

to incorporate more contributions on the development of this tradition in the late Stuart period, notably among the Quakers, as well as in the work of Anglican and nonconformist apologists like John Walker and Edmund Calamy. The bias of this collection towards the sixteenth century inevitably creates a skewed and partial picture.

Nevertheless, *Martyrs and martyrdom* deserves to be recognized as a significant intervention in debates about religious persecution and its implications in the era of the long Reformation. While the editors may exaggerate the ‘ocean of neglect’ (p. 4) from which their collection arises, Freeman, Mayer, and their collaborators have succeeded in setting several new agendas for research on this subject. They have helped to rescue martyrs from the realm of ‘spiritual misfits’ and ‘religious fanatics’ and demonstrated their potential to shed light on many critical questions that continue to exercise religious historians of early modern England.

UNIVERSITY OF EXETER

ALEXANDRA WALSHAM

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The ascent of money: a financial history of the world. By Niall Ferguson. London: Allen Lane, 2008. Pp. 442. ISBN 978-1-846-14106-5. £25.00.

Niall Ferguson has done more than anyone to popularize financial history. Long before Northern Rock sought liquidity support from the Bank of England in September 2007, thereby alerting even the most disinterested observers to the impending collapse of the subprime mortgage market, Ferguson was telling anyone who would listen that to ignore the history of financial innovation was to court trouble. The success of his BBC4 series, *The ascent of money: the financial history of the world*, confirms that, given sufficient societal *anomie*, a prophet may indeed find honour in his own country. Without denying him that accomplishment, one might nevertheless enquire how far the companion volume by the same name makes a significant contribution either to historical scholarship or to the scarce supply of accessible textbooks on this subject.

Ferguson’s main thesis, which he expounds in the introduction and the first five of the six chapters and the ‘afterword’, is that the history of financial innovation can be likened to that of Darwinian evolution. As underlying material conditions change, new ecological or financial environments disrupt the old equilibrium by favouring different adaptations. Spontaneous mutations that hitherto had been harmful suddenly confer a survival advantage or at least achieve neutrality. This produces a staggering array of new organisms or financial products; over time, those that survive do so because they maintain either an absolute competitive advantage or, as is more often the case, a high degree of suitability to a particular niche. Ferguson’s ominous warnings about prospects for speciation and even mass extinction leave little to the imagination.

None of this is particularly original, as the occasional nods to Veblen and Schumpeter acknowledge. Yet Ferguson updates the science, by taking on board Stephen Jay Gould’s ‘punctuated equilibrium’, and develops the extended metaphor with relish. The problem is that this is interpretation not explanation; whether you love Ferguson’s analogy or hate it, his rhetorical strategy leaves no room for reasonable disagreement. The historical examples he offers – Spanish conquistadors, Medici banking, John Law’s Mississippi

Scheme, N. M. Rothschild's Prussian Loan, Hurricane Katrina – are just set-pieces chosen to illustrate the central insight. Much like Smith's pin factory, Marx's labour markets, Darwin's moths, or Freud's Moses, the facts of the business are not actually the point.

Most readers (especially student readers), however, are unlikely to realize this, which is where the defects of Ferguson's historical accounts become serious. On subjects about which Ferguson is an authority, nineteenth-century European bond markets, for instance, his explanation is excellent. But his narrative of the role of cotton in the American Civil War is less reliable and that of Latin American debt default almost incoherent. The least historically accurate chapter, on equities, is sadly also the most important to the overall argument. After an engaging and revealing account of the origins of the Dutch stock market, Ferguson's exploration of John Law's scheme is simply mistaken, or, at best, oversimplified. Ferguson downplays the original debt conversion scheme, whereby holders of government debt (the *billets d'état* mentioned in passing) could convert them into shares in the company. For most investors, participation in the conversion scheme was a 'flight to quality'. Law's acquisition of the mint, his obtainment of a royal charter for his bank and control of direct and indirect taxes, and his access to the Regent undermined the value of alternative investments. For those interested in the details, Larry Neal's account in the *Rise of financial capitalism* is far more persuasive. That Law manipulated the Regent and the market is undeniable; but in characterizing the Mississippi Scheme as a stock bubble, Ferguson's story all but ignores the essential ingredient.

While people did lose money in John Law's scheme, there exists no reliable evidence for widespread economic hardship in its wake. There is even limited evidence to the contrary. The collapse did, indeed, turn the French off stock markets and made them suspicious of banks. But to suggest, as Ferguson does, that John Law single-handedly retarded the sort of financial reforms in eighteenth-century France that might have averted the French Revolution is to overstate his case vastly. His conclusion to chapter 3 will bewilder students and specialist readers alike.

An otherwise admirable account of the history of insurance in chapter 4 is marred by a thinly disguised attempt to apologize for disastrous neo-liberal policies in Chile. Nor can a naïve reader be expected to understand why Ken Griffin's Citadel Investment Group becomes, for Ferguson, paradigmatic of hedge funds, especially in a discussion which otherwise pitches them as an extension of CTAs (commodity trading advisers), whose activities still today remain limited to exchange-based trading. Similar objections might be made to the discussion of housing markets and the subprime industry in chapter 5. The discussion, rife with moralizing, lionizes relationship banking and microfinance, without acknowledging the difficulties single women, unmarried couples, and religious minorities had obtaining mortgages in the Anglophone world even two decades ago. There are two sides to this story. Ferguson tells the one that suits his narrative arc.

But the real difficulty is the sixth chapter on 'Chimerica'. On one level, Ferguson simply echoes what Jeremy Siegel has been saying for years. Standards of living in the western world have been, and will continue to be, supported by the savings glut in the developing world, particularly East Asia. This is more relevant than it was two years ago because of the wave of public borrowing necessary to finance the last round of banking bail-outs. Yet what Ferguson has to say about them again comes by analogy. His discussion of the collapse of Long-Term Capital Management, while not inaccurate, suggests that the credit derivatives meltdown was simply a malfunction in the Black-Scholes model, but *writ large*. This is all very amusing as cocktail chatter, but it will not help students understand the current

financial crisis, much less the unprecedented contagion to the real economy. And what is true of his discussion of LTCM and subprime is also true of the book as a whole.

NEWNHAM COLLEGE,
CAMBRIDGE CENTRE FOR FINANCIAL HISTORY

D'MARIS COFFMAN

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British envoys to Germany, 1816–1866, III: 1848–1850. Edited by Markus Mösslang, Torsten Riotte, and Hagen Schulze. Cambridge: Cambridge University Press, 2006 (Camden Fifth Series, vol. 28). Pp. viii + 511. ISBN 0-521-87252-9. £ 48.00.

Les Britanniques face à la révolution française de 1848. Fabrice Bensimon. Paris: L'Harmattan, 2000. Pp. 451. ISBN 9782-7384-9787-1. €38.15.

In recent years, there have been numerous studies of British images of the foreign in Victorian times. These have contributed to a fuller picture of how Victorians believed that they had mastered the challenging social and political transformations of the period much more successfully than their continental neighbours. Such self-perceptions are particularly clear for the 1848 revolutions and their reception in Britain. While long-term studies have already demonstrated changing national images over the nineteenth century, these two volumes address the perceptions of the revolutionary years in France and the German lands.

Fabrice Bensimon's study offers a systematic analysis of the British reactions to the revolutionary events in France in the first half of 1848 when most Britons congratulated themselves that the continental revolutions had not reached the British Isles. He examines the perceptions at different levels of society, taking into account diplomacy and high politics, intellectual debates, and press publications, as well as the illustrated press. The British government was eager to use contacts with the French government to try to keep opposition movements in Britain from drawing inspiration from France. Its greatest fear was that the 1848 revolution in France might have lasting effects both on the recently revived Chartism, with its campaigns for political democracy, and on the Young Irish movement, pressing for self-government in Ireland. Yet while both movements were hugely encouraged by the events in France in February, neither gained revolutionary momentum. Among the leading personnel of the parliamentary parties, the image prevailed that Britain had avoided the revolution because of their excellent institutions, the moderation of the people, and the English traditions of liberty. As *Punch* observed in late 1848, the British self-consciously congratulated themselves on the recipe of their own 'constitutional plum-pudding' (*Punch*, 23 Dec. 1848, p. 267).

The most important section of the book deals with the various public comments and discussions. The intellectual debates as well as the press survey confirm the recourse to old negative stereotypes of the French character. Contemporaries commented much less on what happened in France, than with what they perceived as the natural, doomed, course of the French. One characteristic since 1792 was the deposition of kings by popular revolt, nurturing in Britain general fears of mob and turmoil, fears that grew with the immediate challenge posed by Chartism and Irish opposition. Bensimon aptly describes that by delineating the French 'otherness'; the British confirmed their national character as being