Property Rights, Institutional Change and Economic Growth in Southern Italy in the XVIIIth and XIXth Centuries

1.

It was during the period generally referred to as the French "decade" (1806-1815) that a radical change occurred in the institutions and legal status of property rights in the Kingdom of Naples, but this happened more as a result of the will of the foreign power of occupation than as a product of any clear, considered, or explicit programme supported by local social forces. As has been said elsewhere, in Naples there was no "clear commitment to the free market economy or to a progressive intellectual, political, and social programme which would overturn the established order".[1] As events elsewhere showed, such a commitment could only be adopted and successfully imposed by a bourgeois class, as defined in economic terms. The economic development of the Italian South in this period has rightly been seen as being closer to the paternalist and bureacratic model experienced elsewhere in Italy, Central Europe, and Prussia, than to the English model, in the sense that it is elaborated in Marxist writings. In short, in the Kingdom of Naples there was no coherent or easily identifiable economic class with any clear consciousness of its own interests, or of the need or desire to express them. What there was, in fact, was a society of orders, all of which were bound together in a common establishment which contained no impassable or water-tight compartments. Side by side within this framework of interests and connivance lived and operated the 'orders of the robe' (magistrates and government bureacracy, central and local), the ecclesiastical orders, the orders of lawyers and court functionaries, the nobility recently sprung from trade, finance or the law, and the traditional ecclesiastical and baronial aristocracy with centuries of noble blood behind them. One Neapolitan aristocrat, Tiberio Carafa, the Prince of Chiusano, wrote in the early XVIII century that Neapolitan society formed a *unicum*, a single unit or class which embraced lawyers and legal functionaries, those employed in the courts, the well-to-do, the traditional and the new aristocracy, and that this class had a single antagonist, the people – whose lot, in the words of P. M. Doria, was to "carry all the weight".

* An earlier draft of this article was discussed at the Seventh International Economic History Congress in Edinburgh 1978, section B5, organized by Max Hartwell and Douglass C. North.

[1] R. Ajello, *Arcana juris: Diritto e politica nel Settecento italiano*, (Naples: Jovene, 1976), p. 18.

Because of the essentially interdependent nature of the interests of the different orders making up the ruling class, the need for radical institutional change was not keenly felt. As a result of this, the legal system itself and the administration of justice was bound up in an extreme and prevaricating juridical formalism which, in Ajello's words,[2] was an expression of a Baroque humanist concept rather than an instrument for breaking with the prevalent economic backwardness, and hence opening the way to social progress and development.

From the very beginning of the XVIIIth century it was evident that the population was expanding, even if not as rapidly as in the later part of the century, and this posed major problems for the Italian South which the Austrians, who ruled the Kingdom at that time, tried to solve in a number of ways. Those who have studied the development of the legal system[3] have pointed out the work that was undertaken, at both a practical and a theoretical level, to provide Neapolitan society with more efficient organization, and also the efforts which were made at this time to put this into effect. It was during the period of Austrian rule that a collection of government decrees and regulations was published. Although the collection is far from complete, it does provide evidence of the effort which was being made to reach a unified appraisal of the country's administrative and juridical problems and of the means available for solving them. Another collection was not to be published until 1772, and this was the longest gap between the different attempts at consolidating positions reached since the publication of the first in the 1530's.[4] This did not mean that the problem was not considered in the interval. In fact, from 1740 onwards, that is only six years after the withdrawal of the Austrians and the creation of an independent state, there was an attempt to bring together in a single collection all the laws of the Kingdom, which would have created a type of general codex to provide not only information and guidance, but also to reveal the contradictions and omissions, and so constitute the first step towards bringing the law into line with the needs of a society which was in ferment. The general reform and reorganization of the legal structure of the Kingdom were the objects of this attempt at codification, and it was not by chance that this occurred in the first decade of Bourbon rule, as this heralded the restoration of the Kingdom's independence. There was at that time, rightly or wrongly, a general belief that the new King, the national King, would lead his country, from oppression to freedom, from poverty to opulence, from humility to nobility, from disorder to good rule. Among the reforms which were most strongly called for were measures to encourage trade and to put an end to the disorders of the legal and administrative system.[5]

[2] *Ibid.*, p. 15.
[3] A. Di Vittorio, *Gli Austriaci e il Regno di Napoli: Ideologia e politica di sviluppo*, (Naples: Giannini, 1973).
[4] R. Ajello, *op. cit.* p. 31.
[5] *Ibid.*, p. 37.

As we have said, this codification never advanced beyond the stage of intent, so that, unlike other Italian states, the introduction of the Napoleonic Code was not preceded by any reorganization of the legislation in force, such as would have given the appearance of a modern legal code. But one must ask whether it could have been possible to have codified, that is to have given a unity, a coherence, and an interdependence, to the mass of laws in existence, without making choices between those to be preserved and those to be abolished, without, in fact, choosing a general policy?

What stood in the way of choosing such a policy was, without any doubt, the presence of a magistracy with a superabundance of complex and intricate jurisdictional competences, each having its own laws which were often mutually contradictory. To reform the law it was first necessary to reform the magistracy – but when such a reform was attempted in 1735 it failed wretchedly and left everything unchanged. As a result "ten years after the foundation of the independent Kingdom (in 1734) no-one believed any longer in the possibility of reforming the traditional structures".[6] The ills of the Kingdom remained serious, and the failure to remove them prevented that process of economic revival, which some of the livelier contemporary observers repeatedly invoked, from getting under way.

2.

One of the problems which most effectively strangled economic growth was the alienation by the state of sources of revenue. It had generally been the practice, both in Naples and elsewhere, to hand over to private individuals not only the contracts for raising taxes but also the tax revenues as well, in the form of exchange for debts contracted by the state. From 1649 onwards, after Masaniello's revolt, it became common practice to give state creditors, in recognition of their credits, not only shares in the product of the various taxes, but also the taxes themselves, customs duties, monopoly rights etc, and hence also their administration, as outright property. So the revenue of the various taxes, consumption duties, and monopoly rights was capitalized in 1649 at the rate of 7%, and then divided amongst individual groups of consignees, who where then left to administer them. The state kept for itself a fixed sum from the revenue of each tax, duty, or monopoly, which was to provide for military needs.

As a result of this reform nearly all sources of taxation, with only a few exceptions, passed into private hands, and were thence transferred in the form of shares either in full or partial ownership, to others, following the practice of the time. Divided into shares in this way and of differing value, the ownership of these taxes finally came to be held either by the bourgeoisie, or by religious corporations (Churches, Monasteries, Chapels, Religious Congregations etc.),

[6] *Ibid.*, p. 50.

or by magistrates, lawyers, nobles, army officers, widows, orphans, etc. In order to administer the taxes, the groups of consignees for each of the original revenues elected a body of governors, whose numbers varied from three to five depending on the size of the revenue and whose office rotated. The governors were then responsible for auctioning the administration of the tax for periods of 4 to 5 years and for obtaining the revenue agreed with the chosen contractor and then dividing it among the individual original consignees, or in cases when no bids were offered for raising the tax they managed it themselves. The higher and the more rapidly expanding the income of a particular tax, the higher and more rapidly increasing the rental which the contractor paid for it. The contractors, or *arrendatori*, of a particular tax and the original consignees shared a common interest, however – to drag the very last penny due from the pockets of the contributors. It was this which led to a grasping fiscal system which often gave rise to violent reactions.

On one hand, the contributors were hostile to the fiscal mechanism and often resorted to smuggling to avoid it, in spite of the heavy penalties, or else, as in the case of the silk industry, were discouraged from engaging in any form of productive activity. On the other hand, the same mechanism also served to bring closely together a whole series of interests, in particular the contractor and all those who worked with him, the original consignees of the tax, and the accountants and lawyers who assisted him. This meant that a broad range of social groups all had an interest in the existing system, and were as a result opposed to any attempt to change it. Together with those who paid the taxes, the only other injured party was the state which, through alienating the greater part of its revenues into private property, was deprived of the essential basis for any financial or economic policy. If it wished to increase its revenue there was no alternative but to create new taxes, which were then, in turn, alienated, and then to create even more as soon as the income from the sales of the previous ones was used up. The way in which the creation of new taxes became very frequent in periods of financial difficulty or war has already been described elsewhere.[7]

The most amazing thing was that the taxes were alienated either in 1649, or else subsequently at the time when they were introduced (as the monopoly rights on tobacco in 1652 or those on acquavit in 1696), on the basis of the capitalised revenue which they yielded at the time, with the result that the private purchasers benefited from any subsequent increase in yield resulting from increases in consumption or from increases in the price of the commodities taxed. When one considers the increase in both population and trade which occurred during the XVIIIth century, it is easy to see that the damage to the State's budget increased rather than declined.

[7] L. De Rosa, *Studi sugli Arrendamenti del Regno di Napoli. Aspetti della distribuzione della ricchezza mobiliare nel Regno di Napoli 1649-1806*, (Naples: Arte Tipografica, 1958).

However, it was not only indirect taxes which were alienated in this way. Even direct taxes, that is the taxes paid by the Communes of the twelve provinces of the Kingdom which were levied on each family head, were widely alienated. Many of these taxes, known as *fiscali*, were granted to private purchasers during the war of Messina between 1674 and 1678. The tax paid by the feudatories of the Kingdom, known as the *adoa*, was similarly alienated.

3.

Even in the XVIIth century there were those who criticised the state's exclusion from the process of administering and controlling taxation and production, but these criticisms became increasingly insistent in the XVIIIth century. It seemed that these objections would be met when a Redemption Junta (*Giunta delle ricompçe*) was set up between 1749 and 1751 with the task of redeeming certain revenues (the *fiscali, adoe*, and *arrendamenti*) and also of effecting a conversion from 7% to 4% and paying in cash those who would not accept the reduction. The operation should have made it possible for ownership of the shares in the various revenues to revert to the state, giving the latter not only a real control over their administration but also providing it with the power to abolish the duties and levies which had been shown to be uneconomic. The state could also have reduced the rate of interest in order to bring the returns on the public debt into line with interest rates on the Neapolitan financial market, or in order to use the interest rate on the public debt as a means of encouraging investment in productive activity.

But the problems confronting this policy of redemptions were manifold. In the first place the state was confronted in the courts by opposition from the consignees of one of the most important of the contracted taxes, that on the salt-pans of Apuglia. There was the problem as to whether the redemption should be effected at prices based on the actual yield, whether it be increased or not, at the time of redemption, or at prices based on the yield at the time of alienation, which would be calculated by capitalizing the yield at that time at a specific rate of interest. A further problem related to whether the redemption should cover the entire yield, or only those parts of it which had grown considerably beyond what had originally been alienated. Clearly any radical reform would have required state redemption of all such revenues and their subsequent reorganization in terms of a conscious policy of economic expansion. Unfortunately, however, the government was in great financial difficulties and, despite the perceptive advice which it received from the economist Broggia, its intervention was limited only to those contracted taxes for which the yield had grown, so that all the rest were left untouched. Nor were there any further radical moves made in the second half of the century, except for odd attempts, such as that of 1787, to reduce the interest rates on capital invested in tax farms, but these had little success. In fact, the tax farming system was still in force when the French occupied the Southern mainland.

The only move made with regard to property rights and the tax contracts occurred in 1769/70. By giving the tax farms the same legal status as real estate, ecclesiastical charitable foundations and chaplaincies were forbidden to purchase shares in tax farms. But rather than forming part of a programme to encourage economic expansion, this prohibition derived from the Bourbon government's attempt to restrict the growing power of the religious orders, and hence also the influence of the Papacy. This action was then motivated by political rather than economic factors, although it was not without economic and social consequences since the administrators of the tax farms paid larger sums to the consignees, so that the reduction in the share held in the farms by this or that social group had different effects.

4.

When the French came to power in the Kingdom little had changed since the XVIIth century with regard to property rights over tax farms and revenues: the same was true of property rights over land.

In addition to the Crown demesne lands, land ownership still distinguished in terms of feudal and allodial rights. Of the two forms, the most advantageous and sought after was certainly feudal ownership, and this was not simply because it conferred the title of nobility. There were certain restrictions on feudal ownership in comparison with allodial holdings, especially those preventing free disposal and the possibility of devolution to the fisc in cases when there were no legitimate heirs. But the limitation on free disposal could be circumvented by seeking and obtaining royal permission, and in fact neither of these restrictions in the XVIIIth century created any effective obstacle to the purchase of feudal estates, and these were always taken in preference to allodial estates.

The reason for this was that they brought with them certain major economic and social advantages. In addition to a noble title, the owner of feudal property was entitled to important fiscal privileges, as well as enjoying the jurisdictional rights which went with the property. As Villani has pointed out, the exercise of his jurisdiction 'guaranteed incalculable advantages not simply by virtue of the profits which the feudatory drew from the administration of justice, for, although the system of settlements and transactions could at times be remunerative, the total income was not very high and did not cover the expenses. The advantages came rather from the power and privilege, and from the authority, which the exercise of jurisdiction gave the feudatory, because it placed him in a favoured position as the arbiter and monopolist controller of the economic activities of the *feudum*.[8] The exercise of feudal jurisdiction itself gave the feudatory opportunities to commit abuses, while he was also

[8] P. Villani, *Feudalita, riforme capitalismo agrario*, (Bari: Laterza, 1968), pp. 56-7.

able to take advantage of his privileged position to commit others, such as expropriating demesne lands.[9]

Feudal property had begun to attract criticism and opposition from the end of the XVIIth century, but this was not directed so much against its existence, since it was still seen as 'a pillar of the established order', as against the abuses which frequently accompanied it. It was only in the second half of the XVIIIth century, however, that the whole system of feudalism became the subject of lively debate and came to be seen as a wholly anachronistic institution which no longer responded to the new economic needs which the rapid expansion of the population in the South had made clearly evident. Between the beginning and the end of the XVIIIth century the population of the Southern mainland nearly doubled, reaching the unprecedented figure of over 5 million inhabitants.

It was not only this persistent and major demographic growth which served to make the existing system of land ownership precarious and inadequate, however, but also the rapid expansion of trade. The research carried out by Ricchioni, by Villani, by Villari and others has shown that by the XVIIIth century 'feudal servitude' and 'common rights' (*usi civici*) on the demesne lands had become things of the past; they constituted insurmountable problems for the modern development of agriculture. The huge tracts of abandoned demesne lands and the uncultivated estates were unresponsive to new economic needs, while progress, and hence the course of history, was on the side of the landowner. Similar conclusions, however, were drawn during the XVIIIth century itself on various occasions by the reformist writers. Antonio Genovesi was a firm supporter of the need to remove all obstacles to the free circulation of land, and called for the abolition of entails (*fedecommessi*), the inalienability of feudal estates and ecclesiastical mortmain. By no means least – in fact, the most important of these critics – was Gaetano Filangieri, the author of the *Scienza della legislazione*, who explicitly denied that 'the system of feudal property could ever be associated with the prosperity of the people, the wealth of the state or the freedom of mankind'. And he, too, drew attention to the need to abolish primogeniture and entails immediately.

The attack on the feudal system which, in the second half of the century became even stronger as the century neared its end, and as men like Galanti, Delfico, Palmieri, Vivenzio and others took up the cause, weakened the position of the defenders of feudalism. By the end of the XVIIIth century the feudal landowners seemed to be ready to treat their feudal estates as allodial property, free of political responsibility, and to renounce their claims to jurisdictional power in return for indemnities. This latter proposal, however, was not one that was met with general agreement, and writers like Delfico questioned the legality and acceptability of any redemption, on the grounds that

[9] P. Villani, *Tra Riforme e Rivoluzione*, (Bari: Laterza, 1962), p. 166.

all forms of jurisdiction belonged solely to the sovereign and could not, therefore, become the subject of any form of transaction.

Clearly, then, the question of feudal rights was at the very centre of political debate at the end of the XVIIIth century, in response to the revolutionary events which took place in France. But there were two things which made the debate one of immediate concern. The first was the problem of devolved feudal property, the estates which reverted to the fisc for lack of heirs. In the past such estates were then resold with all their feudal trappings and privileges to private buyers, so perpetuating the feudal state. But a project which had been devised earlier in the century by Tanucci was now put forward again by a number of individuals, including Galanti, and this was that the state should resell these estates as allodial property, and in this way effect 'with moderation' the destruction of the feudal system.

The second factor arose from the precarious financial situation of the Kingdom and from the increase in military expenditure due to the threat of war with revolutionary France. It only needed one of the opponents of feudalism, the jurisconsult Nicola Vivenzio, to call for the full application of the *jus feudale* which obliged the barons to provide military service in times of war – and which they had for some time been in no position to provide – to show the total lack of any basis for their pretensions to fiscal and legal privileges.

But in addition to the huge areas of demesne and feudal property with all its related privileges and impediments to the free and more productive development of agriculture, there were also vast areas of Church property which held back economic growth in the Kingdom of Naples. These lands had come from various sources, gifts, and purchases, and had been accrued over the centuries, expanding notably from the early XVIth century as a result of the support given by the Spanish government of the time. As a result a vast area of mortmain land had been taken away from agriculture and was not always used productively. Monasteries, chapels, religious congregations and churches used the income from these lands to maintain a great crowd of clerics – at the beginning of the XIXth century there were over 100,000 and they took virtually no part in any productive work – to provide alms for a horde of paupers and vagabonds whose number at the start of the XIXth century was put at some 500,000, that is one-tenth of the population. The latter had only to ring at the doors of a convent to receive food and sometimes lodging as well, yet were given no work to contribute to the creation of wealth.

Even in the XVIIIth century the size of this ecclesiastical mortmain was on occasions subject to criticism. In 1741 this led to Church land being subject to a relatively modest form of taxation, for which there were no precedents, and in 1769 there was the prohibition on extending the area of mortmain.

Two years earlier the Jesuits had been expelled from the Kingdom and their property confiscated by the state. Similar expropriations took place for a variety of reasons in the following years. In 1783, for example, Calabria was

struck by earthquakes and a number of convents were suppressed and their possessions given to the afflicted provinces. Again, in 1798, all churches and monasteries were asked to hand over their silver, and in the following year, 1799, the Republican government in Naples carried out the suppression of a number of monasteries and appropriated their lands.

But it was the political and military events which followed the brief reign of the Parthenopean Republic, the return of the overthrown Bourbons and, then again in 1806, the arrival of the French and the start of the reign of Joseph Bonaparte, that gave a decisive turn to developments with regard to the problems of ecclesiastical and feudal property and the ownership of the tax farms.

5.

The first consequence of the extension of the Napoleonic Code to the Kingdom of Naples was to exalt private property, and this was a concept which contrasted with many of the institutions, privileges, and forms of jurisdiction which typified the Southern economy.

One of the first actions of the new government, for example, was to transform into private property the vast Apulian plain known as the *Tavoliere*, where the state had traditionally leased out its demesne lands. Law no. 75 of 21 May 1806 laid down that the *masserie fiscali*, that is the state lands which had been granted in lease, should be given in permanent lease to peasant farmers or to existing lease-holders (article 1), and that the latter should be empowered to purchase the lands outright within ten years of the lease being concluded, the capital value being calculated from the rent at 5% (article 4). It goes without saying that the purchasers would also have the right to resell the land freely.

This injection of new landed property into the market constituted the first step towards a more lively circulation of land, and hence also its better utilization. A further law (no. 105, 2 July 1806) shows that this was, in fact, the government's intention, as this authorised the sale of state lands, estates of certain lay charitable institutions, of certain benefices and abbeys which had passed into the possession of the state, together with former Crown lands, to a total value of 10 million ducats (equivalent to 44 million French francs of the period).[10]

The desire to strengthen the position of private property found its fullest expression in the legislation abolishing feudalism. Not only was this suppressed by the law of 2 August 1806 no. 130) by which all cities, land, and castles, including those belonging to the Crown, were stripped of their differences in status and subjected to the common law of the Kingdom, but at the same time all baronial jurisdictional rights were abolished, while the profits which de-

[10] The ducat was worth 4.40 French francs, fixed at 12 March 1806 (n. 25), *Bollettino delle leggi e decreti* 1806, p. 35.

rived from them reverted to the state and were declared inalienable. In addition, all the *gabelles* and levies which the feudatories had imposed on the population, and on particular groups of citizens, were abolished without compensation. All rivers and waterways subject to feudal controls reverted to the state, while the former feudal owners were granted full property rights over hydraulic machinery, such as mills, olive presses, fulling mills, paper mills, forges, dye works, copper works etc, as well as any aqueducts or other buildings which they could prove that they had built at their own expense. And, obviously, as feudal property was converted into private property, so both the right of devolution of estates without heirs to the state and the feudal tributes (the *adoa*, relief, dues on olive presses, fifteenths, etc) which had encumbered them were abolished.

By another law (no. 185, 1 September 1806) it was laid down that all demesne land, whether feudal or ecclesiastical, communal or joint, be allocated in private property. Those parts of the demesne lands which were closest to villages or towns were to be given to the relevant communal authorities, and the same procedure was adopted for lands belonging to churches or monasteries. The land, which was handed over in this way to the communal authorities, was then to be divided amongst the citizens of the Commune, against an annual rent which was to be assessed in relation to the value of the land. In the case of the demesne lands which belonged to the Communes, these were to be divided among the citizens, including the former feudatories, who could use them as common pasture. Even in the case of those demesne lands where there was controversy as to whether they were feudal or communal in origin, it was stipulated that they should be allocated according to existing ownership. Similarly, those demesne lands, which had formerly been subject to joint rights, were now to be split up between the local Communes and others who had in the past exercised common rights on them. But, what was even more important was the fact that the lands which were divided up in this way, against payment of annual rents, became "the free property of the citizens".

The establishment of the principle of private property clearly implied the removal of anything which would impede its free circulation. It was inevitable that, following the abolition of feudalism itself, all those encumbrances and restrictions which had accompanied it should have been abolished as well. By law no. 186 (27 September 1806) provision was made for abolishing the following restrictions: 1) the institution of *maggiorasco*, a form of primogeniture by which the greater part of the inheritance of a feudal estate was reserved for the closest or eldest relative of the feudatory: 2) the *fedecommesso* or entail, which provided for the heir to be entrusted with the preservation of all or part of his inheritance, so that it might be transmitted intact on his death. In fact, both of these institutions were applied, not simply to the ownership of land but to property rights in general, and were used in the case of

ownership of taxes, *fiscali*, *arrendamenti*, tithes, and state credits. They were abolished, then, not solely in terms of landownership but of property rights in general.

It was probably the case that the desire to gain the support of other groups of citizens for the new state also lay behind this drive to convert public into private property, as well as the need to raise funds for the military demands confronting the government. This would perhaps explain the pressures which were exerted to encourage those entitled to land allocations on the *Tavoliere* in Apulia to lose no time in taking up the provisions made in the law of 21 May 1806. The law of 24 January 1807 n. 19, for example, laid down that all those who had applied for the allocation in private property of lands which they leased on the *Tavoliere* before the end of January 1807 should be entitled to a discount of 10% on the annual rent, but it also stipulated that those lease-holders who did not make a request within that period be expelled *ipso facto* from their land and instructed the administrative Junta of the *Tavoliere* to proceed with the immediate auctioning, in whole or in part, of the allotment. Other laws designed to speed up the transfer of property were issued with the decree of 12 February 1807 (no. 24).

Further evidence of the drive to bring about a rapid and widespread creation of private property is provided in the law of 13 February 1807 (no. 36) which suppressed the religious orders of St. Bernard and St. Benedict, together with those affiliated to them (the Cassinesi, Olivetani, Celestini, Verginiani, Certosini, Camaldolesi, Cistercensi, Bernardoni), which were the richest in the Kingdom. Following the suppression, the lands of the orders mentioned were brought into the Crown demesne and then sold to private purchasers, while the monks and nuns were given state pensions. There is similar evidence in the law of 8 June 1807 (no. 150) which established new regulations in order to speed up the division of demesne lands and facilitate their conversion into private property. It was also decided (decree no. 135 of 20 May1808) to sell more demesne lands worth a further 2 million ducats in addition to the 10 million ducats originally provided for. On the other hand, the government continued to enrich the state demesne through new expropriations. By decree no. 132, on 20 May 1808, the goods of a large number of nunneries (S. Chiara, S. Antonio fuori Portalba, Concezione di Toledo, S. Francesco delle Pratesi, Consolazione, Capuccinelle di Pontecorvo, S. Maria del Gesù, Visitazione, S. Francesco de' Scarione, S. Margherita, Egiziaca di Pizzofalcone, Egiziaca Maggiore, S. Giuseppe dei Ruffi, S. Monaca, S. Giovanni Battista, Divino Amore, S. Maddalena delle Spagne, Betlem, S. Patrizia, Donnalbina, S. Polito, Donnaromita, Croce di Lucca, S. Giuseppe & Teresa, S. Giuseppe a Pontecorvo Regina Coeli) devolved on the Crown demesne and the nuns were given state pensions. By the decree of 5 November 1808 (n. 203) the state acquired the goods of the orders of Malta, and the Constantinians, with the exception of the part which financed the Royal Order of the Two Sicilies. By decree of 26 November 1808 (no. 216) free pas-

ture rights on the lands of the Apulian *Tavoliere* were abolished, which made it possible for those who acquired allocations of land to exercise their property rights and cultivate their holdings.

In addition to this massive intervention on the part of the state with regard to landed property, both urban and agricultural, and the rights pertaining to it, one must also mention the action taken regarding the tax system, and, in particular, the tax farms. The law of 25 June 1806 (no. 98) laid down that, henceforth, the collection of all duties, levies, taxes, and all other forms of fiscal revenue, should be made directly by functionaries of the state and no longer by private contractors. At the same time the ownership and hence also the administration of all sources of fiscal revenue reverted to the state. The *arrendamenti*, or tax farms, were also abolished, while the consignees who had previously owned them and the grantees who held property rights in them were to be compensated directly by the state. As a result, following the French example, the Grand Ledger of the public debt was instituted and shares issued to all the state's creditors, including the previous holders of shares in the tax farms. So the first move was made to reconstruct the structure of the state's budget, and hence its revenue, which was the essential starting point for any new fiscal or economic policy.

6.

From what we have said it is clear that the changes which were introduced regarding property rights were not novel or without links to the debate which had developed earlier in the South, or with the evolution of its legal system. They serve, rather, to represent the almost natural outcome of a process which had become increasingly pressing throughout the XVIIIth century.

They were certainly not revolutionary measures. The abolition of the tax farms had been demanded and argued for decades, from at least as early as the last quarter of the XVIIth century. As we have seen, the creation of a Redemption Junta in the mid-XVIIIth century was based on precisely these demands, and the conversions of public interest rates, which followed it, and were repeated later, had the same objective. As far as feudal jurisdictions are concerned, we have already pointed out that many of the leading exponents of the feudal regime with real interests in its continuation were ready to welcome the abolition of jurisdictional rights. Even the abolition of feudalism itself, together with the appropriation of domaine and church land, was, in view of the way in which it was carried out, something which the former feudatories, the Communes themselves, and the religious bodies, not to mention the great landowners, were resigned to accept. All in all, one can say that the measure corresponded to the prevailing balances between existing social forces, and with the pressures arising from demographic expansion and from the expansion of the country's trade.

Abolition of ecclesiastical and Crown feudal property in no sense amounted to an agrarian law. Formerly feudal property simply became allodial or private, while the demesne lands, whether Crown, Communal or Church by origin, were not distributed in any egalitarian spirit. Although some of the instigators and administrators of the programme may have had the idea of creating and increasing peasant properties, such ideas had quickly to be abandoned. As one local functionary entrusted with administering the sales put it: "... the indigent class here is in such a parlous state that they do not have the courage to become owners and carry the burden of paying the land tax, the rent, the payment to the Commune, and to accept all the other obligations which go with the ownership of property ...".

All attempts to divide up the land equally and create a small landowning peasant class failed. The rule which prevailed, first and foremost, was that possession was converted into ownership. Secondly, the demesne lands were always sold to the highest bidders, and these were not the poorer citizens. The result was that the bourgeoisie and the nobility were the primary beneficiaries of the sales of demesne lands. But this strengthening of medium-sized and large property-owner did not automaticaliy mean that the Kingdom's agriculture began to move ahead.

The purchase of these lands gave rise to a massive speculative operation, which meant that large quantities of cash were handed over to the state, causing a heavy drain of capital out of the private and into the public economy, where it was used to meet the military costs of the war. It was often also the case that the purchasers of the demesne lands found themselves as a result saddled with very heavy debts. But there was more to it than this. In order to meet the growing deficit in the state budget, taxation increased continually, and this further reduced the possibilities for private investment. Such a drain of future and present capital out of agriculture inevitably damaged agricultural development. The state did set out to provide an example: it set up a Council to administer Public Works, it strengthened the corps of engineers responsible for roads and bridges by opening a special training school, it encouraged the formation of agricultural societies in each province to experiment with new crops and forms of estate management, and it even set about reclaiming certain areas of swamp land. But the areas which needed reclaiming were enormous, and neither the new nor the old landowners had the resources left to put money into such ventures. It was calculated that about one-eigth of the total land area of the Kingdom was uncultivated, part of which needed only to be brought under the plough, but the rest required reclamation.[11] Most of this was situated on the coastal plains, because the destruction of woodland over the centuries had caused a major hydro-geologi-

[11] L. Bianchini, *Storia delle Finanze del Regno di Napoli*, L. De Rosa, (Naples: ESI, 1971), p. 30.

cal crisis, the result of which was that huge areas lay submerged in stagnant swamps where malaria had become endemic.

As well as the scarcity of capital, another factor which made private investment in land reclamation slight was the lack of any spirit of association. Prior to 1860, the date of Italian unification, there had only been one reclamation project carried out by a private landowner, and this was the Marchese Nunziante in Calabria.[12] It should also be added that the restoration of the Bourbons in the Kingdom of Naples was quickly followed by a reversion of the Apulian *Tavoliere* to sheep grazing, which had the effect of either limiting or destroying the private property which had developed there after 1806.

Behind the scarcity of investment in both agriculture and land reclamation schemes and in the improvement and increment of the fixed and temporary equipment available for use by the peasantry lay the scarcity of capital in the Kingdom, and, above all, the lack of attractive possibilities for making profits. Due partly to the increasingly keen competition from cereals produced in other countries, and also, more important, to the agrarian policy followed by the government, agricultural prices tended to remain at very unencouraging levels. The government failed to implement a policy on exports and prices which might have provided an incentive for agriculture. Both at the time of the Restoration and thereafter the government's main concern was to avoid as far as possible any increase in the prices of foodstuffs, with the object both of maintaining public order and, subsequently, of keeping wages low in order to encourage the industrialisation of the country. In the attempt to achieve these objectives, it tended to restrict rather than encourage agricultural exports in general.[13] The result was that, due to the restrictions on exports, the domestic market became the prime consumer market for the Kingdom's agriculture, a situation which could not but have consequences for the producers. In this way a genuinely deflationary situation was created, the brunt of which was carried by the agrarian entrepreneurs (landowners, tenant farmers, etc.). It was no accident that it was precisely among such groups – the '*galantuomini*' as they were called at the time – that the fiercest opposition to the Bourbon regime became rooted, until they brought about its destruction. One should then emphasise, in concluding, that the institution of private property does not constitute by itself the sufficient and necessary condition for economic development, where it is not subsequently accompanied by adequate supportive economic policies. This, at least, was the case of the Kingdom of Naples in the late XVIIIth and early XIXth centuries.

[12] R. Ciasca, *Storia delle bonifiche del Regno di Napoli*, (Bari: Laterza), p. 114 ff.
[13] J. Davis, *Società e imprenditori nel Regno borbonico 1815-1860*, (Bari: Laterza, 1978).