beneficial trade? Or are those ideals, too, a form of empire? Ultimately, what is at stake in *Globalists* is nothing less than the Kantian struggle for perpetual peace, our perennial quest for human sociability across time and space. But, whatever the deeper histories of our particular moment of crisis might be, there can be no doubt that we remain stymied by the shifting relationships between politics and economics, agency and providence, imperium and dominium that have vexed writers since the very origins of political economy. Slobodian sheds crucial light on this nexus of concerns and, therefore, on some of our most pressing predicaments past, present, and future.

*Sophus A. Reinert is professor of business administration at the Harvard Business School.*


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Reviewed by Eric Godelier

Who is responsible for the 2008 financial meltdown and the Lehman Brothers debacle? From this starting point, this book interrogates the nature, role and accountability of financial elites throughout history. Who are they? What part do they play in capitalism? Are they generous providers of capital flows that shape the financial system in which corporations can flourish, or greedy cosmopolitan predators motivated only by the pursuit of personal wealth?

This book is not only a contribution to the history of particular financial elites; it helps to clarify the role of capital markets in the development and globalization of capitalism. It interrogates the critical issue of financial market efficiency, the influence of finance on corporate strategies, and the nature and power of public regulation over capital markets. Studying the historical evolution of banking practices, this book invites reevaluation of the Chandlerian models of managerial versus shareholder capitalism. Finally, it asks whether financial elites have definitively succeeded the previous industrialist elites as the leading community of modern capitalism.

The book comprises nine chapters which complement each other either thematically or by period. They take a comparative and interdisciplinary approach, using examples from France, Italy, the United
Kingdom, Scotland, Switzerland, and the Netherlands, and combine history with economics, political science, and sociology. Although most of the contributions are focused on the twentieth century, the book’s chronological scope extends from the French Revolution to the twenty-first century. The audience targeted extends beyond academics specializing in the history of finance to regulators, policymakers, and the general public.

The first theme that emerges in the essays is the definition of financial elites. Several chapters analyze the structures of this community to determine its boundaries and the profiles of its members. Outlining these elites’ educational backgrounds, relationships, political influence, and cultural values contextualizes their economic power and social dominance. The essays in the book offer alternately a narrow definition limited to banking elites and a wider one including bankers, lawyers, high-ranking civil servants, and even politicians.

Youssef Cassis and Giuseppe Telesca explain that bankers have been a symbol of wealthy and arrogant capitalists since the nineteenth century. Despite the negative perception (“shortage of reputational capital”), which existed both in the Great Depression of the 1930s and the Great Recession of the late 2000s, Cassis and Telesca emphasize that banks, like railways, were probably some of the first Chandlerian enterprises where ownership and control were separated (p. 18). The rise of big banks did not eradicate the influence of family-owned or controlled private banks. On the contrary, salaried managers, especially in the late twentieth century, were able to benefit from the same extraordinary level of remuneration as the owners, allowing salaried bank managers to become part of the financial elite.

Focusing on examples from the United Kingdom, T. T. Arvind, Joanna Gray, and Sarah Wilson argue that the community of financial elites is defined by its “exclusive repository of specialist knowledge and privilege” (p. 160). They argue that the community of financial elites is heterogeneous, divided into subgroups by developing specific values and collective strategies, depending on the historical and economical context. Step-by-step, through crises, market cycles, or public regulation, financial elites’ values and collective behavior are framed by institutions and legal decisions.

Alberto Rinaldi and Michelangelo Vasta use a longer time horizon (1913–2001) to demonstrate that the varying power of financial elites can also be described by studying the position of banks either at the center/core of networks of large and established companies or as one of the peripheral members of those networks. The power of bank managers and owners varied depending on their relationships to universal banks or specialized ones.
Finally, Mikael Wendschlag offers insight into the changing definition of financial elites by showing that the educational background of certain of its members—that is, governors of central banks—changed after World War II. Before the 1960s, most officers of central banks were trained in law. In the 1970s, economists assumed a more important role in the financial system as more and more academics were appointed as officers of central banks. They frequently implemented anti-Keynesian public policies and monetarist doctrine.

A second theme that connects several of the essays is related to the actions and influence of financial elites in the recent evolution of capitalism and regulation. At several critical moments (the French Revolution, the Interwar period, the 2008 crisis) elites were apparently able to provide enough financial flows and capital assets to maintain the smooth activity of national and international capitalist economies. Niccolò Valomori details the important role of foreign bankers and merchants at the time of the French Revolution. For instance, Walter Boyd, a Scottish banker who settled in France, implemented new capital market regulation and ways of managing debts. Almost two centuries later, in the 1960s and 1970s, as Laure Quennouëlle-Corre describes, financial elites developed new strategies to face the regulatory system: sometimes, they tried to benefit from it, sometimes to lobby against it or to bypass it (for instance by going abroad). Although they are regularly accused of destroying or capturing value for their own benefit, banks have also preserved social stability by supporting failing corporations and subsidizing “lame ducks.” On the other hand, the stability favored by financial elites has maintained a system based on risk aversion and lack of innovation.

A third theme emerging from several essays is the question of how financial elites have been able to maintain an important degree of persistence. This book shows that they have combined continuities and innovation either in their values and collective dynamic or in their ability to adjust to institutional change. For example, in Italy in the 1920s, financial elites tended to adjust their activities toward a more regulated context by cooperating and even merging with public agencies or technocrats, contributing to improved stability and better regulation of capital markets. Another example comes from Leslie Hannah’s exploration of the long-term emergence of good governance at the close of the nineteenth century. By 1914, the London Stock Exchange (LSE) and the New York Stock Exchange (NYSE) communities had created new rules and routines thanks to professional standards and networks. Despite some public regulation, financial elites have more or less autonomously designed their own culture, as well as evaluation tools to measure and control risk.
Alexis Frédéric Drach describes another example on a more global scale—the construction, in 1974, of an international standard-setting institution, the Basel Committee on Banking Supervision (BCSB). On the one hand, this allowed the creation of new and better methods to control more complex internationalized banking practices. On the other hand, most of the BCSB’s members were reluctant to impose strict rules on financial elites, because they were themselves part of the community.

There are many good reasons to recommend this book. It is a strong contribution to a renewed vision of financial elites’ structure, power, strategies, and values. Nevertheless, from time to time the reader would have appreciated more detailed descriptions of official and unofficial—gray—practices and tools financial elites invented and implemented to comply with or avoid market rules and public regulation. The powerful conclusion of the book is that since the very beginning of financial markets in capitalism, the shaping of financial systems has been the result of a dialectical relation between state regulation of financial activities and the attempts of market actors to escape or circumvent it.

Eric Godelier is professor at the École Polytechnique in charge of developing business history and corporate culture courses. From 2006 till 2017, he was dean of the department of humanities and social sciences, and in 2012 he coordinated publication of the first website on French Management Tools and Models (Eighteenth to Twentieth Centuries), http://mtpf.mlab-innovation.net/fr/.

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Reviewed by Guillaume Bazot

This book provides a comprehensive view of notarized—that is, peer-to-peer—credit in France from the mid-eighteenth to the early twentieth century. In it, the authors provide historical insight into current economic debates such as the link between banking and credit development and the role of interest rates in the clearing of the mortgage credit market.