trading companies would take their place, as new businessmen (*gente nuova*) emerged into the international limelight. This happened in many cities of communal Italy; but not in Siena, where the opening of the fourteenth century closed an era. . . .

Faced with their first great difficulties—both structural and conjunctural—the Sienese commercial aristocracy showed no resistance, nor any will to respond. A return to the land, in terms of vast landed estates and seigneurial rights, seems to have been totally congenial to their mental patterns and ideals. Did they perhaps see in it an assertion of identity against the ruling classes of neighbouring cities? A more or less conscious desire to stand out and to create an identity would indeed seem to explain "archaic" behaviour among the Sienese aristocracy: the large expenditure on clothes and banquets, the taste for ceremony and festival, the cult of courtesy, the fine façades (and they were only façades) of the patrician palaces, the grandiose and unrealistic architectural projects, and the strong spirit of faction (manifested in the peculiar local subdivision into *Monti*).

In the management of the large estates, the more practical methods of the thirteenth century were slowly replaced by the detachment typical of rentiers. This was responsible, at least in part, for the economic decline in the fifteenth century of some families from the old urban aristocracy whose wealth had by then long been identified with the land.

The mercantile mentality and the world of business (*negotia*) seemed, from at least 1400, largely alien to the prevalent culture among the upper strata of Sienese society. Such activities became dishonourable for gentlemen, for whom living off the profits of the land or of public office was more appropriate. Indeed among the great families the concept of honour was often connected to the management of property. We should not be deceived by references in the fourteenth and fifteenth centuries to a lively trading sector in the city: Siena, after all, remained an important city (the second in Tuscany), with a large territory, and it continued to offer notable opportunities to small and middling traders operating at a local or regional level. But they remained small and middling merchants. Evidence pointing in the opposite direction is much more frequent in the sources. The contrast with Florence is striking: there trade continued to be praised as "that which alone can make cities rich from its many profits." . . .

Late medieval Siena represents a rare example of the accelerated development of processes and phenomena which in the rest of Italy had a slower pace and achieved their outcome only in the early modern period. Siena saw both a rapid and dazzling expansion and similarly rapid turning in on itself. The mercantile upswing and ideology were suddenly interrupted, before they could fully develop; they gave way to a brisk aristocratisation of society and to a recovery of traditional values. In the triumph of these values the close and "stifling" relationship with the land played a decisive part. The case of Siena thus provides material to reconsider two contradictory interpretations of late medieval Italy: one which exalts the role of the emergent bourgeoisie and one which speaks of the "myth of the bourgeoisie." Italian society between the twelfth and sixteenth centuries revolved around two opposite poles. On the one hand were the innovative elements, new economic activities (trade, banking, manufacture), and a different concept of society, of institutions and of relations

between men and between groups. These elements, naturally gathered within cities, were promoted or adopted by largely new classes and represented a break with established values. On the other hand were the elements of tradition: the seigneurial world, the role of land as a sign of power, a more clearly hierarchical concept of society, all of which were expressed in particular styles of behaviour. From the dialogue between these two poles—but sometimes from the combination of individual elements—proceeded the diversity of social, political and institutional conditions in the Italian city communes. Siena, though showing a highly individual development, did not fall outside this general pattern.

The Preconditions for Luxury Consumption

RICHARD A. GOLDTHWAITE

The Renaissance has not been a very useful concept for organizing the materials of the economic history of Italy. Given the current state of the scholarly literature, we can talk about a "Renaissance economy" only in the obvious sense that economic activity was going on at the time. No one has shown how the term helps clarify structural, technological or any other kind of change the economy may have undergone, or indeed whether any such changes even took place to a significant degree during the period. For all the scholarship that has been expended on particular problems, economic historians have not generally been interested in looking at the period as a whole: medievalists find the crisis of the mid-fourteenth-century demographic catastrophes a convenient place for concluding their account of the commercial revolution and urban economic growth, and modernists pick up the story with their concern about why Italy got left behind in the rapid expansion of the European economy from the sixteenth century onwards. What happened in between is not very clear, and there certainly is no agreement on the overall performance of the economy.

Yet, in at least one way it is possible to talk about a Renaissance economy. If any distinctive economic activity marks the period, it is conspicuous consumption. The increased production of art, and luxury goods in general, is one of the most characteristic features of the Renaissance; and indeed it is at this time that art created consciously as such emerges as a distinct category of goods. The kinds of objects we today call art proliferated boundlessly, showing up in all walks of life, secular as well as religious, and they added up to a major change in the history of style. Even if there had been no stylistic innovation, however, all this consumption would be a notable

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phenomenon simply as economic activity: had palaces and churches, villas and gardens, sculpture and painting, domestic and liturgical furnishings all been produced in the traditional medieval style, we would still be confronted with an extraordinary abundance and variety of goods. Although the world has become infinitely more cluttered since the Renaissance, an argument can be made that modern consumer society, with its insatiable consumption setting the pace for the production of more objects and changes in style, had its first stirrings, if not its birth, in the habits of spending that possessed the Italians in the Renaissance. This increase in consumption is all the more surprising in an economy that had undergone a drastic reduction of population and at the same time seen a marked rise in the cost of labor. In short, as much as anything else, this demand signals much of what is new about the Renaissance and what sets Italy off, economically as well as culturally, from the rest of Europe at the time.

. . . Italy enjoyed extraordinarily favorable conditions for the development of a luxury market, and . . . these conditions go a long way toward an economic "explanation" of the Renaissance not as a new period in the history of taste but simply as a consumption phenomenon. Certain structural features of the Italian economy, in other words, help explain why demand was so vigorous and why therefore cultural production flourished. In any case, a survey of these conditions on the demand side of the luxury market touches on many features of the Italian economy that have been obscured, if not altogether ignored, in the endless and largely fruitless debate about how "hard" the times were, or were not. On this ground alone it seems worthwhile to shift attention from the performance of the economy to its structure.

That behind the extraordinary consumption that marks the Renaissance there was the immense wealth of Europe's most developed economy goes without saying. What gets lost in the old debate over the problem of whether at the time the Italian economy was prospering or contracting, however, is that the logic of the economic system argues for the continual accumulation of wealth throughout the later middle ages regardless of the level of performance. This system was oriented toward the export of goods and services and had built into it a favorable balance of payments. "Let us face it," argued a Florentine in the eighteenth century, looking back on better times, "our economy rested on a monopoly. We waxed rich thanks to the barbarous ignorance and indolence of others."

The strength of this economic system is well understood. In the commercial sector Italians monopolized the trade of those luxury items imported from the Near East and distributed throughout all of northern Europe; and they controlled both the maritime transport of these goods and the distribution network. With the possibility of transferring credit throughout this vast commercial network, extending across the Mediterranean and into all of western Europe, the Italians also became Europe's preeminent international bankers, and they used the resources of this sector for the further extension of their activity into government finance. Finally, Italy had a strong industrial sector oriented toward the production of luxury goods, above all textiles, for export to northern Europe and eventually, by the end of the fifteenth century with the establishment of the Ottoman Empire, also to the eastern Mediterranean.

This situation can be put into relief by looking at the debit side of the balance. The history of the development of textile production—both wool and silk—shows

how the industry improved its competitive advantage in local markets against imports from abroad, how it expanded its own markets abroad, and finally how it reduced its dependence on raw materials imported from abroad. By the end of the fifteenth century, the wool industry was producing for important new markets opened with the establishment of the Ottoman Empire and was taking less wool from far-away England and more from central and southern Italy. The reversal in the silk market was even more complete. Whereas earlier Lucca was the only major center of production and raw and finished silk came into Italy from the east, in the fifteenth century Florence grew rapidly as a major producer; and by the sixteenth century silk cloth was being manufactured in numerous Italian towns for markets abroad all across Europe and in the Near East and silkworm culture was being vigorously promoted throughout Italy, in both the north and the south.

Looking over the international scene of Italian trade at the end of the fifteenth century it is not easy to find products of value that were imported in notable quantity. . . . Demand, directed by the desire for many new kinds of objects and increasingly conditioned by a highly self-conscious taste, generated productive forces within Italy itself; and by the sixteenth century, except for a few items, like tapestries from the north and carpets from the east, there were hardly any luxury goods manufactured abroad that Italians wanted. The rise in luxury consumption, in other words, did not mean a loss of wealth from the economic system; rather, it was a stimulus to further development within.

Trade was not the only activity that brought wealth into Italy. So did war. Throughout the middle ages Italy was a focus for the political ambitions of northern rulers, who drained off resources from their homeland to pay for their ventures. For some of the Holy Roman Emperors, from the Ottonians through the Hohenstaufens, Germany served as little more than a tax-base to finance their ambitions in Italy. The Angevins used their considerable wealth in France to finance their move into the Kingdom of Naples in 1268; and once there, their marriage into the Hungarian royal family enabled them to tap the most important source for gold in Europe to pay for their further military exploits in the south. When, in turn, the Aragonese came, first into Sicily in 1282 and then to the mainland in 1435, they had behind them the resources of their Iberian kingdoms, which included Barcelona, the only major European emporium of trade and banking in the Mediterranean outside of Italy; and wealth flowed into Naples once it became the capital of their new trans-Tyrrhenean empire. Moreover, all these foreign ventures in southern Italy in one way or another involved the Papacy, whose vital interests were at stake; and entering the fray, the Pope did not hesitate to tap the vast resources of the church all over Europe by declaring a new kind of crusade, now not in the Near East against infidels but in Italy itself against Christian enemies in the pope's backyard. These financial efforts were a major cause for the tightening-up of the church's revenue-collecting mechanism. The Avignon papacy made continuing use of its bureaucratic grip on the church throughout Europe in order to amass the resources for its primary objective during those years—the return to Italy; and the cost of the long, drawn-out campaign to carve out an independent papal state in central Italy was paid, in part at least, with church revenues from outside Italy. When, after 1494, Italy became the battleground for the major European kingdoms, more resources were poured into the country. It is very likely, too, that Italy actually profited from the eventual Spanish domination of much of the peninsula. The Genoese raked off considerable profits from their financial services to the monarchy in handling the transfer of American bullion to the north; and however oppressive the Spanish regime was in Lombardy, it is clear that not enough money was collected locally to pay the expenses of government, with the balance having to be imported. In short, for over 400 years, from the twelfth century (and probably earlier) to the sixteenth century, foreigners' involvement in Italy, however unfortunate the political and military consequences, must have resulted in flows of some wealth into Italy.

Although trade and military activity have a long history that made the accumulation of wealth a continuing phenomenon, that process must have accelerated at the end of the middle ages. It was at this time, at any rate, when the major political events noted above occurred and when shifts in commerce and growth of local industries strengthened the balance of payments. Moreover, the fourteenth-century plagues, for all their devastating effects, left in their wake many fewer people to enjoy the ever-greater wealth. If all these factors could somehow be measured we might be able to show how the per-capita wealth in Italy increased in a relatively short period of time—precisely the time when it began to manifest itself in spectacular luxury spending. In short, to explain where men got the money to finance their new spending habits we do not have to posit a withdrawal of wealth from investment nor in fact do we have to take sides at all in the debate over the performance of various sectors of the Italian economy that has distracted attention from the structural problems raised here.

Greater wealth is only part of the explanation for the greater consumption of luxury goods. The vigor of demand was also dependent on the structure of wealth. That structure consisted in, first, its distribution, both geographic and social, and, secondly, a certain weakness or instability in its ownership that resulted in its fluidity of redistribution. A structural analysis of wealth in Renaissance Italy along these lines reveals: 1) that wealth was distributed among a large number of consumers for the most part concentrated in many urban markets; 2) that the ranks of these consumers were constantly changing so that demand was sustained at a high level; and 3) that the rich tended to become richer, which meant a rise in the level of individual spending. These conditions taken all together go a long way in explaining why Italy probably enjoyed the most favorable condition in Europe for the development of a vigorous luxury market.

The distribution of wealth in Italy was largely determined by the political fragmentation of the peninsula into areas of widely varying economic development. Hence, no one capital city dominated as a governmental center that, like London and Paris, also tended to be the central market for the economic life of the country. Nor did any one city dominate the economic system. Between them Venice and Genoa enjoyed pre-eminence as ports, but neither had much importance as industrial and international banking centers, at least not before the sixteenth century; and the leading industrial and banking center, Florence, had by no means a monopoly in these sectors. Other towns, like Lucca, Milan and Bologna, had their particular economic activities of varying importance to the system as a whole. Rome had a unique economic position as the capital of an international ecclesiastical organization. Yet other provincial towns derived their economic vitality from the professionalization of war, as seats of independent condottieri who drained off the kind of wealth from the larger states that in the northern kingdoms remained confined to the political-military establishment therein. War, in other words, was an economic activity in Italy that redistributed wealth in a way that did not happen elsewhere in Europe; and its profits paid for much of the patronage in Ferrara, Mantua, Urbino and a host of smaller places. In short, the Italian economy for all its international orientation consisted of a complementary system of varied local economies.

. . . Wealth in Italy was urban not just in the sense that it derived from those industrial, commercial and financial activities characteristic of the economic development of towns but in the sense that rural wealth, too, was largely in the hands of men who lived in towns. In the Florentine state, for instance, almost two-thirds of the total wealth (as reflected in the 1427 Catasto) was owned by Florentines, who constituted only about one-sixth the population. This urban concentration of rural wealth followed from, on the one hand, the move by landowners into the towns during the early period of the commune and, on the other, the acquisition of land by the rising class of urban entrepreneurs as they reinvested their earnings. The former process alone, in fact, accounts for the economic vitality of many provincial towns, whereas the latter process—the purchase of land by townsmen—rarely led to the abandonment of the town for the country. It was otherwise in northern Europe, where land remained for the most part in the hands of men who lived in the country, whether older landlords who long resisted the move into the city or newer ones who abandoned the city for the country. Even in a highly urbanized region like Germany the wealth of the towns did not include much of the surrounding land. What made Italy distinctively different from the rest of Europe, in short, was not just the growth of towns, with all the economic developments associated therewith, but the much greater concentration in towns of the wealth of the whole economy, rural as well as urban—and even in Italy, for all its economic development, agriculture remained the largest sector of the economy. This fact has been somewhat obscured in the current debate over the relative importance of capitalist and landed classes in the economic and social system of Renaissance Italy. And yet, if demand itself is ever to be understood—apart from the economic structure it operates through, which is the subject of this essay—the analysis of the consumption habits of Italians will have to consider the difference in lifestyle not between a "bourgeoisie" and an "aristocracy" but between an elite that is entirely urban, whatever the nature of its wealth, and one that is entirely rural, like that in northern Europe. Travellers from both the north and the south clearly observed this difference at the time.

If the higher degree of the urbanization of wealth in Italy helps account for the earlier development there of a luxury market, it is in part because certain structural features within urban society also impinged on demand. First of all, in many of the major city-states the upper-class was not organized around a prince whose government skimmed off an inordinate share of the wealth to maintain a court, thereby heavily concentrating demand in a single agent and at the same time focusing on itself much of the consumption behavior of the upper-class. Some of the largest and wealthiest cities, like Genoa, Venice and Florence, were, of course, oligarchies with no formal court at all. When Venice extended its possessions on the terraferma, it left local urban oligarchies intact in cities like Verona, Padua, and Brescia rather than force a concentration of their wealth in the capital; and when the Medici consolidated their control over Florence as dukes, their court remained largely a private affair, with much of the older upper-class not socially involved in it at all.

Whatever the concentration at the top rung of society, wealth was widely enough distributed in Florence that the middling class of artisans—perhaps for the first time in the history of the west—began to show up in the luxury market. The considerable increase in real wages after 1348 put a larger share of wealth into their hands; and the number of highly skilled artisans increased with the growth of the luxury-crafts sector of the economy. Neri di Bicci's record book consists largely of his dealings with people more-or-less of his own class, and a century later Vassari tells us that some clients of the major artists of his day were men of this kind. It was, after all, a modest broker in the banker's guild who commissioned Botticelli's Adoration of the Magi in the Uffizi. The evidence of inventories across the fifteenth and sixteenth centuries confirms the growing quantity of furnishings, including art works, in the homes of Florentines well below the level of the patriciate.

Whatever the diffusion of wealth throughout Italian society, mobility within the structure of that society assured its frequent redistribution. Some of this flow was generated by the inherent instability of the political system arising from what Burckhardt called the illegitimacy of power. New men were forever showing up on the political scene; and the emergence of the five major states and the establishment of the precarious balance of power in the mid-fifteenth century did not mean the immediate elimination of many lesser despots. The kaleidoscopic changes especially in the Marches, the Romagna and Emilia reflected the fluidity of power and therefore of wealth among these men, many of whom enjoyed their moment of glory in the annals of patronage. Mobility was also built into the structure of the church hierarchy, obviously a major group within the Italian elite. Since the pope and the 25 to 30 cardinals in Rome could not assert familial claims to their office, the immense wealth of the church was constantly plundered to benefit their families. The rapid turnover in the holders of these offices and the lack of any dynastic continuity—there were 18 popes in the sixteenth century in contrast to 7 monarchs in France, 5 in England and Germany, and 4 in Spain—assured the rapid renewal of demand that is a major explanation for the extravagant patronage in the Holy City.

Finally, the mobility of wealth was inherent in an economic system largely based on commerce, finance and industry. In the business world fortunes came and went, new men were always showing up on the scene, and establishment figures were forever exiting. Something of this fluidity is reflected in the history of the most notable palaces in Florence, which were built by new fortunes or did not get finished for lack of funds or passed into new hands with a change in fortune. Some of the most familiar names in the annals of business history—Andrea Barbarigo, Francesco di Marco Datini, Giovanni di Bicci de' Medici, Filippo Strozzi the Elder—represented new wealth if not new families. So long as men kept their wealth in business they could not assure the financial stability of their families, many of whose histories reveal how elusive permanent wealth could be in the early Renaissance; and in any case veritable business dynasties are not easy to find. Moreover, whenever businessmen shifted their investments to land, as they increasingly did in the sixteenth century, whether because (as tradition has it) they were losing their nerve and wanted to secure their patrimonies, or whether simply because (as recent scholarship is revealing) agriculture offered better prospects for profits, their "move to the land" left room for new men to take their places in the business world and try their hands at making another fortune.

In short, Italian society was subject to a dynamic of change unlike that of any other in Europe. Elsewhere, wealth was predominantly in land and therefore less subject to instability, it was largely in the hands of a closed caste that experienced less mobility, and it moved from one generation to another over well-charted and confined genealogical routes.

Nevertheless, the growth of this sector had far-ranging effects on the Italian economy and society. It may seem obvious that all the money spent not only for architecture but for the furnishing of palaces and churches with everything from furniture and ceramics to painting and sculpture added up to a considerable investment in human capital: there were more skilled laborers and a larger variety of skills as a result. Already by the end of the fifteenth century artisan society in a place like Florence was larger and more complex than it had been earlier, say at the time of Dante. But there is more to this development than a mere quantitative change. Many of these new skills required highly individual talents, so that artisans had greater opportunity for creativity, some declaring for themselves an altogether new kind of creative freedom as artists. Moreover, the high degree of competition in the numerous markets of Italy stimulated these producers to be innovative and original, so that they themselves could actually mold new taste.

Why demand for art and the other luxury items we associate with the Renaissance arose in the first place, and how this demand shaped the growth of the luxury sector of the economy, are questions that lie beyond the scope of this discussion. Whatever its origins, however, demand was dependent on the level of wealth and operated in the economy by working its way through the structures of wealth; and the contention here has been that these conditions favored the development of a vigorous luxury market in Renaissance Italy. First, the general level of wealth was extraordinarily high due to the long cumulative advantage of a favorable balance of payments at the end of the middle ages; secondly, this wealth was widely distributed both geographically and socially and yet heavily concentrated in a large number of urban markets; thirdly, the political, economic and ecclesiastic elites were fluid, and the consequent social redistribution of wealth assured a constant renewal of demand; finally, the wealthy became much wealthier in the course of the Renaissance, especially in the sixteenth century. The timing of the Renaissance as a consumer phenomenon was very much a matter of the political situation—the emergence of strong oligarchical and despotic governments in the towns; the general, if precarious, stabilization of the political scene in the mid-fifteenth century; the success of the popes in establishing an independent state; and the overwhelming presence of Spain in the sixteenth century, which had its effect in freezing the political situation and thereby assuring stability, in radically transforming Naples into a significant new market, and in giving yet another infusion of wealth through use of the bankers of Genoa for the international transfer of bullion. Given these political developments, the analysis of the nature of wealth sketched out here goes a long way toward explaining the vigor of the luxury market, the geography of patronage (or the shifting of markets), and the duration of luxury spending, with its ever-greater extravagance from the Renaissance to the Baroque.