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Jeff Horn, *Economic Development in Early Modern France: The Privilege of Liberty, 1650-1820*. Cambridge: Cambridge University Press, 2015. vii + 319 pp. Acknowledgments, abbreviations, bibliography, and index. \$105.00 U.S. (cl). ISBN 978-1-107-06428-3.

Review by Christopher Johnson, Wayne State University.

This is an important book. It is essentially volume one of Jeff Horn's effort (largely successful, in my view) to rethink the nature of France's road to the industrial transition. His *Path Not Taken: French Industrialization in the Age of Revolution*, which I reviewed for H-France, proposed that France made that transition, despite (but also because of) its "world-historical" political revolution after 1789, in ways markedly different but no less efficacious than England. [1] Central to this positive outcome was the role of the state (of which the imagined beneficent laissez-faire policies in England were allegedly key to its industrial leadership), which shifted dramatically with the Revolution toward the promotion of entrepreneurial liberty while at the same time supplying the educational and infrastructural foundations (especially in transportation) for economic progress.

Yet, the roots the French industrial revolution lay in the increasingly vibrant economy of the old regime. Horn's new book examines the various processes that made France the chief commercial and industrial power in Europe by the mid-eighteenth century. His central argument is that, ironically, the very institution defining society and politics and viewed as one of primary causes of the Revolution—privilege—was the dynamic force that drove French economic development under the old regime, though it finally outlived its usefulness in the years prior to the upheaval. This was what Horn labels "the privilege of liberty" (p. 4) Like the uses of to create an orderly society, to secure loyalty to the central government from the nobility, venal office holders, the guilds, and other corporate bodies, and in general to regulate the functioning of the monarchy and the power of its king, the privilege of liberty was also accorded in order to enhance the economic might of the French state against its principal rivals in the struggle for European hegemony.

In the age of worldwide colonial expansion and the globalization of commerce, it became clear that economic strength was every bit as important as military power and strategic marriages in securing a nation's place in the international power structure, a reality that the rise of the Netherlands and England and the decline Spain in the seventeenth century abundantly demonstrated. Thus, the French monarchy at least from Henry IV but especially under Louis XIV and Colbert, embarked upon a policy which far from being simply "statist" or "mercantilist," encouraged liberation from guild restrictions and tariffs (internal and external), protection of technological innovation and special subsidies for promising new production, and the freedom of privileged manufacturers and merchants to operate outside normal regulatory constraints. In effect, what was created by the early eighteenth century was a vast checkerboard of enclaves of freedom coupled with royal favor that Horn argues contributed enormously to France's economic growth before modern industrialization. The ultimate irony was that the privilege of economic liberty "played a dynamic role in undermining the society of orders, thereby helping to bring about the French Revolution." (p. 19)

Although it is probably impossible to calculate the quantitative impact of privileged enterprise, there can be no doubt that it served as a catalyst for rapid development where it was successful. (Horn is careful not to overplay its significance and gives several examples of stalled initiatives and outright failures.) The book is organized around various types of privilege and their role in economic improvement. Much of the research here is original, and Horn has worked in the archival trenches with breathtaking thoroughness.

The most geographically widespread form of the privilege of liberty was the seigneurial enclave within which the seigneur (noble, church, some *roturiers*, foreign rulers, the crown itself) exercised *haute justice* and could allow practices unregulated by the guilds. They existed in almost every city in France. The most famous of these was the Parisian *faubourg* Saint-Antoine where freedom of production and trade reigned, goods were plentiful and cheap, and *caveat emptor* was the watchword. Despite constant effort, the Parisian guilds could not impose their regulations there and got little help from the royal officials. A beehive of dozens of industries manned by free labor (largely unlicensed journeymen not taken on by the increasingly nepotistic Paris guilds), the *faubourg* became famous in woodworking, furniture, and other decorative arts, which fully blossomed after the Revolution. The number of such seigneurial enclaves in Paris was reduced from forty-four to twelve as judicial power passed to the Châtelet, under royal jurisdiction, in 1685. The crown increased its dominance in Paris, finding it more useful to support guild claims in the name of order, quality, and technical advancement and who used their “liberty of privilege” (regulatory and investigative powers) to invade the autonomy of these enclaves, but also to produce higher quality products that became the envy of Europe.

Horn then turns to other examples where seigneurial privilege (and holding off the guilds) led to high levels of entrepreneurial success: the ecclesiastical enclaves of Saint-Seurin and Saint-André in Bordeaux and the large seigneurial holdings and numerous rights (rural and urban) of a noble forge master, Pierre Babaud de la Chaussade. The two enclaves in Bordeaux used their powers of *haute justice* to create free-labor/free-exchange zones and prospered in a variety of trades. Journeymen were welcome, and many created their own shops individually or jointly, but the key was the communal solidarity established through their *compagnonnages*, organizing boycotts and strikes against masters elsewhere in the city seeking to limit or control their commerce. These two areas flourished and spearheaded innovation in their crafts, overwhelming the guild producers in exports and bypassing them, despite prohibitions, to reach city customers. De la Chaussade offers an example of direct noble enterprise as he became one of the principal suppliers of metal wares to the French navy by the 1760s. Operating under a royal commission, he had the freedom, time, and capital to import the latest innovations as well as skilled workers from Germany and the Netherlands. But he ran into trouble in Bordeaux where the local metallurgical guilds managed to use a lawsuit to block his commerce (of better quality and lower prices) in the city’s shipyards. He decided not to appeal, given his success elsewhere.

These examples are only the tip of the iceberg, “negative” in the sense that they were simply about freedom *from* guild oversight. More important were the wide variety of privileges that constituted positive and direct stimuli of industry and commerce that combined with enclaves of liberty as seen above. Space does not permit much detail, but each successive chapter deals with the key developments. Chapter three chronicles the remarkable story of Normandy, “a veritable Lancashire on the Seine” (p. 57). Ranging from broad privileges of liberty granted to the archbishop of Rouen to a host of specific privileges and protections for individual manufacturers such as the English cotton-dyers in Saint-Sever, innovation and entrepreneurial savvy proliferated throughout the province, and French goods competed in quality and price with those of its North Sea rivals. Freedom of production precipitated a wide variety of textiles and new products rooted in new techniques (e.g., mixed cotton/wool fabrics in the later eighteenth century), and foreign entrepreneurs were welcomed and contributed mightily to this nascent industrial revolution. Horn concludes: “historians should appreciate the old regime’s successes [such as Normandy] rather than focus solely on the Bourbon state’s inability to avert the French Revolution” (p. 95).

The other side of the coin was commerce, international and internal, which occupies chapters four and five. Although historians often picture France as a land power, its extensive coastlines invited a role as a sea power as well, less in the strength of its navy than via its prodigious colonial and commercial expansion of the seventeenth and eighteenth centuries. In general, exports of French manufactured goods (other than the Levant trade, mostly to other European countries) increased three- to five-fold over the eighteenth century. Still, “the West Indies drove eighteenth-century trade performance,” (p. 101) reminding us that colonial slavery remained the basis of French (and west-European) prosperity and capital accumulation. In general, French chartered companies that followed colonial expansion failed, and were supplanted by privileged *entrepôts* dotting the west and northwest coasts (along with Sète on the Mediterranean). Dunkerque and Marseille, already free ports, were soon added. Marseille especially boomed as never before with world trade added to its monopoly of the Levant trade. The privilege of liberty reigned for all merchants, native and foreign, and re-export was virtually duty-free. Their success led to increasingly free-trade policies after 1750 until stymied by Calonne’s desperate revival of charters, possibly a fiscal move as France moved toward the Revolution.

In rethinking the meaning of mercantilism and rescuing policies of its practitioners from historiographical opprobrium, Horn gives the Levant trade pride of place. Often ignored by historians of the era because of the relocation of economic and world-power dynamics from the Mediterranean to the Atlantic and the sea route to the east, the success of this trade after the virtual collapse of French commerce with the war-distressed Ottoman Empire in the seventeenth century is emblematic of the way “mercantilism” worked. Horn rightly argues that French policy here closely paralleled those of the Dutch and English rivals in the Atlantic, and “beat them at their own game” in the Mediterranean. All were mercantilists, and in fact France held up well against them in general. The revitalization of French interests began in 1660 with the reestablishment of royal authority in Marseille in the last act of the Fronde. Rebellious nobles were tossed (and compensated) and merchants put in charge of the city’s administration. Diplomatic ties with the Turkish Empire were repaired, and throughout the next two decades, Marseille was lavished with privileges that gave it a monopoly of commerce with the Levant.

The next step carried out by Colbert was to attack the principal cause of disfavor for French goods in the Levant: poor quality, often coupled with arrogant French merchants and fraudulent middlemen. It was a long, hard battle, but selected subsidies, new royal manufactures gauged to encourage emulation, increased policing of the workforce, and above all rigorous inspecting and trademarking of cloth bound for the Levant (adding a much-resented third inspection in Marseille) forged a turnaround by 1700 that continued unabated for the next seven decades, peaking at an average of 90,000 bolts annually by the 1760s. This was sustained by constant attention to the reputation of French business and the courting of influence in the Ottoman domains along with diplomatic action to maintain sea lanes open to commerce and free of pirates. Altogether it was a superb achievement in marrying the state and economic progress. But was it too much of a good thing?

Horn argues that the leaders of the woolens industry (citing mainly Carcassonne) became lax, allowing fraud to re-emerge. What he does not seem to appreciate is that they were outflanked by enterprising newcomers Bédarieux and Mazamet, who combined fraud-free high quality woolens for the Mediterranean trade and solid products for the domestic market, and especially Lodève, though still producing for the East, which steered its production to military supply—the wave of the future in this region—whose companies, directly encouraged by government large-lot purchases and the suppression of workforce resistance, ranked among the most consolidated and biggest employers in the industry by the turn of the century.[2] This only confirms his larger thesis regarding the role of the state in old-regime France (obviously Lodève was “privileged” with army orders, initiated by native son Cardinal Fleury) and helps us better understand the on-going significance of Languedoc (mainly the Hérault) in modern French industrial history.

Horn devotes a quite original chapter to the privileged roles of Jews, Protestants, and foreign residents, banned from “the body politic, but essential to the body economic” (p. 168). The supposed religious outcasts were simply too useful to the economy to be rounded up and deported. After the Revocation of the Edict of Nantes in 1685, thousands of Protestants, especially in the wide band of eastern Languedoc, paid lip service to conversion (like so many Muslims and Jews in sixteenth-century Spain) and went on with their businesses (e.g., the hosiers of Nîmes and, not mentioned, fabricants of Bédarieux), stimulated all the more by their semi-toleration. Of course about one-fourth of the Huguenots did leave and contributed significantly to the economies and societies that welcomed them (England, Holland, Prussia, the American colonies).

Jews in France were far fewer and had more difficulty, especially after the re-expulsion of 1615, but received special privileges if they played important roles in economic life. The Sephardic Jews of Bordeaux, often simply identified as foreigners, “Portuguese,” without reference to their religion, still required royal sanction for permanent residence. Horn lauds their contributions “to the development of French commercial capitalism while also performing vital services to the state” (p. 175) via their international connections, citing above all the Gradis family. Finally, innovative foreigners, especially from England and Holland, were showered with privileges with many established trading and manufacturing enterprises that served both as examples for emulation and major contributors to the economy. The van Robais family was a prime example, bringing “Dutch style” fine woolens production to France (Abbeville), handily exempted from deportation after 1685, and creating one of the largest and most prestigious manufactories in Europe. French doors were open to menials as well, the sweeping Savoyards the prime examples.

Chapter seven reprises the role of privilege and special subsidies in innovation with a variety of interesting examples that cement Horn’s argument. Altogether, he asserts that the wherewithal for an industrial revolution was in place, especially as the attack on the guilds by Turgot loosened up the economy late in the old regime.[3] The political Revolution derailed this prospect by diverting the resources of the state elsewhere while also opening up (slowly) a new regime of economic liberty. The Revolution did matter, of course, but it should not (as it always does) dominate our attention.

Although the notion of “continuity” is certainly inadequate, the old-regime thrust of growth in a state-interactive environment characterizes on-going French economic history: gentle, careful, successful (despite the jabs of *The Economist*) down to this day. The Empire even revived privilege, subsidies, and prizes, but it was the vision of Chaptal, whose leadership ran from the Consulate well into the Restoration, that prevailed. It was a vision of a state involvement in moderating labor relations (Conseils des Prud’hommes), “honoring” commerce and industry, opening markets, improving internal transport and infrastructure generally with government guidance and expertise (Conseil des Ponts et Chaussées), and providing exquisite technical education at every level (Conservatoire des arts et métiers, École polytechnique), but “leaving to industry the most profound liberty” tempered by “public spirit” and guaranteeing property rights *and* the right to work for all. It specifically condemned “English selfishness.”[4] This vision has largely animated state policy for every regime since (save Vichy), where politics generally oscillated between a center-left promoting “public spirit” emphasizing the general welfare and a center right stressing “liberty.” Obviously, the definition of the state’s proper role has expanded exponentially since World War II with changing conceptions of social justice, but the essentials of a state facilitating and encouraging economic growth have remained pretty constant since Colbert. Jeff Horn’s “volume one” brilliantly shows how it all began.

## NOTES

[1] Cambridge: MIT Press, 2006.

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[2] See Christopher H. Johnson, "Capitalism and the State: Accumulation and Proletarianization in the Languedocian Woolens Industry, 1700-1789," in *The Workplace before the Factory: Artisans and Proletarians, 1500-1800*, edited by Max Thomas Safley and Leonard N. Rosenband (Ithaca, N.Y.: Cornell University Press, 1993), pp. 37-62, and Christopher Johnson, *The Life and Death of Industrial Languedoc: The Politics of Deindustrialization, 1700-1920* (Oxford: Oxford University Press, 1995), pp. 13-22.

[3] See Steven L. Kaplan, *La fin des corporations* (Paris: Fayard, 2001).

[4] All quotes from Jean-Antoine Chaptal, as cited in Horn, *The Path Not Taken*, pp. 197-198. For publication information, see note 1 above.

Christopher Johnson  
Wayne State University  
[aa4307@wayne.edu](mailto:aa4307@wayne.edu)

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