BOOK REVIEW:

“POLITICAL ECONOMY IN THE HABSBURG MONARCHY 1750–1774: THE
CONTRIBUTION OF LUDWIG ZINZENDORF” BY SIMON ADLER

REVIEWED BY

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For at least the last few decades, intellectual historians of early modern Europe have been exploring the counterpoint of nationalism and cosmopolitanism that informed the development of political economy over the course of the long eighteenth century. On the one hand, individual states came to recognize that commercial prosperity, and not military might, increasingly determined the international balance of power. In this context, the eternal “jealousy of trade” between states dictated that problems of production, consumption, trade and finance had to be theorized explicitly in any effective science of statecraft. But even as these states vied with one another, members of a cosmopolitan intellectual elite shared their findings on political economy with one another in personal exchanges, the circulation of manuscripts, or through writings published in an internationalized literary public sphere. The manner in which parochial impulses balanced against the cosmopolitan sophistication of many of these early writers has been elegantly encapsulated in Sophus Reinhart’s notion of “emulation” as a force that shaped political economy, while John Robertson’s notion of an “Enlightenment above national context” provides a way of thinking about the dialectic between trans-national generality and local adaptation in the development of economic models.¹

Hitherto, the dialectic between localism and cosmopolitanism in the development of political economy has been most thoroughly explored in British, French and Italian contexts, and one of the merits of Simon Adler’s book on the writings and career of Ludwig Zinzendorf (1721-1780) is to bring this framework to bear on the Germanic world—in this case the Austro-Hungarian Empire under the Empress Maria Theresa (r. 1740-1780) and her long-serving chancellor Wenzel Anton Kaunitz; together they presided over a period of energetic social and political reform, as well as the controversial Diplomatic Revolution of 1756, which aligned Austria with her erstwhile enemy France against the emergent great power Prussia. Partly at issue here is that perhaps too much historiographical emphasis has been placed, in the past, on what seems to be the German exception of Cameralism; or in the other direction, in establishing the cosmopolitan bona fides of certain German thinkers—for instance Jakob Mauvillon, Isaak Iselin or Johann Christian Springer—by linking them with the resolutely anti-nationalist doctrine of Physiocracy.

In contrast, the Ludwig Zinzendorf that emerges from Simon Adler’s well-researched study is neither a Cameralist nor a Physiocrat, but rather an adept of the French economist-administrator Vincent de Gournay and the circle of like-minded writers he assembled around him in mid-century France. These thinkers, like Zinzendorf himself, were advocates of an economic liberalism in the service of national prosperity, which meant that it might be modified to countenance such heresies against economic liberalism as monopoly companies or protectionist strategies intended to encourage export-led growth. More broadly, Zinzendorf, like Gournay and many of his followers, was no revolutionary: as liberal-minded meliorists working within the government, their enthusiasm for reform largely ended where threats to the established social and political order began.

¹ Sophus A. Reinert, *Translating Empire: Emulation and the Origins of Political Economy* (Harvard University Press, 2011); John Robertson, “The Enlightenment above National Context: Political Economy in Eighteenth-Century Scotland and Naples,” *The Historical Journal* 40, no. 3 (September 1997): 667–97.

Ludwig Zinzendorf—not to be confused with his more famous and better-studied younger brother Karl—was the eldest son of a financially straitened aristocratic family who took up public service in part to repair his fortunes; he went to France in 1750 along with Kauntiz's diplomatic mission. Zinzendorf travelled around France, and in particular to its port cities, on economic fact-finding missions; in Paris, he made the acquaintance of members of the Gournay circle and began assiduously to read their publications. Although Zinzendorf's interests were catholic, he focused in particular on financial economics. He drew theoretical lessons for the reform of Austro-Hungarian finances from the controversies surrounding John Law and his latter-day apologists and critics, in particular Jean-François Melon; circumstances in France, including pervasive rent-seeking, privilege, and institutional overlap resembled the Austro-Hungarian situation sufficiently that France was rich in empirical lessons for the kind of financial reform that Zinzendorf contemplated at home. Adler has meticulously reconstructed Zinzendorf's readings of figures like Law and Melon and has done valuable scholarly detective work to establish the institutional precedents in many nations that served as models for the reforms he proposed, with varied success, in the councils of Empire. Of particular interest, because they give a sense of the institutional landscape of eighteenth-century Austria, are Zinzendorf's proposals to consolidate the state debt issued by a hodgepodge of local estates and to issue bonds in small denominations in order to broaden the investor base for sovereign debt during the Seven Years' War.

A complementary argument of *Political Economy in the Habsburg Empire* is that not only was Zinzendorf profoundly influenced by the works of Vincent de Gournay and his circle, but that Zinzendorf himself should be considered an Austrian version of Gournay who developed his own circle. To some degree the evidence is convincing for a miniaturized Gournay circle in Austria. In France, the Gournay circle refined and publicized its views through the translation, and paratextual interpretation, of foreign (mainly British) works of political economy; similarly, in Austria Zinzendorf pursued his own program of translation and commentary on works of French political economy. Nevertheless, it appears that it was only Zinzendorf who did this work of translation while the five named members of this group (p. 202) engaged in discussions and at times wrote administrative memoranda. Significantly, some of Zinzendorf's own translations were never published; while some of his own memoranda were copied by hand and distributed for the purposes of internal government discussion, they were not printed—as they were often in France—for the purposes of exciting public opinion. Public discussion not only shaped policy outcomes in France and elsewhere, but it was indispensable to the development of political economy insofar as it helped to push economic writers into greater conceptual clarity and analytical ambition. Adler is quite open about admitting the limitations of Zinzendorf's circle (p. 208 and pp. 241-245) including the narrowness of the public sphere surrounding it; the persistent, perhaps unintentionally invidious, contrasts that Adler draws with the French case inevitably make the political economy of mid eighteenth-century Austria seem like something of a two-legged stool.

The great value of this study is that it updates our understanding of eighteenth-century political economy in the Germanic world by carefully and convincingly tracing the connections of one demonstrably important economist-administrator, Ludwig Zinzendorf, to a politically influential and often theoretically refined school of economic thinkers. The Gournay circle has recently come into fuller view thanks to the work of Simone Meyssonier, Loïc Charles, Christine

Théré and others, and Adler adeptly draws on much of this literature. When we examine the context for the development of political economy in places like Italy and Britain, it only serves to emphasize the limitations of exclusively cosmopolitan intellectual influence and exchange in places like Pedro Rodríguez de Campomanes's Spain or Zinzendorf's Austria. It is counterintuitive to say so, but what the case of Zinzendorf and his *école manquée* in Vienna may prove is that what saved the economists of Britain, France and Italy from parochialism was the localism, and intense engagement, of the publics they enjoyed.