of a sophisticated market of marine insurance; although, the market remained small compared, say, to London. But Baskes finds the industry remained inadequately diversified because the number of underwriters was small and the number of trade routes on which the Cádiz market specialized was even smaller.

In the final analysis, despite the book's coverage, a long-term assessment of the institutional reforms of the Bourbons, a topic of great interest in the literature, is difficult to make. One problem is that the commercial boom caused by the Bourbon reforms was interrupted by the outbreak of the French revolutionary wars in 1793. There was a rise in the rate of bankruptcies in the transatlantic trade in the decade after 1778, which is explained by the increased volume of trade and lower prices in colonial markets. Unfortunately, it is impossible to determine if this was a permanent consequence of having eradicated the risk-reducing institutions of the fleet system or a temporary problem that would be addressed by institutional modernization. The book, however, lays a solid foundation for future research on the question.

In the final analysis, Baskes offers a critical contribution to the debate on the institutions of the Spanish imperial commercial system. The static analysis of monopoly rents and distributional consequences, on which the literature has relied for so long, will no longer be complete without accounting for the transaction-cost environment of long-distance trade. In this highly risky world, no merchant could survive long without taking measures to mitigate risk, and effective institutions of risk mitigation were necessary for the vitality of imperial trade.

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Stuff and Money in the Time of the French Revolution. By Rebecca L. Spang. Cambridge, MA: Harvard University Press, 2015. Pp. viii + 350 pp. $39.95, hardcover.
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> "Inspired by authors such as Karl Marx and Georg Simmel, both of whom treated money as the modern world's chief and most power abstraction, scholars have generally been loathe [sic] to *look* at money. After all, surely only fetishists and four-year-olds really care what money looks like?" (p. 103).

Focusing on monetary issues, Rebecca Spang offers a new and disappointing history of the French Revolution. While she has read much of the vast corpus of primarily materials, Spang denigrates or ignores the contributions of economics-trained economic historians. The snarky comment quoted above and others like it this volume are more than a distraction; many financial and monetary historians do care what money, notes, bonds, and bills look like; and the knowledge gleaned from careful inspection has often informed their research. However, they are all lumped together with contemporary economists who she claims "treat the past as if it were the present in fancy dress, as if the only questions worth asking about it concerned the reliability of available data" (p. 277). Full disclosure: footnote 15 (Chapter 2) quickly dismisses this reviewer, as examining the *assignats* "almost exclusively from quantitative sources," though he does have has a framed sheet of—yes, carefully examined—*assignats*—hung on the wall of his study. This reviewer also believes that theory ("abstraction," though not the Marxian kind) enables rather than enfeebles analysis. Given her stand on theory and evidence, it is not surprising that the author spares the reader any tables or charts. But, there is data, lots of it; there are carefully assembled numbers for prices, money, expenditures, revenues, debt, exchange rates and interest rates are ignored in favor of a number quoted by one source here and another there. Hers is an innumerate economic history.

Spang is quite correct that the long parliamentary discussions on monetary issues have been ignored and she traces the evolution of the *assignats* that were conceived as being backed by and ultimately retired by the sale of the nationalized lands of the Church and King. She treats this form of money as a French phenomenon with no precedent. However, for a land-based currency, one need look no further than colonial British America where legislatures short of coin to pay their expenses, created loan offices or land banks to issue currency, backed by the purchase of land, and bills of credit, backed by future tax revenues. On this subject, there was an expert with whom the French were familiar: Benjamin Franklin. His insightful 1729 essay *A Modest Inquiry Into the Nature and Necessity of Paper Money* and the modern literature provides important comparisons. Also, a fellow by the name of John Law wrote *Essay on a Land Bank* (1705), proposing a land-based currency for Scotland.

While Spang delivers a valuable picture of the vast debates on debt and money, the book is marred by the failure to read the relevant secondary literature that would have clarified many issues that seem murky in her book. One stunning example? Spang discusses at great length coinage and especially shortages of coins; but nowhere does she discuss bimetallism—the monetary regime adopted by France. The problems of this regime, when market prices of gold and silver diverged from their mint prices, created headaches for all nations of the period—and coin "shortages." What might one read? Angela Redish's *Bimetallism: An Economic and Historical Analysis* (Cambridge, 2000) is a fine introduction, emphasizing the technological difficulties of producing and keeping in circulation small denomination coins; and then there is the book *The Big Problem of Small Change* (Princeton, 2002) by the Nobel laureate Thomas Sargent and François Velde, which is only mentioned in passing. Sargent and Velde have also contributed an excellent article on the a*ssignat* inflation "The Macroeconomic Features of the French Revolution," appearing in the 1995 *Journal of Political Economy*, which is unmentioned in this book.

Unfortunately, in Spang's view, historians have permitted "classical and neoclassical economics to structure how they see" the monetary crisis of the 1790s. It is just too much money, chasing too few goods; and she regards this focus on quantity as a fatal flaw. Her principal target is Andrew Dickson White's polemical pamphlet *Paper Money Inflation in France* (New York, 1876), which does offer a simple quantity theory explanation. No modern work—not Sargent and Velde's paper nor my work—intrudes here to blunt her characterization of economists' tunnel vision. She then points to Seymour Harris' classic *The Assignats* (Cambridge, 1930) as providing evidence that inflation often moved ahead of the issue of *assignats* and concludes that this "reverses" the quantity theory. This dismissal is, of course, too easy; it is all too well known that when inflation takes off into hyperinflation, the link between money and prices breaks down because of expectation of future increases in money. She lays her perception of economists' failures to their temptation to see events in "transhistorical terms" so that inflation is always explained by one simple deterministic theory, leaving no room for the qualitative factors—unique historical context and political choices—that make all inflations inherently different. Yet, studies applying modern political economy to the French Revolution do directly address this dimension of inflation with clarifying insights—and a bonus of lessons for policy makers.

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Money Pits: British Mining Companies in the Californian and Australian Gold Rushes of the 1850s. By John Woodland. Burlington: Ashgate Publishing Company, 2014. Pp. xiii, 282. $102.17, hardcover.
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Early British investments in overseas mining enterprises had proved largely unprofitable. Following initial public offerings between 1824 and 1825, securities of companies operating in South American mines experienced a sharp increase in share prices followed by a collapse in 1825. With few exceptions, South American mines became a "graveyard for British fortunes" (Jenks, Leland H. *The Migration of British Capital to 1875*, London: Thomas Nelson and Sons Ltd, 1927: p. 58). A few decades later, gold-mining companies operating in California and Australia were listed on the London Stock Exchange, but "their activity was of no consequence either for the gold output or for immediate dividends" (*Ibid*: p. 161). Not much has been written about the unsuccessful mining companies of the 1850s.

In his new book *Money Pits*, John Woodland provides a detailed investigation of British-funded companies formed between 1849 and 1853 to exploit gold discoveries in California and Australia. The first four chapters include an overview of these public companies, with particular attention paid to the role played by the promoters, by different company structures, and by relevant government policies. In subsequent chapters, Woodland documents the histories of companies that raised all or a significant portion of their capital through public stock offerings. These narratives highlight nine of the 48 companies proposing to operate in California (Chapter 5) and ten of the 70 companies proposing to operate in Australia (Chapter 6). The Port Phillip and Colonial Gold Mining Company, considered the sole successful company, is featured in Chapter 8. Woodland uses official papers, pamphlets, and periodicals such as the *Mining Journal, Railway and Commercial Gazette* and *The Times* to examine why most companies were short-lived and unprofitable.

Woodland concludes that money and distance were the chief contributors to the failure of these companies (p. 239). Although his research shows that most public companies raised little or no capital, the main source of their difficulty is not clearly stated in the text. Woodland claims that distance made communication between British shareholders and operators in the mineral fields slow and unreliable, but acknowledges that the delay and absence of information was also the result of action or inaction by company managers (p. 180). For example, some directors were reluctant to disclose financial information, denied shareholders access to company records, and repeatedly postponed or canceled statutory meetings. In protest, shareholders wrote letters to the board of directors, submitted editorials to newspapers, and convened public meetings (Chapter 7).