
Winner and Losers:

an analysis of disparities in the pre-unification kingdoms through the reconstruction of the series of public debt and the fiscal system (15th-19th centuries).



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Public Finance in the framework of the PRIN project

- The comparison between the systematic and quantitative database of the fiscal system and the comparative perspective of the historical behaviour of each pre-unitary Kingdom could be a milestone for the PRIN objective.
 - According to Federico Chabod, the three main characteristics of a modern state are: 1) standing army; 2) consolidated system of diplomacy; 3) the statement of a bureaucratic state and mainly the construction of a very efficient revenue system.
 - This approach can highlight the reason for the long-term disparities between Northern and Southern Italy. It can also provide a systematic look at the evolution of the fiscal systems of the pre-unitary states, pointing out the hegemonic model, the continuity or discontinuity of the empirical models of tax administration and, finally, show the economic interdependence of the pre-unification Italian states with foreign nations (eg Spain, Austria, France).
 - In conclusion, the construction of these databases can help the PRIN project to define the differences in today's economic performance with a long-term view.
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Research Question

- How the tax system evolved between the 15th and 19th centuries?
 - There are common and shared models in the tax system and in public debt issues among the various pre-unitary Kingdoms?
 - Which strategies have been adopted by different pre Unitary Kingdoms in order to manage the public debt?
 - What are the distinctive features and continuity in the management of the tax revenue and expenditure system?
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Research Goal

- Answering these questions through the construction of a database for each pre-unification Kingdom, between 15th and 19th century, created with these data:

Year	Revenue		Expenditure	Public Debt	Interest on public debt
	Direct taxation	Indirect taxation			

Collecting Data: Methodology

- Archival research will inevitably direct the mode of data collection and methodology of investigation.
 - We will, initially, propose an approach aimed at analyzing the sources in all the main archives of the Peninsula and of the European capitals which alternated in the occupation of the pre-unification kingdoms. Importantly, information is drawn from the main urban centres of the pre-unitary Kingdoms as well as their countryside.
 - Secondly, if the main archives do not respond satisfactorily to the questions asked, investigations will have to be addressed to **private and primarily clerical archival realities**. Some dynasty of Italian bankers were so important for the buying and selling of the sovereign debts. **(Genoese Bankers in the South Italy)**
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Geographical Space and Selected National Archives

- Archivio di Stato di Napoli
 - Archivio di Stato di Palermo
 - Archivio di Stato di Roma
 - Archivio di Stato di Firenze
 - Archivio di Stato di Modena
 - Archivio di Stato di Lucca
 - Archivio di Stato di Venezia
 - Archivio di Stato di Milano
 - Archivio di Stato di Parma
 - Archivio di Stato di Torino
 - Archivio di Stato di Genova
 - Archivio Apostolico Vaticano
 - Archivio del Banco di San Giorgio (1407-1805)
 - Archivio Storico del Banco di Napoli
 - Archivio della Fabbrica di San Pietro
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Foreign Archives

- Archivo General de Simancas
 - Archivo Histórico Nacional de Madrid
 - Archives Nationales de France (Paris)
 - Bibliothèque National de Paris
 - Archives Nationales du Monde du Travail
 - Rothschild Archives
(<https://www.rothschildarchive.org/>)
 - Österreichische staatsarchiv Wien
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The dataset created by Mark Dincecco

state	statecode	period	periodcode	extwar	intwar	pcmilsiz	pcmilexp	pctax	pcindirecttax	pcdirecttax	pcnonmilexp	liberal	rrkm	pop
piemonte	1	1825-9	1	0,00	0,00	6,87		3,75	2,98	0,77		0,00	0	3558
piemonte	1	1830-4	2	0,00	0,40	7,11	1,88	3,78	3,01	0,77	2,33	0,00	0	3722
piemonte	1	1835-9	3	0,00	0,00	8,15	1,88	4,48	3,64	0,84	2,64	0,00	0	3829
piemonte	1	1840-4	4	0,00	0,00	6,85	1,97	4,71	3,91	0,80	2,78	0,00	0	3938
piemonte	1	1845-9	5	0,40	0,40	9,69	3,50	4,62	3,82	0,80	4,21	0,40	13	4063
piemonte	1	1850-4	6	0,40	0,00	10,19	2,22	5,69	4,60	1,10	6,38	1,00	204	4153
piemonte	1	1855-9	7	0,60	0,20	10,34	3,48	8,37	6,76	1,61	7,07	1,00	697	4140

Case Study: Southern Italy



Maps of 1582

Turning-points of the History of Southern Italy

- 1503-1707: the beginning and end of the Spanish rule in Southern Italy
 - 1707-1734: the beginning and end of the Austrian rule in Southern Italy
 - 1735-1799: the beginning and the first institutional break of the dominion of the Borbone in Southern Italy
 - 1799 (January-June): the beginning and the end of the Republic period
 - 1799-1806: the first Restoration of Borbone's dynasty in Naples
 - 1806-1815: the beginning and end of the Napoleon period
 - 1815-1861: the beginning and end of the second Restoration of Borbone
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1556-1643

- Close link between military expenditure and State revenue.
 - The fiscal system of the Kingdom was very efficient, but the largest part of the revenue was sent to the Emperer, beacuase it served to support the military policies of Spaniards.
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1649-1707

- 1648: an important season of revolutionary turmoil was going through the Europe. The main reason for the price increase was the long period of international wars which depleted the national coffers.
 - 1649: *datio in solutum* was declared and then a deep process of fiscal reform began. The *arrendamientos* system was reformed.
 - 1) All creditors of arrendamientos received full-administration of the fiscal system; 2) more taxes were abolished; 3) 300.000 ducats of income were reserved as endowment for the military expenditure.
 - **P. N.** *Arrendamiento* is the word that identify the process of alienation of fiscal revenues.
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1753-1799

- In this period the Borbone family began the process of *recompra* (repurchasing) some fiscal revenues (es. i sali di Puglia).

1806

- During the Napoleonic Empire the *Great Books of Public Debts* was established. The process of administrative centralization had important consequences for the control of the fiscal system.

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Thank you!

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