

From Warfare to Wealth

The economic rise of Europe over the past millennium represents a major human breakthrough. To explain this phenomenon, this book highlights a counterintuitive yet central feature of Europe's historical landscape: warfare. Historical warfare inflicted numerous costs on rural populations. Security was a traditional function of the city. To mitigate the high costs of conflict in the countryside, rural populations migrated to urban centers. Over time, the city's historical role as a safe harbor translated into local economic development through several channels, including urban political freedoms and human capital accumulation. To make this argument, the authors perform a wide-ranging analysis of a novel quantitative database that spans more than one thousand years – from the fall of the Carolingian Empire to today. The book's study of urban Europe's historical path from warfare to wealth provides a new way to think about the process of long-run economic and political development.

Mark Dincecco is Assistant Professor in the Department of Political Science at the University of Michigan. He is the author of *Political Transformations and Public Finances: Europe, 1650–1913* (Cambridge University Press, 2011). In 2016–17, he was the Edward Teller National Fellow at the Hoover Institution at Stanford University.

Massimiliano Gaetano Onorato is a faculty member in the Department of Economics and Finance at the Università Cattolica del Sacro Cuore in Milan. He is the author of several peer-reviewed journal articles. He holds a PhD in Economics from Bocconi University. In 2010–11, he was a postdoctoral research associate at the Leitner Program in International and Comparative Political Economy at Yale University.

Cambridge University Press
 978-1-107-16235-8 — From Warfare to Wealth
 Mark Dincecco, Massimiliano Gaetano Onorato
 Frontmatter
[More Information](#)

POLITICAL ECONOMY OF INSTITUTIONS AND DECISIONS

Series Editors

Jeffrey Frieden, *Harvard University*
 John Patty, *University of Chicago*
 Elizabeth Maggie Penn, *University of Chicago*

Founding Editors

James E. Alt, *Harvard University*
 Douglass C. North, *Washington University of St. Louis*

Other books in the series

- Alberto Alesina and Howard Rosenthal, *Partisan Politics, Divided Government and the Economy*
- Lee J. Alston, Thrainn Eggertsson and Douglass C. North, eds., *Empirical Studies in Institutional Change*
- Lee J. Alston and Joseph P. Ferrie, *Southern Paternalism and the Rise of the American Welfare State: Economics, Politics, and Institutions, 1865–1965*
- James E. Alt and Kenneth Shepsle, eds., *Perspectives on Positive Political Economy*
- Josephine T. Andrews, *When Majorities Fail: The Russian Parliament, 1990–1993*
- Jeffrey S. Banks and Eric A. Hanushek, eds., *Modern Political Economy: Old Topics, New Directions*
- Yoram Barzel, *Economic Analysis of Property Rights, 2nd edition*
- Yoram Barzel, *A Theory of the State: Economic Rights, Legal Rights, and the Scope of the State*
- Robert Bates, *Beyond the Miracle of the Market: The Political Economy of Agrarian Development in Kenya*
- Jenna Bednar, *The Robust Federation: Principles of Design*
- Charles M. Cameron, *Veto Bargaining: Presidents and the Politics of Negative Power*
- Kelly H. Chang, *Appointing Central Bankers: The Politics of Monetary Policy in the United States and the European Monetary Union*
- Peter Cowhey and Mathew McCubbins, eds., *Structure and Policy in Japan and the United States: An Institutionalist Approach*
- Gary W. Cox, *The Efficient Secret: The Cabinet and the Development of Political Parties in Victorian England*
- Gary W. Cox, *Making Votes Count: Strategic Coordination in the World's Electoral System*

(continued after the Index)

Cambridge University Press
978-1-107-16235-8 — From Warfare to Wealth
Mark Dincecco , Massimiliano Gaetano Onorato
Frontmatter
[More Information](#)

From Warfare to Wealth

The Military Origins of Urban Prosperity in Europe

MARK DINCECCO

University of Michigan

MASSIMILIANO GAETANO ONORATO

Università Cattolica del Sacro Cuore



CAMBRIDGE
UNIVERSITY PRESS

Cambridge University Press
 978-1-107-16235-8 — From Warfare to Wealth
 Mark Dincecco, Massimiliano Gaetano Onorato
 Frontmatter
[More Information](#)

CAMBRIDGE UNIVERSITY PRESS

One Liberty Plaza, 20th Floor, New York, NY 10006, USA

Cambridge University Press is part of the University of Cambridge.

It furthers the University's mission by disseminating knowledge in the pursuit of education, learning, and research at the highest international levels of excellence.

www.cambridge.org

Information on this title: www.cambridge.org/9781107162358

DOI: 10.1017/9781316677131

© Mark Dincecco and Massimiliano Gaetano Onorato 2018

This publication is in copyright. Subject to statutory exception and to the provisions of relevant collective licensing agreements, no reproduction of any part may take place without the written permission of Cambridge University Press.

First published 2018

Printed in the United States of America by Sheridan Books, Inc.

A catalogue record for this publication is available from the British Library.

Library of Congress Cataloging-in-Publication Data

NAMES: Dincecco, Mark, 1977– author. | Onorato, Massimiliano Gaetano, author.
 TITLE: From warfare to wealth : the military origins of urban prosperity in Europe / Mark Dincecco, University of Michigan, Massimiliano (Gaetano) Onorato, Università Cattolica del Sacro Cuore.
 DESCRIPTION: Cambridge, United Kingdom ; New York, NY : Cambridge University Press, 2017. | Includes bibliographical references and index.
 IDENTIFIERS: LCCN 2017012405 | ISBN 9781107162358 (hbk : alk. paper) | ISBN 9781316612590 (pbk : alk. paper)
 SUBJECTS: LCSH: War – Economic aspects – Europe – History. | Economic development – Europe – History. | Urbanization – Europe – History. | Europe – History, Military. | Europe – Economic conditions.
 CLASSIFICATION: LCC HC240.9.D4 D56 2017 | DDC 330.94–dc23
 LC record available at <https://lcn.loc.gov/2017012405>

ISBN 978-1-107-16235-8 Hardback

ISBN 978-1-316-61259-0 Paperback

Cambridge University Press has no responsibility for the persistence or accuracy of URLs for external or third-party Internet websites referred to in this publication and does not guarantee that any content on such websites is, or will remain, accurate or appropriate.

Contents

<i>List of Figures</i>	<i>page</i> vi
<i>List of Tables</i>	vii
<i>Acknowledgments</i>	ix
1 Introduction	I
2 The Importance of Warfare	19
3 Europe’s Urban Rise	31
4 Evaluating the Safe Harbor Effect	52
5 Evaluating the Warfare-to-Wealth Effect	75
6 Warfare to Wealth in Comparative Perspective	97
<i>Epilogue</i>	109
<i>Data Appendix</i>	113
<i>Model Appendix</i>	160
<i>Notes</i>	167
<i>Works Cited</i>	177
<i>Index</i>	188

Figures

1.1	Per Capita GDP and the Urbanization Rate, 2015	<i>page</i> 3
1.2	Europe’s Urban Belt	4
1.3	From Warfare to Wealth: Flowchart	5
1.4	Historical State Development in Europe: Urban Level versus National Level	12
2.1	Major Military Conflict Locations, 1000–1799	28
2.2	Major Military Conflicts by Country, 1000–1799	29
3.1	Population Growth in Milan during the Franco-Spanish War, 1635–59	38
4.1	Military Conflict and City Locations, 1000–1799	56
4.2	Exclude Modern-Day Nations One by One	64
4.3	Historical Warfare and City Walls in Germany, 1000–1799	71
4.4	Historical Warfare and City Walls in Central Europe, 1000–1799	73
5.1	Historical Conflict Exposure by (NUTS2) Region	78
5.2	Per Capita GDP by (NUTS2) Region	79
5.3	Political Borders in Sixteenth-Century Italy	89
5.4	Historical Warfare (1500–1799) and Per Capita GDP (1871) in Italy	90
5.5	Historical Warfare (1500–1799) and the Literacy Rate (1871) in Italy	91
5.6	Historical Warfare (1500–1799) and School Enrollment Ratio (1871) in Italy	92
5.7	Historical Warfare (1500–1799) and Regional Literacy (1880) in Europe	93
5.8	Historical Warfare and Urban Self-Governance in Italy, 1500–1800	95
A.1	Model and Payoffs for Individual <i>j</i>	161
A.2	Target Effect	164
A.3	Rural–Rural Migration	165

Tables

1.1	Historical Warfare and Per Capita GDP Today: Northern versus Southern Italy	<i>page</i> 2
1.2	Per Capita GDP: Urban Belt versus Nonurban Belt	5
2.1	Major Military Conflicts That Comprise the Thirty Years' War, 1618–48	25
2.2	Major Military Conflicts by Century, 1000–1799	27
2.3	Major Military Conflicts by Type, 1000–1799	29
2.4	Major Military Conflicts by Duration, 1000–1799	30
3.1	Baptisms of Children of Rural Immigrants in Pisa during Wartime, 1495–1509	39
4.1	Safe Harbor Effect: Main Results	57
4.2	Safe Harbor Effect: Controls for Observables	60
4.3	Safe Harbor Effect: Alternative Samples	61
4.4	Safe Harbor Effect: Further Robustness	65
4.5	Urban Plunders, 1000–1800	66
4.6	Safe Harbor Effect: Placebo Tests	67
4.7	Alternative Target Effect Test	68
4.8	Safe Harbor Effect: Conflict Types	69
4.9	Historical Warfare and City Walls in France circa 1600	72
5.1	Warfare-to-Wealth Effect: Main Results	81
5.2	Warfare-to-Wealth Effect: Crop Suitability	82
5.3	Warfare-to-Wealth Effect: Human Capital	83
5.4	Warfare-to-Wealth Effect: Alternative Samples	84
5.5	Warfare-to-Wealth Effect: Gross Cell Product	86
5.6	Warfare-to-Wealth Effect: Alternative Outcomes	86
5.7	Warfare-to-Wealth Effect: Conflict Types	87
5.8	Political Regimes and Public Finances in Pre-Unitary Piedmont	94

viii	<i>List of Tables</i>	
6.1	Historical Comparisons: Europe versus China and Sub-Saharan Africa	98
6.2	Nomadic Invasion: Western Europe versus China	99
6.3	Number of Urban Centers in 1500: Europe versus Sub-Saharan Africa	103
6.4	State Fragility: Western Europe versus Sub-Saharan Africa	105
A.1	Military Conflicts in Europe, 1000–1799	114
B.1	Correlates of Conflict, 1000–1799	149
B.2	Descriptive Statistics for Chapter 4 Analysis	150
C.1	Historical Conflict Exposure Ranked by (NUTS2) Region, 1500–1799	151
C.2	Descriptive Statistics for Chapter 5 Analysis	158

Acknowledgments

In the preface to his book *Guns, Sails, and Empires* (1965), the great social scientist Carlo Cipolla writes: “The first person to be utterly surprised at having written a book entitled ‘Guns and Sails’ is definitely the author, and readers may feel confident that the book is neither magnetized by some Freudian attraction for weapons nor biased by an ancestral love for salt water. The book has simply been written because, in studying the history of the early modern period the author was forced, by overwhelming evidence, to recognize, against his tastes and inclinations, the importance of guns and sails.”

We now offer a similar – though less eloquent – disclaimer. We share Cipolla’s strong natural tendency toward pacifism. Nonetheless, we believe that a true understanding of the economic rise of urban Europe – the main goal of this book – compels us to grapple with warfare, as counterintuitive as that may seem at first glance.

Three key inflection points stand out in this book’s development. The first was the two-hour presentation at the Political Institutions and Economic Policy (PIEP) Conference at the Weatherhead Center for International Affairs at Harvard University in December 2014. This seminar provided us with invaluable comments on nearly all facets of our research project. We are very grateful to the conference conveners, Jeffry Frieden and Kenneth Sheplse, the two discussants, Eric Chaney and James Fearon, and the distinguished audience. The second inflection point was a breakfast conversation with Joel Mokyr at Northwestern University in October 2015. This conversation was critical to our thinking about the different channels through which warfare could “translate” into wealth in Europe over the long run. We greatly thank Joel for his insights. The final

inflection point was the daylong book workshop at the California Institute of Technology in October 2016. This workshop provided us with many thoughtful comments on ways to improve the book manuscript. We are incredibly grateful to the workshop convener, Jean-Laurent Rosenthal, and to the participants: Lisa Blaydes, Daniel Bogart, Gary Cox, Maura Dykstra, Philip Hoffman, Margaret Peters, Jared Rubin, Richard von Glahn, and R. Bin Wong.

Beyond such turning points, we extend special thanks to Kenneth Scheve and David Stasavage for their helpful comments on our book proposal. Similarly, we thank Robert Dreesen for his attentive and enthusiastic direction of the publication process at Cambridge University Press. We also thank two anonymous readers for their numerous useful suggestions.

A vast number of colleagues have offered valuable comments and data toward this research project over the past several years. We thank Robert Bates, Pablo Beramendi, Timothy Besley, Carles Boix, Roberto Bonfatti, Catherine Boone, Massimo Bordignon, Maarten Bosker, Eltjo Buringh, William Roberts Clark, Daniel Corstange, Christian Davenport, Jeremiah Dittmar, Edward Glaeser, Anna Grzymala-Busse, Nahomi Ichino, Eliana La Ferrara, Horacio Larreguy, Walter Mebane, James Morrow, Tommaso Nannicini, Nathan Nunn, Scott Page, Torsten Persson, Paul Rhode, Frédéric Robert-Nicoud, James Robinson, Hugh Rockoff, Thorsten Rogall, Frances Rosenbluth, David Soskice, Guido Tabellini, Ugo Troiano, Jan Luiten van Zanden, Hans-Joachim Voth, Leonard Wantchekon, Barry Weingast, Warren Whatley, Julian Wucherpfennig, and Daniel Ziblatt.

Similarly, a great many seminar and conference participants have provided perceptive feedback on different parts of this research project. We thank audiences at the University of Birmingham, Bocconi University, the University of Bristol, the California Institute of Technology, UC Berkeley, UC Davis, University College London, the University of Geneva, George Mason University, Harvard University, the London School of Economics, the University of Michigan, the University of Modena, the New Economic School, Northwestern University, the University of Nottingham, the Paris School of Economics, Queen Mary University, Stanford University, the Vancouver School of Economics, the American Economic Association Annual Meeting (2014), the American Political Science Association Annual Meetings (2014, 2015, 2016), the Barcelona GSE Summer Forum (2014), the Conflict and Development Conference at UC Irvine (2016), the Economic History Association Annual Meeting

Acknowledgments

xi

(2014), the Economic History Society Annual Conference (2014), the European Political Science Association Annual Conference (2015), the European Historical Economics Society Annual Conference (2013), the International Political Economy Society Annual Conferences (2013, 2015), the International Society for New Institutional Economics Annual Conference (2013), the Midwest Political Science Association Annual Conferences (2014, 2015), the One Hundred Flowers Conference at UC Berkeley (2014), the Petralia Sottana Workshop (2013), the Political Economy of Social Conflict Conference at Yale University (2015), the Political Economy Workshop at the Università Cattolica del Sacro Cuore (2014), the PRIN Bologna Workshop (2013), the Spring Meeting of Young Economists (2013), the State-Making Workshop at Lund University (2016), and the World Economic History Congress (2015). In addition, we thank our coauthors on two related projects: Traviss Cassidy and James Fenske. We also thank a host of industrious librarians – Tania Iannizzi, David Medeiros, Nicole Sholtz, and Caterina Tangheroni – and research assistants – Nicola Fontana, Maiko Heller, Giovanni Marin, Corey Miles, and Michael Rochlitz.

We are very fortunate to have received generous funding for this research project from several sources. Without such funding, our project would have never come to fruition. We thank the Department of Political Science at the University of Michigan, and in particular the former and current Department Chairs Charles Shipan and Nancy Burns. Similarly, we thank the Hoover Institution at Stanford University, where Mark was the Edward Teller National Fellow during 2016–17, and in particular Director Thomas Gilligan and Senior Fellows Stephen Haber and Jonathan Rodden. We also thank the National Science Foundation (Grant SES-1227237) and the ADVANCE Faculty Summer Writing Grants Program at the University of Michigan.

We dedicate this book to family: Mark to Kimberly, Julien, and Nico; and Massimiliano to Jessica. Without their love and support, this research project would have been not only impossible but also not worth undertaking. Massimiliano offers special thanks to his late grandfather, Antonio, whose wisdom continues to help guide him through life's challenges.

Cambridge University Press
978-1-107-16235-8 — From Warfare to Wealth
Mark Dincecco , Massimiliano Gaetano Onorato
Frontmatter
[More Information](#)
