

Capitalists in Spite of Themselves: Elite Conflict and Economic Transitions in Early Modern Europe. *By Richard Lachmann.* New York: Oxford University Press, 2000. 328 pp. Figures, notes, bibliography. Cloth, \$49.95. ISBN 0-195-07568-4.

Reviewed by William D. Rubinstein

Richard Lachmann's important book sees the capitalist system as emerging from the peculiarities of elite conflict in the various countries of medieval and early modern Europe. In some places, the preexisting feudal and manorial economies were perpetuated by the outcomes of these conflicts, while in others, notably England and, initially, the Netherlands, the outcome of these conflicts engendered capitalist economies. Lachmann considers and rejects a range of other explanations, discussing, for instance, Max Weber and the "Protestant ethic" thesis and recent "world-systems" views. He offers a very subtle and detailed examination. Lachmann is a sociology professor, and economic historians may well find his thoroughly sociological matrix bewildering, but it is deeply researched and largely convincing.

Lachmann's examination begins in the Middle Ages and extends almost to the French Revolution. He considers, among other states, Spain and the Netherlands, terming them "a dead end and a detour." Spain began the early modern period with many advantages, including the greatest state revenues of any country in Europe and the wealth of America. But the nature of Spanish state development, the "reconquest" of Spain from the Muslims, left it without a feudal elite, and the Spanish Crown became all-powerful. Jews were expelled and Protestants ruthlessly suppressed. No rival mercantile elite emerged; rural Spain remained backward and Spanish America increasingly became semi-independent. Spanish crown revenues declined precipitously after the mid-seventeenth century, while Spanish grandees "were able to sustain feudal modes of exploitation because their control over land [and] rents . . . never were challenged by rival elites" (p. 157). In the Netherlands, one might expect the opposite to have occurred, being as it was a country lacking feudalism, strongly Protestant, and dominated by business-oriented urban elites, with a weak nobility. However, the Netherlands found itself progressively weakened by brutal wars with Spain; by semiautonomous local elites, which prevented the maximizing of central revenues; and by an increasingly stagnating national oligarchy, which, monopolizing the chartered companies and guilds, paradoxically prevented a "circulation of elites."

The Dutch central government could not muster the resources necessary for world domination, which Britain and France successfully undertook, especially the former, and, despite rising to the leading position as a mercantile trading state by the 1630s, never advanced beyond

that achievement but instead progressively stagnated. Lachmann's treatment of Spain and the Netherlands is extremely interesting and incisive, as he places much more weight on the internal conflict and failures of their elites, compared with such writers as Fernand Braudel and Immanuel Wallerstein, who have emphasized shifts in the nature of the "world system."

Lachmann naturally also examines and contrasts Britain and France throughout his work. In Britain, a conflict between crown and clergy was ended, at the Reformation, decisively in favor of the former, while the subsequent conflict between crown and gentry ended in a compromise, which established the gentry as the backbone of a loyal elite and the crown as the increasingly ineffective head of a state apparatus remarkably free from corruption and inefficiencies. In France, by contrast, despite absolutism, the crown was never strong enough to tame either the clergy or, emphatically, the nobility, leading to continuing internal conflicts, massive corruption and inefficiencies, and eventually to revolution. I have here only skimmed the surface of Lachmann's extremely complex and multifaceted set of arguments in this obviously important book.

There is, however, also a good deal that might be said against his method of proceeding and his critique. Like many structural-functionalist analyses, there is a real danger of circularity, which avoids explanation: here are differing national elite developments, here are different long-term economic outcomes, therefore one must explain the other. Of course, this simply does not follow. Most, if not all, of his evidence is taken from secondary sources, and although Lachmann has a truly comprehensive knowledge of them, he has seemingly done little or no primary historical research. He is thus at the mercy of what previous historians have done and also of how they have interpreted their evidence. Where little research has been done (on, say, the eighteenth-century City of London), nothing can be added to the explication. Some topics seem strangely neglected. There is, for instance, seemingly no discussion of landed primogeniture in Britain nor of the tiny size of the British aristocracy compared with those of the continent, surely relevant topics. These unique characteristics of Britain's elite structure began centuries before its religious and economic transformation. Lachmann's use of the term "magic" to describe, apparently, the claims made by pre-Reformation religions, will seem bizarre to many.

Perhaps the most important omission in a work on capitalism is an accurate, far-reaching analysis of successful business magnates, except in a number of historical milieus (most notably the early modern Italian city-states and the Jacobean City of London elite, where previous research has been done). Lachmann's conclusions about elite formation and composition need to be carefully examined for accuracy and supported, or refuted, by searching studies of topics like the social origins, education, lifestyles, and sources of capital for other mercantile groups. The

somewhat abrupt ending just before the Industrial Revolution leaves the reader wondering how industrialization slots into his thesis. Notwithstanding these caveats, *Capitalists in Spite of Themselves* is an important and valuable book, and I would very much like to read a sequel that brings his analysis into the modern period.

*William D. Rubinstein is professor of modern history at the University of Wales, Aberystwyth. He is the author of numerous works on elites and wealth-holding in modern Britain.*