

On the Turin School of Economics

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Between the 1890s and the 1940s Turin was one of the most dynamic and active centres of economic thought in Italy, animated by an active and prolific group of scholars sharing a common methodological approach, inspired by influential leaders (until 1901, Salvatore Cognetti de Martiis, later Luigi Einaudi) as well as characterized by established research institutions (the “Laboratorio di economia politica”) and channels for disseminating ideas and research results. Then there is a broad consensus among scholars that this “fertile season of economic thought” (Marchionatti, Cassata, Becchio, Mornati, 2013, p. 776) was a ‘School of economics’, indeed the most influential school of economics in Italy in the first half of the Twentieth century.

In his decades-long research activity, Riccardo Faucci dedicated some of his most insightful studies to the protagonists of this unique season, starting from his well known and appreciated biography of Luigi Einaudi (cf. Faucci, 1986; 1995; 2004; 2014). It is not surprising, therefore, that a central section of *La scienza dell'amor patrio*, his latest book on the Italian economic thought, is dedicated to the ‘Turin school of economics’. In this work Faucci, after recalling the role played by various types of ‘schools’ in economic thinking, identifies two distinct phases of the Turin school: a first, shorter phase, beginning in 1893, the year of the foundation of the ‘Laboratorio’ by Cognetti de Martiis, and ending in 1901, when Cognetti passed away. A second, longer phase, starting in the first decade of the Twentieth century and characterized by the leading role played by Luigi Einaudi.

The first decade of the Turin school is therefore dominated by Cognetti, then professor of economics in Turin and linked to the positivist tradition. In his essay Faucci focuses on the role played by Cognetti as cultural organizer and particularly as editor of the IV series of the “Biblioteca dell’Economista”, the monumental collection of texts by foreign (and to lesser extent, Italian) economists inaugurated by Francesco Ferrara which contributed so much to promote the spread in Italy of the classical

and neoclassical paradigms but, also, the views of the German historical school. In the series edited by Cognetti, several members of the School collaborated at various levels. Luigi Einaudi, Pasquale Jannaccone, Luigi Albertini and Attilio Cabiati, in particular, were very active as translators. Furthermore Einaudi and Jannaccone published two monographies: respectively, *La rendita mineraria* and *Il costo di produzione*. Both works reflect the 'style' of the Turin School, which combined systematic deductive reasoning with a careful analysis of the empirical evidence. In the IV series Cognetti included several works of the German historical school but also Alfred Marshall's *Principles of economics*, a book which greatly influenced the economists of the school in their studies of applied economics, (particularly their analysis of the industrial relations).

The second phase of the Turin school is also characterized by a wide-ranging editorial initiative: *La Riforma Sociale*. This journal, originally published in Florence under the title *Rassegna di Scienze Sociali e Politiche* had been acquired in 1894 by the Turin publisher Luigi Roux. His editor was Francesco Saverio Nitti, a reformist who sympathized with State intervention in the economy. In the years 1907-10, however, Luigi Einaudi became member of the editorial committee and then editor in chief. Under Einaudi, *La Riforma Sociale* became increasingly committed to economic and political liberalism, carrying on at the same time the Turin school's tradition of promoting studies in applied economics and economic policy. Not surprisingly, it hosted some of the best works of the members of the school: among others, Giuseppe Prato, who was co-editor of the journal and accentuated its antisocialist and anti-protectionist orientation; Riccardo Bachi, a prolific and gifted applied economist and statistician; Gino Borgatta, Attilio Cabiati, Alberto Geisser, Vincenzo Porri.

In 1935 the *Riforma Sociale*, deemed too liberal by the fascist regime, was forced to cease publication. It was partly replaced by the *Rivista di Storia Economica*, which benefited the collaboration of a few members of the 'first generation' of the school (Riccardo Bachi) as well as that of the 'third generation' (Aldo Mautino and Mario Lamberti). At the end of the 1930s, however, as a consequence of increasing political repression and the enforcement of the antisemitic laws, the Turin school was dismantled. After the defeat of fascism a few of its members, starting from Einaudi, achieved key position in Parliament and in government. What proved impossible, however, was to reconstitute the set of personal ties and institutional channels for the transmission of knowledge that had made the Turin School a unique chapter in the history of Italian economic thought.

References

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