

International networks in Milan in the Napoleonic Age

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Abstract

As Napoleon swept up the Continent, European societies faced alternative paths of modernization depending on the élite capable of directing the change. In Lombardy, a region deprived of an own nation state and of independence, the only viable way to modernization was that of economic changes guided by the mercantile élite. Not a nobility based on political participation, patriotism and civil rights but a nobility of work could substitute in Lombardy *ancien régime* values.

Attracted, as Napoleon soldiers, by the richness and the entrepreneurial opportunities of northern Italy, many merchants crossed the Alps to settle down in Lombardy. They didn't bring warfare or pillages along them. Through their international networks they channelled into Lombardy capital, skilled workers and entrepreneurial capabilities. But their influence on the Italian region was not limited to manufacturing, organizational or financial innovation. Through their economic and social ascent an example was set as to how, through hard work, economic if not political independence could be achieved. Even governments respected this wealthy élite, being dependent on their availability to finance their growing public debt, on their intermediation to supply the necessary wares in a specializing and globalised Europe, and on their capability to employ the population in new manufactures. The reforms to make this élite politically represented were not unique to the French government. The Austrian rule that preceded and followed Napoleon in Lombardy went the same path. Such political recognition reinforced the influence of the cosmopolitan merchant élite on Lombardy's intellectuals and nobility. Around it rapidly coalesced a social grouping prone to innovation, liberalism, religious tolerance and favourable to federative aggregations. Beginning with the Napoleonic age such aggregation was capable of directing Lombardy's modernization well before Italy's political independence.

Keywords: Lombardy; Napoleon; networks; merchants; entrepreneurial migrations

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Milan in the Napoleonic Age

*Pauci bona libertatis in cassum disserere,
plures bellum pavescere, alii cupere.
Pars multo maxima imminentis dominos
variis rumoribus differebant*¹

For Lombardy the Age of Napoleon² began earlier than in the rest of Europe or even France. *Generale Bonaparte* was assigned to bring the winds of Revolution in northern Italy and reached Lodi,³ at the gates of Milan, as early as the 10th of May 1796.

As fast as his military victories on Piedmonteses and Austrians alike, was Napoleon's understanding of the social and psychological aspects of his conquest. The revolutionary values of liberty, equality and fraternity could not win the Milanese people to the French cause, the only promise capable of igniting their hearts would have been autonomy.

"If the people would ask to organize a republic, should I give them my consent?"⁴ was the bold question posed by Napoleon to the Directorium in the first days of his occupation. The answer was the contribution of 20 Million Francs (25 Million Lire milanesi) imposed by the French the 19th of May. Spreading the Revolution was just a ruse to find pillaging territories for armies that couldn't be sustained in France. Freeing Lombardy's citizens was the last preoccupation for the French government, the orders Napoleon had received from the Directorium were clear: "First thing conquer the Milanese even if we'll have to render it to the Austrians to assure the peace with them or give it to Piedmont in exchange of some future help in this conquest or for the Mont Blanc and the maritime Alps constitutionally reunited to the Republic."⁵ An echo of the Austrian volition, in the 1740s, to use the territories in Northern Italy "as a secure pawn in many planned exchanges of provinces"⁶ or later to maintain direct control over

¹ Tacito, *Annales*, Vol. I, paragraph 4. Melchiorre Gioia, economist and intellectual, posed this quotation at the beginning of his pamphlet on the significance of Patriotism, written in the midst of the French occupation. Melchiorre Gioia, *Cos'è patriotismo?: appendice al Quadro politico di Milano*, G. Ruggia e comp., Lugano, 1833.

² On the economic history of Milan in the troubled times of French occupation see: Armando Frumento, *Le repubbliche cisalpina e italiana*, Banca Commerciale Italiana, Milano, 1985; and Alberto Cova, "Tradizione e innovazione nel mutato contesto politico e territoriale dell'Età Francese," in Sergio Zaninelli (ed.), *Storia dell'Industria Lombarda*, Il Polifilo, Milano, 1988, pp. 105–200.

³ "Lodi —wrote the agronomist Arthur Young in his journey of 1789— is a little insignificant place, without trade, and without manufactures. It is part of a dominion that may be said to have neither, and cut off from all connection with the sea: yet there is not a town in France or England, of double the population, that ever exhibited a theatre so built, decorated, filled, and furnished as this of Lodi. Not all the pride and luxury of commerce and manufactures, not all the iron and steel, the woollen or linen, the silk, glasses, pots or porcelain of such a town as Lodi, ever yet equalled this exhibition of butter and cheese. Water, clover, cows, cheese, money and music! These are the combinations, that string Italian nerves to enjoyment, and give lessons of government to northern politicians." Arthur Young, *Travels, during the years 1787, 1788 and 1789*, Rackham, Bury St. Edmund's, 1792, p. 205. On the economic history of Lodi see: Alberto Cova (ed.), "L'economia," in *Lodi. La storia dalle origini al 1945*, Banca Popolare di Lodi, Lodi, 1989, Vol. III, pp. 55–246.

⁴ Quoted in Stefano Nutini, "Il triennio rivoluzionario a Milano (1796–99)," in Franco della Peruta (ed.), *Storia Illustrata di Milano*, Vol. V (Milano Moderna), Elio Sellino Editore, Milano, 1993, p. 1541.

⁵ Letter of the Directorium to Napoleon the 7 May 1796. Quoted in Armando Frumento, *Le repubbliche cisalpina e italiana*, Banca Commerciale Italiana, Milano, 1985, p. 35.

⁶ Quoted by Elena Riva, "La Corte dell'Arciduca Ferdinando d'Asburgo Lorena Governatore

the region for the taxable richness of its agriculture.

French revolutionaries or Austrian reactionaries valued Lombardy alike. As scores of conquerors had in the past, they saw fertile plains to ransack and pillage, a valuable mean of exchange or an inexhaustible source of revenue. Stendhal⁷ resumed the appeal of his country of election in a few words: “Each sharecropping farm, in Lombardy, produces rice, cheese and silk to be sold for considerable sums, and also every other possible product; it is an inexhaustible land where everything is cheap.”⁸ Arthur Young,⁹ looking at the plains between Turin and Milan in 1789 had classified them as “the finest farmer’s prospect in Europe,”¹⁰ they were also, apparently, the finest soldier’s one.

French troops had so everything to gain in their Italian campaign while Lombardy, after half a century of peace and quiet Reforms,¹¹ nothing from renewed incursions or revolutionary inspirations. The resigned and subdued attitude of great part of Lombardy’s population reaffirmed as much.¹² Only a few young people of culture and poor prospective and quite some opportunists embraced Jacobinism, hoping for a better future.¹³ Even they were soon disappointed by the spoilages and arbitrary acts of government during the months French occupation and the following First Cisalpinian Republic. Patriots and intellectuals from all over Italy, who had taken refuge in Milan after the declaration of the Republic, could only ascertain the sad truth.¹⁴

“Will Lombardy ever be free? That’s the most asked question —reported the Tuscanian Filippo Pananti in the spring of 1797. Why doesn’t France answer? [...] Why had the Lombardian instead to take so many decisive steps? They had to place Francophiles in the administration, to erect a Club and a Municipality,

di Milano (1771–1796),” in Annamaria Cascetta and Giovanna Zanlonghi (ed.), *Il teatro a Milano nel Settecento*, Vol. I, Vita e Pensiero, Milan, 2008, p. 77.

⁷ On Stendhal and his stay in Italy in the Napoleonic era see: Giuseppe Pietro Bagetti, Adolphe Thiers, Xavier Salmon, *Napoléon en Italie à travers les aquarelles de Giuseppe Pietro Bagetti et les chroniques de Stendhal et d’Adolphe Thiers*, F. M. Ricci, Milan, 2001.

⁸ Stendhal, *Rome, Naples et Florence*, Michel Lévi Frères, Paris, 1865, p. 410.

⁹ On Arthur Young and his lifetime work in the economic study of agriculture see: Liam Brunt, “Rehabilitating Arthur Young,” *The Economic History Review*, New Series, Vol. 56, No. 2 (May, 2003), pp. 265–299.

¹⁰ Arthur Young, *Travels, during the years 1787, 1788 and 1789*, Rackham, Bury St. Edmund’s, 1792, p. 197.

¹¹ For an exhaustive bibliography on the period of Austrian domination and reforms in Lombardy during the eighteenth century see: Elena Riva, “La Corte dell’Arciduca Ferdinando d’Asburgo Lorena Governatore di Milano (1771–1796),” in Annamaria Cascetta and Giovanna Zanlonghi (ed.), *Il teatro a Milano nel Settecento*, Vol. I, Vita e Pensiero, Milan, 2008, pp. 74–75; and Carlo Capra, *La Lombardia austriaca nell’età delle riforme. 1706–1796*, Turin, Utet, 1987. On the collaboration of eminent Lombardian intellectuals and the Austrian Government in the reformation of the local legislation see also the contemporary appraising of Giuseppe Pecchio, *Biblioteca dei Comuni Italiani*, Series III, Vol. I (*Storia della economia pubblica in Italia: ossia epilogo critico degli economisti italiani*), Tipografia Economica, Torino, 1852, pp. 241–43. On the economic History of Austrian Lombardy in the eighteenth century see: Angelo Moioli, “Assetti manifatturieri nella Lombardia politicamente divisa della seconda metà del Settecento,” in Sergio Zaninelli (ed.), *Storia dell’Industria Lombarda*, Il Polifilo, Milan, 1988, pp. 3–102.

¹² Melchiorre Gioia, *Quadro politico di Milano*, Pirrotta e Maspero, Milan, 30 fiorile anno VI (1798), p. 54.

¹³ For contemporary sentiments and debates see the most important journal of Milan: “Il Termometro politico”. Vittorio Criscuolo (ed.), *Termometro politico della Lombardia*, 5 Vol., Ist. Storico Italiano per l’Età Moderna, Rome, 1989–(last to be published).

¹⁴ Marco Cerruti, “Da giacobini a napoleonici. La vicenda degli intellettuali,” in Bezzola (ed.), *I cannoni al Sempione. Milano e la “Grande Nation” (1796–1814)*, Cariplo, Milan, 1986, pp. 317–363.

form a civic Guard, see their legions transformed and incorporated in the French troops; they were asked to spill their blood in defence of so called human civil rights [...] They had to pay hundred and twenty Millions Lire, they have been at the mercy of rapacious and immoral administrators, they have been subjected to the kinds of Despinoy and Pinsot, monsters of atrocity and avidity. They cannot see what good could come from the new order of things.”¹⁵

And yet Stendhal claimed: “Regarding Italy, pillages a hundred times worse wouldn’t have been too high a price for the benefit of resurrecting all virtues.”¹⁶ In his view the arrival of Napoleon had started nothing less than a new renaissance: “The Italian character, as the lava in a volcano, could only express itself in music and sensual pleasures. From 1550 to 1796, it had been annihilated by the enormous weight of the most distrustful, feeble-minded and implacable tyrannical oppression. Religion aided the authority suppressing all its resistance. What showed of such character wasn’t it anymore. The 14th May 1796 marked a remarkable epoch in the history of human spirit. The General in chief Buonaparte entered in Milan; Italy resurged and will, for the history of human spirit, be again in the middle of Europe.”¹⁷

What Stendhal expected from Italians was, consequently, to acquire from France its sense of *la patrie*, in exchange of taxes and its precious silk. As many other foreigners too, he blamed Italy’s situation on its people’s lack of patriotic sentiments, military virtue and capability of selfless sacrifice.¹⁸ The awakening Italy deserved was that of political self-consciousness.

Could this be imposed through invasion? What’s more: would this nationalism be enough to define the passage of the Italian Republic and Milan, as its capital, from *ancien régime* to modernity¹⁹?

The void created by the waning of the old social and economic order could surely be filled substituting an aristocracy born in the service to the King with an open citizenship based on service to *la patrie*, as had been painfully happening in France, but there were alternatives. Modernization²⁰ was not one and the

¹⁵ Quoted in Stefano Nutini, “Il triennio rivoluzionario a Milano (1796–99),” in Franco della Peruta (ed.), *Storia Illustrata di Milano*, Vol. V (Milano Moderna), Elio Sellino Editore, Milan, 1993, p. 1541. On the curious figure of Pananti, patriot, poet and protagonist of the Italian exiles’ circles in Paris and London see: A. Agostini, “Filippo Pananti e gli avvenimenti toscani degli ultimi dieci anni del secolo XVIII,” *Rassegna storica toscana*, vol. XIX, n. 2, 1973, pp. 85–103.

¹⁶ Quoted by Armando Frumento, *Le repubbliche cisalpina e italiana*, Banca Commerciale Italiana, Milan, 1985, p. 498. The whole document is to be found in: Stefano Nutini, “Un ‘reportage’ di Filippo Pananti sulla Cispadania e la Cisalpina”, *Il Risorgimento*, Vol. XXXVI, N. 3, 1984, pp. 261–275.

¹⁷ Stendhal, *Rome, Naples et Florence*, Michel Lévi Frères, Paris, 1865, p. 406.

¹⁸ On the *Italienbild* of foreign elitarian visitors see also: Joseph Luzzi, *Italy without Italians: Literary Origins of a Romantic Myth*, MLN, Vol. 117, No. 1, Italian Issue (Jan., 2002), pp. 48–83.

¹⁹ “Modernity in this sense is not a moment or age, but a set of relations that are constantly being made and unmade, contested and reconfigured, that nonetheless produce among their contemporaneous witnesses the conviction of historical *difference*. [...] modernity refers to the cultural practices and representations that produced certain kinds of subjects and objects of knowledge, upheld widely-shared notions of space and time, or facilitated the formation of cultural identities that resulted in pluralities and contradictions as well as unities and coherences.” Kathleen Wilson, “Citizenship, Empire, and Modernity in the English Provinces, c. 1720–1790,” *Eighteenth-Century Studies*, Vol. 29, No. 1, The Public and the Nation (Fall, 1995), p. 71.

²⁰ For a definition of modernization see: Kathleen Wilson, “Citizenship, Empire, and Modernity in the English Provinces, c. 1720–1790,” *Eighteenth-Century Studies*, Vol. 29, No. 1,

same with national identity. Henri Saint Simon²¹ clearly grasped the difference between a social change directed by jurists and philosophers, as was the case of France, and a more preferable one led by industrious people and scientists.

“The enlightened spirits well recognise today the necessity of a complete renewal of the social system; this change has become so imminent that it has to be perceived. The capital error, though, usually committed in this regard is to believe that the new system should be built according to the doctrines of men of law and metaphysic.”²² And more: “The question is to organise the industrial and scientific system required by the present state of civilisation to replace the old one. Industrious people and scientists should, therefore, occupy the political scene, each in its natural role.”²³

European societies faced alternative paths of modernization depending on the élite capable of directing the change. In Lombardy, a region deprived of an own nation state and of independence, the only viable way to modernization was that of economic changes guided by industrious people and scientists.²⁴ Not a nobility based on political participation, patriotism and civil rights but a nobility of work²⁵ substituted in Lombardy *ancien régime* values. Stendhal recognized such signs already in the years of the Italian Republic. “The streets are twenty times better than in France. Everything is organized, everything functions, manufactures are multiplying, work is honoured, everyone with intelligence is gathering a fortune. The most humble apprentice in pharmacy, working in the backyard of his master’s shop, is all taken by the idea that if he makes a grand discovery he will receive the order of the cross and will become an Earl. This spring, appropriately to modern times, has the same force as the one that once brought Romans to conquer the world.”²⁶

Such profound evolution in society’s values implied changes in the local élite as in its economic composition and social perception, changes that were not the result of the implementation of liberties the French only promised, and not something that could be accomplished in a decade, even by Napoleon. This secular process had in commerce its building force and in international networks its diffusion ways.²⁷

The Public and the Nation (Fall, 1995), pp. 70–71.

²¹ On the influence of Saint-Simon and his doctrines on the Italian Risorgimento see: Renato Treves, *La dottrina sansimoniana nel pensiero italiano del risorgimento: (Saint-Simon, Claude Henri Comte de) Contributo alla storia della filosofia sociale in Italia nella prima metà del secolo XIX*, Istituto Giuridico della R. Università, Turin, 1931.

²² Henri Saint-Simon, *Du système industriel*, Renouard, Paris, 1821, p. ix.

²³ Henri Saint-Simon, *Du système industriel*, Renouard, Paris, 1821, p. xiii.

²⁴ Italian intellectuals and patriots, forced by the Austrian and French regimes not to write openly about political questions, devoted all their energies to the spreading of economic innovation through journals, articles and books on agricultural, mechanical and chemical questions, discussing canals, steamboats and railways. On this see: Kenneth R. Greenfield, *Economia e liberalismo*, Laterza, Bari, 1940.

²⁵ On the emergence of the value of work as a new nobility in Milan see: Stefano Levati, *La nobiltà del lavoro*, FrancoAngeli, Milano, 1997; and Stefano Levati, “Negozianti e società a Milano tra ancien régime e restaurazione,” *Società e Storia*, n. 61, 1993, p. 519f.

²⁶ Stendhal, *Rome, Naples et Florence*, Michel Lévi Frères, Paris, 1865, p. 410.

²⁷ On the importance of migrations and hence International networks in the formation of the capitalist spirit see: Werner Sombart, *Il Borghese*, Guanda, Parma, 1994, pp. 236–47.

International networks in Milan

*Mercatura autem si tenuis est sordida putanda est; sin magna et copiosa multa undique apportans multisque sine vanitate inpertiens non est admodum vituperanda*²⁸

Nobility of work as a moral value, the use of science to master nature in industry and commercial calculations to augment economical efficiency characterized the actions of international merchants between the eighteenth and the nineteenth century. This cosmopolitan élite juxtaposed to patriotism citizenship, meant as the commitment to local economic development, and to the nation-state the pursuit of peace and the preference for economic and political federative constitutions.

Contrary to the bourgeoisie, a class at the time not coalesced or self-conscious at all²⁹, these international merchants were recognizable and class conscious all over Europe.

The centre of world's commerce being an island, to define such merchants there was simple: "But in England —wrote Daniel Defoe in his 1726 *English Tradesman*— the word merchant is understood of none but such as carry on foreign correspondences, importing the goods and growth of other countries, and exporting the growth and manufacture of England to other countries; or, to use a vulgar expression, because I am speaking to and of those who use that expression, such as trade beyond sea. These in England, and these only, are called merchants, by way of honourable distinction."³⁰ Just a few line further Defoe added that merchants were the ones "who carry on this great foreign negoce [negotium (Latin) business], and who, by their corresponding with all parts of the world, import the growth of all countries hither"³¹

In France they were likewise called *négociants* : merchants managing their businesses in a *comptoir*, selling their merchandise in warehouses and never in shops.³² They represented the *big business* of the time: "commissions, speculations en marchandises, banque, assurance."³³

In Milan,³⁴ they were known as "*negozianti*"³⁵ and Carlo Cattaneo³⁶ defined

²⁸ Cicerone, *De Officiis*, Vol. I, paragraph 151. Werner Sombart quotes this as a much quoted passage so late as 1902. After more than one and a half century from the French debate over *noblesse commerçante* the question was yet unsolved. See: Werner Sombart, *Das Moderne Kapitalismus*, Duncker und Humoldt, Leipzig, 1902, p. 190.

²⁹ On the revisionist historiography regarding social classes in the wake of the French revolution see: Jay Smith, "Social Categories, the Language of Patriotism, and the Origins of the French revolution: The Debate over noblesse Commerçante," *The Journal of Modern History*, vol. 72, n. 2, 2000, p. 342.

³⁰ Daniel Defoe, *The complete English Tradesman*, BiblioBazaar, LLC, 2008, p. 18. In modern historiography, Stanley Chapman defines them as "entrepreneurs engaged in foreign (overseas) commerce as wholesale traders". Stanley Chapman, *Merchant Enterprise in Britain*, Cambridge University Press, Cambridge, 1992, p. 3.

³¹ Daniel Defoe, *The complete English Tradesman*, BiblioBazaar, LLC, 2008, p. 19.

³² George V. Taylor, "Some Business Partnerships at Lyon, 1785–1793," *The Journal of Economic History*, Vol. 23, No. 1, 1963, p. 46.

³³ Ricard, *Traité général du commerce*, Paris, 1781, p. 405.

³⁴ For a modern historiography on Milan's business class see: Giandomenico Piluso, *L'arte dei banchieri* FrancoAngeli, Milan, 1999, p. 38–57; and Stefano Levati, "Negozianti e banchieri a Milano tra Ancien Regime e Restaurazione," *Società e Storia*, n. 61, 1993.

³⁵ Carlo Cattaneo, "Lettera ai signori Corbellini, De Welz, A. G. e Compagni intorno alle Ricerche sul Monte-Sete," *Annali universali di statistica economia pubblica, storia, viaggi e commercio*, Vol. 55, N. 163 (January, 1838) p. 98.

³⁶ On Carlo Cattaneo, economist, publicist, entrepreneur and founder of the Journal "il Po-

them as a class possessing “a sort of initiation, a kind of exclusive nobility”³⁷, distrustful against everyone not pertaining to their circles: “they don’t like to see someone not belonging to their tribe meddle in their daily business.”³⁸

These merchants were socially and economically interlinked at local level but forged also international networks, underpinned by migrations, marriages and common commercial ventures. These interlocking linkages across political boundaries served as highways for the information and trust flows essential to the orderly spreading of commercial exchanges. Along these networks innovation³⁹ and mercantile values could leak down in local communities affecting their economic and social order.⁴⁰ This particularly the case of Milan were foreign domination hampered the development of national sentiments, thusly stimulating alternative scientific and entrepreneurial occupations. The nobility of work circumvented censorship, scientific knowledge granted the benign eye of whatever government, modern manufactures were aided with protection and subsidies. So, as soon as foreign merchants or entrepreneurs settled in Lombardy, they found eager followers at all levels of the local society. *Ren-tiers*, notaries, bankers and local merchants occasionally joined international networks and sustained their activities. In a society where even the prince had been actively pursuing commercial ventures⁴¹ and the question of *noblesse commerçante*⁴² had been easily resolved in favour of mercantile activities, also the most enterprising patricians and noblemen participated in economic ventures. Limited partnerships financed by local bankers and noblemen and directed by highly qualified foreigners became thusly a trademark of Lombardy’s economy for great part of the nineteenth century. Thanks to this virtuous system innovation spread in all sectors of the economy, starting with the traditional and rich agriculture to the newest manufactures, to services. But the influence of foreign merchants and entrepreneurs was not limited to manufacturing, organizational or financial innovation. Linking the local élite with international networks, they enhanced its transformation into “industrious people” and “scientists” capable of governing the modernization of Lombardy well before its political independence.⁴³

liternico”, see the “Introduction” by Carlo G. Lacaita, in Carlo Cattaneo, *Intelligence as a Principle of Public Economy: Del Pensiero Come Principio D’Economia Publica*, Lexington Books, 2007.

³⁷ Ibid.

³⁸ Ibid.

³⁹ On the spreading of innovation through international migrations and linkages in the process of industrialization see: Ian Inkster, “Mental Capital: Transfers of Knowledge and Technique in Eighteenth Century Europe,” *The Journal of European Economic History*, 1990, pp. 403–441.

⁴⁰ On this: Ina Baghdiantz McCabe, Gelina Harlaftis und Ioanna Pepelasis Minoglou (ed.), *Diaspora Entrepreneurial Networks-Four Centuries of History*, Oxford, Berg, 2005. Particularly the Introduction, p. XX.

⁴¹ The reference is here to Ferdinand Habsburg Lorena, fourteenth son of Maria Theresia and representative of the Habsburg House in Lombardy till the arrival of Napoleon. Recent research uncovered his varied commercial interests under the mentorship of Prince Friedrich Kevenhüller. See: Elena Riva, “La Corte dell’Arciduca Ferdinando d’Asburgo Lorena Governatore di Milano (1771–1796),” in Annamaria Cascetta and Giovanna Zanlonghi (ed.), *Il teatro a Milano nel Settecento*, Vol. I, Vita e Pensiero, Milan, 2008, p. 71–96.

⁴² On the debate over the possibility for noblemen to participate in commercial ventures see the contemporary assessment of Alessandro Verri, “Alcune riflessioni sulla opinione che il commercio deroghi alla nobiltà,” *Il Caffé*, Vol. I, foglio XXIII-XIV, pp. 256–274.

⁴³ On this see: Monika Poettinger, “Internazionalizzazione ed innovazione tecnologica nella Milano Ottocentesca. Gli imprenditori tedeschi Kramer e Mylius,” in Guido Alfani (ed.),

Networks of silk

For mercantile networks to become thick and widespread enough to enhance innovation and change moral values at societal level the volume of commerce had to reach a certain threshold. In Milan, always a crossing point between northern Europe and the southern markets, this was chiefly a result of the growing exports of silk.⁴⁴ During the eighteenth century Milan became the *entrepôt* for Italian silks to be thrown in Lombardy's mills and then exported to its major outlets: London, Lyon and Germany. The growing market value of silk, but also of other products as cheese and grain, extended and intensified the local agricultural exploitation, spring of the richness that so much impressed foreign visitors. Arthur Young, confronted with the magnificence of the Scala theatre, enthusiastically exclaimed in his diaries: "It is the PLOUGH alone that can do it!"⁴⁵

But as the monetary economy expanded so did the exigency of intermediation. The silk cycle required refined credit techniques, involving foreign public debt markets⁴⁶; the growing demand stimulated imports of colonial and luxury wares and thusly far reaching mercantile relations; booming exports called for the expanding of international networks of credit settlements. Local merchant houses had to widen their skills and relations, while some of the new requested competencies were filled in by foreigners. From the middle of the eighteenth century Lombardy found itself more and more captured in a cobweb of international relations, reinforced by migrations and international capital investments.

The flourishing silk sector, not surprisingly, presents an exemplary case of chain migration and formation of a local business élite. This migration followed the commercial route from Bergamo through the Val Brembana and Val Camonica and further along the Rhine to northern Europe⁴⁷, a main inland channel for Lombardy's silk to Switzerland and England that grew in importance with the threatening or the contingency of maritime wars. Along this route, with the increasing value of silk exports, a flow developed of capital, merchants and entrepreneurs from Switzerland and France to Lombardy.

François Louis Blondel⁴⁸, born in Cully in Canton Bern, was the forerunner of this migration. In a typical mercantile training scheme he firstly acted as a commission agent for the banker Louis Porta in Villetta, to learn his trade, and then, in 1772, he migrated to Bergamo to work as administrator in the House Gherardi, trading in silk and banking, where he acquired a deep knowledge of the local market. He also travelled to London, the principal market for Lombardy's silk, to collect the contacts and references indispensable to set up a functioning trade network for silk. Having acquired in a few months enough knowledge and gained the trust of the operators, Blondel opened at once his own

Il ruolo economico della famiglia, Bulzoni Editore, Rome, 2007, pp. 303–356.

⁴⁴ Giovanni Federico, *Il filo d'oro. L'industria mondiale della seta dalla restaurazione alla grande crisi*, Saggi Marsilio, Venice, 1994.

⁴⁵ Arthur Young, *Travels, during the years 1787, 1788 and 1789*, Rackham, Bury St. Edmund's, 1792, p. 200.

⁴⁶ On the financial aspects of the silk-cycle see: Giandomenico Piluso, *L'arte dei banchieri*, FrancoAngeli, Milan, 1999, p. 101.

⁴⁷ Gio Maironi da Ponte, *Osservazioni sul dipartimento del Serio presentate all'ottimo vice-presidente della Repubblica Italiana F. Melzi d'Eril*, A. Natali, Bergamo, 1803 p. 22–25.

⁴⁸ On this Swiss entrepreneur see: Daniele Rota, *I Blondel di Casirate: tra impresa e cultura*, E. Parma editore, Milan, 2000; and Silvana Agazzi, *François Louis Blondel imprenditore svizzero a Bergamo (1749–1812)*, Fondazione Bergamo nella Storia, Bergamo, 2002.

banking house. The easiness of his career points to the fast increasing credit requirements of the local silk cycle⁴⁹, not appeased by local sources of capital and trading knowledge: an opportunity Blondel was ready to exploit.

His activities were far reaching and even included for a few years the management of book imports through partial ownership of a library. This last trade was less economical as political. Through this library Blondel, member of the masonry both in Bergamo and in Lausanne, and his successor Vincenzo Antoine imported in Lombardy many enlightened and pre-revolutionary texts, but earned very little.

The best business for the Swiss entrepreneur became, next the trade in silk, the acquiring of state buildings and land in the fertile lowlands of Lombardy where silk worms were raised.

His growing success was underlined by the consecutive migrations into Lombardy of his brother Jean and the brothers of his second wife, of French origin, married in 1785. All these related merchant-entrepreneurs became active in the silk and banking sector around the fairs of Brescia and Bergamo.

In the last decade before the arrival of Napoleon many more Swiss and French migrants entered Lombardy's silk market, many of them with personal or economical relations to the Blondels.⁵⁰

Already well established and well connected at the arrival of Napoleon, Luis Blondel became one of the major protagonists of the sale of public properties for income purposes in Bergamo under the first and the second Cisalpinian Republic. Strictly related to this activity was the role of Blondel in the French Administration. He was appointed director of the "Corpo degli azionisti forzati del Dipartimento del Serio", organism deputed to the sale of public properties, while his brother in law, Mariton, had the role of cashier. Thanks to this position he not only directly managed the sales, often acting as intermediary, but also had the responsibility to evaluate the single properties: a vantage position he surely exploited.

At the end of the second Cisalpinian Republic in 1802, Blondel was in fact a major landowner in the Padanian lowlands, involved in the production and in the throwing of silk.⁵¹ Such was the extension of his business that he had to delegate his provincial affairs to his brother in law while he settled down in Milan in the renowned Palazzo Imobonati.⁵² The marriage of one of his daughters with a member of Milan's nobility and leading intellectuals, Alessandro Manzoni⁵³, was one further sign of his social ascent.

The career of Luis Blondel, accelerated by the hasty disposal of public properties under French rule, was quite typical in the framework of international

⁴⁹ Bruno Caizzi, *Industria, commercio e banca in Lombardia nel XVIII secolo*, Banca Commerciale Italiana, Milan, 1968, p. 203f.

⁵⁰ The reference is here to the Swiss families Frizzoni, Zavaritt, Bonorandi, Stampa, Curó and Andreossi from the canton Grigioni and to the French families Ginoulhiac, Cavalíé, Mariton and Fuzier from the Cevenne. On this protestant community in Bergamo see: Cinzia Martignone, "La Comunità Evangelica di Bergamo, 1807-1848, 1848-1880," *Archivio Storico Lombardo*, Year CXX, 1994; and *ACME*, Vol. II, May-August, 1996.

⁵¹ His throwing mill near his villa in Casirate employed 74 workers and operated 92 spindles in 1806, 96 in 1808.

⁵² Palazzo Imbonati was sold to Luis Blondel by Giulia Beccaria, mother of Alessandro Manzoni. Through this connection the nuptials between Alessandro Manzoni and Enrichetta Blondel, daughter of the silk banker, were arranged.

⁵³ On Alessandro Manzoni and his international interests see: Mariella Goffredo De Robertis, *Manzoni scrittore e lettore europeo*, De Luca, Rome, 2000.

mercantile networks in the last decades of the eighteenth century. It began with a single migration along mercantile routes, attracted by a growing market and an entrepreneurial opportunity. At this point Blondel was the last extension point of already existing networks, those of his former employers and their commercial partners. As Blondel settled down, he began extending a network of his own, firstly through strict familiar relations and then stimulating a chain migration from his own country of origin. This way, as the network slowly developed into a sector-based and spatial élite, encompassing the silk business around Lombardy's fairs, it surpassed the boundaries of the family to include fellow countrymen and protestants. In fact in the case of Blondel, migrant in a foreign and catholic country, origin and religion⁵⁴ were, along family ties, acceptable criteria to grant trust, but they never became exclusive. A circumstance underlined by the marriage policy of the Blondel family: Alessandro Manzoni, obviously, was catholic, as was Massimo d'Azeglio who married one of Blondel's granddaughters. To create local relationships Luis Blondel evidently didn't shy in front of some religious taboo. The cosmopolitanism of international merchants embraced also religious tolerance. What counted were trust and solid ties to guarantee credit lines and ware movements. Religion, masonry, family bonds, godparenthood, associationism were all part of the normal business practice of international merchants, setting up networks encompassing frontiers and often conflicting countries, without any law agreements and contract enforcement guidelines to guarantee their investments.

The network set up by Blondel had profound consequences both on the local economy and the local society. Economically, through the original internationally linkages of his network, Blondel created a highway through which entrepreneurial and financial capital constantly flew from France and Switzerland to Lombardy's silk sector for more than a century.⁵⁵ This network, as the protestant business community that followed in his wake,⁵⁶ meliorated the efficiency of the silk production process in Lombardy⁵⁷, introduced commercial practices and widened the export markets.⁵⁸

Socially, through his embedded network, the local élite imbibed the nobility of work, being modernized. The marriages of the daughters of his family were just one example. Luis Blondel was also for a long time major of Casirate, the seat of his villa and of his throwing mill. Such active involvement into the local political scene was, in fact, another characteristic common to adherents

⁵⁴ On diasporas defined by religion or common origin see: Ina Baghdiantz McCabe, Gelina Harlaftis und Ioanna Pepelasis Minoglou (Ed.), *Diaspora Entrepreneurial Networks-Four Centuries of History*, Oxford, Berg, 2005, Introduction, p. xx.

⁵⁵ In the 1870's, one century after the migration of Luis Blondel, members of the family Mariton and Fuzier were still active in Lombardy's silk and banking sector and in many others. On this: Silvana Agazzi, *François Louis Blondel imprenditore svizzero a Bergamo (1749-1812)*, Fondazione Bergamo nella Storia, Bergamo, 2002.

⁵⁶ On the protestant community in Bergamo see: Cinzia Martignone, "La Comunità Evangelica di Bergamo, 1807-1848, 1848-1880," *Archivio Storico Lombardo*, Year CXX, 1994; and *ACME*, Vol. II, May-August, 1996.

⁵⁷ Stefano Angeli, *Proprietari, commercianti e filandieri a Milano nel primo Ottocento. Il mercato delle sete*, FrancoAngeli, Milan, 1982, p. 100f. See also L. Blondel, "Relazione di un viaggio ad un certo numero di filande del lecchese," in *Archivio di Stato di Como*.

⁵⁸ See for example the article "Mayländer Seide," *Polytechnisches Journal*, Johann Gottfried Digler (Ed.), Cotta Verlag, Augsburg, Year 30, 1828, pp. 136-137. The author states the totality of the silk produced around Bergamo was exported to Moscow. The silk mill in possession of the Blondel family was, in the same context, reputed to be one the best of the whole Lombardy.

of international networks, part of their idea of citizenship, as the financing of local educational instalments and scientific societies. This the major way to diffuse their mercantile values and guarantee to all the possibility of ennoblement through work.

Un circuit de l'indienne

Ten years after Blondel, another migration took place that would prove influential on Milan's economic and social development.⁵⁹ This time, instead of silk, the starting entrepreneurial occasion was given by the newest sector in European economies: cotton. The network that exploited such occasion, channelling financial and entrepreneurial resources into Lombardy, was again of Swiss origin.

While for Blondel the comparative advantage granted by his international relations consisted in capital sources and market knowledge, in this second case the advantage was granted by the skills and technological advancement of the originating network. In Switzerland, and particularly around Zürich, flourished the production of the finest printable cotton fabrics of the Continent, thanks to a lasting local tradition.⁶⁰ Swiss cities had long been some of the few European areas where the production of *indiennes* was permitted and had thusly acquired a decisive advantage in this production through the formation of highly skilled human capital. As cotton printing was liberalized in nearby countries, Switzerland exported there its excellent printable fabrics but also capital and entrepreneurial skills. As a result networks came into life. In a few decades they comprised the whole Continent and moved the production of printed cotton pieces wherever it was convenient to do so. Milan was included in this European *circuit de l'indienne*⁶¹ in the 1780's. As the local cotton printer closed down, due to managerial problems, the Austrian government, in search for a new owner, resorted to the administrator of the Swiss merchant house that had till then been supplying the pieces to be printed. Promising protection, facilities and credit⁶² the government secured the migration of Johann Adam Kramer⁶³

⁵⁹ On this see: Monika Poettinger, "Internazionalizzazione ed innovazione tecnologica nella Milano Ottocentesca. Gli imprenditori tedeschi Kramer e Mylius," in Guido Alfani (ed.), *Il ruolo economico della famiglia*, Bulzoni Editore, Rome, 2007, pp. 303-356.

⁶⁰ Ulrich Pfister, *Die Zürcher Fabriques: Protoindustrielles Wachstum vom 16. zum 18. Jahrhundert*, Chronos, Zürich, 1992.

⁶¹ For a general overview see: Katsumi Fukasawa, *Toilerie et commerce du Levant: d'Alep à Marseille*, Editions du Centre national de la recherche scientifique, 1987, p. 8f.

⁶² To secure this entrepreneurial migration the Austrian Government had firstly to eliminate all discriminations existent toward non catholics (*Sovrano Editto di Tolleranza degli Acatolici*, *Archivio della Biblioteca Trivulziana, Fondo Materie, busta 850*) and then guarantee protection to the cotton textiles to be printed by the new manufacture ("*Grida portante l'abolizione del dazio di circolazione interna*, and "*Tariffa per il dazio di diversi generi di merci e manifatture, cioè pelletterie, pelliccerie, tele di cotone stampate e da stamparsi, ossiano mussoline*, 15th November 1781). About the credit concession see: Angelo Moioli, "Aspetti manifatturieri nella Lombardia politicamente divisa della seconda metà del Settecento," in Sergio Zaninelli (ed.), *Storia dell'industria lombarda*, Vol. I, Edizioni il Polifilo, Milan, 1988, p. 98.

⁶³ Johann Adam Krämer (Gio. Adamo Kramer was his Italian denomination) was born in Esenheim the 2nd April 1753. His wanderings in search for entrepreneurial occasions brought him firstly in Switzerland where he worked for a merchant house, managing their Verlag in the cotton production. Censimento 1811 vol. 20 ad nomen; and Censimento 1835 vol. 28 ad nomen, Rubrica del ruolo generale della Popolazione, *Archivio della Biblioteca Trivulziana*. On his life and economic achievements see: Monika Poettinger, "Imprenditori tedeschi nella Lombardia del primo Ottocento: spirito mercantile, capitale sociale ed industrializzazione,"

from Zürich to Milan and the setting up of a modern manufacture where cotton would also, for the first time in Lombardy, be mechanically spun. As local government officials were perfectly aware, such an innovative venture could only succeed if managed by a foreign highly skilled entrepreneur and backed by an international network spanning in the most advanced European manufacturing locations.⁶⁴

The network of Kramer reached as far as Augsburg, at the time a printing district of high quality and continuous innovation.⁶⁵ In fact Kramer associated to the new venture, named “Kramer e Compagni,” Johann Paul Hartmann, a young merchant as himself, whose family managed a merchant house and a printing factory in Augsburg. Hartmann brought along two of the most specialised workers a printing manufacture required: a colorist and a designer. Kramer, instead, furnished to the new manufacture workforce from Switzerland, including highly skilled weavers, and the youngsters for the administrative work in the *comptoir*. Financially the venture was backed by two merchant houses of Zürich and one of Augsburg’s catholic banks.⁶⁶ In an Europe without a developed banking sector and multinationals, such an international enterprise may appear extraordinary, but in reality the conjunction of merchant networks and entrepreneurial migrations created a fairly successful international system of venture capital based on trust, favouring meritocracy and innovation and guaranteeing at the same time a low level of defaults. The societal form of limited partnership allowed also the flexibility needed to confront continuous technological and institutional changes. Usually such partnerships were indeed limited in time. After two, three or five years the society was dissolved or extended at the discretion of administrators and silent partners.

“Kramer e Compagni” made good use of this adaptability in the troubled years of Napoleonic rule. Fast changing institutional and market conditions required in these decades quick responses and solidity of means. Revolting workers, cutting of the traditional supply chain, heavy and arbitrary taxation were just a few obstacles Adam Kramer had to master to continue his trade. But after the boost he was also awarded by a decisive boom. The French revolution had also been a revolution in fashion and the printed cottons Kramer produced, for home apparel or garments, became particularly *en vogue* in the upper society thanks to Giuseppina Bonaparte and the successive imperial style.⁶⁷ Italy imported eagerly such fashion diktats from Paris and from the *grand dames* to the lowest countrywoman, everyone wanted the colourful, joyful, varied and light fabrics.⁶⁸ Milan in particular, due to its growing population and the economic

Rivista di storia economica, n. 23, 2007, pp. 319–360.

⁶⁴ Relazione del Regio Visitatore Bellerio del 16 Ottobre 1783. Archivio di Stato di Milano, Commercio, parte antica, cartella 252.

⁶⁵ In Augsburg settled down the renowned textile entrepreneur Johann Heinrich von Schuele (1720–1811). Schuele became soon one of the best European printers thanks to his attention to the quality of the printed textiles, to design and to chemical innovation. See: Stanley D. Chapman and Serge Chassagne, *European Textile Printers in the Eighteenth Century*, Heinemann Educational Books The Pasold Fund, London 1981, p. 185f.

⁶⁶ The Bank of Augsburg was “Carli & Co“, while the two Swiss merchant houses were “Salomon Traxler” and “Frey & Pestalozza.” See: Monika Poettinger, “Lo sviluppo economico lombardo nelle attività degli imprenditori tedeschi,” in Giorgio Oldrini and Aldo Venturelli (Ed.), *La tradizione rinnovata*, Villa Vigoni, 2006, p. 59.

⁶⁷ Enrica Morini, *Storia della moda XVIII-XX secolo*, Skira, Milan, 2006, pp. 51–90.

⁶⁸ On the influence of French fashion in Lombardy the primary and precious source remains the first fashion Journal of Milan, the “Corriere delle Dame”. Particularly on cotton fabrics

upswing related to its status of capital of the Italian Republic first and the Italian Kingdom afterwards, generated a huge demand for Kramer's products. Napoleon saw that this demand be protected from the cheaper English products through the decrees of the 10th of June 1806 and the 28th of December 1807, excluding from Lombardy every textile produced outside the Empire.⁶⁹ The cotton production flourished as never before. The old fashioned block printing technique couldn't appease the guaranteed internal demand anymore and Kramer decided to set up a modern manufactory with a cylinder printer. This innovative machine, already in use in England and France, could multiply up to 200 times the productivity of a worker in a printing establishment.

But the foreign stockholders of "Kramer e Compagni" were not ready to invest ulterior sums in Milan. As the society ended its statutory length in 1807, the old partners split up. The new "Kramer e Compagni", re-established by Adam Kramer had a completely different composition, reflecting a new international network of reference.

Hartmann, with his sons, decided to set up his own cotton manufacture in Milan, organized a new supply chain for the raw material from the Middle East to Trieste, Lombardy and further to France, and a flourishing import trade of cotton pieces from "Schöppler & Hartmann" in Augsburg.

With Hartmann, Kramer had not only lost a partner but also his connection to Augsburg.

In search for new partners and a new inflow of innovation, he had so to resort to his Swiss linkages. He soon found an eager investor in "Frères Merian" a merchant house of Basle, heavily involved in the booming smuggling business till the catastrophic Neuenburg Affair.⁷⁰ After Napoleon personal threats, "Frères Merian" had been obliged to change its investment strategies. Unable to continue its *verlag* production in Switzerland, due to French protectionism, it had to resort to direct foreign investments, financing cotton printers directly in imperial territories. Hence it invested in "Dollfus Mieg & Cie" in Mulhouse and also in "Kramer & Compagni".

The capital composition of Milan's cotton printer resulted completely altered. In the old venture the three silent partners held each a third of the 100.000 Florin capital, while Kramer just 7,5% and Hartmann 2,5%.⁷¹ In the new society Kramer was able to supply half of the capital, while one fourth each was invested by the Basle's merchant house and "Dollfus Mieg & Cie".

Through the new network Kramer obtained not only capital but also a director for his new factory in "La Pace". Rodolfo Grossmann had been variously

see: "Corriere delle Dame", n.XII, 23 March 1806, p. 526; and "Corriere delle Dame", n.XXI, 27 May 1809, p. 162. See also: Silvia Franchini, *Editori, lettrici e stampa di moda*, FrancoAngeli, Milan, 2002, pp. 40-50.

⁶⁹ Angelo Moioli, "L'economia lombarda tra tradizione ed innovazione: le manifatture," in Giovanni Luigi Fontana and Antonio Lazzarini (ed.), *Veneto e Lombardia tra rivoluzione giacobina ed età napoleonica. Economia, territorio ed istituzioni*, Cariplo-Laterza, Milan, 1992, p. 193.

⁷⁰ See: Niklaus Stettler, Peter Haenger, Robert Labhardt, *Baumwolle, Sklaven und Kredite*, Christoph Merian Verlag, Basle, 2004, pp. 153-163.

⁷¹ The profit distribution didn't correspond to the detained quotas of capital. Kramer, as a premium for his entrepreneurship and competences had the right to retain 25% of profits, Hartmann 15%. Each silent partner received 20% of profits. Such profit distribution, typical of limited partnership rewarded innovation and entrepreneurship. Through the success of his venture, in effect, Kramer in a few years could refound the partnership delivering himself half of the required capital.

interested in precedent ventures in Mulhouse⁷², but due to managing difficulties had to give up his venture to Jean Dollfuss while he migrated to Milan. There he set up the innovative cylinder machine and directed henceforth the manufacture of “la Pace,” completely mechanised and capable of printing 180 cotton pieces a day.⁷³ He decided not to become partner of the venture but held a fixed account of 50.000 Florin in the society, as “Frères Merian” and “Dollfuss, Mieg & Cie:”, while Kramer deposited in his fixed account 150.000 Florin.⁷⁴ Through this expedient such sums, totalling up to three times the nominal capital of the partnership, were excluded from the risk of insolvency, while being rewarded, without any connection to the profitability of the venture, at a fixed rate per year.

The success of the new “Kramer e Compagni” was so promising that the stakeholders decided to extend their international network investing directly in a printing factory in Rome. But before they could implement their plans, the Napoleonic Age came to its end and with it the favourable protectionist system. Adam Kramer died one year afterwards. The network split up and “Kramer & Compagni”, worth half a Million Florin in 1815, became from then on a family enterprise, totally financed by the sons of Adam Kramer.

Although impressive, the influence Adam Kramer had on Lombardy’s economy cannot be limited to his innovative manufactures, the first mechanical spinning factory in Monza set up in the 1780’s and the first mechanical printing manufactory in “La Pace.” From the day of his arrival in Milan, Adam Kramer created a pervasive local network that not only enabled him to acquire a vast economic patrimony but also to become the most representative figure of the local mercantile class.

The network consisted firstly in family members and was strengthened through marriages. Widowed eleven years after his migration, Kramer used his second marriage to underpin his already good connections with the local government. He so choose his wife from a family ranking high in the Austrian Administration. Through Teresa de Spech Kramer gained access to the local élite and had a preferred treatment in tenders and state aid schemes. At the arrival of Napoleon his position was already so solid as to let the new administration soon ignore his connections and help him likewise. Thanks to his growing local and international network Kramer profited exceedingly from the confused years of French rule and the brief but profitable entrepreneurial occasions they created.

He acted as third provider in public tenders for weapons, as did Blondel for iron, managed the investments of Swiss merchant houses and recovered their

⁷² “1797: Jean-Jacques Danner, J. Georges Dollfuss (1756–1825), Jean-Henry Stapfer, Rodolphe Grossmann and Jean Vetter Junior collaborate in the running of a manufactory of printed cloth at Dornach and a brewery at Lutterbach (both being close to Mulhouse) under the name of “Dollfuss, Vetter & Cie”. Towards the end of the year 1797, the partners split up: J. J. Danner leaves, and G. Dollfuss and J. H. Stapfer take over the brewery, while J. Vetter and R. Grossmann carry on the manufacture under the name “Grossmann & Cie”. In the month of Messidor Year VI (1798) Daniel of Jean Dollfuss (1769–1818) came in as a sleeping partner, than later as an active partner in Germinal Year VIII (1800). The name became “Dollfuss-Mieg & Cie” on the 1st Germinal Year VIII (21 March 1800).” Elisabeth Albrecht-Mathey, *The fabrics of Mulhouse and Alsace 1750–1800*, F. Lewis Publishers, Leigh-On-Sea, England, 1968, pp. 19–20.

⁷³ Article of “Gazzetta di Milano,” n. 122, 1st of May 1820, Archivio della Camera di Commercio di Milano, Atti della Camera di Commercio di Milano riguardanti le manifatture di cotone.

⁷⁴ Archivio di Stato di Milano, Notarile, 49390.

credits⁷⁵, bought out many profitable land possessions⁷⁶ and the buildings were all his manufactures were located, in Monza, Cremella and Milan,⁷⁷ he smuggled as the great part of Lombardy's and Europe's merchants,⁷⁸ and contracted the rent of land possessions of noblemen or public owners like the Ospital Maggiore.⁷⁹

Through all this ventures, managed with mercantile accuracy and all very profitable, Kramer soon ascended the ranking of the wealthiest Milanese citizens. In 1805 his yearly income was estimated in 60.000 Lire. Only other 168 families in Milan could at the time best or equal this sum.⁸⁰ As a comparison, 50.000 Lire were the yearly income of a Minister of the Italian Kingdom.⁸¹

Parallel to Kramer's economic ascent was the widening of his familiar network. One further step were the marriages, in the years of French rule of his eldest daughters, born out of his first marriage. Maria Carolina married in 1806 Francesco de Luigi, former merchant and at the time certified as major landowner and nobleman, while Luigia married in 1810 Baron Francesco Cornalia.⁸² During the Restoration, their stepsister Amalia married Giovanni Balabio and Carlo, eldest son of Adam, married Teresa Berra, creating a double linkage with the owners of the firm "Balabio, Besana & C", one of the wealthiest and best connected merchant-banks of Milan.⁸³ At this point the local network originated by Adam Kramer comprised the Austrian and the Lombardian nobility and the emerging mercantile class. How much influence could and would Adam Kramer wield through this network?

The success of this entrepreneur, who'd come to Milan with just a few florins and had worked his way up to the highest ranks of society, made him the most representative figure of the emerging mercantile class. Kramer didn't shy before the task of making the nobility of work the backbone of the new society borne out of the Revolutions of his lifetime.

⁷⁵ Exemplary the case of the Brioschi default. Kramer was assigned to recover the credits towards Brioschi of: Salomone Traxler, Leonardo Gonzenbach, Giovanni Martino Morell, Giovanni Mertzen, Fratelli Seuffert, Pietro Mossi and Giovanna Zitta. Archivio di Stato di Milano, Notarile, 49390.

⁷⁶ For a rough comparison, in 1812 Blondel possessed on his dominions in Paviago, near Pavia, 46 cows, 1 bull, 8 oxes and 9 horses. The sons of Adam Kramer in 1844, in the possession of Cassina delle Donne, had 66 cows, 2 bulls, 14 oxes, 16 horses, 4 steers and many pigs. Stefano Levati, *La nobiltà del lavoro*, FrancoAngeli, Milan, 1997, p. 161.

⁷⁷ His real estate possession were valued in 1811 150.000 Florin. Archivio di Stato di Milano, Commercio, Parte Moderna, cartella 59.

⁷⁸ "Kramer e Compagni" participated in financing the Brigg-Schoner Ascanio on the route from Salonicco to Triest, confiscated in 1808 for smuggling. Stefano Levati, *La nobiltà del lavoro*, FrancoAngeli, Milan, 1997, p. 130.

⁷⁹ In the case of the possession Rizzarda of the Ospital Maggiore, Kramer soon subcontracted the rent to Giovan Battista Negri and obtained a yearly profit margin of 25% on his investment. Archivio di Stato di Milano, Notarile, 49390.

⁸⁰ *Elenco delle famiglie benestanti la cui annua entrata oltrepassa le lire sessantamila*, referred in Stefano Levati, "Negozianti e Società a Milano tra Ancien Règime e Restaurazione," *Società e Storia*, n. 61, 1993, p. 517.

⁸¹ Giovanna Tonelli, "Ricchezza e consumo: il lusso di una famiglia nobile milanese nei primi anni dell'Ottocento," *Mediterranea Ricerche storiche*, Year IV, 2007, p. 493.

⁸² Francesco Cornalia had a splendid career in the Franch Administration. He was first vice-Prefect of Monza and then Prefect of the Tronto Department and later Serio Department. He was awarded with the title of Baron. Emanuele Pagano, *Il comune di Milano nell'età napoleonica: 1800-1814*, Vita e Pensiero, Milan, 1994, p. 300.

⁸³ On the family tree of the family of Adam Kramer see: Censimento 1811 vol. 20 ad nomen; and Censimento 1835 vol. 28 ad nomen, Rubrica del ruolo generale della Popolazione, Archivio della Biblioteca Trivulziana.

How much the mercantile class looked up to his example and accepted his guide and on the other side how much the government considered him and the merchant class can be inferred by his influence on the Chamber of Commerce and by all the offices he held in the councils the French introduced to give the merchant class a proper representative power. From 1802 to 1812 Kramer was elected in the Council of the *negozianti*, member of the Town council⁸⁴, in the Commission for the revision of the project of the Codex of Commerce and in the General Council for commerce, arts and crafts. He was firstly vice-President and then President of the Chamber of Commerce in 1805. In 1812 he was finally appointed President of the Merchant Tribunal.⁸⁵ Considering his career as a civil servant, there's no doubt that Adam Kramer was in Milan the foremost champion of the *negozianti*, of their values and their growing economic and political weight. He coalesced around himself the local business élite, stating an example that many followed. The *tribe* Cattaneo later described was hereby formed and ready to guide the economic development of Milan for the whole nineteenth century.

German merchant-banking around Europe

At the same time as Adam Kramer set up his manufactures in Milan, the production of cotton pieces in England boomed. Merchants in search of new and profitable ventures soon discovered that financing directly the cotton processing in the new manufacturing locations of Leeds and Manchester and then exporting the pieces all over the world was one of the best businesses of the moment. The growth of the new sector, exactly as in Lombardy's silk sector, had created entrepreneurial opportunities for merchants having access to outside sources of capital⁸⁶ and knowledge of end market's demand. Some German merchant houses, already acting internationally, as the Rothschilds, the Gonthards and the DuFays, promptly opened branches in the English cities.⁸⁷ For trust purposes the enlargement of their network was mostly achieved through sons of the family or younger partners.⁸⁸ Of the Rothschilds, for example, it was Nathan to prove his business acumen in Manchester. The Mylius family, directing a

⁸⁴ The Town council was the first representative organ in Milan to be expression of an élite based on wealth and not nobility. On this: Emanuele Pagano, "Consiglio comunale e notabilato a Milano in età napoleonica," in Giovanni Luigi Fontana and Antonio Lazzarini (ed.), *Veneto e Lombardia tra rivoluzione giacobina ed età napoleonica. Economia, territorio ed istituzioni*, Cariplo-Laterza, Milan, 1992, p. 544; and Emanuele Pagano, *Il comune di Milano nell'età napoleonica: 1800-1814*, Vita e Pensiero, Milan, 1994.

⁸⁵ On this career see Emanuele Pagano, "Consiglio comunale e notabilato a Milano in età napoleonica," in Giovanni Luigi Fontana and Antonio Lazzarini (ed.), *Veneto e Lombardia tra rivoluzione giacobina ed età napoleonica. Economia, territorio ed istituzioni*, Cariplo-Laterza, Milan, 1992, p. 545; and Stefano Levati, "Negozianti e società a Milano tra ancien régime e restaurazione," *Società e Storia*, n. 61, 1993, p. 517.

⁸⁶ The recurrent shortage of capital in the English cotton sector is clearly depicted in: Stanley D. Chapman, "Financial restraints on the growth of firms in the cotton industry, 1790-1850," *The Economic History Review*, New Series, vol. 32, n. 1, February 1979, p. 66.

⁸⁷ On this see: Stanley D. Chapman and Serge Chassagne, *European Textile Printers in the Eighteenth Century*, Heinemann Educational Books The Pasold Fund, London, 1981, p. 5; Alexander Dietz, *Frankfurter Handelsgeschichte*, Detlev Auvermann, Frankfurt am Main, 1970, Vol. IV, Part 1, pp. 299-334; and Stanley D. Chapman, *Merchant Enterprise in Britain*, Cambridge, 1992.

⁸⁸ Monika Poettinger, "Lo sviluppo economico lombardo nelle attività degli imprenditori tedeschi," in Giorgio Oldrini e Aldo Venturelli (ed.), *La tradizione rinnovata*, Villa Vigoni, 2006, pp. 73-74.

network dedicated to the once flourishing linen trade from Germany to London, in the reorganization following the death of Johann Christoph Mylius in 1791, sent the junior partner Isaac Aldebert, married to Catharina Elisabeth Mylius, to London, while Carl Cornelius Souchay and Johann Jakob Mylius remained in Frankfurt, seat of the originating firm “Mylius & Aldebert”.

Heinrich Mylius, younger son of the family, had to search for an entrepreneurial opportunity elsewhere. He found it in Milan. There he could perfectly enhance the businesses of the other branches: he could control the supplying market of the silk to be sent to London and gather precious information on the most requested articles in linen or cotton to be imported from Germany and England.

In 1793 the new network was operative and Heinrich directed his own *negozio* of linen and cotton textiles in Contrada S. Prospero 2364.⁸⁹

But Napoleon did his best to disrupt the business of the young merchant.

Heinrich, in a letter of complaint to the Municipality in 1796, lamented the interruption of all credit lines with Frankfurt and pillaged transports in the Spluga and Gotthard mountain passes.⁹⁰ To no avail: he was even arrested and heavily fined.⁹¹

If the French government could tolerate or even favour a manufacturer like Adam Kramer, an importer of English wares remained an enemy under whatever circumstances. Even Milan’s principal fashion journal, “*Il corriere delle dame*,” adhered to the French propaganda, condemning, in 1805, the trading in English wares as an act of war: “You can reasonably affirm that England engages in war its commerce much more than its vessels. The ability of its sailors and the bravery of its soldiers are less dreadful, particularly to Europeans, than the plots of its speculators and the audacity of its merchants.”⁹²

The French couldn’t remain alone in this war against the most powerful mercantile nation of the world. “Only the French government —wrote further the columnist of “*Il corriere delle dame*”— has the courage to resist this spell that hurts the circulation in all other Continental nations, worsening their spirit and hurting their national interests. If France only, though, should exclude English wares, the advantages of this conduct would be incomplete, even for itself, because the cupidity of some individuals in neighbouring countries, counting on the peculiar preference of some men for prohibited goods, will always gain huge profits introducing illegally such wares in countries where the wisdom of the government has excluded them.”⁹³

The continental System was to be launched. Without success. To the dismay of Napoleon the System leaked incessantly and smuggling became the most rewarding business of the Continent. Those years would represent for a long time to come an unparalleled golden age for European merchants.

Switzerland, thanks to its geographical position and mercantile tradition, assumed the role of major *entrepôt* for English wares to be smuggled into French territories. Consequently smuggling networks by land, like the one of “*Frères Merian*”, were often Swiss centred. Starting from England, instead, other routes,

⁸⁹ Archivio della Camera di Commercio di Milano, Registro Ditte, ad nomen.

⁹⁰ Lettera della Kramer e Compagni alla Municipalità del 21 Luglio 1796. Archivio della Biblioteca Trivulziana, Fondo Famiglie, Cartella 815.

⁹¹ Lettera di Heinrich Mylius del 17 Marzo 1800, Archivio della Biblioteca Trivulziana, Fondo Famiglie, ad nomen.

⁹² A. Guillon, “Commerce Anglais,” *Il Corriere delle Dame*, n. XXI, 26th of May 1805, p. 211.

⁹³ A. Guillon, “Commerce Anglais,” *Il Corriere delle Dame*, n. XXI, 26th of May 1805, p. 210.

like the ones of the Mylius' network, functioned by sea. To operate such routes the original network had to be extended to new locations. From Frankfurt Cornelius Carl Souchay sent accordingly the sons of an impoverished relation, the Schunk brothers, to Leipzig, Triest and Malta. This way Myliuses' network could profit from all Italian smuggling routes: in the south from Sicily and Malta, or through Livorno to Saxony and back, or lastly from Switzerland through Lombardy's lakes.

Napoleon, enraged by the inefficiency of the controls, wrote to Eugene de Beauharnais the 26th August 1810: "Italy is flooded by Swiss wares. All printed and cotton pieces arrive from Switzerland, so that France is cluttered up by its own fabrics. My intention is that all German and Swiss pieces should be excluded from Italy and only French one be introduced."⁹⁴ Closing the French territories to all wares from Germany and Switzerland, Napoleon thought to abolish all smuggling possibilities from England, through these States.

The 14th October followed the Edict of Fontainebleau, ordering the seizure of all colonials and English wares in the French Empire. This time Napoleon didn't hesitate to use his army to implement the administrative measure. In Frankfurt French troops searched warehouses and burned all confiscated wares on the Pfingstweide.⁹⁵ Mayer Amschel Rothschild was fined 20.000 francs, Von Bethmann 360.000 francs.⁹⁶ In Milan wares imported by Heinrich Mylius were confiscated and burnt in November 1810.⁹⁷ The prices of sugar, coffee and cotton pieces skyrocketed. In Milan, while the wares burned, satirical pages circulated with ironic poetry on this "Emperor and King, merchant of sugar and coffee."⁹⁸ In far away London the Italian refugee Pananti could write down the following comical joke: After the decrees of Berlin and Milan, Napoleon surprised one of his Ministers enjoying his beloved cup of coffee. "You know — he asked enraged — my decrees against colonials. And you dare drinking coffee?" "Sire — was the answer — it has been burned."⁹⁹

Mockery was the only available answer for the oppressed populations. Merchants, instead, just changed their investing strategies. The risky smuggling business was reduced or abandoned, while the enormous amount of money earned in so little time had to find new opportunities. Placing the booming public debts of European states and financing the fighting armies were good

⁹⁴ Document quoted in: H. Wartmann, *Industrie und Handel des Kantons St. Gallen auf Ende 1866 in geschichtlicher Darstellung*, Kaufmännischen Directorium in St. Gallen, 1875, p. 326.

⁹⁵ Johann Philipp Freiherr von Bethmann (ed.), *Bankiers sind auch menschen*, Societäts Verlag, Frankfurt am Main, 1973, p. 134.

⁹⁶ Niall Ferguson, *The House of Rothschilds Money's Prophets 1798–1848*, Penguin Books, London, 1998, pp. 58–59.

⁹⁷ Angelo Moioli, "Enrico Mylius Negoziante e Banchiere," in Rosanna Pavoni (ed.) "...rispettabilissimo Goethe ... Caro Hayez ... adorato Thorvaldsendots" *Gusto e cultura europea nelle raccolte d'arte di Enrico Mylius*, Marsilio, Venice, 1999, p. 31.

⁹⁸ "Da qui emanó Napoleone il decreto del blocco continentale, dove, per rovinar l'Inghilterra, comandava all'Europa di privarsi delle derrate coloniali. Di questa gigantesca follia si sentí il colpo fin nel piú povero abituro lo zucchero, il caffè costavano un occhio; il cotone e il percallo erano un lusso; e nella Piazza de' Mercanti vedevamo bruciarsene balle, colte di contrabbando, mentre sapevamo che se ne permetteva poi l'importazione a grossi prezzi; laonde la bosinata beffava questo "imperatore e re, negoziante di zucchero e caffè".". Cesare Cantù, *Grande Illustrazione del Lombardo Veneto*, Milan, Corona e Caimi Editori, 1858, Vol. I, p. 271.

⁹⁹ Filippo Pananti, *Opere in Versi E in Prosa Del Dottor Filippo Pananti*, Stamperia Piatti, Florence, 1824, p. 357.

entrepreneurial occasions. Nathan Rothschild was ready to exploit them and consequently founded his London Bank in 1808 and left Manchester in 1811.

At the same time “Mylius & Aldebert” ceased and was substituted by separate firms connected by an informal network, much like the one that subsisted between the Rothschild houses. In all the new firms, founded in Leeds, Manchester, Milan, Frankfurt and Naples, Souchays, Myliuses and Schunks continued to be mixed up and interlinked. The interlocking, as usual, was strengthened by several intermarriages.

In Milan Heinrich Mylius, having amassed a fortune¹⁰⁰ and reached a distinguished position in the local business élite, founded his new venture, named “Enrico Mylius e Compagni”¹⁰¹ in 1811 as a house for banking and silk trade. Silk remained, in fact, the most rewarding business in Lombardy. On the black market in London the silk from Milan guaranteed a price two to three times higher than the Continental one. The risk was limited: silk smuggling was never really persecuted and the precious thread never burned. Even the French Minister Montalivet had pleaded to Napoleon, in 1811, he may liberalize silk trading to London because: “this kind of business is a normal activity, always practiced and its profits are very important.”¹⁰²

So felicitous was the situation of Lombardy’s silk trade that another younger son of a banker’s family of Frankfurt decided in 1810 to migrate to Milan: Ludwig Seufferheld. While his brother Marquard managed the bank in Frankfurt, Ludwig founded his own house for silk trade and banking in Milan.

In the years to come, for half a century, Mylius and Seufferheld maintained the linkages between Lombardy and Frankfurt’s financial centre, favouring the influx of capital in the silk cycle, but also managed the growing silk trade to German states. During the Restoration their investments were decisive in the modernization process of the silk production.

Both bankers gained a high social status in Lombardy’s capital and their local networks comprised both Blondel and Kramer. Seufferheld married a granddaughter of Luis Blondel, while Mylius helped to arrange the marriage of Massimo d’Azeglio with her sister. Mylius’s son married into the patrician family of the Arese¹⁰³, whose patrimony was administered by the Kramers.¹⁰⁴ The sons of Kramer and Mylius, Antonio and Giulio, attended the same school in Elberfeld and were later involved in many projects together.

¹⁰⁰In just a few years Mylius had amassed a remarkable fortune. In 1808 he was able to buy a new seat for his firm in Via Clerici n. 1768. The comptoir was on the ground floor with all the offices, administrative spaces and a fumoir with 162 paintings. The first and the second floors were occupied by representative spaces and the private rooms of partners and dependants of the firm. The cost of this remarkable building, situated in the centre of the Milanese bankers and merchants district, was of 148.000 Italian Lire, a sum that clearly demonstrates the success of the firm during this turbulent period. Protocollo di notifica 27th September 1808, Archivio della Camera di Commercio di Milano, registro ditte, ad nomen; and Frank Baasner (ed.), *I Mylius-Vigoni*, Leo S. Olschki, Florence, 1994, p. 11.

¹⁰¹Circolare di notifica 1 Luglio 1811, Archivio della Camera di Commercio di Milano, registro ditte, ad nomen.

¹⁰²Quoted in: Stuart Woolf, *Napoleon’s Integration of Europe*, Routledge, London, 1991, p. 154.

¹⁰³On this marriage see: Thomas Besing, Giovanni Meda, Serena Bertolucci, “L’Eccellente uomo” Enrico Mylius: committenza, mecenatismo e mediazione culturale,” in Rosanna Pavoni (ed.), “...rispettabilissimo Goethe... Caro Hayez... adorato Thorvaldsendots” *Gusto e cultura europea nelle raccolte d’arte di Enrico Mylius*, Marsilio, Venice, 1999, p. 56f.

¹⁰⁴Romualdo Bonfadini, *Vita di Francesco Arese*, Turin, Rome, Roux, 1894, p. 119.

The coalescing of a stricter circle of friends comprising Kramer, Mylius, Seufferheld, Manzoni and D’Azeglio has its testimony also in the flourishing of villas on the Como lake at brief distance one from another so that visiting wouldn’t be difficult to arrange. This circle practiced mecenatism and loved technical innovation as music, architecture and literature. Through its efforts lasting linkages were created between Frankfurt and Milan¹⁰⁵, along which masterpieces of art, their diffusing copies, medailles, books and scientific advancements were exchanged.¹⁰⁶

This cosmopolitan circle comprised Italians, Germans and French, merchants, scientists and noblemen, Catholics and Protestants. An example for the more innovative components of Milan’s society. Intellectuals, scientists and *negozianti* readily followed it granting to Mylius in the years of Restoration the leading role that had been of Adam Kramer. Through it Heinrich Mylius aimed at the modernization of Lombardy’s economy and society favouring, particularly through the setting up of the Society for the Encouragement of Arts and Crafts,¹⁰⁷ the process of local economic development.

Conclusions

Attracted by entrepreneurial occasions granted by the booming silk sector and the subsidized cotton production, merchants and entrepreneurs from all over Europe migrated to Lombardy in the last decades of the eighteenth century. Part of the human, financial and entrepreneurial capital movements along mercantile networks, typical of the time, these men represented in Lombardy the nobility of work. Through their success and political recognition they set an example as to how circumvent political oppression not through hasty revolutions but through wealth and social engagement. They coalesced around them a new wealthy élite prone to innovation, liberalism and tolerance. Melchiorre Gioia¹⁰⁸ depicted this social change with particular insight:

“In Italy the 19th century had just began that a great change occurred in the riches’ social order; the class of the owners of almost a fifth of the territory had vanished and another class of privileged, with the right to constrain thousands of peasants into servitude, renounced to it spontaneously or out of moral necessity. A new social formation emerged, instead, with little wealth but intelligence and activity; with industry and exchanges it reunited the opposite ends of the social scale, opulence and poverty; it fragmented and mediated between the two, teaching the ones who possessed everything to respect rather than piety the ones who possessed nothing. Every head of family wanted to show to his fellowmen just one civil virtue: this love that excites to useful action, that often relies on boundless expectations, foresees only profit, feeds itself with just

¹⁰⁵Bertolucci, C. Liermann, G. Meda Riquier, A. Venturelli (ed.), *Goethe, Cattaneo, Mylius, Manzoni*, Villa Vigoni, Ed. Loven di Menaggio, 2004.

¹⁰⁶It is due to Heinrich Mylius, for example, that Alessandro Manzoni’s “Promessi Sposi” was brought to the attention of Goethe. See: E. N. Girardi (ed.), *Goethe e Manzoni. Rapporti tra Italia e Germania intorno al 1800*, Olschki, Florence, 1992.

¹⁰⁷On the Society and its lasting influence on the modernization of the local economy see: C. G. Lacaita, *L’intelligenza produttiva, Imprenditori, tecnici e operai nella Società d’Incoraggiamento d’Arti e Mestieri di Milano (1838–1988)*, Milan, Electa, 1990.

¹⁰⁸On Melchiorre Gioia see: Manlio Paganella, *Alle origini dell’unità d’Italia: il progetto politico-costituzionale di Melchiorre Gioia*, Ares, Milan, 1999; and Piero Barucci, *Il pensiero economico di Melchiorre Gioia*, Giuffrè, Milan, 1965.

uncertain hopes. The common tendency to elevate oneself to better fortune exercised its overbearing influence even on the lower class: struck by their own civil insignificance they didn't ask for charity anymore but for work."¹⁰⁹

During Restoration such seeds posed under Napoleonic rule would flourish into insurance companies, joint stock companies, mechanization of silk and cotton producing processes but also journals, publishers, technical schools, associations and arts: an economic renaissance firmly based in the faith that hard work, trustfulness and knowledge could make not only one's success and fortune but most of all one's liberty.

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¹⁰⁹Melchiorre Gioia, *Sul commercio dei combustibili e caro prezzo del vitto*, Milan, 1804, p. VI.