other. So as to avoid the temptation of remaking the book and rearranging all its pages in a plan different from the chronological one followed by the author (though here and there he has provided brief advance notes as well as references to points already given more extensive treatment earlier), I will confine myself to indicating only some of those problems.

1. - *The money and its substitutes.* - Two themes come to the fore. One is the double circulation which came into being when to the original and only silver coin was added, probably in 1202, the "grosso", likewise of silver, because of the need to possess a coin that would enjoy the confidence of the markets of the East and at the same time should make price evaluations and book-keeping operations easier. Another theme is bimetallism, which is connected with the minting of the gold ducat in 1284: this must likewise be linked with a higher, indeed the highest level reached in the development of international trade.

A common observation is the abandonment, in both cases, of the government's original intentions. As to the double circulation, while, with the idea of halting the depreciation in progress of the "denaro", it had been decided that the "grosso" should be equal to 24 denari, this depreciation nevertheless continued. So rapid was this process that in the brief interval between the executive law and

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\* A review article of GINO LUZZATTO's book *Storia economica di Venezia dall'XI al XVI secolo*, Venice, "Centro internazionale delle arti e del costume", 1961, 298 p.

the actual minting of the "grosso", the ratio reached 1:26. Nor did the expedients subsequently devised — temporary suspension of the minting of denari, now called "piccoli"; preservation of their weight but a reduction of their fineness; stimulation of their demand by making their use compulsory in particular shops, even of a certain importance — serve to prevent further declines. They helped only to contain them, and within moderate limits at first, for in 1269 the ratio had reached 1:28. When in 1282 the figures of 1:32 were registered, a third form of money was introduced, though it was not tangible but was adopted purely for accounts, the so-called "lira a grossi", like the Florentine "lira a fiorini", which, too, was worth 240 denari. The new lira, however, maintained its original ratio steady at 1:26.11 with the "grosso", for book-keeping and contractual purposes, and thus avoided the danger of the now ever more rapid fall of the "piccolo". In effect, three values had passed into circulation: the "grosso", used for international trade; the "lira di piccoli", for retail business and the payment of wages; and the "lira a grossi", to which resort was had in fiscal matters and, in general, when the need was felt, in private affairs too, for a relatively stable measure.

As to bimetallism, proof of the will to maintain the double circulation is afforded by the initial authorization given in 1284 to the heads of the Mint to allot to those who brought gold for minting the equivalent in gold and silver coins according to the fixed ratio of 18 grossi (corresponding then to 39 "soldi a grossi") for a ducat, and vice versa. Evidently no thought had been given to the possibility of a shift in the ratio of silver to gold, which, stable for some time past on the European markets, remained so for about 40 years, if anything with tendencies in favour of silver. Subsequently things began to change. First, gold improved, which prompted the reform of 1328. This, while leaving unchanged the weight and fineness of the ducat and the "grosso", reduced the valuation of the latter from 1:18 to 1:24 of the ducat (whereby an advantage on paper was reached by making one "lira di grossi" equivalent to 10 gold ducats). Shortly afterwards, however, silver gained strength as gradually the more noble metal, gold, already procured from the mines of central Europe, began to arrive from other sources, for example, from the Urals to the Venetian centre of the Tana on the Black Sea and from west Africa to the Berberian ports; and also as silver became in greater demand for domestic uses

and for the goldsmith's art, as well as for the pay of the mercenary troops who were engaged in increasing numbers for the wars on land. By now the system was doomed. Nor were measures similar to those introduced to defend the circulation of the two silver moneys sufficient to save it — suspension of the coining of the "grosso" and its devaluation by means of the issue of the "mezzanino" and the "soldino" (fractions of it but proportionately reduced by one-tenth of fine metal); instructions to the Treasury officials to enforce the sale, "et utilitas sit communis", of all the "grossi" that came into their hands, a proof that their market value was substantially higher than the legal one. When, finally, extremely complicating the circulation, steps were taken to establish by contract that payments should be made in "grossi ad ducatum" or "ad aurum" or "a monetis" (remember as a parallel the "lira a grossi"), the death-knell of the grosso was sounded, and its physicians only prolonged its agony by resorting in 1369 to the drastic and painful reduction of its weight and fineness. When in 1462 its coining was abolished by decree and the "Tron lira" was issued (which in the second half of the sixteenth century was to be followed by the ducat likewise in silver), Venice relinquished bimetallism for international commerce and adopted, definitely and officially, the gold type.

These vicissitudes, which I have summarized after drawing upon the volume from its first to its last pages (where they are in addition accompanied by a wealth of technical data handled with exceptional mastery), must have caused the rulers of the Venetian Republic to live hours as dramatic as those experienced when battles were lost: for the devaluation and abolition of the "grosso" — a glorious builder of Venice's fortunes which had penetrated so deeply into the world's markets, so much so that the surviving examples continued for long to be in demand in the markets of the East — signified the diminution of a prestige, while it made clear the acumen of the governors of other republics that had preceded the coining of the gold ducat by issuing the florin and the "genovino".

In this connection another question arises: why the delay of a good 32 years in coining the ducat compared with Florence and Genoa when the state of Venice's economy was not, in 1252, inferior to that of her two rivals? Luzzatto, in working on this verification, is not content with the suggestion advanced that the Venetians were waiting to see the outcome of the example that had been set.

Having put forward the supposition that one can go back to the deterioration of the "iperpero" — which had already gone out of circulation from the end of the twelfth century and after 1204 was counterfeited by coins of equal weight but inferior in fineness, made by the small Greek empire of Nicea, and was only slightly supported by coinage being suspended — he establishes a link with the change in relations between Venice and Constantinople. As, he says, the Latin Empire was in some ways under the Venetian protectorate, how could the Republic deal a mortal blow to the "iperpero" by throwing on to the market of the East a gold coin, and while, moreover, in those markets its "grosso" was soundly established? The situation, instead, underwent a complete change with the victory of rival Genoa, supporter of the new domination of the Palaeologi at Byzantium, and account must be taken of the issue made at the same time of the Constantinopolitan silver "grosso", equal in weight to that of Venice but inferior in fineness, which represented a threat to the silver coinage with an international circulation, to which Venice had remained faithful. At this point, Luzzatto concludes, to have persisted in the attempt to defend the "iperpero" would have meant to compromise the future of Venetian commerce not only in the West, where the florin prevailed, but also in the East.

(a) Substitutes for money were the "girata di banco" (bank transfer) and the "draft", in dealing with which Luzzatto tackles other questions. It is known that the banks, records of which date back to the first half of the thirteenth century in commercial documents and in public deeds, changed money manually ("tabulae cambii") and frequently added to this function the other activity of "writing" ("banchi da scripta"): they handled the settlement of accounts, already carried out in Champagne by Italian bankers who assembled at the end of each fair period just for the clearing up of the "fair letters", which were replaced later on by the "letters of exchange". This was quite natural, since Venice, too, could be regarded as a permanent fair, where local and foreign merchants met daily on the Rialto market to deal with their particular business. There is however a difference which turns into a simplification: as the heads among those merchants had a current account at one or more "tables" situated under the arcades of Campo di S. Giacomo or at the base of the Campanile, a mutually agreed order of the contracting parties to the "scribe" was sufficient for a sum to pass from one account to another. Another advantage

is known: as the debit and credit entries of each customer were made in an "account money", the "bank money" ensured a certain uniformity and a certain stability in the circulation, which was complex and intricate, as was seen earlier.

And here a question arises: were the transfer operations arranged verbally in the presence of the two customers interested, or in writing as well? Luzzatto, who in archive research matters is known, so many have been his *trouvailles*, as being very lucky (though it is not a question of luck but of experience and flair), has never run across anything similar to the modern cheque, and has found only the coupons handed over by the scribes at the clients' request to provide proof, in cases of law disputes, of the amount of their credit at the bank and of payments made on their behalf. Then there is another question: had the banker to confine himself to exchange and the "scritta in giro" (transfer entry)? If this were so, the banker would have rather a particular function — to confirm by his entries the veracity of payments, collections and transfers. Two proposals presented in the Senate, one by Giovanni Dolfin in 1356 for the creation of a state bank (which was to replace the private banks only in 1587), and one by Michele Morosini in 1374 to prohibit bankers who accepted deposits from mercantile activities, would seem to support the banker-notary thesis, which was advanced at first also by our author, who however today holds a different opinion as the result of further reflection based also on the examination of a wider documentation. His current conclusions are: the banker could accept deposits, and carry on commerce solely however with his own means and not by using the funds deposited with him, which instead he could employ for interest-bearing loan operations, loans that were to be granted both to the state and to private individuals, except that he was never to grant credits which were not covered by sufficient deposits. The fact is, however, that he did grant them, and by this abuse he ended by creating, additional to the three or four monetary circulations, his own uncovered circulation, the result being that often the "denaro" and the mint "grosso" were at a premium over bank money.

(b) The bank transfer, largely used also in international commerce when the contract was drawn up at Venice where the two contracting parties or their agents might be staying, was of no use instead if the payments had to be made in a distant market.

In this case the means preferred was the letter of exchange, and in particular the bill-draft, much used from the fifteenth century, both in trade with the Levant and in the major markets of the West, especially with Bruges. At this point another question arises: whether the draft is to be regarded as a simple credit title stipulated in this form to cover a usurious loan and thus evade the punishments of the Church, adopted also in the legislation of various states, or whether it was a means of payment for goods bought or sold in a distant market. While the majority of scholars have very recently adopted the first thesis, Luzzatto differentiates. Pointing out that they have taken their stand mainly on a documentation of the second half of the sixteenth century and of the first decades of the seventeenth century, he admits that their views are correct as regards what used to happen in the Genoese fairs of Besançon and Piacenza. And similarly he says "it may very well be" that De Roover is right in concluding, from a quantity of records seen at the Belgian estates, that speculation was the predominant, perhaps even exclusive object of the wide use of the letter of exchange made after the fourteenth century by merchant bankers, all Italians, at Bruges. This speculation (and not a masking of usury) was carried out by means of exchange operations which were based on variations in the exchanges between the day when, and place where, the bill was drawn, and those of its remittance, variations that could provide large profits, even of 5 per cent in four months, or losses as well. In the case of Venice, says Luzzatto, — and as always he gives the proofs — the situation was quite different: "With regard to relations between Venice and the largest markets of the Levant, the books and commercial correspondence which have so far come to our knowledge lead one not to accept so exclusive and unilateral an interpretation... The merchant who travelled from San Marco to Constantinople or to Tripoli, Syria, Bayreuth or Alexandria and stayed there for some time to handle the business of his house, instead of taking with him or having sent to him the money for payments of that part of the goods purchased which he could not arrange to buy by a simple barter with the goods imported, preferred to have sent to him from Venice one or more bill-drafts payable by one of the banks of the place and, more rarely, by other Venetian merchants. Those bills therefore resembled a full instrument of credit, but in reality they were for the most part intended to pay for goods".

2. - *The finances.* - The history of the impositions by means of which Venice collected the funds necessary to meet state requirements is closely linked with the vicissitudes of war, so much so that it can be said that the hardest periods, in which the very freedom of the Republic was endangered, marked the stages of the changes in the structure of Venetian finances: the Chioggia war of 1376-1381; war with the seigniories of Upper Italy, especially with those of Padua and Milan, which continuously engaged the Republic from the last years of the fourteenth century to the second half of the fifteenth century, first with Gian Galeazzo and Filippo Maria Visconti and then with Francesco Sforza, up to the peace of Lodi in 1454; war on the occasion of invasion by Carlo VIII, 1494; war of the Cambrai League of 1508, which was to end, after various overturnings of alliances, in 1529 with the peace called that of the "Due Dame". Meanwhile, through the fourteenth and fifteenth centuries there was added the drain upon resources of the struggles with the Turks, whose advance halted only temporarily after the capture of Constantinople: a time rather of waiting, and anyhow interrupted by short and limited resumptions of conflicts, during which the sultans were to prepare to strike the decisive blows against the Republic with the fleet. These were conflicts, moreover, which by rendering navigation in the Mediterranean risky, at least in certain areas, affected international trade, the fundamental basis of the Venetian economy, and just at a time when expenditure on defending the dominion on land was becoming more burdensome. To complete the picture, the Mediterranean, already rendered insecure for political reasons, was likely to lose some of its economic value to the advantage of the ocean sea routes, from the time when Bartolomeo Diaz, by doubling the Cape of Good Hope, made access to the Indies possible with the circumnavigation of Africa by Vasco De Gama.

The secret that explains what appears to have been a miracle lies just in the impressive financial effort, which was not confined to the imposition, almost beyond endurance, of taxation, but was also directed towards a change of structure.

Up to the Chioggia war the receipts, fed by income derived from the patrimonial estates (rent of state property), had been covered only in minor part by direct taxation (with the "decimum" or tenth part of the patrimony *una tantum* of the eleventh century, with the "adveticum" or 10 per cent levy on inheritances of the

twelfth century, and with the military tax paid by those who wished to be exempted from military service). Instead, the essential sources of income of the ordinary part of the budget, and little by little of the extraordinary part as well, were the indirect taxes, under the generic term of "duties", which included the *ad valorem* and specific customs duties, according to the quality and source of the goods, especially cloths; the consumption taxes; business taxes, a percentage of the value of the goods exchanged, including purchases and sales of real estate and land (collected through the "messeti", public officials elsewhere called "brokers"). Another source, likewise basic, were the loans, first voluntary, then compulsory, fixed in relation to the estate and based on an "estimate" made in a sworn declaration by the taxpayer, which was checked only roughly. These loans were therefore a kind of extraordinary direct tax in that they were imposed at irregular intervals according to the needs of the state, which decided each time also the different percentages on the patrimony and undertook to repay the capital received and to pay the interest on it by half-yearly instalments guaranteed by the receipts from this or that "duty". The state kept its word as far as was within its power, but the time came when it was compelled to suspend repayments and interest. This occurred precisely during the years of the Chioggia war.

However, it began to be realized that to continue to tax on the basis of the "estimate" amounted to not drawing from the economic power of the Republic what it was capable of providing, while a feeling was created of unbearable burdens being imposed (once, for example, in three years the loans absorbed 102 per cent of the capital declared in the "estimate", whereas the true estate was most probably four times greater). Things came to a head with the second crisis, the war of Lombardy. In the Senate in 1453 such a serious situation was reported (it was revealed also by the failure of the biggest banks) that "*reductae sunt res Status nostri, tam maritimi quam terrestres, ad terminum quod non amplius de gloria et dignitate tractatur, sed de propria salute et libertate*"; and taking into consideration that "*ne postea in vanum lugeamus*", the preceding emergency measures "*non sunt medella aut remedium sufficiente malis et necessitatibus nostris*", among the steps that repeat in their form the financial omnibus measures of today — suspension for one year of all wages, an increase in all duties on maritime commerce, a special tax on the Jews — it was

laid down that all tenants should disburse a sum equivalent to one-half of the rent they were paying for houses and shops, and that the owners should pay out one-third of what they were receiving; moreover, the demand was made for one-half of one year's income that Venetian citizens living in Venice received from their properties on the mainland on their side of the Adige if they did not contribute to the loans, and one-quarter if they did contribute.

It is true that in view of the temporary nature of the measure — one year (prolonged, for that matter) — it might seem that nothing new had happened, since legally the direct tax, while having a greater extension and consistency, preserved the old character of an extraordinary tax whose repayment of capital and payment of interest were assured, as with the compulsory loans. It represented, instead, a fundamental turning point in the trend of Venetian financial policy which prepared the step from an extraordinary to an ordinary state of things, taken shortly afterwards, in 1463, in conjunction with the abandonment of the personal "estimate" and with the imposition of a descriptive and analytical register of all the houses, villas and other real estate and of their rents in Venice and the Duchy; of all the income that the individual Venetian citizens drew from the mainland; of all the incomes of ecclesiastical persons and bodies in every place subject to the Republic. The extraordinary character was definitely removed when the Senate was authorized to decide when it wished "*per decimas aut semi-decimas aut plures decimas*", an authorization of which advantage was taken to impose regularly two tenths a year.

But trouble had not yet ended. In a resolution approved by the Major Council in 1482, seeing that it was not possible to exact as a tax more than the usual two-tenths annually, and that, on the other hand, larger sums were needed by the Treasury, a return was made also to the old loans, now also called "tenths", and for which, as for the preceding ones, the repayment of capital and the enjoyment of interest were promised. This indicates the distinction between ordinary tenths (they were termed "lost") and extraordinary tenths, repayable and bearing 5 per cent interest. In fact, in the resolution mentioned one reads: "since the two tenths *tantum* which every year are paid by each, and are presented to our Signiory, suffice for only a minimum part of our needs", it was established that all those who paid in ordinary tenths more than eight ducats a year were liable to the imposition of the extraordinary

tenths. To handle what we will call the tenths-loans, the "Monte Nuovo" was created, and the "Monte Vecchio" was left to its fate.

At this point should be noted the difference between the Venetian "Monte" and that of other communes, for example, Florence, where the "Monte Comune" was created in 1345; afterwards were added to it, because of the usual need for money, the "Nuovo", the "Nuovissimo", the "Un due", the "Un tre" and so on. At Florence it was a question of unifying the various loans — issued at different rates of interest — for which it was desired to ensure a uniform rate of 5 per cent. At Venice the title "Monte" meant the complex of receipts collected to meet certain specified expenses (for which purpose, when it was created, 27,000 ducats were allotted to it, a sum proportionate with the interest service to the amount required by the tenths of 550,000 ducats. Eighteen months later, as the Ferrara war continued and 960,000 ducats were needed, the guarantee fund was raised to 47,500 ducats). This point having been made clear, it is unnecessary to state that notwithstanding the good will of the Venetian rulers, the "Monte Nuovo" soon suffered the fate of its predecessor. I spoke of the change of trend in financial policy: its history develops just along the path that starts from the indirect tax and reaches the direct tax, with an evident sacrifice of the governing class.

3. - *Commerce and its instruments* . - (a) There is certainly no need to insist on the importance of the trade exchanges, limited at the time of the first fishermen and salters, extended gradually as Venice widened her influence along the Adriatic coasts, and subsequently developed on the international plane. Not for nothing has Luzzatto centred his volume precisely on Venetian trade, and even the chapters he has devoted to the political part, money and finance can be said to have been made to revolve around that axis, even though each gives exhaustive treatment to the individual subjects. He has outlined the development of that commerce up to where it reached the whole arc of the Mediterranean, from the shores of which the merchants then pushed forward into the hinterland of the continents, and from the second half of the fourteenth century to the Channel and the North Sea. He has specified the goods handled, both imports and exports, indicating when possible their quantities and value. He has laid emphasis on the means of transport, the ships, from the largest built for the open sea to the

smallest employed in the coasting trade, with references to the equipment of the private shipyards (the "squeri") and of the Arsenal. He has dealt at length with the methods used in gathering capital for the conduct of business. He has examined the state's economic policy, aimed constantly at securing the greatest progress particularly of trade, the essential basis of finance and the whole economy, but manipulated gradually to meet the trade cycle, to which end the state intervened in the matter of duties and freights and by alternating stimuli for, with checks on the flow of products from the East. And above all this complex of elements linked with each other we have the determining factor, that is, the man: the figure of the patrician-merchant who sets everything moving by his personal spirit and, why not? in his own interest. A vast canvas, in short, in which the wealth of colours is given greater vivacity by many beacons set here and there.

(b) One of these, with the object of providing an idea of the volume of Venetian maritime trade, casts a beam of light on the relative importance between the "mude" (convoys of galleys which were armed or at least escorted by armed ships, the latter being obligatory from the 11th century and little by little made optional, that is, they were placed at the disposal of merchants who wished to obtain them by tendering) and free shipping. Obviously little information has come down to us about the latter but the activities of the "mude", which we might call shipping lines, are fairly amply documented in the deliberations of the Senate, in records left by chroniclers, and so on.

This variety of evidence — official documents undoubtedly truthful, and chronicles that are likewise reliable because of the sound information of their writers — has led historians into two errors that finally combine into one: to overrate the contribution of the "mude" and minimize that made by the free ships; and, since the volume of traffic and the value of the goods handled by the first are shown to be rather modest, to consider the whole of that traffic as modest. No greater mistake could be made, says Luzzatto, because if the economic importance of the particular goods carried by the galleys on their periodical voyages cannot be denied, it would be absurd to think they accounted not for the whole but even for the major part of Venice's maritime commerce. This trade was, instead, primarily carried on by means of a far more noteworthy number of disarmed boats, of different types and tonnage, adapted

to the various needs. Tommaso Mocenigo, speaking of the third decade of the 15th century (and the figures, as I have just indicated, can not only be accepted but increased in the case of the 14th century), specifies that there were 45 galleys, large or small, of which only a part of the former carried merchandise, while the others formed the true and proper navy; 300 sailing boats known as "naves", with a capacity — according to the modern ratio — of more than 120 tons; and 3,000 "navigli" from six to more than 120 tons. Even if it is admitted that the latter served, depending on their size, for lagoon and river navigation and for small coasting trade along the Adriatic, it is certain that the other 300 voyaged much farther afield, making for all possible landing places and not only for those — more important as they were as market outlets — at which the "mude" called. Again, their flexibility of movement, since they were not bound to fixed time limits for their outward and homeward voyages like the convoy lines, made them particularly useful. To quote one instance, they loaded the merchandise that in years when business was big sometimes was left on the quays of the Levantine ports after the galleys had been filled. To give another instance, it not infrequently happened that some of those vessels anchored for months at a time far distant from their home port, thus enabling merchants to plan their buying and selling far deeper in the hinterland and make journeys the length of which could not be estimated exactly. They were therefore valuable, by complementing the services rendered by the "mude", to any travellers into the interior of the countries, who could count upon finding in the various ports ships for the return voyage.

(c) One problem brings with it another. The maritime commerce having been dealt with from the point of view of its size and as a prime factor of the Venetian economy, the question may be asked how on earth one comes across at intervals governmental measures which, far from aiming at increasing this commerce, endeavour to restrict it. In reality the interest as a whole of the Venetian economy did not lie so much in augmenting the volume of traffic between East and West as in balancing the values of imports and exports, considering that the use of money or gold and silver bars to purchase goods coming from the Levantine ports and generally of high value, had to be reduced to a minimum, while such purchases had to the utmost extent to be made by bartering goods obtained from western countries. Evidently a

complete, or let us put it, automatic balance between the two sides was difficult. But it is also true that where the difference might have exceeded a certain limit that could not be compensated by the profits on exports, the merchants would either have had to form stocks of unsold goods or lower prices, and the economy in general would have suffered from the drain on the reserves of precious metals. Here lies the reason for the Senate's decision of August 5, 1324 that no Venetian living in Venice could dispatch, carry, accompany or have accompanied to Venice by sea, nor trade in and ship or have shipped in any way a quantity of goods exceeding the value "quod faciunt de imprestitis", that is, of what he had declared in the estimate as his patrimony, and on the basis of which he was obliged to contribute loans to the Commune. Here is the reason for setting up the "Ufficiu de navigantibus", created soon afterwards to control the application of the measure and of those subsequently introduced. This office was several times abolished and reconstituted up to 1363, the year when a definite end was put to it.

Here therefore was a problem of economic policy on which agreement could not be general. The measure, in fact — taken under the pressure of the crisis caused by the momentary disequilibrium between the goods received from the Levant and those drawn from the west, the latter being insufficient in spite of the introduction of the "Flanders muda" in 1303 — had had also a fiscal reason: to persuade the taxpayers to declare a higher patrimony when making their "estimates" (which, as has been noted, were at least four times less than their real composition), and it bore traces — it is enough to look at the names of its proposers and of those who voted in favour — of the desire of a group of more wealthy senators to reserve to themselves the major part of the profits from overseas trade. The fact is that the "Office" was for years the centre of bitter controversies between those whom we might term, even if the modern expression does not wholly correspond, state planners and free traders. Its abolition in 1363 marked the victory of the latter, as is shown by its motivation: "quod nihil statum civitatis nostrae magis possit multiplicare et augere quam dare largitatem et causam per quam mercationes conducantur". Thus a return was made to freedom of trade, the only limitation being that the total for investments in maritime traffic — which had to be equal to the part of the patrimony which was taxable —

remained in force for foreigners who had been granted Venetian citizenship.

(d) Another subject connected with trade by sea concerns the investment in it of money, a subject which also concerns, though to a lesser extent, at least during the first periods, the use of capital in industry. We know the theory formulated by Sajous that the "colleganza" was characteristic of the maritime towns, and the "company" of the towns of the interior, while they were matrices respectively of the future limited partnership and general partnership companies. In the maritime centres, devoted to commerce by sea, which was subject to serious risks including total loss of ships by storm, fire or piracy, it was not expedient to pledge an entire patrimony as a guarantee, and it was the "colleganza" which met this situation, since those in it who contributed capital and remained on land, assumed responsibility for the property supplied, (money or merchandise) while the "negotiator", who shipped for them and them alone, had to take the responsibility for his own activities. Moreover, they enjoyed first the advantage of being able to share the risk by joining simultaneously several "colleganze", then that of the latter's duration, that is, the time taken for the ship's total voyage, after which the contract was terminated by a rendering of accounts. In the towns of the interior, instead (in which manufactures predominated, linked with which was the land trade, exposed to less dangers but needing ample facilities if only for the plant and working of equipment, as well as a more complex organization involving personnel, book-keepers, skilled workers, labourers, and factors who would proceed to the various markets and might establish themselves there to manage branches), it was the legal form of the company that suited best. It was first formed with the capital of the members of a single family, then also with the contributions of more or less near relations, then those of strangers, and finally also with the deposits of third parties, on which interest was paid. Here the family honour, which ensured continuity to the establishment and provided guarantees to depositors, was pledged. Luzzatto, who gives a detailed account of pure and simple advances, loans, maritime exchange, and the "colleganza", outlining origins and developments as time went on, adds that the company, too, was not unknown in Venice, built up with some elements from that of the land towns. All the members shared profits and losses in proportion to the capital they had subscribed and all were jointly

responsible towards third parties for the engagements of each of them, save for reimbursement of the damage suffered. In the memorandum of association was indicated the period the company was to last, and when this expired the members had the faculty of extending it at the will of the majority. When it was dissolved one party did not render an account to the other, as happened in the "colleganza", but a single account liquidating the company was drawn up. I have referred to only a few elements since one cannot draw a parallel between the Venetian company and the other companies of the time, the Florentines, for example, because in the first no references are found to unlimited responsibility in addition to joint responsibility, and because there is no record that for financing the Venetian establishments resort was had to means other than the registered capital.

Examples quoted give too an idea of the size of those companies, some of which were such as to rival those of the Tuscans. This statement of Luzzatto is correct if only the registered capital is considered and not, I repeat, the whole of the funds available. To cite an instance, while the company formed by the Corner brothers with the Veronese, Messer Vito Leon in 1365 had a company "corpus" of 83,275 gold ducats (it traded on a grand scale with many countries, mainly with the island of Cyprus, to the king of which, who was at war with the Turks, it made a huge loan), that of the Peruzzi family, during its long existence from the end of the 13th century to the fourth decade of the 14th century, reached a maximum of 112,758 gold florins in November 1310. But the Alberti Del Giudice company, whose balance sheets provide some full information for the period 1302 to 1329, while being strong did not exceed the figure of 17,291 florins.

In conclusion, Luzzatto has shown that the commercial company was not only clearly distinguished from the "colleganza", with which it has sometimes been confused, but assumed in the 12th century an autonomous position and was a really outstanding instrument for maritime, and in a wider sense, international trade, as well as for occasional big credit business.

Another point may be added once we have begun to make comparisons. While there existed in Venice even from the 12th century a form of "company" — not yet identical with the Tuscan type but having only some of its features and therefore in some ways a forerunner of the general partnership company — in Tuscany

an institute similar to the "colleganza", which was a precursor of the limited partnership company, appeared only much later. It is true that Arcangeli says that the "commenda" was talked of at Siena at the end of the thirteenth century on the occasion of the difficulties, then the failure, of the "Magna Tavola" of the Bonsignori family; and it is true that Senigallia discerns it even in the "accomandigia" of that city. But on re-examining the documents on which the two scholars based their statements, I have personally found these statements wrong. The fact is, instead, that Florentine legislation of 1408 included limited partnership in its text. This does not however rule out that the practice, as always happens, may have anticipated a little, but only a little, the juridical organization of the institute. On the other hand, the date has its importance, with the knowledge that Florence, which had fought so hard as to exhaust itself in order to gain an outlet to the sea, had in 1356 purchased the port of Talamone, then from 1362 to 1364 had waged war against Pisa, and in 1406 had finally set the seal on its efforts and realised, but too late, its dream by acquiring the contested city.

But if the importance of the company became apparent at the opening of the fourteenth century and afterwards became increasingly decisive, that of the "colleganza" remains fundamental during the preceding centuries. As usual, Luzzatto examines it in its structure and its function as a gatherer of capital. As to the structure, he does not believe in the distinction between bilateral and unilateral "colleganza", whereby one would exist in cases where the capitalist partner, *socius stans*, provided two-thirds of the capital and the *procertans*, who did the travelling, one-third, and the profits were then divided into equal parts; and the other exist in cases where the entire capital was provided by the *stans*, who received three-quarters of the profits. Luzzatto considers that all the "commende" were unilateral, seeing that the *negotiator* on return from his voyage had to render an account only of the result of the investments he had been able to make with the goods entrusted to him by the *stans*. On the one hand therefore he explains what he terms the "pretence" of this bilaterality as a desire to remove from the contract the character of a loan. On the other hand, he believes that the principal reason was that of settling the division of any losses, on the basis of the amount of capital which it is supposed had been contributed by the two contracting parties.

Digging deeper into the subject, Luzzatto illustrates many contracts *sui generis* which stand apart from what we will call the pure type of "colleganza". In some of these, for example — under which Tom received from Dick a sum on conditions fixed by the "colleganza" (including the clause establishing that if a total loss "a mare vel a gente" occurred, neither of the two sides would be able to claim anything, and if something was saved "sic dedimus ita participamus") — there is a rider to the effect that in case of default Tom will pay "in duplum de terris et casis suis et de omnibus que habere visus fuerit in hoc saeculo, et inde in antea ipsum caput et duplum prode laborent de quinque sex per annum". In others Tom received from Dick a *tot* that he was to hold for one year "ad negotiandum per mare et per terram in omnibus partibus ubi sibi videbitur", after which he would satisfy Dick "de capite et de prode" (by the term *negotiare* is not meant, as in the true "colleganza", solely participation in international commerce but, in a broader sense, the exercise of any form whatsoever of local trade and industry). The measure of the profits was likewise different: sometimes it was stated "secundum quod proiecerint stationes meae" (of Tom); on other occasions "cum tale parte prodis qualem reddent tabulae cambii ser... campsoris in Rivoalto, vel alterius campsoris ad vestram electionem" (always of Tom); on other occasion again a maximum limit was fixed, not to be exceeded, but a limit anything but uniform, even in a short space of time, for in 1368 one finds it to be 15 per cent, in 1369 and 1371 24 per cent and in 1372 10 per cent. Arcangeli speaks of *local* "colleganze". Luzzatto maintains that, in reality, the *nomen juris* of "colleganza" was used to cover a loan contract or highly irregular deposit from which the benefit varied according to the profits made in the undertaking by the one who received the money, or according to the state of the money market. He finds his statement confirmed by ledgers, in which the substance of the transaction comes out more clearly.

To return to the beginning of the paragraph, how did it come about that the "company" prevailed over the "colleganza"? Undoubtedly the "colleganza" continued to offer the advantage of a convenient and easy investment of capital, which once the individual venture was wound up, could quickly be made available and invested in other enterprises. But little by little as Mediterranean trade expanded and a strong commercial class consolidated its position, it began to be realised that the isolation of the individual undertakings

was harmful and that it was necessary to ensure that they should be able to remain active longer. Again, the winding up of those transactions caused sometimes serious uncertainties for the financier in that the "commendatario" (entrepreneur) could declare it was impossible to give any return "quia non potuit facere meliorem rationem", and the "commendante" (financier) had to accept his word, finding it impossible to submit the accounts to a proper control. This is how the less risky form of association of capital, the company, came to make progress and ended by prevailing.

Finally, I would deal for a moment with the locution "socius stans". Luzzatto has seized upon this term to strengthen the monument he has raised to the patrician-merchant, exalting him as up to the last a lover of the sea who did not, as others have pretended, gradually withdraw from the discomforts and dangers of waters that little by little became more treacherous because of the presence of the Turks. It is untrue, he says, that the supplier of funds or goods always remained in Venice. The actual active participation of these "capitalists" in seafaring and trade enterprises is shown by the fact that at the time they drew up, as *stantes*, a "colleganza" contract, they were staying in such places as Constantinople, Corinth or Thebes, Tyre, Acri or Alexandria, even though they had their domicile and family in Venice; or even if they made a contract at Venice, they laid down the condition that its settlement should take place elsewhere, say at Antioch or Jerusalem, if when the ship arrived from Otranto they found themselves in either of those cities. In addition, several documents show that in various cases the same persons played at one and the same time the part of *procertans* for a trade enterprise and financier for some other venture.

(e) With regard to maritime insurance, an instrument of the organization of international commerce, it is surprising to find that it became part of Venetian procedure only towards the end of the fourteenth century, and only much later entered legislation, with a great delay compared with Genoa and Florence. The first contract so far discovered is in fact dated 1393, and one can go back only a short time, for it is known that in that year three lawsuits were before the "Curia di Petizion", in which, on the other hand, all the underwriters of the two Venetian shipowners who started the litigation were Florentines. In the fifteenth century the evidence becomes greater and today has been added to by the publication of the accounts book of Giacomo Badoer in Constantinople, 1437-1439,

from the entries in which we learn of payments made by that merchant for himself or on behalf of third parties for amounts varying from 20 to 200 gold ducats, as well as the figures of the premiums paid to the underwriters, which vary from 3 to 10 per cent and in one case touch 19 per cent, not so much in relation to the length of the voyage as for other causes, such as the fear of a resumption of hostilities, the news of a successful pirate raid, and so on. The explanation that the above mentioned tardiness by Venice compared with the republics of the Tyrrhenian coast was due to the use of the "mude" that made the sea voyages relatively safe must be discarded straight away, since, as has been seen, the convoy system was used only for line navigation, while it was wholly excluded for free shipping, which was incomparably more numerous and more frequent. Luzzatto poses the problem but offers no solution of his own. He confines himself to reporting the actual situation, recalling that the Venetian navy was exposed to the same and perhaps greater risks than those of Genoa and Pisa and that of Florence which, moreover, had only just been created with the acquisition of Pisa in 1406, and observes that, in general, the customs of maritime law necessarily have an international character. For that matter, Venice, while in no wise inferior in economic vigour and political strength, was preceded in other fields as well: monetary (as I noted earlier) by the creation of the florin and the "genovino" coined 32 years before the ducat; taxation, I would add, by the passage of the "estimate" to the cadastral system, which Venice introduced in 1463 while Florence had adopted the substitution in 1427; banking, where (as I have stated) it made no use of the cheque at least for the whole of the fifteenth century, whereas traces of the usage are found in Florence from the end of the fourteenth century. One ought perhaps to consider the strong conservative spirit she possessed, which is expressed in the very constitutional structure. The question is an open one.

(f) A last problem connected with maritime commerce is the debated expediency or otherwise of the policy followed by Venice after Vasco De Gama's voyage, precise news about which reached St. Mark's only in 1501 and 1502 from Domenico Pisani and Pietro Pasqualigo who reported on the goods landed at Lisbon. That Venice had, as some allege, hidden her head in the sands so as not to see, certainly cannot be asserted. The many reports of its ambassadors and the many diaries, valuable for the rulers of the time as

they were subsequently for scholars, would suffice to disprove this, and it would be sufficient to recall the institution of the magistracy of the "Cinque Savi alla Mercanzia", which had to watch over the fortunes of foreign trade, primarily with the Levant, and suggest suitable measures to support it. Now, did it use all that information wrongly, declining the proposal of King Emmanuel to become a customer of his kingdom's market, thereby closing the path to possible salvation, as other historians have also written? Luzzatto maintains that, just because they studied closely the reports received, the Venetian rulers realised that at Lisbon the merchants of the lagoon would never have been able to hold the position of near-monopoly they enjoyed at Alexandria; that the port of Lisbon was more easily accessible from the ports of the Atlantic, the Channel and the seas of the North than from those of the Adriatic; that the position offered at Lisbon was already weakened by the direct participation in Portuguese maritime and commercial enterprises secured since 1503 by several big Florentine, Genoese and German businessmen, merchants and bankers; and that the creation of the royal estate at Antwerp made vain the last hopes of attracting to Venice the merchandise carried from the Indies by way of Lisbon.

On the other hand, Venice still had some strings left to her bow. Notwithstanding, in fact, that silk, cotton, spices and primarily pepper were from the earliest years dearer there than in Portugal, would all the old customers desert the Venetian market or, after due consideration, would they find it more convenient to remain faithful to it? Would the businessmen of Germany, for example, customers from the time of the creation of the "Fondaco dei Tedeschi" (German warehouse), not take into account the cost of transporting goods from Lisbon to Antwerp, the new eventual centre of supply, and in any case, weigh more carefully in making their choice the fact that they brought to Venice many products of their mines and of their cloth manufactures? Actually the 13th century "warehouse", destroyed by fire in 1503 and immediately rebuilt with more rooms and storage space, was no longer able to meet the growing demands made upon it, so much so that for the whole of the century and the opening decades of the seventeenth century many merchants had to wait years before being able to receive accommodation, and a good part of the merchandise had to be stacked in open galleries. Again, one of the most powerful bankers of the time, the Fuggers, in spite of the

fact that they had close links with the House of Habsburg, maintained at Venice one of their most important estates, which developed a noteworthy volume of business: it stored or re-exported from there large consignments of metals, mainly copper, which was increasingly in request for military purposes, as well as manufactures from the cities of Sweden, Bavaria and the Danubian basin. Moreover, in that centre of banking and exchange, the managers of the company were afforded the opportunity of collecting money and making payments in every market in Italy and the Mediterranean area. Meanwhile they continued to be buyers of the supplies, including pepper, which reached there, even if not so frequently and on a reduced scale. I ask again: would it have been possible to do better by reducing themselves to customers of the Portuguese crown? It must be added, for that matter, that in the second half of the 16th century there was also a revival of the flow of goods from the Levant, with the arrival of a particular and favourable economic cycle, which of course was unforeseen — the war at sea, disastrous for the Portuguese, against England and Holland following the union between Portugal and Spain.

4. - *The guilds and industry.* - (a) In the first place it is necessary to make clear the position, hence the function, of the guilds in Venice (many of which in fact carried out industrial activity): a position and functions different from those of the corporative associations of other Italian communes of the period, as regards both political importance and economic importance.

From the political point of view it is useful to consider the organization, more or less on the same plane, of Venetian guilds, and the distribution as on the steps of a ladder where were found the major, the middle and the minor guilds. And this prompts a question. If at Florence, to quote an instance, where the loom was the mainspring of the city's fortunes, the masters of textile guilds — Calimala, Lana, Por S. Maria — established powerful companies such as those of the Bardi, Peruzzi and Acciaiuoli families, why at Venice where the ship had a function similar to that of the loom, did the masters of the shipbuilding guilds — carpenters and caulkers — remain modest artisans, just skilled workers of the state arsenal and in the private "squeri"? The answer has been found in the different political constitution of the two republics. At Florence, where all social classes had a chance of attaining power, the auto-

nomous corporation was the instrument for rising to the command of public affairs, reached through the institution of the "Guilds' Priorate", composed at first of members of the major guilds, including Calimala and Lana, then of those of the middle, and finally, even if for a brief period with the riot of the Ciompi, also of those of the common people. At Venice, instead, distinctly aristocratic notwithstanding a late infiltration into the patriciate of the biggest exponents of the capitalist bourgeoisie, the patricians not only had no need to associate themselves corporatively in order to rise to the government but, having coalesced as a class they prevented the other social elements from climbing the ladder leading to the direction of public affairs. Thus it was that, after a relative autonomy had been left to the guilds at the start, they took steps to keep them in check following the Tiepolo-Querini and Marin Faliero plots — in which several guilds had taken part in an endeavour to widen their field of action — and reduced the corporations to true and proper organs of the state controlled by a magistracy, the "Old Justice", which drew up their statutes.

This curbing of the guilds, intended to throttle any political aspirations, could not fail to have repercussions on the economic plane as well. In this connection two aspects, which finally unite, can be considered. One is whether foreign workers could or could not work in the city. The other is the difficulty, indeed the impossibility, for the "maestri" to follow an economic line corresponding, within the framework of the guilds, to their interests if the state considered them as conflicting with the general interest. This general interest, instead, was made by the big economic operators, with seats on the benches of the Seigniorie, to coincide to the utmost within their power with their own interest, although one must recognise the substantial worth of their government in working for the aggrandizement of Venice (1).

(1) During my studies from the thirteenth to the sixteenth century I have several times had occasion to show how misleading it is to assume that the "statutes" mirror the phenomena of the economic life of the time, and how necessary it is to integrate those sources by examining others closer to real life — judicial and notarial acts, trade books and merchants' letters, personal memoirs: and this because it was easy — as for that matter it is even today — to evade laws, the more so in the case of those who, having made the laws, knew how to find loopholes in them and used their knowledge unscrupulously. The situation of Florence and Venice, I insist, differed. However, Luzzatto provides confirmation in the case of his city, but he too makes a distinction between the minor craft restricted to the city, or

The first aspect can better be illustrated by a parallel with Florence, which offers twofold evidence of the monopolistic tendencies inherent in the "Guild" institution: the complaints that some encroached on the field of the others, in which case the offended side denounced the unfair competition; and the opposition of all to the competition not only of foreigners but also of elements of the city not entered in the register. (It should be noted, in any case, that plenty of evidence exists of crafts being exercised by unregistered workers — Florentines, however, and not foreigners — who nevertheless paid the guild tax and observed the regulations laid down for manufacturing, commerce or services and only were prohibited from holding guild posts and attending meetings). At Venice, on the other hand, while there are numerous examples of lawsuits of the first type, no protests are found against non-Venetians, even foreigners from beyond the Alps, being admitted to the city's corporations.

As to the second aspect, we shall have an opportunity of proving that the guilds failed to have an influence on the economic structures when the time comes to deal with the vicissitudes of some of the more outstanding guilds, but one general consideration can be made in advance: as Venetian economic policy, as has been seen, depended for centuries almost exclusively on international commerce, industry for centuries was put in second place, and its interests were even deliberately sacrificed. In short, it began to advance from the end of the fourteenth century, grew a little during the fifteenth, and asserted itself only in the sixteenth, compensating, we can say, for the gradually diminishing importance of sea traffic.

(b) When one recalls, in dealing with the life of the guilds, starting with the wool guild, that in order to balance to the utmost extent imports from the Levant the export of cloths bought on the western markets was essential, there certainly can be no thought of

even to a district of it, and that with a far wider horizon that extended to international trade. May be, he says, it is that the merchant-bankers of the great Asti, Senese, Florentine and Lucca companies which had branches throughout the whole known world, or the Venetian capitalists who reached the coasts of the entire world with their ships, both risking huge sums of gold florins and ducats, could not, precisely because of the very nature of their activities, be brought within the arid schemes and intentional mediocrity of the corporative organizations, but had to act in a way wholly independent of their restrictions. Naturally, he begins by drawing attention to the international trade sector, but then directs it to the most important industrial enterprises, and finds material for repeating and extending considerations on the government's economic policy.

protectionism for the local product as long as adequate supplies could be drawn from those western sources. Local cloth manufacture, owing to the position of the city and the almost total employment of capital in maritime commerce, could never have reached either the quantities or the degree of perfection of the foreign products both from overseas and from several Italian cities, especially Florence. Thus one sees a lack of interest in its fate and, what is more, measures are discovered which clearly aimed at enfeebling the already scanty enterprises up to the point of prohibiting all production: "non potest fieri laborerium lanae in Venetiis". But when towards the fifteenth century supplies from outside gradually began to diminish for political reasons and war episodes, it became absolutely necessary to review former policy, and it being realized in 1383 that "quod ars ad praesens est in debilissima conditione", the recruitment of workers from outside began to be urged. Then in 1423 and 1436 the citizens were forbidden to dress themselves in cloth bought in Ferrara, Padua, Treviso and other towns of the Venetian hinterland (but not that brought by the Flanders "muda"), while in 1437 a check was put on the practice of sending wool for spinning "per villas circumstantes" (protection of the city guild, which by now had to some extent established its position, from the low-price competition of the countryside workers). However, development was slow and the activity was to flourish fully only in the sixteenth century. In 1375 eighty-two cloths with the "Florentine-style selvedge" are recorded; in 1421 Doge Mocenigo speaks of about 3,000 pieces produced on the spot compared with 48,000 imported and then mostly exported again; in 1530 official figures register 6,065; in 1569 this figure rises to 26,541, whereby, at least for quantity, Venice takes first place among the Italian cities that produced textiles. Meanwhile, at Florence, instead, the opposite trend was developed: 80,000 pieces in the first half of the fourteenth century, less than 24,000 in 1378, 19,000 in 1527, 13-14,000 at the end of the century, and not more than 5,000 in the early years of the seventeenth century.

I have spoken of supremacy of quantity and not of quality although the latter, too, had continuously improved in Venice, while Florence never lost, or only by a little, the position gained in a bare 70 years from the middle of the thirteenth century. In fact, while the Venetian duty tariffs of 1265 show that the Flemish products each paid 50 "soldi" duty and the Florentine only 5, in 1325

the figures were equal or perhaps even higher for Florentine manufactures.

The silk guild grew even more rapidly, favoured by a more marked protectionism: in 1421 imports into Venice of any sort of silk-stuff were prohibited, as well as the export from there of textiles that had not been made on the spot. Early in the sixteenth century the city's looms numbered 2,000, fed by the cultivation of cocoons and mulberry trees which was stimulated by the government authorities, and by raw silk from Syria. In 1617 two galleys captured by Spanish or Florentine ships were carrying 2,700 bales of wool and silk, the famous brocades into which were woven gold and silver threads. This was Venice's era of magnificence and the luxury products of local manufacture, which attracted capital accumulated in the past and gradually diverted from the old investments for re-employment, contributed to the growth of the Venetian economy.

(c) The shipbuilding industry also lends itself to various considerations of some importance which, however, are not prompted by the naturally continuous development of the state Arsenal and the private "squeri", because this kept pace with the widening of the Venetian maritime empire. The Arsenal, already established before the thirteenth century, was enlarged in 1324 by means of the expropriation of houses and the excavation of new docks decreed that year, and was almost entirely rebuilt in 1472 to enable it to take 150 galleys. The "squeri" meanwhile multiplied on the outskirts of the city and along the islands of the lagoon. Something should rather be said about relations between that industry and its customers, especially in the light of the attitude of the state, which was liable to change considerably. At some periods it not only allowed ships to be built within the confines of the "dogado" to meet orders from non-Venetians, but also sold and lent them, including the galleys, to various cities of the upper Adriatic. At other periods it was not so liberal and even cancelled all permits. Such decisions might seem to be contradictory but, instead, were logical in view of the frequent changes in political and military circumstances. Thus in 1266, for example, we find that all foreigners were prohibited from building, or having built, boats in Venice without the permission of the Doge, the "Quarantia" and the "Major Council"; in 1288 comes the right granted to anyone, without need to submit to any control; four years later the prohibition is again enforced and this time made absolute, with threats levelled against the private

shipbuilders and even the masters who disobey the order. It is interesting, besides, to know that critical periods were experienced from the last 30 years of the fourteenth century, proved by the exodus of the carpenters and caulkers, by the punishments introduced for those who emigrated, by the attempts to get emigrants to return, among them being not only the reduction or the annulment of punishment but also the prohibition to purchase ships or have them made in other Adriatic ports, fixing first a carrying capacity not exceeding 100 barrels and subsequently abolishing any limit.

But to understand the significance of all this, consideration must be given as well to the desire to protect the wages of the internal workers from the competition of those outside, who were used by shipbuilders to keep wages down. In a petition presented in 1460 to the "Old Justice" by the caulkers' guild, and granted by the fixing of a minimum daily remuneration, one reads, in fact, that "when the shipowners need to discuss their affairs, ten or twelve of them will gather together, making a solemn promise that one will not disburse more than the other and place prices in this poor occupation at so low a level that it can barely be faced". Against this action the workers had no defence in that "there is an order and line adopted by the Grand Council that if any caulker should leave Venice to go to work outside the borders of this territory, he will have to remain for six years in one of the prisons and pay 200 "libbre" and notwithstanding that some have left as they were unable to live here". Luzzatto concludes as follows: "The petition and the fixing of the minimum legal wage provide sure evidence of the disequilibrium between demand and supply: if the demand for ships built in Venice had not been substantially below the supply of labour, the agreements between the shipbuilders to keep wages down would not have been possible. In its turn, the slackening of demand is not in itself an indication of a shrinkage in maritime activity, but more probably was a repercussion of the competition in which the shipbuilders scattered along the Mediterranean coast were successful against the Venetian builders, in a type of industry which by its nature is unamenable to any efficient form of protectionism".

5. - *The Continental policy.* - How did it happen that Venice, which up to the end of the fourteenth century had been solely a maritime power, with the national territory surrounded for more

than six centuries by the waters of the lagoon, from the year 1404 turned to the mainland and in only three years created a land dominion with an area roughly equal to that of the Venetia Euganea of today, a development that was to lead it to participation in the various wars between the states of the peninsula and burden it with huge expenses which caused the transformation that has been mentioned of its financial system?

Luzzatto does not accept the answer given by those historians who attribute the change of policy to the need Venice is said to have had of ensuring for itself in the provinces of the hinterland those supplies of foodstuffs, primarily wheat, which, formerly drawn from Rumania and other maritime sources, gradually became precarious owing to the advance of the Turks. That Venice was led to follow a continental policy by the appearance of a danger is correct; but this danger, he says, was not so much of an economic as of a political character, connected with the change in the political situation in the Po Valley. During the preceding centuries the penetration of Venetian commerce along the Po and its tributaries and along the Adige and the waterways of eastern Venetia had really encountered only slight resistance from the citizen states, each small and weak and, what is more, often fighting between themselves. This resistance Venice had more often than not overcome peacefully by means of treaties, and only rarely by resort to force, following which it set up guard posts at the mouth of the rivers or at strategical points which dominated them. But from half way through the fourteenth century and to a greater extent in the early years of the fifteenth century, the great Seignories of upper Italy — the Carraresi, the Scaligeri and the Visconti — by hiring mercenary militias had begun to attempt to dominate the whole region and to extend this dominion to outside its confines, as did Gian Galeazzo, who seized Genoa, part of northern Tuscany, and several castles in Romagna and Venetia. Just think of the threat suffered even by distant Florence which, precisely for the purpose of parrying it, participated in alliances and conflicts which were decisive, for her too, in increasingly ruining her finances. If the danger was grave for Florence, it was, Luzzatto states, downright deadly for Venice, not so much in connection with the above mentioned supplies as for the export of her products, salt, for example, and the eastern merchandise, the basis of her commercial policy.

It can be stated that the situation was somewhat different in the other zone, on which, too, Venice had designs, the so-called "Fatherland of the Friuli", which was finally conquered in 1429 up to the Carnic and Julian Alps, since no powerful and ambitious local Seignories had been formed there and neither had the expansionist schemes of those just mentioned been developed in that direction. There was, however, the Duke of Austria to fear. It must be borne in mind that Venice's ultimate purpose of safeguarding its traffic towards the markets of the West was the same that had taken her to the Mincio and Lake Garda, but with one single variant: that in this direction her commerce was interested not so much in protecting the freedom of the river routes as of the itineraries towards the Alpine passes, among which the most important and frequented was that to the so-called "iron road" which led to Pontebba, Tarvis and Villach, and from there on one side to the Pusteria and on the other to Carinthia, Styria and upper Austria.

Another historiographical current to be challenged is the one that attributes the continental policy to the growing indifference of the Venetian patrician-merchants as navigation gradually became more risky and sea traffic showed less profit. To support this thesis, says Luzzatto, two things must be proved: that up to the fifteenth century the patrician-merchant had invested his capital only in maritime commerce, and that from the 15th century he transferred it to more reassuring uses on land. But neither one nor the other is true. As to the first point, the documentation which proves the contrary goes back even to the dawn of the group of huts which was to become the Commune of Venice. At the time of the Longobard invasion, in fact, the nobles who had shifted to the lagoon and were already landed proprietors, preserved their possessions, even if these were mutilated, and then subsequently purchased other estates, so much so that houses in the city and estates in the country soon ended by forming a conspicuous part of the largest fortunes. Direct sources which support this statement are in the first place the testaments and records dealing with their conveyance: these are a mine of information which has barely been exploited and we learn from it (to take only the more distant years and to limit ourselves in the matter of exemplifications) something about the properties of Doge Partecipazio in the Treviso district, divided into 15 "mansi" with workers' houses and sheds for the cattle, and land adapted to sowing

in the lower Polesine and the Paduan district of the Ziani family, 1178. Then we have the "estimates", that of 1367 to quote one, in which part of the total capital declared, 2,800,808 ducats, consisted — leaving out of consideration the houses in the city — of farms in various zones of the mainland. This part must be assumed to have been considerable also by reason of the fact that in the earlier years of the 15th century it was resolved that when relations between Venice and Seignories and Communes were being discussed in the Councils, no councillors should be allowed to enter the chamber who possessed landed property within the domains of those Seignories or Communes, it being feared that they might be led to sacrifice public to private interests. In any case, in the relation between movable and real property the balance was certainly much in favour of the former. If anything can be said at all, it is that the formation of the land empire enabled that relation to be more equally balanced, in that it favoured the growth of private property by the sale of many estates that had been confiscated for political reasons, and advantage of this was taken in the early stages by some Venetian citizens and subsequently mainly by the nobility. The latter were placed, in addition, in a particularly favourable situation as regards their affairs in general, since in every city on the mainland they held the most important civil appointments, while the bishopric was nearly always held by a member of their class.

To come to the second point, it would however be a mistake to think that there was a radical and immediate change. As usual, Luzzatto goes to more than one source of the period and, having shown by checking one against the other that reliance can also be placed on chroniclers' records, he begins by quoting from Doge Mocenigo's harangue to the Senate, which as we have seen he had already drawn upon for data on the Arsenal and the number and tonnage of the "sea-going ships". The extracts, here given at greater length, provide a picture of the situation based precisely on large scale maritime commerce, on which Luzzatto comments: "When it is borne in mind that these words were spoken in 1423, 18 years after the conquest of Venetia Euganea, they show that not only had that revolution in the mentality and action of the Venetians which was to have led to the rapid decadence of the 'Dominante' not been carried out, but that maritime and commercial activities were in a flourishing state and entered into the lives of the great majority of the population". After this, as a confirmation, he draws upon

private documents, especially the letter-book of Guglielmo Querini kept from March 1428 to December 1461, and the ledger of Giacomo Badoer, kept at Constantinople from September 1436 to August 1439, which by providing evidence with the authority of a direct source of the quantities and qualities of goods and their value, place of market and names of businessmen in relationship with those firms, gives proof of the great volume and extension of traffic, which does not compare at all badly with that of the past. In Byzantine itself, in fact, the Venetian colony remained the most numerous and most active among those of the West, and the base of commerce with all the countries of the Balkan peninsula, with southern Russia and Anatolia, and with the Aegean Islands, Candia, Syria, Egypt, Tripolitania, Tunisia, the Balearics and Catalonia: all places where, if the Venetians no longer enjoyed a wholly monopolistic position, they preserved a noteworthy advantage over their competitors, such as the Genoese and the Catalans, and even over the Turks, who do not appear to have gained decisive commercial advantages from the political and military conquest, as well as over the Greeks themselves who, alongside the Venetians, clearly occupied the first place in local affairs.

Do we need further evidence, Luzzatto asks lastly, that at least in the fifteenth century there is no trace of the alleged revolution? We should be persuaded of it by the almost total silence which records of the Senate meetings maintain for the entire century concerning problems of landed property, of social classes, of agricultural technique; and by the fact that, comparing the old statutes of the conquered communities with those reformed after conquest by the Doge, one finds no substantial differences as regards the transfer of landed property, civic practices, the treatment of peasants, local roads, the administration of water works and so on. On the contrary, it was only later, in the sixteenth and seventeenth centuries — the period when the famous villas were erected, which are to this day ornaments of the Venetian countryside — that great land-reform works were undertaken, with the result that vast zones of low-lying land were finally cultivated between the lower reaches of the River Adige and the lagoon. "Everyone agrees", he thus concludes, "in finding legitimate the hypothesis that the moneys invested in the fifteenth century for the improvement of landed property were still rather small, and they could scarcely have exercised any decisive action on the Venetian economic structure".

6. - *The 16th Century, a period of decline or of recovery of the Mediterranean and in particular of the Venetian economy.* - (a) The concluding pages of the volume take up indirectly, with reference to one city, the question whether in the so-called Renaissance there was an economic revival or decline. Prof. Fanfani, in a review in the magazine *Economia e Storia* (No. 1, Jan.-Mar., 1962) opens by quoting these final words of the book: "Thus Venice emerged from a half-century of disastrous wars, saving her independence, and she was the only Italian state to do so, and giving evidence of a vitality which was to enable her for still another century to profit from periodic favourable conditions and repeatedly to give indisputable and unexpected signs of economic recovery". He then asks "whether the tendency popularized by Braudel to consider the sixteenth century with regard to the Mediterranean in general and Venice in particular a century for which no claims of decline can be justified, has won over even the balanced and prudent judgment of Prof. Luzzatto". He elsewhere writes: "We should prefer to remember that this illustrious teacher taught us in another work (see G. Luzzatto, *Studi di storia economica veneziana*, 1954, p. 15-17) that the economic prosperity of Venice in the sixteenth century was 'in great part a survival from the past, constantly menaced by pressure from the Turks... who were taking one by one from Venice her most valuable bases of maritime trade in the Eastern Mediterranean and making the continuation of regular voyages increasingly more difficult'. 'Venice was to survive another two centuries as an independent state, she was to enjoy further brief periods of splendour, she was to be able, even in the maritime field, to teach the world something, with her admirable defence works of the lagoon against the encroachments of the sea and of the rivers; but by then she had already lost for ever her position as intermediary between East and West'".

Are we confronted, then, by a change of position due to the impact of new orientations? A change whose substance Prof. De Madalena (*Giornale degli Economisti e Annali di Economia*, Sep.-Oct., 1962) has also laid bare, though resorting to expressions which are somewhat more circumspect: "Prof. Luzzatto concludes his study by formulating a judgment that is substantially positive on the sixteenth-century Venetian economy, extenuating, it seems to me, the pessimism shown in other, preceding essays of his and giving the impression of accepting, at least in part, the opinions expressed by some historians (Braudel chiefly), who deny the decline of the

economy of Venice and of the Mediterranean in general during the sixteenth century”.

In actual fact, Luzzatto has not altered his point of view, but rather has maintained it with characteristic equilibrium and prudence. Let us examine some other phrases from his *Studi di storia economica veneziana*: “Notwithstanding... Venice seemed to be enjoying throughout the entire sixteenth century a period of a great splendour. Notwithstanding... it was still an admirable vital force. Notwithstanding... the Fondaco dei Tedeschi, destroyed by fire in 1503, was immediately rebuilt with a splendour and grandiosity far exceeding its magnificence of the past, and the greatest painters of the age were called in to decorate it. Neither was it an instance of mere love of pomp and beauty: the great palace was for many decades hardly spacious enough to accommodate all the German merchants who continued to pour into the city on the lagoon... The continuous stream, not only of Germans but of merchants of the most varied countries and nationalities, to the Venetian market was due — apart from tradition and the attraction Venice exercised on foreigners — to the richness of the market. The great merchants of Augusta, for instance, had one of their most important subsidiary offices there... etc.” (2).

Substantially Luzzatto has sought — now as in the past — to stress not the vitality which *developed* or was *reinforced* in the sixteenth century, but the vitality *preserved* in the Cinquecento to such a degree that it was able to hold its own in the face of adversity and even to take advantage of brief moments of genuine revival. This is his *constant* thought as he lays bare the *undeniable reality* of sixteenth-century splendour.

(b) With the terms of the question thus posited, it is now possible to discuss and accept the following observation made by Prof. Fanfani (*op. cit.*, p. 59): “Vitality in a given epoch exists, it seems to me, not when widespread and plentiful consumption is registered, but when there may be found a great spirit of enterprise, of vigorous pioneering, a trend towards investments and trade, the careful planning of company, family and social budgets with a view to savings and hence to new investments. If in the society under consideration

(2) These are observations phrased differently but with the same meaning in the present volume.

there was an orientation of ideas, projects and of technique towards the consolidation and expansion of its own market, vigorously in conflict with foreign competition, that society, from the economic point of view, could be considered vital and it would be possible to predict its growth. But if, in the society under consideration, one is ideally inclined towards pleasure, one avoids risky but potentially productive projects, one does not develop new techniques, and there is no trend towards consolidation and expansion of one's market, and if one evades opposition from the newest and most advanced foreign markets, then that society, from the economic point of view, it seems to me, cannot in the long run be considered vital, and neither can one predict its growth” (3).

And he continues: “If one stresses, instead of fundamental points already mentioned, considerations regarding investments in palaces, public works, art works, sumptuous living, private patronage of art and literature and public displays of power, it seems to me that one runs the risk of judging the society under examination not from an economic point of view, but rather from the viewpoint of culture, art and politics. It is history to be sure, but it is the history of art, culture and politics”.

I shall certainly not be the one to reject Fanfani's point of view, which, for that matter, happens to coincide with one which I formulated ten years ago (4), and which I am continuing to develop

(3) With this statement Fanfani illustrates two situations, one existing from the turn of the twelfth century to the middle of the fourteenth, and one existing in the sixteenth century, the differences between which, in any case, are well known also to Prof. Luzzatto, considering that the *leit motiv* of his volume is his insistence on the full vigour of Venice in the middle of the fourteenth century. I quote at random: p. 47, “The first half of the fourteenth century may be considered a period of great economic activity”; p. 49, “[the mid-fourteenth century], which was the period of its greatest expansion”; p. 75, “The prosperity reached in the first fifty years of the fourteenth century”; p. 111, “Venice which, in the first half of the fourteenth century, had reached the *peak* of its power”; p. 139, “one may properly deem the first forty years or so between the first and fifth decades of the fourteenth century the years of the greatest activity and prosperity in foreign trade in the *entire* history of the Venetian economy”. (It is worth noting the perfect coincidence, which I pointed out thirty-five years ago, with the golden period of Florence, which occurred on the eve of the failure of the great merchant companies, followed by the beginning of a decline due to various causes but analogous to those which influenced the Venetian economy: see A. SAPORI, *La crisi delle compagnie mercantili dei Bardi e dei Peruzzi*, Florence, 1926; and see *Studi di storia economica, secoli XIII, XIV, XV*, vol. 2, Florence, 1955).

(4) See also ENRICO FIUMI, *Fioritura e decadenza dell'economia fiorentina*, in *Archivio storico italiano*, cxvii, No. 4, p. 502. Fiumi, one of my students, thus concludes his long and thoughtful essay of some two hundred pages: “A society that bears for centuries, as its

in a broader effort to review the concept and chronological limits of the "Renaissance" as they were set a century ago by Michelet and Burckhardt: one must speak of a "rebirth", when what we actually have is *creative* vitality, founded on high moral values, and not spectacular claims of greatness, which is an expression more of *residual* vitality — still, but less and less, nourished by preceding and powerful spiritual forces.

I have said that Prof. Fanfani's viewpoint coincides with my own. To be precise, it coincides partially, in that I, unable to conceive of history as compartmentalized (with one compartment labelled "economic history"), but considering it an over-all synthesis of the life of society, I have come to grips with the problem of this period of society viewed as a whole. Examining one by one each of the aspects of society from the end of ancient times onwards, and, cleaving to the most authoritative recent historiography, considering them *all* phenomena of culture — a whole comprising literature, the arts, the sciences, even politics, religion, economy and so on — I have endeavoured to establish if and when all these phenomena show such signs of a simultaneous revival of activity as to favour long-term and ample development; and I have followed these developments to the point where, having reached their peak, they stop and commence a downward trend.

At the conclusion of this analytical inquiry, I place the *incipit vita nova*, i.e. the "rebirth" around the twelfth century and conclude it at the end of the sixteenth.

It extends from the rise of cities on the scanty remains of the past, or from their rise *ex novo*, to the pomp and splendour of the Cinquecento; from the Communes, which took as their emblem the incoercible spiritual force of liberty, and after feudalism insisted on the full sovereignty of Greek and Roman times, to the Seignory, which by the abdication on the part of the citizens of their rights prepared the ground for, and eventually threw open the doors to,

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class of leaders, the *rentiers* living on a patrimony accumulated by the versatility, hard work and enterprise of all too distant ancestors has neither the strength nor the drive to reinstate itself firmly in the economic struggle developing in modern times. And neither is one deceived by the flowering of culture during the Renaissance, nor by the noble exceptions of a handful of men who were worthy of their forebears. The Renaissance is incorrectly termed a period which, etymologically speaking, it was not, in that the fifteenth and sixteenth centuries were a blazing sunset and not the dawn of one of the most glorious periods of human civilization".

foreign domination; it extends from the criticism dramatically brought to bear by the university students on the living flesh of society — a criticism which, coming out of the past, undermined the foundations of society and made way for the future — to the bland, purely intellectual torment of the humanists closed in the ivory tower of the *cénacle* protected on all sides by a wall which precluded contact with society; from the first university which arose spontaneously and had a universal character, which gave to the world again, with the rediscovery of Aristotle, the unity of thought on which the ancient world had been founded, and went hand in hand with the newly attained economic unity following the Crusade, to the many national, regional and city universities of lesser scope which, set up by ecclesiastical or civil authorities, ended by always meddling in petty politics, forsaking their higher mission as schools, and eventually being reduced to closed bodies for the privileged; from the rise of the lay spirit — first in the sense of independence from the rigid observance of the norms dictated by the Church for earthly life and then by starting the separation of the temporal from the spiritual — to the falling back on conformity and hypocrisy, the dominant concern being to save the forms: from Aquinas' *Summa* which, looked at historically, bolstered the teetering agreement between society and the Church, to the Counter Reformation, a clear return to a distant past and a final break of the existing unity of the peoples of Europe; from the "primitives", who after the amorphous symbolism of the Byzantine ingeniously but sublimely brought the figure of man to frescoes and marble, to Michelangelo whose tormented works prepared the way for the baroque; from the small, rudimentary boats of Pisa, Genoa and Venice which, from cautious navigation in coastal waters, ventured into open sea, to galleys which — already instruments for the creation of political and economic empires — eventually came to anchor in the ports where they had been built as gradually the waters of which they had once been the master became all too treacherous; from the first merchants who, crossing the Apennines, the Alps and the seas, went to the fairs of Champagne, and who were successful in all the business centres of the known world, whose influence was felt by monarchs to whom they were money-lenders, organizers of financial operations, of armies and fleets, and whose diplomatic representatives they were, to the last merchants who closed themselves in their studies, reckoning sums from the letters of their agents, and, disinvesting capital from

trade operations, they reinvested it in quick financial speculations or in the good, safe earth. I could go on (5). A radical change, in any case, if one looks at the beginning and the end, of the tenor of life and of the spirit informing life. It is the arc from birth to maturity to the beginning of old age.

7. - *Social Classes: The "Lower" Classes and the Patrician-Merchant.* - (a) In speaking of this problem, I have the opportunity to add that to recognize the degree of vitality of a society I feel that one should cast one's eye beyond all of the phenomena of that society to all of its social classes. Luzzatto, on the other hand, in reconstructing the economic life of Venice has shed veritable beams of light chiefly on the patrician-merchant class, which did indeed play a leading role in Venetian history — history in which, however, there were also factors of a petty-bourgeois (if I may so put it) and manual-labour character: factors of unheralded work and suffering. But it would be unjust to accuse him of neglect because the "lower" classes have been somewhat left out of the picture, in that his documentation did not allow him greater, or much greater, scope. Let us recall the political make-up of Venice and realize his achievement in having ferreted out, as the author did ferret out, information on wages, on taxes, on the exodus of artisans and workers because of the hardships of life, and so on. Perhaps other elements might be brought forth from an examination — oriented as in the case just mentioned — of the statutes relating to all the Guilds. Some data can be had from a critical evaluation of extant information of wages; some illumination might emerge from considering the testimony of the Tiepolo-Querini and Marin Faliero conspiracies. But even with such an effort, one would remain far, in the case of Venice, from the point one might reach with other regimented cities inappropriately called democratic, but in any case more easy-going and elastic than the Venetian oligarchy and its resistant ruling class.

In this situation, if one wishes to form a notion of the conditions of the workers, one need proceed only along parallel lines — something that Luzzatto has not been able, nor had, to do, because

(5) To the reader who may wish to know something of my attempt to revise the historical period known as the Renaissance, I call attention to my latest publication on this subject, two lectures held at the Academy of Sciences and at the University of Belgrade (*La Renaissance: son esprit et ses limites chronologiques*, in *Recueil des travaux de la Faculté de Philosophie*, t. VI, I, Belgrade, 1962).

his study is restricted to the Venetian Republic. For me, on the other hand, in a review, things are easier, considering that my inquiries chiefly concern Florence, where the "little man" made himself heard, at least at times, in the city councils, and in whose records it is possible to find his frequent protests over the devaluation of the "piccoli" money with which wages were paid and the most elementary consumers' goods were bought, as well as protests over disproportionate tax levies — complaints about the burden of indirect taxes and a request for an income census to provide for proportional levies. And in the middle of the fourteenth century we have the episode of Ciuto Brandini, whom I like to think of as a labour organizer *ante litteram*, and a few years later the tumult of the Ciompi; after which the laws of their brief governments are sufficient to give us an idea of the foregoing situation and of the long and vainly cherished aspirations of the "little man".

It is clear that all this could not come to pass, and so could not have existed in Venice. Similarly, for that matter, one would not have dared write, not even in the dingiest room of the darkest alley in the city of St Mark, the following verses in which Peter Suchenwirt, an Austrian or a German of towards the end of the fourteenth century, expressed the general exasperation of the populace: "The rich man has safeboxes overflowing, the poor man an empty stomach and belly / It is too much... / Fearlessly the populace takes up every sort of arm / Each rank driven forward by the rank pressing from behind / With fury they attack the homes of the rich / They want to dine with them before / They starve to death or die by the wayside / Let us live grandly and then we can die too" (6). But if all this cannot be had from the archives of Venice, this does not mean that there, as elsewhere, the conditions of the less well-to-do — indeed the conditions of the poor — were not the same and perhaps even worse. And the attentive reader of the volume will realize that Luzzatto himself, though he does

(6) This quotation is from an essay by R. S. LOPEZ and E. M. MISKIM, "The Economic Depression of the Renaissance" (in *The Economic History Review*, Second Series, vol. XIV, No. 3, 1962, p. 411), whose title speaks for itself. For those who might wish to read it, let me say that it is based on statistics carefully compiled in various European countries, including Italy, and is completed with diagrams and tables. I can add that there are also indications of "the increase in the number of indigent persons in the fifteenth century". The two authors also feel that one must delve as deeply as possible into the lower social classes with a view to establishing the degree of "vitality" of a society.

not get to the very bottom of the question, has not closed his eyes to painful truths. Note, for instance, the following on pages 131 and 132: "This condition of grave inferiority in which the vast majority of the population lived is shown also in the distribution of dwellings. Whoever visits all the quarters of Venice today, and is surprised at the great number of palaces often standing side by side and uninterruptedly not only along the Grand Canal, but in great part along secondary canals and around the "campi", must wonder where and how not only the poor people were able to live, but also the great mass of the population. To be sure, most of the palaces were built after the fifteenth century; but some date back to the thirteenth, and others, which are more numerous, already existed in a form different from their present one. Thus the greater part of the population was forced to live crowded into entresols and in the attics of the palaces, or else in tiny, miserable hovels, of which there are still some remains in the poorer neighbourhoods of the city and of the Giudecca". See also page 188. Luzzatto, who draws generously from aristocratic chroniclers for information about the Arsenal, which was always crowded with workers, men and women, with market stalls piled high with food-stuffs in the morning and completely empty in the evening, warns against rosy optimism regarding general conditions: "Famines and pestilences which kept recurring at brief intervals, even as often as every four or five years, and which often resulted in high mortality rates, frequent wars on land and sea, financial difficulties which required serious and harsh increases in indirect taxes — announced as extraordinary measures but which in effect later became ordinary — are all phenomena which seem to conflict sharply with the situation of general well-being which the chronicler, a contemporary and well-informed on things in his city, magnifies on various occasions...".

(b) As far as the patrician class is concerned, Luzzatto, overflowing with admiration (which I cannot help sharing) for the pioneer virtues of the early centuries — has attributed these virtues, in my opinion, rather too lavishly even to the descendants, creating thereby a kind of sole figure of the "sea hero" recognizable in all periods. Even in this case, it is quite true that, scrupulous as he is, having found some late deviations of niggardly, sedentary patrician-merchants, he has noted them and even commented on them, making a comparison with their distant forebears. But these are intended as exceptions that make the rule. Very well: since

the history of all of our cities presents, in their diversity, substantial resemblances, it strikes me strange that, with the change of mentality and moral stature of the businessmen, which is noticeable on a large scale everywhere during the fifteenth century, the only place unaffected by it, and almost totally, was Venice. In other words, I think that if one may rightly take as a model of the years ranging from the twelfth century to the early fourteenth century a Venetian Mairani, a Genoese Zaccaria, a Florentine Giotto di Arnolfo Peruzzi, so from the end of the fourteenth century one can take as a prototype (leaving aside exceptions, of course) a Francesco di Marco Datini, in whom the ancient virtues were lacking. Once the love of adventure had been reduced to avidity for money; once love of country had died, a country which this man of Prato did not serve, carefully abstaining from all public life lest he make enemies and damage his business, and to which he did not pay the amount he ought to have paid (not hesitating to make false declarations); once Faith was reduced to exterior display, lacking the heartfelt enthusiasm and the drama of the merchants of earlier times, what more fitting person represented the era than the Merchant of Prato?

On the other hand, however, I realize that Luzzatto cannot change his point of view in that it is precisely the unchanged mentality of the patrician-merchant that he makes the keystone of his judgment of the vitality of the Venetian Republic during the sixteenth century. Precisely any deviation from the basis of the patrician-merchant as he describes him, and even more *feels* him, would be enough to justify speaking of the "constant decline", which he denies, from the fifteenth century onwards. "In that case", he writes, "we should have to credit with right judgment those who would have the period of decadence begin with the fifteenth century, a decadence determined not so much by changed exterior circumstances, by serious difficulties which daily beset Venetian trade both in the east and west, but rather by the changed mentality of the patrician-merchants who had by then grown accustomed to a life of comfort, refinement and luxury, and who preferred to the production of new wealth at the cost of risks, of hard work and discomfort, the consumption of the wealth acquired by their forefathers".

It is clear that the conception I have of the "Renaissance" leads me on to a path which is not the same as that of my good friend

and mentor, though we meet at the point, as I have already said, where I extend the "rebirth" age to the entire Cinquecento, in whose splendour I recognize not the explosion of new energy, but the final bonfire of all that had been previously accumulated. And on this Luzzatto himself is substantially in agreement, as I tried to explain when I said that he does not mean, speaking of the sixteenth century, an *explosive* vitality but rather a *surviving* vitality nourished on the strength of tradition. For that matter, the word "Renaissance", as it is generally used to designate a historical period, occurs not once on a single page of his book. And this is yet further proof of his wisdom which is so deserving of acclaim.

*Milan*

ARMANDO SAPORI