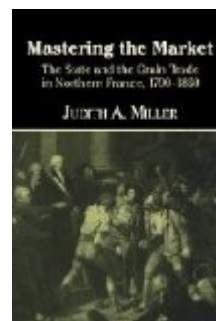


Judith A. Miller. *Mastering the Market: The State and the Grain Trade in Northern France 1700-1860.* New York: Cambridge University Press, 1999. xviii + 334 pp. \$49.95, cloth, ISBN 978-0-521-62129-8.



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Authorities in eighteenth and early nineteenth century France faced a dilemma: How to keep the peace in the face of severe shortages of grain. Harvest failure regularly (Miller finds nine incidents in the eighteenth century) threatened consumers, who relied on a pound of bread a day for their sustenance. Yet if the government acted to help them through price controls or grain imports, it risked worsening the situation by provoking producers and merchants to withdraw from the market.

Judith A. Miller (Department of History, Emory University) provides a fascinating account of the State's role in the grain trade as she reconstructs the activities of local and national officials who sought to master the treacherous market. She sympathizes with the plight of these officials as they handled their next-to-impossible task. Miller's theme is the growing success they had in 'mastering the market' and bringing famine under control. Their trial and error led them to conclude that too much government interference was counterproductive but that a policy of total hands off would not be effective either.

Miller sets the stage by contrasting the failure of the state in the shortage of 1709 with its effectiveness in that of 1853. The goal of the rest of the book is to show how the French government moved from the first to the second. Miller emphasizes the role of the state because, whatever ideologies may have wished, it could not stay out of the market. The region of study extends from Paris to the Channel, with Miller stressing the competition between Paris and Rouen, its Norman rival. The major sources are administrative archives, from which she gathers information about the administrators' goals and actions.

During the eighteenth century, down to 1789, under the influence of both experience and the free trade movement, strategies moved toward influencing supply and demand, rather than forcing particular actions on participants. Part of the problem was that the grain trade was not only uncertain, but highly regulated. Officially grain had to be sold in public markets, though large buyers and sellers preferred to deal with each other privately. While grain prices might fluctuate freely, bread prices, the focus of consumers' concerns,

had long been set by local authorities. They varied with the grain prices, but, as Miller shows us, even the officials assumed that, as prices rose, bakers would suffer a loss.

In the mid-eighteenth century the government found that its entry into the market led to two major problems: owners (merchants and producers) left the trade when they were undersold and treasuries suffered heavy losses from selling at low prices. From their experience with this dilemma officials worked out the tactics called "simulated sales." Their policy was to sell grain, but quietly and with market-mimicking procedures, supporting the market rather than supplanting it.

With the influence of free trade ideas, price setting began to be abandoned in the 1760s and 1770s. Turgot and officials like him hoped that with higher prices, grain would become abundant. But that didn't happen, and practicing officials still had to intervene on behalf of buyers. Now they were guided by the principles of "no forced sales, no set prices."⁽⁸⁵⁾ They continued to use the skill they had developed through long experience to guide the market

The Revolution is usually at the heart of any discussion of grain prices in France. Miller, however, treats it as essentially an interruption in the long process of mastering the market. Eliminating the former authorities, who knew what they doing, the upheaval brought in new ones, who had to go through a long period of learning. In their efforts to secure food for the cities and now for the revolutionary armies as well, officials adopted radical policies like requisitions, public markets, and set prices (the maximum). Once again, force did not work, whether because there just wasn't enough grain or because owners would not supply it at the fixed prices. (Miller leans to the former conclusion.) Turmoil ensued and was only ended when Napoleon, seeking practical solutions, returned to the pre-Revolutionary policies of secrecy and planning in advance for possible

shortages. The last gasp of "radical measures"⁽²²⁶⁾ like maximums and requisitions was the shortage of 1812, when they proved to be disastrous.

At this point the Napoleonic prefects returned to the "well-organized, finely tuned strategies"⁽²³³⁾ that were in line with their predecessors' as well as those who followed them. The thrust of policy during the Restoration and July Monarchy (1815-48) was toward lessening government controls and relying on private business. The Parisian grain reserve that had been instituted under Napoleon was phased out, but bakers were required to maintain their own stocks. Bread prices were fixed, but the number of bakeries was limited to guarantee a profit. Slowly controls were relaxed.

still fluctuated, but arrangements had been worked out to provide stability. The state had created a framework for the trade and could step back and let it operate on its own. Free trade (even then, not yet complete) had arrived but, paradoxically, only through state involvement.

What can we learn from Miller's tale - a narrative that is not flamboyant but, like her officials, careful and painstaking, instructing its readers about many things in many ways? Her main theme is that both the market and state intervention were dangerous. Unfettered, they would lead to hunger and turmoil, but the market could teach the state to limit its action and the state could tame the market, calming its destructive tendencies. Miller's conclusions have implications for other questions. She supports the argument that free markets (or free enterprise in general) do not result from the absence of government intervention but from government shaping the rules and structures that govern economic activity. She also reaffirms the continuities in French history (particularly that of State intervention in the economy) that overwhelm the disruptive upheavals of events like the Revolution. Although *Mastering the Market* is neither cliometrics nor new institu-

tional economic history; it does have a lot to teach all economic historians.

Jonathan Liebowitz is the author of articles on draft animals and land tenure. He is working on a study of the impact of the crisis of the late nineteenth century on French tenants and sharecroppers.

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