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From now on, Professor Mueller's long-awaited study will form the basis for every serious discussion of banking, foreign exchange and the public debt in Venice between 1200 and 1500. It completes a massive two-volume history of money and banking in late medieval and Renaissance Venice, begun in 1972 with the late Frederic Lane, who co-authored *Coins and Moneys of Account* (1985).[1] In such a short review, it is difficult to do justice to the phenomenal scholarship of this book: 1745 footnotes testify to the enormous amount of original archival research which undergirds each chapter: much of the analysis is reconstructed with great skill through the systematic mining of swathes of indirect documentation. The Venetian sources range from commercial lawsuits, estate papers, account books, to petitions, whilst there are Mueller's substantial investigations in the Datini archive at Prato and documents found as far apart as Minnesota and St Petersburg (p. xxiii; p. 274, n. 74; p. 336, n. 76).

*The Venetian Money Market* is divided into five sections. Part I is dedicated to the institutional side of the local deposit and transfer banks of the Rialto; the origins and nature of deposit banking, forms of business organization and liability. We learn that private banking developed out of money-changing; that the acceptance of deposits on current account and their transfer in bank created fiduciary "bank money", such convenient operations avoiding the need for coin that they rapidly became central to the whole system of payments. In fact about one Venetian in thirty may have held a current account around 1500. Yet the banks themselves were flimsy stalls, vulnerable to robbery. Unlike in Florence, the few principal banks were only a few steps apart in one square and so transfers were made by oral order and checks were not used.

Part II turns to panics, bankruptcies and liquidations and the recurring causes of failures, themes analyzed by Lane in a classic article of 1937.[2] Bankers were most at risk when seasonal demand was highest, especially in July and August as the galley fleets were prepared; precipatory factors were adverse movements in the bullion market, especially bankers' speculation in silver; the threat of war; famine and high prices; the cre-
ation of "chain of indebtedness" (p. 127). Part III introduces the foreign exchange market: Professor Mueller's key point is that the "Venetians acceded to the virtual monopoly of exchange which Florentine merchant bankers held in Venice, as in all the major banking places of Europe" (p. 256). He explores the Florentine community in much depth and emphasizes the regular predictability ("seasonality") of demand, the major reason why Venice was chosen for the classic contracts of rechange.

Parts IV and V are devoted to the floating debt and the funded debt: firstly an institutional history of the Grain Office which administered the floating debt between the late thirteenth and late fourteenth century, which "served a function similar to a Swiss bank" for the Terraferma lords; secondly, the relationship between the private banks of the Rialto and the state, who took over the role of managing the debt in the fifteenth century. The last section examines "the impact of the funded debt and forced loans on persons and households, the functioning of the market in credits and investment by foreigners" (p. 454).

This work is aimed at a mixed audience of economic historians and Venetian specialists: it takes as given Mueller's chapter "The Rise of Bankers" in Volume One and some sections assume familiarity with the studies of Gino Luzzatto, Frederic Lane and Raymond de Roover. Both should recognize it as a landmark study.

Notes:


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