

Boško Mijatović, *Istorija državnih finansija Srbije 1876–1895*.
Beograd: Arhipelag, 2021, 501. (Cyrillic)

Dr Mijatović is an economist who has spent most of his career in economic institutes and think tanks, such as the Center for Economic and Liberal Studies (CLDS). He has written broadly about macroeconomic and microeconomic issues, with a focus on Serbia's transition towards a capitalist economy. In addition to his regular topics of research, he has also produced, as a matter of certain personal interest, a large opus on Serbian pre-WWI economic history, including the history of tobacco industry, peasant debt, and real wages. In general, his work relies on contemporary microeconomic and macroeconomic analyses more than works of most Serbian economists do, and is closer to the type of economic history favoured by top Western economic journals.

Dr Mijatović's approach in this book is strictly chronological. The work is divided into chapters: on the constitutional basis of budgetary and tax law, achieving independence (1876–80), modernizing the state (1880–77), and the period of Radical Party rule (through 1895). Each chapter is divided into sections and sub-sections, to deal with particular issues (budget, taxes, foreign debt, etc.) inside short two to four-year periods. The overall result is a clear presentation. I have read the whole book with pleasure, but the specialist reader can focus on particular issues (e.g., the tax system) and follow their evolution through the entire period.

As described ably and clearly by Dr Mijatović, Serbia's public finances were a mess during the entire 1876–95 period. This is not surprising. Serbia was among Europe's poorest countries during this period, with a very weak tax base highly

dependent directly and indirectly on agriculture. Fiscal and other institutions were in their infancy. Nevertheless, Serbia's monarchs and the ruling elite were ambitious in terms of both external and domestic goals. Serbia fought three wars during this period and expanded its territory significantly. Later, Serbia began to build a modern state that required large spending on infrastructure, education, and health. Thus, Serbia's finances were in a permanent state of imbalance. Deficits were financed through foreign loans that were not always repaid on time, which prevented new loans from being obtained. In the absence of foreign funding, deficits were financed through the accumulation of domestic arrears, including delays in the payment of civil service wages, which had, in any case, already been suppressed to generate savings. During wars, essential goods were requisitioned and compensation was not granted for many years, if at all.

The tax incidence was behind the rise of the Radical Party, which opposed any increase of the tax burden on peasants and thus further contributed to the fiscal imbalances. In 1895, Serbia concluded the so-called Carlsbad Agreement with creditors. The agreement was not recognized by all creditors. Its partly involuntary nature ensured that Serbian access to international capital markets was greatly restricted over the next several years.

Dr Mijatović's achievement in this book is manifold, but four areas should be commended. First, this is a wonderful work of scholarship that vividly assesses and documents Serbian public finances between 1876 and 1895, as well as

the political struggles that accompanied them. This remarkable effort has drawn on a broad range of political and economic sources. His study of parliamentary debates on fiscal matters illuminates the spirit of the times and the dilemmas faced by policy- and law-makers; thus, this book will likely remain the definitive account of public finance in Serbia between 1876 and 1895.

Second, Dr Mijatović has gone the furthest among Serbian economic history researchers in deploying modern macroeconomic and microeconomic ideas and methods, as noted above. Amongst the examples in this book, Dr Mijatović analyzes government borrowing terms and the level of development of Serbian financial institutions. Some background is needed at this point. The economic history in Serbia (as part of the former Yugoslavia) developed rapidly after World War II, with significant state support. Ultimately, the objective of the state was to support the Marxist narrative of Yugoslav history. In the post-communist era, economic history topics have mainly been pursued by enthusiasts, many of whom are historians; however, in the last several years, the quantity of work appears to have sharply increased. Dr Mijatović is amongst the few economic “heavyweights” who have devoted their attention to economic history.

Third, by placing fiscal decision-making firmly in the framework of the political battles between the Liberal, Progressive, and Radical parties, Dr Mijatović has provided an extremely interesting account of the political processes that drove fiscal decision-making in Serbia. His account is to some extent humorous, but also tragic, as the parties engaged in furious infighting paid little heed to national interests and the stabilization of public finances, and ultimately under-

mined the welfare of the population. King Milan and King Alexander come out of this account relatively well. They behaved the most responsibly regarding public financial matters, investing considerable effort to convince, bully, or cajole MPs to mobilize revenues, limit spending, and pass legislation.

Fourth, Dr Mijatović has not ignored the personal element. His short character portrayals of the finance ministers are entertaining and perceptive. In general, Serbia was fortunate with its finance ministers who, once in office, proved more responsible than their parties. They were relatively independent, and did what they could to limit the damage caused by party battles. Unfortunately, the leading politicians of the day, including Pašić, Garašanin, and Ristić, were unwilling to show leadership on fiscal issues.

Dr Mijatović’s book concludes with the Carlsbad Agreement. This was negotiated with a part of the creditor community, and imposed on the remaining creditors. Its partly involuntary nature restricted Serbia’s access to international capital markets over the next several years, as the deficit continued to be financed through arrears. Thus, the book ends with no light at the end of the tunnel for Serbia’s public finances.

Nevertheless, Serbia’s fiscal performance between 1876 and 1895 should not be judged too harshly. The functioning of the state apparatus was maintained during this period and policymaking remained democratic, although Dr Mijatović implies that Serbia was not yet ready for democracy in the fiscal area. However, it must be noted that there was some progress in institution-building, especially the tax reform of 1884 and the establishment of the monopoly administration in 1895, which laid the basis for regular debt service and

the subsequent recovery of Serbia's credit rating. These reforms were the foundation for the recovery of public finances in the early 20th century. While we have little in the way of firm analysis, a cursory examination of the government's accounts during the 1906–1910 period suggests that they were in balance.

Dr Mijatovic's initial intention was to write about the history of pre-WWI Serbian public finances. Given the scope and depth of this volume, which is 500 pages long and took 30 years to prepare, this proved to be an impossible task. This is unfortunate because a continuation of this volume would have shown exactly how Serbian finances were stabilized at the beginning of the 20th century in a relatively short period. This could have provided valuable lessons for Serbia today, and possibly for other countries. It is uncertain whether somebody will devote their free time to such a task, as Dr Mijatovic did, but perhaps the state or a think tank should consider financing such a project. Other macroeconomic areas, such as economic growth and

monetary policy, also require major effort. Serbian finance and economy experts need better understanding of pre-WWI Kingdom of Serbia, including its macroeconomic management and the performance of its economy. Dr Boško Mijatović has written an important book that will become the benchmark for Serbian economic history, both in terms of meticulous research and in-depth analysis. It takes Serbian economic history, in particular the macroeconomic and political economy spheres, to a significantly higher level and raises the bar for future work. The book provides a detailed chronological account of Serbian public finances between 1876 and 1895, including the political processes that drove decision-making. As such, the book makes a major contribution to Serbia's pre-WWI economic and political history. Both scholar and non-academic readership will find the book approachable, and in some segments mildly ironic, even humorous.

Milan ZAVADJIL

Ђовани Ермете Гаета, *Српска песма*, уредио др Ђордано Мерлико.
Рим – Нови Сад: Сандро Тети – Архив Војводине, 2021, 127.

Песме које је писао и компоновао Ђовани Ермете Гаета (Напуљ, 1884–1961) познате су најширој јавности. Нажалост, име аутора је често заборављано, пошто су песме настале у духу популарне народне поезије, те су прихваћене као плод колективног стварања. Гаета није био само актер на италијанској културној него и политичко-историјској сцени; довољно је подсетити се његове чувене *Пес-*

ме о реци Пијави (Canzone del Piave), која је, према признању италијанског генерала Диаза, била ефикаснија у подизању војничког морала од наређења самих заповедника.

Упркос свом великом таленту и неисцрпној инспирацији, Гаета се није обогатио, а није добио ни заслужену пажњу шире јавности. Разлог томе је његов избор да своје радове потписује псеудонимом Е. А. Марио. Из угла са-