

estimated by relating the price of college education with household income, and the prices of the goods and services that households consume.

In reference to this argument, the authors conclude that the price of college education has come to take up an increasingly large part of families' budgets. However, since the development of the U.S. economy has increased the household income, and made many goods more affordable, even after children's education has been paid, a larger proportion of household income is left for other expenditures. College has thus become more affordable for a large part of the middle class. The only exception is the segment of the U.S. population that is stuck in the bottom of the widening income distribution gap.

In summary, this book tackles a very complex subject in a way that should be appealing to a broad audience. The authors' analysis is sufficiently simple to be powerful, and complex enough to be convincing. In addition, the book deals with an important topic that also touches on the subject of the increasing cost of the public sector, which is a crucial political issue in many European countries. Demonstrating that the costs of service production are affected by technological development, and not primarily by developments within the public sector, Archibald and Feldman's analysis of higher education offers a refreshing perspective on this discussion, where a lack of efficiency and incentive are often presented as an explanation for the rising costs of health care, elementary education, and so on.

This is a shortened and slightly revised version of a review that appeared in H-Soz-u-Kult, 29.02.2012, <<http://hsozkult.geschichte.hu-berlin.de/rezensionen/2012-1-140>>.

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Gabriele Cappelli
*The Uneven Development of Italy's
Regions, 1861–1936: a New Analysis
Based on Human Capital,
Institutional and Social Indicators*
European University Institute, Florence
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In his dissertation, Gabriele Cappelli deals with education from the perspective of an economic historian. Far away from traditional studies in educational history, and its focus on individual educators, school policy and the content and form of education, Cappelli's work sheds light on the relationship between human capital—i.e. such resources as knowledge, skills and training possessed by individuals and populations—economic growth, and the rise of mass schooling during the nineteenth and twentieth century. In other words, it is a dissertation that connects GDP estimates and analyses of the regional variations of industrialisation to extant studies into the history of primary schooling in Italy.

Cappelli's dissertation consists of three papers. The first paper, "The Italian regional divide in the Liberal Age (1861–1914): New measures of social capital", deals, as the title suggests, with the issue of social capital, which have been used to explain the apparent economic differences between the North and the South of Italy. Among other issues, Cappelli discusses Robert Putnam's widely known hypothesis that the economic inequalities among Italy's regions may be explained in terms of social capital, i.e. trust, norms and networks that, for a variety of reasons, are in deficit in some Italian regions.

Contributing to the line of research that has acknowledged the different types and dimensions of social capital, highlighted by e.g. Pierre Bourdieu and James S. Coleman, Cappelli presents new estimates of social capital for Italy's 20 regions, based on data regarding donations to charity institutions (*opere pie*), members of mutual aid societies and crime reports. Thereafter, using an econometric model of conditional convergence, he assesses the significance of these varying levels of social capital. Thus, Cappelli is able to show that social capital does not appear as a major determinant of economic growth. Instead, he argues that his results

confirm the findings of those studies that have identified human capital as the prime mover behind economic growth in Italy.

Consequently, Cappelli's second paper, "Escaping from a human capital trap? Italy's regions and the move to centralized primary schooling, 1861–1936", investigates further into the determinants of human capital development in Italy. More specifically it deals with the development of primary schooling following the Casati Law of 1859, which demanded that the Italian municipalities should offer schooling free of charge for children from the age of six, according to the needs of the inhabitants and in proportion to the municipalities spending capacity. The paper focuses on Peter Lindert's influential hypothesis that decentralised education systems favoured the development of school enrolments in the early phases of mass schooling. According to Lindert, a decentralised organisation made it possible for local authorities to cater to local demands of education to an extent that would not have been possible on a national level.

In a critical development of Lindert's hypothesis, Cappelli argues that the decentralised organisation of primary schooling in Italy placed its regions in a human capital trap up until World War I. Since the municipalities had to carry the main financial burden of the school system, poor regions were not able to fund schooling to a desirable extent. This hindered the development of literacy and consequently economic growth, which created a vicious circle, further limiting the ability of poor regions to develop their school system. As a result of the centralisation of primary schooling, owing to the Daneo-Credaro reform in 1911, this situation changed. The disparities in municipalities' expenditure on schooling were reduced, and the significance of local fiscal capacity for investments in schooling decreased. According to Cappelli, the case of Italy thus illustrates the fact that decentralisation, under certain circumstances, may hinder the growth of schooling.

After tending to matters of social capital and the organisation of primary schooling, Cappelli's third paper titled "One size that didn't fit all? Electoral franchise, fiscal capacity and the rise of mass schooling across Italy's provinces, 1870–1911" addresses the issue of electoral franchise. This topic has been brought forward by a number of eco-

nomic history researchers, not the least by the American economic historians Stanley Engerman and Kenneth Sokoloff. By analysing the relationship between schooling and land inequalities, the distribution of political voice and the nature of democratic mechanisms, these studies have shown how the rise of mass schooling was hampered by inequality and the political influence of local elite.

According to the econometric evidence presented by Cappelli, however, local electoral franchise did not have any direct impact on the expansion of primary schooling in Italy. In addition, the indirect effects were also insignificant: at best, the links between enfranchisement, fiscal policy and fiscal capacity was weak. Rather than local political mechanisms, Cappelli argues that it was socioeconomic conditions that determined the fiscal capacities of the municipalities and in extension the level of expenditure on schooling.

In sum, Cappelli's dissertation offers a genuine contribution to our knowledge of the rise of mass schooling. Of particular significance is the author's ability to identify major theoretical issues in the historiography of schooling and his aptitude for addressing them in specific historical investigations. Cappelli's dissertation is thus of great interest for economic historians with a keen eye for econometric evidence, human capital and economic growth. Yet, it is also a valuable study for scholars dealing with the history of primary schooling and issues such as the significance of school acts, state subsidies and regional variations.

As a historian, I am not suited to assess the econometric craftsmanship of Cappelli's studies. However, my background leaves me longing for more qualitative evidence. Cappelli's dissertation would, I believe, have benefited from further studies into the local realities of Italian municipalities, and the actual workings of social capital, a decentralised organisation and electoral franchise.

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