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Bertrand Blancheton and Hubert Bonin, eds., *La croissance en économie ouverte (XVIIIe-XXIe siècles): hommages à Jean-Charles Asselain*. Brussels: P.I.E. Peter Lang, 2009. 466 pp. ISBN 978-90-5201-498-2.

Review by David Todd, King's College, London.

French historians are often portrayed, in the English-speaking world, as seldom permeable to foreign influences, if not as outright academic protectionists. It is therefore with some excitement and a touch of amusement that one opens *La croissance en économie ouverte (XVIIIe-XXIe siècles)*, a collection of eighteen essays that—in their vast majority—try to highlight and appraise the merits of economic “openness.” The book is also a festschrift for Jean-Charles Asselain, an eminent French economic historian and former professor at the Institut d'Etudes Politiques de Paris and the University of Bordeaux I. Asselain began his career as a specialist of state planning and socialist economies. But in the world of francophone economic history, he is best known as a leading opponent of the late Belgian-born and Geneva-based Paul Bairoch, a pioneer of global economic history and arch-critique of free trade. While Bairoch blamed French economic decline after 1860 on commercial liberalization, Asselain argued that the gradual relaxation of French trade restrictions began forty years before the Great Depression of the 1870s-1880s and maintained that the resurgence of *La Belle Époque* owed little if anything to the protectionist policies of the Third Republic, symbolized by the adoption of the Méline tariff in 1892.[1]

Contributions to the volume all deal with the internationalization of trade and finance since the late eighteenth century. However, the range of topics covered is so wide and the contributors' approaches are so varied that the reader often loses sight of the project's intellectual purpose. A thoughtful and well-crafted introduction might have highlighted the complementary value of world history, political history, intellectual history, business history, financial history, and econometrics when studying the interactions between national economic growth and foreign markets. Instead, the introductory chapter by Hubert Bonin is a quasi-political manifesto in favour of economic openness. “La mondialisation est un combat!” one of the chapter's headings reads, before Bonin asserts that “one must accept the irresistible, even necessary character of the open economy—in the sense of ‘historical necessity’ and in the sense of economic necessity” (p. 28). Such determinism runs against the growing emphasis placed by world and economic historians on the role played by contingency and the ever-present possibility of reversibility in the various phases of globalization.[2] The introductory chapter does not even attempt to provide a definition of economic openness, an elusive concept, or at least to discuss the respective importance of its commercial, financial, human, and other components.

Fortunately, the majority of other contributions are of much higher quality. The contributors include several grand names of French economic history (the recently deceased and much regretted François Crouzet, Jean-Pierre Poussou, Albert Broder, and Patrick Fridenson), more junior historians and a few economists. A review of this collective work is therefore also an opportunity to assess the forces and weaknesses of economic history in France today, although many of the most innovative scholars on international trade and finance, including Guillaume

Daudine, Marc Flandreau or Philippe Minard, did not contribute. In terms of gender imbalance at least, the volume is, sadly, representative of the state of the field, with only one woman (Catherine Vuillermot) out of twenty-two contributors.

It is possible to distinguish between seven syntheses on specific topics and ten research essays that deal with primary material. Many of the syntheses will be valuable to non-specialists and graduate students. Considering the extent to which the Continental System prefigured the European Union, Crouzet concludes that the integrative effects of Napoleon's policies were largely unintentional and primarily designed to benefit French producers. But a long-term consequence of the Napoleonic Blockade was the decline of the Atlantic economy and the rise of the manufacturing Carolingian heart of Western Europe. In that loose sense, the Continental System can be said to have laid the foundations of modern European economic unification. Poussou and Alain Clément offer very solid overviews of, respectively, the fiscal-military roots of Dutch and then British maritime dominance in the early modern era, and the evolution of French economic thought on the benefits and costs of colonies in the seventeenth and eighteenth centuries. Clément correctly highlights the novelty of Physiocratic ideas about colonization, but perhaps underestimates their impact on the development of a new liberal imperialism after 1789.[3]

Anglophone readers will learn very little from Frédéric Poulon's essay on the respective views of Winston Churchill and John Maynard Keynes on the war economy. Both Francophone and Anglophone readers, by contrast, will find Bertrand Blancheton's and Samuel Maveyraud-Tricoire's lucid summary of recent econometric research on global financial integration extremely useful. In an original essay on the successful interconnection of European electricity networks since the 1930s, Christophe Bouneau points out that obstacles were always more political than technical. The progress of interconnection closely followed the major steps of European integration after 1950. Paradoxically, there remain three unconnected networks in the United States (partly as a result of low population densities), while electricity networks in Eastern Europe, the Maghreb and Turkey should soon be incorporated in a vast Euro-Mediterranean network.

The essay by Bouda Etemad, the heir of Bairoch's chair of economic history at Geneva, on "L'Europe coloniale et la modernisation du monde (XVIIIe- XXe siècles)" deserves a special mention because it not only synthesizes a great deal of information, but it also contains thoughtful insights on the economic interactions between modern Europe and its colonial dependencies. Stepping beyond simplistic disputes on the positive or negative consequences of colonization for the colonizers or the colonized, Etemad argues that the relationship between colonization and modernization (another elusive concept, of which he unfortunately does not provide a workable definition) is profoundly ambivalent. Etemad distinguishes between two main phases. Until the 1880s, as long as the per capita income gap between Europe and its colonies remained below a ratio of 2.0 to 2.5, colonization provided a strong impetus to economic development in Europe and had devastating consequences for colonized countries. Later, as this gap increased to an average ratio of 3.4 in 1913 and 5.1 in 1950, the relative shallowness of captive colonial markets acted as a break on further economic (especially industrial) modernization in Europe, while the new class of *métis culturels*, which had risen to power in colonized countries, began to clamour for the improvement of transport infrastructures and educational and health amenities, turning colonies into heavy financial burdens for Europe.

This inversion of the modernizing effects of colonization reached a point of no return in the interwar period for the British and French empires, and a few decades later for the Portuguese empire, a chronology foreshadowing that of decolonization. Etemad's essay offers an interesting

model for understanding the ebb and flow of colonial expansion. It also raises new questions about the age of “High Imperialism” and the “Scramble for Africa,” which, according to his model, would correspond to the moment when colonies became a burden rather than a stimulus for European economic development.

The ten research essays are of more uneven quality. Four of them may be described as sketches in business history, briefly outlining the history of specific trades or companies. An interesting chapter by Claude Cailly on the reliance of the linen and hemp muslin proto-industry in Maine and Perche (western France) on exports discloses some of the mechanisms through which the “archaic globalization” of the eighteenth century reached far into provincial France. As exports to northern Europe declined after 1700, producers of *étamines* found new markets in the Mediterranean, Latin America and as far as Asia. But French defeat in the Seven Years War spelled the beginning of a long decline, which was accelerated by the disruption of maritime communications during the Revolution and Latin American independences after 1808. A long chapter by Bonin examines the history of the Charpentier bank in the Cognac region between 1887 and 1932, highlighting the high level of internationalization of some local financial institutions. Openness often took place at the local rather than the national level. An essay by Patrick Fridenson examines the role played by a bank founded to finance SIMCA (the subsidiary of FIAT in France since the 1930s) in the rapid growth of French car exports, especially in South America, after 1950. It is an interesting case study, but which almost exclusively relies on the published *mémoires* of an extraordinary female banker in postwar France, Gilberte Beaux.

The chapter by Catherine Vuillermot on the international activities of Schneider, a major engineering and electrical company, since the late nineteenth century has broader scope. On the eve of the First World War, Schneider was already one of France’s leading exporters of industrial goods and capital throughout Europe and, after its alliance with the American Westinghouse in 1929, it became a truly global company. Interestingly, Charles Schneider, director of the firm after the Second World War, fought against the creation of a European common market in the 1950s, both because he feared the opening of the French market to European competitors and because he favoured a strategy of industrial expansion on a global (including in Latin America, Asia and the Soviet Union) rather than a smaller Western European scale.

Two chapters deal more specifically with one of the main features of France’s economic policies in the nineteenth century: protectionism. Francis Démier offers a solid study of the impact of France’s prohibitions and high tariffs on its foreign trade between 1815 and 1835, concluding that French protectionism facilitated the growth of modern industries, but at a high cost to more traditional sectors. The essay is original but not new work, since it is essentially a summary of Démier’s *thèse de doctorat*, which he defended in 1990. In a more interesting chapter, Alain Plessis correctly identifies Adolphe Thiers as one of the most articulate defenders of the French “protective system” after 1830. Thiers is better remembered as a staunch conservative liberal who opposed the authoritarian leanings of the Restoration and Napoleon III, as well as the socialist tendencies of the 1848 Revolution and the 1871 Commune de Paris, before becoming one of the Third Republic’s founding fathers. But after a brief flirt with the virtues of the liberty of commerce in the 1820s, he also became a relentless opponent of free trade ideas and commercial liberalization. His 1851 *Discours sur le régime commercial de la France* is a key text for understanding the ideological underpinnings of the French path of economic development in the nineteenth century, which combined economic liberalism with an intense concern for social stability and the protection of small landed or industrial property. However, Plessis forgot to mention two important factors explaining Thiers’ adherence to protectionism in the 1830s: his marriage into a family of rich textile manufacturers from the Nord, the Dosne, in 1832, and his

friendship with Friedrich List, the German-American stalwart supporter of “national economics” against the “cosmopolitanism” of free trade.[4]

Four essays are national case studies. In a chapter on the relative weakness of French trade and finance in nineteenth-century Brazil, Albert Broder describes how French merchants and firms lagged behind their British and—after 1870—German competitors. One factor explaining this weakness was the preferential treatment given by France to its Caribbean and West African colonies for the supply of its needs in sugar, coffee and other tropical products. An essay by Alexandre Fernandez on Spanish protectionism in the nineteenth century views restrictive trade policy as a consequence rather than a cause of Spain’s relative “backwardness.” Interestingly, the main proponents of Spanish economic nationalism were the Catalan and Basque manufacturers, suggesting that the adoption of more open economic policies after 1960 played an important part in the subsequent rise of autonomist feelings in these regions.

In a well-researched and persuasive chapter on Swiss trade policy between 1870 and 1914, Thomas David draws an important distinction between open and extravert economies, arguing that late nineteenth-century Switzerland belonged to the latter rather than the former category. Although never embracing wholesale protectionism in the same way as France or Spain, the Swiss federal government often protected the development of a select number of promising sectors. The Swiss chemical industry, for instance, was sheltered by high tariffs from German competition, but exported 90 percent of its output around 1900. Unlike France or Germany, Switzerland did not attempt to stymie the influx of cheap grain from Russia and North America after 1870, but adopted tariffs to facilitate the successful reconversion of Swiss farmers to cattle-raising. Intelligent protectionism is rare but, as the Swiss case suggests, possible. A collective essay on the 1997 financial crisis in Thailand proposes a complex economic model to describe the gradual disconnection between growth and credit expansion that eventually provoked the collapse of the national currency.

In line with French scholarly traditions, the majority of essays are very clear and equipped with solid footnotes. But there is a sense that the historiography hasn’t moved on much since the 1980s and the debate between Asselain and Bairoch on the respective merits of free trade and protectionism. Rather than systematically opposing openness with inward-looking protectionism, the introduction might have seized on the suggestion made by a number of essays that the internationalization of modern economies often went hand in hand with new forms of protection against external competition. Even the construction of national markets through the abolition of internal customs barriers, in Britain as a result of the act of Union in 1707, in France by decision of the Constituent Assembly in 1790, or in Germany following the creation of the *Zollverein* in 1834, were accompanied or followed by the adoption of higher tariffs on foreign imports. The Napoleonic Continental System, the policies of imperial preference pursued by France since the eighteenth century, and the commercial policies of the European Economic Community in its early decades (the Common External Tariff) were other instances of economic integration combined with new barriers on the international circulation of goods, services, capital, and human beings. More surprisingly, most of the essays adopt a national or at best comparative perspective, with only very rare attempts at writing a history of globalization that is not constrained by national borders. There has been a recent surge of interest in France in the breaking of the national mould by transnational and world history.[5] But despite the pioneering work of Fernand Braudel and other members of the *Annales* school on earlier periods, modern economic history in France has not yet fully taken the global and transnational turn.

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## NOTES

[1] See, for example, Paul Bairoch, *Economics and World History: Myths and Paradoxes* (New York and London: Harvester Wheatsheaf, 1993) and Jean-Charles Asselain “Croissance, dépression et récurrence du protectionnisme français”, in Bernard Lassudrie-Duchêne and Jean-Louis Reiffers, eds., *Le protectionnisme: croissance, limites, voies alternatives* (Paris: Economica, 1985): 29-53. J.-C. Asselain is also the author of standard works such as *Histoire économique de la France du XVIIIe siècle à nos jours* (Paris: Le Seuil, 1984) and *Histoire économique du XXe siècle* (3 vols, Paris: Dalloz, 1991-1995).

[2] Christopher Bayly, *The Birth of the Modern World, 1780-1914: Global Connections and Comparisons* (Oxford: Blackwell, 2004); Keven H. O'Rourke and Jeffrey G. Williamson, *Globalization and History: the Evolution of a Nineteenth-Century Atlantic Economy* (Cambridge, Mass.: MIT, 1999).

[3] Pernille Røge, “Political Economy and the Reinvention of France's Colonial System, 1756–1802” (PhD dissertation, University of Cambridge, 2010).

[4] D. Todd, *L'identité économique de la France: libre-échange et protectionnisme, 1814-1851* (Paris: Grasset, 2008), pp. 228-32, 401-4.

[5] See the issues “Histoire globale, histoires connectés” *Revue d'histoire moderne et contemporaine*, 54 (2007) and “Empire,” *Annales. Histoire, sciences sociales*, 63 (2008).

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