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## CHAPTER 17

### "The proud epithet of Enlightened":

#### Ferdinando Galiani and the Neapolitan debate on colonies, commerce and conquest

*Koen Stapelbroek*

#### Introduction: Galiani vs Raynal

When, in 1772, after his forced departure from Paris,<sup>1</sup> the Neapolitan Ferdinando Galiani (1728-1787) was asked what he thought of the *Histoire des Deux Indes*, he responded that it was not his kind of book.

In politics, I only admit pure Machiavellianism, without mixture, crude, outright, in all its severity. He [Raynal] wonders at our trade in Negroes in Africa: but why does he not wonder at the trade in mules from Guyana in Spain? Isn't there nothing so horrible as castrating the bulls and cutting off the horses tails, etc..? He reproaches us for being the bandits of the Indies, but Scipio then could be the bandit of the Barbary Coasts and Caesar of Gaul. He says that it causes bad things. But all good turns into bad. When veal from Pontoise turns bad, don't eat it anymore; when dancing causes tiredness, stop dancing; when love causes pain, stop loving. Thus, my advice is that as long as they buy our Negroes, we keep selling them, until it arises that they succeed to let them live in America. My advice is to continue our ravages in the Indies for as long as we manage, until we are defeated and are forced to withdraw. There would not be any lucrative commerce left in the world; stop deceiving yourself. The only good is that one pursues the exchange of giving with the whip for the rupees one receives; that is, the commerce of the strongest. This would be my book.<sup>2</sup>

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<sup>1</sup> Between 1759 and 1769 Galiani had been the Neapolitan *chargé d'affaires* and secretary of the Neapolitan ambassador in Paris. For the diplomatic indiscretion used by Choiseul to remove Galiani, Giuseppe Ferraioli, 'Un fallo diplomatico dell'abate Galiani', *Archivio Storico per le Province Napoletane* (1880): 690-8.

<sup>2</sup> 5 September 1772 to Mme. D'Epinay, *Correspondance avec Mme d'Epinay, Mme Necker, Mme Geoffrin, &c. Diderot, Grimm, d'Alembert, De Sartine, d'Holbach, &c* (2 vols, eds. Lucien Perey & Gaston Maugras, Paris, 1881), vol 2, pp. 114-5.

In this chapter I will argue that this deliberately provocative statement, charging Raynal's censure of French colonial politics as misguided moralising, is consistent with Galiani's understanding of the political and economic constraints that existed for Naples to retain its newly acquired and fragile independence in eighteenth-century Europe.<sup>3</sup> I will do so by identifying Galiani's position within a line of argument about the contradistinction between 'commerce' and 'conquest' and offset that tradition with the ideas of its Neapolitan opponents, Paolo Mattia Doria and Carlantonio Broggia, on the issue of the economic development of modern monarchies. Thus, the historiographical topic of Enlightened absolutism is approached through the eighteenth-century debate on the political economy of reformed 'civilized monarchies', that lay at the core of discussions about the future of foreign trade and the interstate system.

### **'Commerce' vs. 'conquest' and modern monarchy: Child, Locke, Melon**

*English colonial politics: Child, Locke*

Naples became an independent Kingdom in 1734. When news about the imminent arrival of Carlo Borbone reached the city, the *cappellano maggiore* Celestino Galiani<sup>4</sup> and his friend, the Tuscan mathematician-agronomist Bartolomeo Intieri<sup>5</sup> rode out to welcome the new king. The same year saw the publication of Jean-François Melon's *Essai politique sur le commerce*. Intieri (who was a voracious reader of English and French works on political

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<sup>3</sup> On Galiani and Neapolitan independence as well as on the provocative nature of Galiani's statements and his image of 'machievellino', Koen Stapelbroek, *Love, Self-Deceit and Money* (Toronto, 2008), pp. 21-4, 37-9.

<sup>4</sup> Stapelbroek, *Love, Self-Deceit and Money*, pp. 56-87 for references and discussion of Celestino Galiani's moral philosophy.

<sup>5</sup> A forthcoming special issue of the journal *Frontiera d'Europa* will fill the existing lacuna of studies on Bartolomeo Intieri.

economy) immediately recognised the book as a guide for better understanding the conditions under which Naples had to preserve its independence and used the book, in his correspondence with Celestino Galiani, to develop a vision of Neapolitan political economic state-building.<sup>6</sup>

Melon's *Essai politique* was a bold enunciation of a set of criticisms of earlier political economic works and was in tune with crystallising new insights into the complex non-linear history of modern Europe.<sup>7</sup> Resurfacing in the book were the same concerns that were central to, for example, Josiah Child's *A New Discourse of Trade* (which had several reprints in the middle of the eighteenth century<sup>8</sup>) and Locke's writings on political economy from the second half of the seventeenth century.<sup>9</sup> In these English works, a particular argument was developed that stated that commerce and conquest were incompatible. Locke insisted that 'there are but two ways of growing Rich, either Conquest, or Commerce'. Here, 'securing our Navigation and Trade' was more in line with 'the Interest of this Kingdom than Wars or Conquest'.<sup>10</sup> Locke and Child both cited the opposition of commerce and conquest to frame the true economic interest of England as a

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<sup>6</sup> These letters are preserved in the library of the *Società Napoletana di Storia Patria* (henceforth BSNSP), with classmark indication xxx.a.7, ff. 1r-43r. See Stapelbroek *Love, Self-Deceit and Money*, pp. 62-5.

<sup>7</sup> For the context of the book as a parallel project to Montesquieu's analyses of monarchical reform politics in the *Considérations sur les causes de la grandeur des Romains et de leur décadence*, the *Lettres Persanes* and the construction of key chapters of *L'Esprit des lois* see Hont, 'Luxury and Commerce', *Cambridge History of Eighteenth-Century Political Thought* (Cambridge, 2005), pp. 379-418.

<sup>8</sup> The *New Discourse of Trade* was translated into French by Vincent de Gournay and influenced Forbonnais, see Michael Sonenscher, *Before the Deluge* (Princeton, 2007), p. 182

<sup>9</sup> Locke owned three copies of works by Child and critically engaged with Child's *Brief Observations on Trade and Interest of Money*, of 1668, in his *Some Considerations*. See William Letwin, *Sir Josiah Child: Merchant Economist* (Boston, 1959), Harrison and Laslett, *The Library of John Locke* (Oxford, 1971).

<sup>10</sup> John Locke, *Locke on money* (ed. Patrick Kelly, 2 vols, Oxford, 1991), vol. 1, pp. 222, 232.

choice between cultivation of new lands or mere trade and mining. Whereas other nations concentrated on mining gold and silver (Spain) or engaged in comptoir trade in the East and West Indies (the Dutch), which were falsely conceived updated species of conquest, the English were the only nation operating on an entirely different level by establishing plantations and ‘clearing, breaking up of ground, and planting’.<sup>11</sup> Supported by the argument that new modes of commercial conquest created only *imperium*, whereas agriculture, cultivation, justified *dominium*, these writers attempted to place a firm dividing line between the overseas trade of other states and the English more natural and supposedly long-term viable strategy, which combined overseas agricultural ‘commerce’ with the financial regime advocated by Child (that *was* inspired by the Dutch example).<sup>12</sup> The argument served as a response to supporters of the then dominant view that colonies robbed the mother-country of its population, were expensive and a main factor in the demise of empires.<sup>13</sup> Instead, the future of the English Empire would not be threatened, but secured by colonies. The only risk lay in the success of the strategy: cultivation of new grounds in the colonies generated new trade, increased population and ‘industry’ and could become a platform for setting up new manufacturing industries in the colonies rather than in the mother-country, as a result of which colonies might be able to emancipate themselves rather more than was envisaged. Thus the economic portfolio of colonies had to be closely guarded in order to retain unity within the Empire.<sup>14</sup>

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<sup>11</sup> Josiah Child, *A new discourse of trade* (Glasgow, 1751), pp. 142-8.

<sup>12</sup> See e.g. Joyce O. Appleby, *Ideology and Economic Thought in Seventeenth-Century England* (Princeton, 1978), pp. 73-98.

<sup>13</sup> Barbara Arneil, ‘Trade, Plantations, and Property: John Locke and the Economic Defense of Colonialism’, *Journal of the History of Ideas*, 55/4 (1994): 593-5, 607.

<sup>14</sup> Arneil, ‘Trade, Plantations, and Property’: 600-2.

*France emulating England: Melon on colonies*

When Melon, in his *Essai politique*, took up the argument that commerce and conquest were mutually exclusive within a state,<sup>15</sup> his message to a French audience differed from Locke's and Child's. Melon denied that the English were in a markedly superior position compared with other states. Melon started his *Essai politique* by showing how in the modern world self-sufficiency in food was a necessary condition for a state to maintain its power.<sup>16</sup> Here he recognised the emphasis on agriculture in English colonial policy as a distinctive and early response to balance the mercantile trade-led system of political economy. Protected imports of colonial agricultural goods neutralised damaging effects arising from aggressive balance of trade politics. Because the English had developed colonies relatively quickly and supported them with the right laws, the English colonies outperformed the French as suppliers of agricultural goods. The English colonies were older, better formed and more populated.<sup>17</sup>

Although Melon believed that agricultural independence in the modern world was a necessary condition for international power, he devised a different way to arrive at subsistence autonomy. While Child and Locke agreed that population growth and the industry of people could only be sustainable in the long run by first, directly and separately heeding the primacy of agriculture, Melon's proposals followed a different path. First of all – immediately following the first chapter where he played out different scenarios of trade competition and concluded that sufficient local food supply was essential – he launched a plea for the liberalisation of grain trade.<sup>18</sup> It was an inescapable fact of modern European societies that not agriculture, but manufactures and trade, were the main sources of national

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<sup>15</sup> Melon, *A Political Essay Upon Commerce* (Dublin, 1738), p. 136.

<sup>16</sup> *Ibid.*, pp. 1-12.

<sup>17</sup> *Ibid.*, p. 72.

<sup>18</sup> *Ibid.*, pp. 13-24.

power and wealth. Still food was fundamental. Melon believed that an increase of high standard modern grain production would arise quickest if agriculture was included into the equation. The challenge for modern commercial societies, as Melon saw it, was not to repair the neglect of agriculture separately, away from the mother country, but to raise economic productivity in all sectors at the same time and create strong sectoral interdependencies through which circular monetary flows could be accelerated. Whether one liked it or not, the needs and desires of humans living in modern commercial states had already got accustomed to this situation and it was expedient to exploit this to the national advantage by using luxury as an incentive to trigger people's industry.<sup>19</sup> Melon recommended European states to capitalise on the levelling effects of luxury, which was 'in some sort, the Destroyer of Sloth and Idleness. The sumptuous Man would soon see the End of his Riches, if he did not endeavour to preserve them, or to acquire more; and he is, by so much the more engaged, to perform the Duties of Society, as he is exposed to the Eyes of Envy.'<sup>20</sup> To calibrate and spur the national spirit to action colonialism, slavery, devaluations, taxation, machines, public debts, credit, fixed interest rates, paper money and national banks all belonged to the arsenal of the new legislative art that was imperative for European states. It was only natural that in modern Europe the basic connections between land-property-labour-grain-population-power became an integral part of this fabric of wealth production.

To meet the demand for agricultural goods, it would be advisable '[t]o reclaim barren lands, and make them profitable: [and in that way] to conquer new Countries, without making any one person miserable.' A legislator who could animate the minds of people to fill these barren lands 'would do more Service to the State, than he, who by a destructive

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<sup>19</sup> Ibid., pp. 173-206.

<sup>20</sup> Ibid., p. 177.

bloody War, would add the same quantity of Land to his Country. But the glory of doing so, would not appear, with so great a Lustre, to vulgar Eyes. It would be acquired, without Dangers of War, without the Loss of a Citizen, and without attracting the Jealousy of Neighbours.<sup>21</sup> The last aspect was essential. Melon argued in his chapter on colonies, referring to the Dutch and Portuguese struggles over territorial possessions in both the Indies, that any state – regardless of its form of government – was easily tempted to attack or could just as easily be forced to defend overseas possessions against a rival power: ‘The Republican Spirit sheweth, with Pleasure, the Faults of the Monarchies; the Monarchical, those of Republicks: and the Faults, are made pretty equal on both sides.’<sup>22</sup> Truly modern government was able to detach itself from previous habits. It could recognise this disadvantage of colonies and see its true nature as a remnant of the spirit of conquest, religious prejudice and lust for aggrandisement. Besides, although relocating ‘Superfluous’ labour to external territory was ‘in all Respects useful’, the ‘Growth of Colonies’ was ‘slow’.<sup>23</sup> Therefore, Melon held, the English strategy was not the optimal one for boosting economic growth. By placing the corrective of agricultural neglect in colonial cultivation, the English were not dissociating themselves entirely from the logic of conquest and continued to be exposed to its hazards.

The political message of Melon’s observations was reinforced by its presentation. The style of Melon’s observations was not that of a theoretical exposition inspired by an all-encompassing vision of modern politics, but was often satirical. Melon pointed to a number of common prejudices that hampered economic growth in France and in other states and ridiculed the impact that rigid moral notions, e.g. of equality, had on possibilities for

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<sup>21</sup> Ibid., p. 76.

<sup>22</sup> Ibid., p. 68.

<sup>23</sup> Ibid., p. 72.



modernising political reforms. In the chapter on slavery, for example, he took the line that slavery was a species of inequality. While ‘EQUALITY amongst men, is a chimera, which can scarce bring forth an ideal Commonwealth [...] there are an infinite number of Subordinations, of which Slavery will always hold the lowest degree.’<sup>24</sup> It was true that ‘the idea of Barbarity, hath always been annexed to that of Slavery, because the Slave was originally a Prisoner of War, over whose life, the Conqueror always retained, the Right he had acquired by having preserved it for him.’<sup>25</sup> However, with the right kind of legal reform, like the ‘*Code Noir*’, slavery would become a sort of ‘Servitude’, not altogether that dissimilar from regular forms of employment or even matrimony.<sup>26</sup>

Just as the Irish translator of Melon’s *Essai politique* noticed the critical ‘liberal’ tone of the work and judged that its provocative messages and paradoxical inversions<sup>27</sup> might be more suitable for England to reconsider its economic relations with Ireland than they were applicable to absolutist France,<sup>28</sup> so the book was hailed by Intieri in Naples as a blueprint for Neapolitan commercial politics.

### **The Neapolitan debate on commercial reform**

*Melon in Naples: Intieri, Doria*

Melon’s opposition of commerce and conquest as a rechanneling of earlier political economic views in Naples was picked up as a particularly exciting vision about the

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<sup>24</sup> Ibid., p. 80.

<sup>25</sup> Ibid., p. 83.

<sup>26</sup> Ibid., pp. 83-5.

<sup>27</sup> Melon provocatively called colonies a species of luxury since that was where superfluous labour force could be sent to cultivate ‘Sugar, Silk, Coffee, Tobacco’, once the national territory was all used for tilling necessary products; Ibid., p. 175.

<sup>28</sup> Ibid., i-xxxiv.

enduring errors committed by dominant states in European history and the problems these witnessed in reforming their own economic structures. Naples did not have to come such a long way to catch up, Intieri suggested to Celestino Galiani in his letters. It was also unnecessary to have overseas territories or colonies, the defense of which would be too great a challenge to Neapolitan military prowess.<sup>29</sup> But Melon's *Essai politique* provided a new outlook onto the future of Neapolitan commerce mainly in another way. Intieri recognised the book as presenting a full-blown perspective on the dual challenge to Neapolitan politicians to develop a strategy for avoiding threats to the fragile new state in the European arena of military and commercial competition and destroy the remnants of the abusive politics of the Spanish viceroy and Southern-Italian aristocracies. The key to both issues was luxury. Intieri transcribed the chapter on luxury from Melon's book and sent it to Celestino Galiani.<sup>30</sup> Rather than to confront all the layers of malgovernment, neo-feudal legal and political institutions, unequal land distributions and ecclesiastical claims, these remnants of the inglorious past would crumble and collapse once the industrious and creative Neapolitan population started to find ways to set up new manufacturing industries, cultivate the fertile lands and grow wealthy.

Like Melon, Intieri argued for liberalising the grain trade. Following the first part of chapter II of the *Essai politique*, he explained to Celestino Galiani that abundance of grain that could not be sold abroad led to lower prices, lower production and vulnerability to dearths: 'Mr. Melon wisely writes that [...] abundance is more frightening than famine.'<sup>31</sup> If the grain trade 'were to be freed from the many obstacles that it has' and 'the prince facilitated transportation to the sea by building safe and comfortable roads' Naples would

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<sup>29</sup> Although Sicily was often considered a colony, at least in terms of economic relations.

<sup>30</sup> 30 December 1738, BSNSP, xxxi.a.7, ff. 23r-24v.

<sup>31</sup> 25 January 1739, BSNSP, xxxi.a.7, f. 27v.

not only stop importing grain from Poland and England, but be able to supply the whole of Italy.<sup>32</sup> The antiquated grain tax system was the main disorder that blocked the modernisation of Neapolitan agriculture.<sup>33</sup>

Intieri rejected development projects initiated by the state and protection of the domestic economy and made a clear choice about how the Neapolitan commercial potential, which he believed was huge,<sup>34</sup> could be realised. Instead of opting for protecting the national economy, he arrived at the opposite conclusion, a result of consequently following through the logic of Melon's views, that 'one could not live comfortably [...] without mixing with the other nations'.<sup>35</sup>

In all this, Bartolomeo Intieri and Celestino Galiani were in complete opposition to Paolo Mattia Doria, whose reform proposals outlined in a manuscript 'Del commercio del regno di Napoli'<sup>36</sup> entailed a systematic closure of the Neapolitan economy from the exterior world. The three main ports of Taranto, Naples and Brindisi, he recommended, had to become centres from which foreign trade could be tightly regulated. Agriculture should be promoted, while domestic trade had to be liberalised. Doria proposed reforms to limit the growth of inequality, stimulate the regeneration of the countryside, while luxury consumption in the capital Naples was to be thwarted.<sup>37</sup>

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<sup>32</sup> 31 January 1739, BSNSP, xxxi.a.7, f. 30v.

<sup>33</sup> 31 January 1739, BSNSP, xxxi.a.7, f. 30v.

<sup>34</sup> 11 October 1738, BSNSP, xxxi.a.7, f. 5r and 13 January, 1739, BSNSP, xxxi.a.7, f. 25r.

<sup>35</sup> Franco Venturi, 'Alle origini dell'illuminismo napoletano, dal carteggio di Bartolomeo Intieri', *Rivista Storica Italiana*, 71/2 (1959): 433-4.

<sup>36</sup> *Il pensiero civile di Paolo Mattia Doria negli scritti inediti* (ed. E. Vidal, Milan, 1953), pp. 153-229. It was written for Francesco Ventura, one of Naples' most influential lawyer-reformers. For Doria, see the chapter by Sophus Reinert.

<sup>37</sup> Doria, *Il pensiero civile*, pp. 95-8.

Doria's plan was a reinvention of Fénelon's model for the simultaneous moral, economic and political reform of Salentum in his *Télémaque*.<sup>38</sup> The aim was to restore the natural centrality of agricultural production and equality among men as the twin bases for the creation of true wealth and population increase. The direction of these reforms contrasted with the direction of commercial politics across Europe. There the primacy of foreign trade and balance of trade politics had arisen, which Doria called 'abstract commerce', in contradistinction to the 'real commerce', which revolved around need satisfaction, that it had replaced. Doria described the reality of modern trade as a disease. European politicians had adopted the behaviour of greedy merchants and suffered from a 'furious inclination' to 'mercantile commerce'.<sup>39</sup> Doria argued that the false virtues that swayed modern commerce were ineffective means for the acquisition of true wealth.<sup>40</sup> He agreed with Jean-François Melon that conquest and commerce excluded each other in principle. Territorial ambitions required warfare, which obstructed economic growth. Combining trade with imperialism was a self-defeating strategy. Doria himself had already

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<sup>38</sup> See Hont, *Luxury*, pp. 380-9.

<sup>39</sup> Paolo Mattia Doria, 'Il commercio mercantile', quoted by Ajello, *Arcana Juris: diritto e politica nel settecento Italiano* (Naples, 1982), pp. 405-6.

<sup>40</sup> Doria's political economy crucially rested on his moral philosophical and political views, as he himself proudly declared, while referring to his *La vita civile* (Naples, 1709). In that book Doria discussed a threefold typology of political societies: 'the purely *military* one [*la pura militare*], when a people unites itself under a captain, [secondly] the *civil economic* one [*la civile economica*], [...] when one unites under the civil law, but with a frugal and moderate lifestyle, and [thirdly] the *civil pompous* [*la civile pomposa*], which is when one lives in a more cultured [*colta*] and pompous manner' (p. 116). This threefold distinction between different types of societies mirrored Fénelon's in the *Télémaque*, between a simple pre-modern society, a corrupted luxurious society and a well-reformed modern monarchy. In his moral philosophy Doria identified the regulation of people's *amor proprio* through stimulation of their intellectual appetite as the key to good politics.

argued in *La vita civile* that the politics of conquest in modern times had impoverished Spain and Portugal.<sup>41</sup> France, under Louis XIV and Colbert, had been the first state to attempt to replace the monarchical virtues of ‘real commerce’ with greed and luxury and engage in a politics of conquest *through* mercantile commerce, which was a confused version of the same backfiring strategy.

These monarchical states had overlooked that underlying success in foreign commerce there always had to be a kind of virtue that was more common to republican regimes. Trade was based on a dedication of those who engaged in it to suspend their present pleasure and act in the service of the common good. When war turned into peace, sailors turned to trade and risked their lives to travel the seas and carry goods from one place to another. It was only when the commerce of trade republics came under the control of bankers, Doria argued, that the rot set in. This and the increase of inequality and luxury consumption it caused led to the decay of trading nations like the Dutch and the English. Machiavelli, Doria stated, was right as ‘the events of our time confirm that without the foundation of true virtue, no particular order can remain stable, nor be useful to Republics or other states.’<sup>42</sup>

By the 1740s, Doria concluded, most European states had adopted the garbled political strategy that Colbert had devised near the end of the seventeenth century. One of Doria’s unpublished manuscripts of the 1740s in which he addressed this situation was called ‘the politics by which the various republics and monarchies of Europe are governed have made Europe in fact completely barbaric and dressed it up in fake and false

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<sup>41</sup> Doria, *La Vita Civile*, pp. 359-61. Doria repeated himself arguing that Philip II of Spain whose malicious politics destroyed virtue for the sake of conquest also destroyed the income of country, died bankrupt and ruined the monarchy.

<sup>42</sup> Vidal, *Il pensiero civile*, p. 229.

civilisation.’ The political economy that carried the day ‘made all states poor’.<sup>43</sup> Rather than to control markets and protect the virtue and happiness of their subjects, politicians promoted a ‘universal tyranny’ that held Europe in its power.<sup>44</sup>

Doria believed that even if other states were to refocus on ‘real commerce’, the advantage of Naples, compared in particular with France, was that it had not developed the same levels of luxury consumption and corruption. In Naples the vices of modernity did not have to be corrected so much. The reform of Naples was not a matter of a painful return to virtue, but rather of a prudent development of its liberty, acquired through independence, into the right direction and thereby defeat the strategy of other countries. One simply should not be distracted by the jealousies that kept other states occupied with each other’s ill-conceived games of ‘abstract commerce’. Naples could become admired and feared by them in the space of twenty years: ‘the Kingdom of Naples, by directing its real and effective commerce well, could be more abundant with money than the English and Dutch attract with their ideal companies.’<sup>45</sup> At that stage Naples would become what Doria called a ‘civil economic’ society, in which *amor proprio*, man’s natural instinct for self-preservation,<sup>46</sup> was absorbed by a higher level of love that made men extend the aim of their economic activities to include the care of others in society.

*Broggia’s anti-Melon: Naples as a virtuous commercial monarchy*

Doria’s ideas were a major inspiration for Carlantonio Broggia, who published a book on taxes and money in 1743 and a *Memoria* on monetary problems in 1754.<sup>47</sup> From the

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<sup>43</sup> Vidal, *Il pensiero civile*, p. 229.

<sup>44</sup> Quoted by Ajello, *Arcana Juris*, p. 406.

<sup>45</sup> Doria, *Il pensiero civile*, p. 165.

<sup>46</sup> Doria’s *amor proprio* thus had not the same analytical status as Rousseau’s *amour propre*.

<sup>47</sup> Carlantonio Broggia, *Trattato dei tributi, delle monete e del governo politico della sanità* (Milan 1803,

moment Melon's *Essai politique sur le commerce* first appeared Broggia started working on an anti-luxury treatise.<sup>48</sup> Melon's work was also 'the prime motive' and 'the occasion', for Broggia to expose all the misconceptions and lies about the advantages of luxury in a work entitled *Della vita civil economica*<sup>49</sup> (the title paraphrased Doria's main work). Broggia's anti-Melon started with a definition of luxury as 'the abuse of riches'.<sup>50</sup> The phrase would recur over and over again in Broggia's oeuvre and after handing over a copy in 1754 of his *Memoria* to a French abbot who gave it to his friend Mirabeau, he was quick to accuse the latter of plagiarising his ideas in *L'ami des hommes*, of 1756, where the same definition of luxury appeared, after which it spread across Europe.<sup>51</sup>

In the first pages of his attack on Melon, Broggia wondered how it was possible that the entire human tradition since antiquity of managing human industry and equality by means of sumptuary laws and eternally wise measures had given way so quickly to a feverish pursuit of luxury, such as advocated by Melon. Before engaging in a detailed criticism of Melon's *Essai* in part two of his critique, Broggia first provided an outline of

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[1743]) and *Memoria ad oggetto di varie politiche ed economiche ragioni e temi di utili raccordi che in causa del monetaggio di Napoli s'espongono e propongono* (Naples, 1754) [partially republished in: *Politici ed economisti del primo settecento, dal Muratori al Cesarotti* (ed. R. Ajello, Naples-Milan, 1978), pp. 971-1059]. See Franco Venturi, 'Broggia e Vico', in: *The age of the Enlightenment: studies presented to Theodore Besterman* (ed. W.H. Barber, Edinburgh, 1967), pp. 298-307.

<sup>48</sup> Broggia, *Il banco e il monte de' pegni. Del lusso* (ed. Rosario Patalano, Naples, 2004). In 1747 Broggia had prepared a frontispiece and seemed ready to publish the work (p. 48).

<sup>49</sup> Broggia published an outline of his ideas in his *Memoria*, pp. 1015-6, 1041-59.

<sup>50</sup> Broggia, *Del lusso*, p. 59.

<sup>51</sup> Broggia, *Del lusso*, pp. 50-51. See Mirabeau, *L'Ami des hommes* (Avignon, 1756), p. 269. Broggia was quick to find himself plagiarised. He saw Trojano Spinelli's *Riflessioni politiche* (Naples, s.d., probably 1748) as copying directly (and often even misinterpreting) his 1743 *Trattato dei tributi*. See Venturi, 'Tre note su Carlantonio Broggia', *Rivista Storica Italiana*, 80/4 (1986): 830-53.

his countermodel for Naples of an ‘island far removed from any commerce with other countries and very fertile and abundant in all of life’s necessities.’<sup>52</sup> On the island there was a right ‘proportion’ of artisans. It would seem as though this island had all it needed and would be perfectly happy: ‘and still it was not, instead the opposite was the case.’<sup>53</sup> The reason was that five rich people owned all the island’s capital and bought luxury goods from abroad. They had no incentive, and the other people no opportunity, to develop agriculture and be industrious. Reforms were necessary. In the first place the landed property had to be redistributed equally among the six hundred families on the island. Some of these families would manage to acquire an annual income of 500 ducats, some 300, and others only 100, but any income over 500 ducats would be redistributed. Inheritances were to be divided equally over the heads of the direct family. There would be no other succession privileges. The Prince of the island would strongly dedicate himself to the encouragement of industry and make sure that the virtue of industry would be regarded and honoured as much as military and civil virtues. As a result, rich and poor lived together in infinitely greater harmony than before. The nobility would not love useless luxury spending, but find a new obsession in industry, and merchants would be much better off for not feeling they had to always show off as well as anxiously protect their wealth. Due to a few well-observed sumptuary laws the island would rapidly become ‘entirely commercial’ and ‘the empire of all wealth’. Soon the burgeoning economy of this ‘island without luxury’ would be able to spend millions, rather than the value of 300.000 ducats (the normal level of the export value of agricultural and minor manufacturing produce) and its population would grow. People were enriching themselves on the destructive luxury habits of people in other states and the direct reinvestment of capital in industry, which happened

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<sup>52</sup> Broggia, *Del lusso*, pp. 67-77, quotation p. 69.

<sup>53</sup> *Ibid.*, pp. 69-70.



automatically, since consumption was not socially valued. Due to the political screening of national consumption and the moral advantage the island had over other states it could separately produce loads of agricultural goods for its own population and manufactured goods to send abroad.<sup>54</sup>

Broggia wanted wealth to be well-constructed, equal and therefore not based on luxury. He denied that it was ‘more difficult for a rich man to go to heaven than for a camel to go through the eye of a needle.’<sup>55</sup> What *was* impossible from Broggia’s point of view was to combine national wealth with luxury spending and inequality. No compromises were possible. Without a major land property reform inequality remained and the five landowners would still only be inclined to spend their income abroad. Precisely the morally corrective effects of luxury consumption in a weak national economy meant that inequality always led to poverty. In that case, the only solution was to completely shut off the borders from commerce with other nations and accept the impossibility of increase of population and national wealth. It was thus crucial that the provinces of the Kingdom were reformed first to allow the cities to fulfil their natural functions.<sup>56</sup> It might be objected, Broggia pre-empted the obvious critique, by some people that this is perhaps how republics can work, but not monarchies. To this objection Broggia responded that monarchies had even more need for virtue than republics.<sup>57</sup> The key words of the title of Broggia’s later attack on Galiani’s *Della moneta* therefore were also ‘*Del pubblico interesse*’, as opposed to private

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<sup>54</sup> Ibid., p. 71-3.

<sup>55</sup> Broggia, *Memoria*, p. 1042.

<sup>56</sup> Broggia, *Del lusso*, pp. 75, 195-6.

<sup>57</sup> Ibid., p. 74. Doria had in his *Vita civile* distinguished the moral principles of monarchical ‘real commerce’ from the truer communitarian virtues of republican patriotic defence of the state and its commerce.

interest, which was an affront to the unbeatable logic of sustainable economic growth and ‘perfection’.<sup>58</sup>

*Neapolitan commerce in Galiani’s Della moneta*

In 1751 Ferdinando Galiani published his first work *Della moneta* which was heavily indebted to French debates of the preceding decades and a response to Neapolitan economic reform debates. Originally, the work was a spin-off from Galiani’s overwhelmingly ambitious attempt to develop a cultural and political overview of the history of modern government through the development of human commerce since the time of the earliest navigation and trade in the Mediterranean. *Della moneta* also started with a chapter on the history of money and commerce since antiquity in order to show how international trade as it existed in the eighteenth century had come about historically. Galiani described how Rome once ‘wallowed in deep pools of gold and silver’, which caused such ‘changes of its ancient customs’ that its political culture collapsed: ‘born poor [...] and grown by arms’ Rome became oppressed by its own ‘wealth and luxury’.<sup>59</sup> Galiani described the decline of Rome as a political failure to address the contradictions that had arisen in its customs. Those contradictions were the foundation of the feudal politics that existed in medieval times when ‘trade had been halted and was all but extinguished’. When ‘in the fifteenth century, Europeans began to live more in accordance with the laws [of commerce], even before the discovery of the Indies, [...] gold and silver began to appear again in greater quantities’.<sup>60</sup> The discovery of America and the development of navigation then fuelled ‘the industry of subjects and the greed of princes, who all hoped to be able to enrich

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<sup>58</sup> Ibid., pp. 72, 189

<sup>59</sup> Galiani, *Della moneta*, pp. 27-9.

<sup>60</sup> Ibid., p. 29.

themselves.’<sup>61</sup>

They began to employ funds that were previously spent on arms and destroyed in war for shipbuilding and the establishment of colonies, the construction of ports and fortresses, and for the creation of roads and warehouses. People who had first cast their lot with war now turned with unbelievable zeal to the sea, to exploring and to discovery and conquest. For Europe [...] this meant peace, humanity, improvement in the arts, luxury and magnificence, increasing her wealth and happiness. But for the innocent Indians it meant plunder, servitude, slaughter and desolation. [...] Just as Roman conquests had rendered Italy prosperous, we too enriched ourselves on the misery of others, although we did not consider ourselves conquerors, like the Romans.<sup>62</sup>

The separation between modern territorial trade competition and ancient conquest was not so definite, according to Galiani. In ‘those centuries’ of antiquity ‘wealth was companion to arms and therefore followed the vicissitudes of war’, whereas ‘today, wealth follows the path of peace.’ Similarly, ‘whereas at that time the bravest of men were the richest, today the richest are the most unwarlike and peaceful.’<sup>63</sup> Echoing Josiah Child’s definition of trade as a ‘different kind of warfare’,<sup>64</sup> Galiani qualified the underlying principle as only a ‘different virtue of combat’.<sup>65</sup> Greed inspired ‘men’s minds’ to turn ‘to thoughts of peace.’ Yet, the competition between states was as relentless and aggressive, even though in appearance it had been pacified.

Still, even if modern interstate relations were determined by jealousies and perennial struggles this was no reason to turn against inequality, luxury and modern financial instruments. Instinctive fears of modernity were not an adequate guide to resolve the various political challenges that existed for different states under these circumstances. Galiani judged that ‘of those who have dealt with the subject of money, only the author of

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<sup>61</sup> Ibid., p. 30.

<sup>62</sup> Ibid., p. 30.

<sup>63</sup> Ibid., p. 30.

<sup>64</sup> Quoted in William Letwin, *Origins of Scientific Economics* (London, 1963), p. 44.

<sup>65</sup> Galiani, *Della moneta*, pp. 27-8.

the *Saggio sul commercio*, believed to be *signor* Melon, a man of great genius and a truly honest and virtuous mind, has distinguished himself.’<sup>66</sup> Galiani set out to show how most of what Melon had argued as a set of observations could be subsumed under a general theory of the ‘laws of commerce’ and thereby to disentangle the various dimensions of modern political history that had led to the present situation.<sup>67</sup>

Galiani’s basic argument connected his ideas of human nature and sociability to the value of money. He defined *amor proprio* as an innocent product of human nature: ‘if the feeling of pleasure derived from the reverence and esteem in which others hold us were to be ridiculed this would constitute a reproach against our nature, which created this disposition of mind, not us ourselves’.<sup>68</sup> According to Galiani ‘the good moral order of the universe’ was ‘completely maintained by money’ and the ‘Author of nature’ guarded over it.<sup>69</sup> These statements, particularly the association with providence, reflected Galiani’s ambition to discern in the history of humankind the realisation of a pre-determined plan of the progress of humankind based on self-interested human drives. Galiani had developed an intricate moral philosophy to this end that explained human self-seeking and selfless motives as deriving from the same principles.<sup>70</sup>

However, history since the fall of Rome had taken a peculiar course at the end of which European governments found themselves guarding the balance of trade while their national economies had failed to develop a proper basis for foreign trade in agricultural productivity. Yet, Naples, in this regard, was not France: the challenge for the backward state of eighteenth-century Naples was to develop its agriculture while side-by-side

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<sup>66</sup> *Ibid.*, p. 13.

<sup>67</sup> *Ibid.*, p. 55.

<sup>68</sup> *Ibid.*, p. 41.

<sup>69</sup> *Ibid.*, pp. 79-80.

<sup>70</sup> See Stapelbroek, *Love, Self-Deceit and Money*, pp. 127-164.

interpreting the natural increase of price levels, the emergence of luxury and inequality due to new commercial dynamics as signs of a bright future.

Although commerce and agriculture may be linked together in such a manner that each is an effect together with a cause of the other, agriculture [...] is always found prior to trade. For flourishing trade arises out of an abundance of superfluous goods. And this comes from agriculture which is, in turn, made by population. Population arises from liberty, and liberty, finally, arises from just government. We already have the last two and, in part, even our population has grown.<sup>71</sup>

Galiani felt that Naples should protect its freedom in modern Europe through modernising its agriculture, find new fishing grounds in the Mediterranean and exploring the possibility of extending trade by cutting through the isthmus of Suez. While the most advanced states of Europe failed to form a clear view and adequate policies for using the opportunities for boosting their commercial potential and protecting their leading role in the world, this opened up space for Naples to fill the gaps that were left. Here, Galiani followed the lead of his teacher Intieri. It was precisely by mixing with the other states and riding the waves of luxury and inequality, rather than by filtering the reality of interstate commercial competition, that Naples could best protect its own independence.

### **Conclusion: the ‘proud epithet of Enlightened’**

It was in this context – the Neapolitan debate about commercial politics that absorbed French and English analyses about the long-term prospects and requirements to monarchical reform – that Galiani developed the backbone of his political theory. Through the moral philosophy and history of commerce and modern government he simultaneously constructed, Galiani arrived at a position from which he launched predictions about the future of international trade and shifts within international relations. In 1770 Galiani

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<sup>71</sup> Galiani, *Della moneta*, pp. 282-3.

criticised the physiocrats' economic reform programme of the 1760s.<sup>72</sup> Privately, he explained to his Parisian friends his opinion that politics based on 'foresight' [*prévoyance*] was the cause both of the actual wars in Europe and of the dysfunctional 'enlightened' moralising about preventing them, which together suffocated the providential mechanisms of commerce to such an extent that Galiani predicted that in the future 'there will be very little trade'.<sup>73</sup>

What the eighteenth-century meant for Galiani was the spectacle of an irreversible transition from a political constellation dominated by the isolated principle that 'war is the luxury of the monarchy'<sup>74</sup> to a configuration in which economic competition between dominant states had made luxury itself a necessary source of survival. Galiani, already in *Della moneta*, did not reject luxury, devaluations and public debts, but observed that even Melon still had not sufficiently thought through their proper political use.<sup>75</sup> Likewise, the English economy had not grown as much as it could have, had its policies been better developed.<sup>76</sup> In 1751, Galiani saw in the imperfect transition by France and England to the age of commercial societies as leaving opportunities for Naples to establish itself on the international scene. In the aftermath of the Seven Years' War, during his stay in Paris Galiani witnessed how this transition process in France became paralysed through the rise of physiocracy (the roots of which Galiani located in Montesquieu<sup>77</sup>) and its politics of

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<sup>72</sup> Ferdinando Galiani, *Dialogues sur le commerce des bleds* (Paris, 1770).

<sup>73</sup> Galiani, *Correspondance*, to Mme d'Épinay 1 August 1778 and 4 May 1771.

<sup>74</sup> The only phrase to feature both in Galiani, *Della moneta*, p. 219 and in Galiani, *Dialogues*, pp. 107, 113.

<sup>75</sup> Galiani, *Della moneta*, p. 13, see also pp. 241-2.

<sup>76</sup> *Ibid.*, p. 248

<sup>77</sup> *Ibid.*, pp. 342-3 (in the second edition of 1780).

enlightened despotism,<sup>78</sup> while the English mercantile system failed to evolve and instead generated its own international tensions. By 1780, amidst the War of the American Independence, Galiani placed his hopes on Catherine the Great's scheme of Armed Neutrality as the only feasible way to correct Europe's political economy and restore the possibilities for commercial exchange between nations. At this stage he sarcastically applied the 'proud epithet of Enlightened' to disqualify the bulk of political thought of the age as unable to provide absolute rulers with any helpful perspective on how to solve the most pressing challenges of the time.<sup>79</sup> It may be argued that Galiani was quite an idiosyncratic thinker. However, if his ideas about 'foresight' are anything to go by, the question arises whether currently established connotations of the concept of enlightened absolutism, as developed in hindsight of the eighteenth century, can at all be reconciled with how political thinkers at the time looked at the problems of 'civilized monarchies'.

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<sup>78</sup> For the central mechanics of the physiocratic theory of Enlightened despotism, see Michael Sonenscher, 'French economists and Bernese agrarians: The marquis de Mirabeau and the economic society of Berne', *History of European Ideas* 33/4 (2007): 411-26.

<sup>79</sup> Ferdinando Galiani, *Dei doveri dei principi neutrali* (Naples, 1782), pp. 241, 62.