

probably so scrupulous concerning the usury laws, while even goldsmith bankers took account of wider political and economic contexts when lending, and it would have been very useful to see how Hoare's altered (or not) the profile of their lending as the demand for industrial capital strengthened in the late eighteenth century.

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Hubert Bonin: French Banks and the Greek 'Niche Market' mid-1880s–1950s
(Geneva: Librairie Droz, 2013)

This work about the Greek 'niche market' offers the opportunity to study the investment strategies of French banks in the Mediterranean. Of course the niche is a very small one, as Greece represented only 0.17 per cent of the world imports in 1913. Bonin is aware of this fact and emphasises that the Greek market is not of interest in its own right, but as a case study of the implementation of the niche strategies of French banks in general. The study region is not limited to the Greek state, the frontiers of which expanded during the period under examination, but extends to the whole of the Mediterranean where the Greek diaspora was active, including the Balkans, Asia Minor and Egypt, and regions which Greece 'was destined to acquire' (p. 355) like Salonika. The so-defined Greek market is assumed to have been seen as 'Eldorado' by French bankers since the mid nineteenth century (p. 42) in a phase of fast expansion of French financial interests in many parts of the world. The author shows little interest in foreign direct investment in the Greek economy. The investment projects of the Mines of Laurion, the Canal of Corinth or the Lake Copais Company are mentioned only very briefly. The same is true of the big infrastructural projects of the twentieth century like railway construction or the gas and water supply in Athens. The Greek state loans, many of which were issued also in Paris, are discussed in more detail. The role of the quartet Comptoir National d'escompte de Paris, Société Générale, Crédit Lyonnais and Paribas is analysed. Bonin's main focus, however, is on the Bank of Salonika (founded in 1888) and the Bank of Athens (1893), which became the 'godchildren' of the Société Général and Banque de l'Union Parisienne. Bonin describes the day-to-day activities of the two Mediterranean banks in great detail, using considerable material from French archives. He analyses their business investigating how far they were influenced by

their French supporters and partners and why they were, became or remained attractive for the French banks. In this context the book offers rich statistical material concerning the development of the French–Greek trade relationships and business connections. However, concentration on the Bank of Salonika and the Bank of Athens often leads away from Greek state territory to the Ottoman Empire, the Balkans or the US. ‘One is thus far from our theme of the “Greek niche”!’ (p. 188). Many photographs illustrate the architecture of the banks’ branches. Although not further interpreted in the text, the photos of what are sometimes ‘little rat-shops’ surprise the reader by illustrating the at times quite challenging circumstances of banking in Mediterranean cities until the 1950s. The analysis focuses on the perspective of the French bankers. Their networks, including Greek diaspora bankers connected through family ties or collaboration in the boards of firms and banks, are listed. In contrast, the French bankers’ personal ties with Greece, their political position or their ideological background are not taken into consideration. Non-economic motives like philhellenism as a possible factor in business decisions is mentioned only rarely, although many of the banking houses involved were enthusiastic supporters of the Greek War of Independence in the 1820s. Possible continuities should have been taken into consideration. Also the domestic political situation in Greece and the diplomatic constellation between France and Greece after 1880 are mentioned only parenthetically, although the French financial press reported Greek politics at length. This creates a picture of a somewhat detached banker’s world, touched by politics only in grave situations like wars or bankruptcies, whereas in ‘normal’ times investment decisions seem to be taken mainly based on portfolio optimisation in the frame of economic axes across the Mediterranean world. Unfortunately, the many maps showing the changing frontiers are not interpreted in the text. This nonpolitical perspective becomes less dominant at the end of the book, where domestic and international politics are identified as the unquestionable reason for the different strategies of the two banking houses: the moving away of the Bank of Salonika from Greece to Turkey after 1947, and the merging of the Bank of Athens with the National Bank of Greece in 1953. Bonin’s convincing conclusion concerning the question of the ‘niche strategy’ is that only the accumulation of ‘as many promising niches as possible’ caused it to be profitable for the French bankers. Thus ‘a portfolio of competencies, a capital of technical know-how and networks of banking and relational connections’ (p. 359) was developed which could be reused in changing surroundings and circumstances. This interpretation is the main merit of the book, possible only given Bonin’s wide overview of French banking history.

However, a couple of criticisms have to be stated. A list of the archive materials used would have simplified work with the book, likewise a list of abbreviations and a list of the literature used. Even without these tools, it becomes clear that the rich results of Greek banking history so far not published in French or English are used only exceptionally, as Bonin admits himself. The Greek archive material is also not exploited, with the exception of the National Bank of Greece’s archives. This causes some

misunderstandings or even minor mistakes. For example, the International Financial Commission was not newly set up in 1927 (p. 294), but continued to exist from its first implementation in 1898, an important difference from the Greek perspective. But it is more the overall interpretation that bothers the reader. The quite critical perspective of many Greek historians on foreign capital inflows to Greece, especially concerning the rising national debt since the 1880s, is not discussed. Instead, the history of French investment in Greece is interpreted quite traditionally as the single-way transfer of know-how and technology from an advanced to a backward nation. The two-way flows announced in the introduction fade against this interpretation in which the multicultural competent French bankers 'give their advice, use their knowledge for the benefit of their colleagues' (p. 358) in Greece. Transnational history approaches have proved that this perspective cannot be more than one side of the coin.

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*Shizuya Nishimura, Toshio Suzuki and Ranald C. Michie, **The Origins of International Banking in Asia: The Nineteenth and Twentieth Centuries** (Oxford: Oxford University Press, 2012, 264 pp., ISBN 978-0-19-964632-6)*

When considering the adoption of a monetary policy (hard versus floating peg) and its respective economic rationale (wiping out transaction costs? lowering costs associated with foreign borrowing? overcoming original sin?), one often forgets that monetary policy is made on a level of social organisation that is as much characterised by legal, political and technical (procedural) constraints as purely economic ones. As a consequence of such clustering, constraints should be considered as more than simply cumbersome impediments to be eliminated in order to enhance economic efficiency. Instead, they are fundamentally persistent and conducive to the recreation of any economic-institutional set-up and, by extension, co-responsible for the latter's evolution. Put differently, institutions and their innate constraints are serious business and one would make a mistake by neglecting to study them. This insight forms the backbone of Nishimura *et al.*'s *Origins*. It is underlined in the introduction (pp. 1–12), in which the editors endorse the importance of transcending the concern with macroeconomic efficiency when dealing with a topic like exchange banks. Transaction costs, we are reminded, do exist and institutions with a stake in the latter (exchange banks make a living out of insuring exchange risk) have strong incentives to recreate and perpetuate them. Hence one finds before 1914 a complex web of interconnection that simultaneously maximised the sources of credit available and ensured 'its distribution around the world *despite the existence of different currencies*' (p. 1; italics mine). This begs a bit more context. Although *Origins* addresses an important topic that has largely been neglected in economic history, it does not exist within a research vacuum. As a matter of fact, it connects to a quite novel